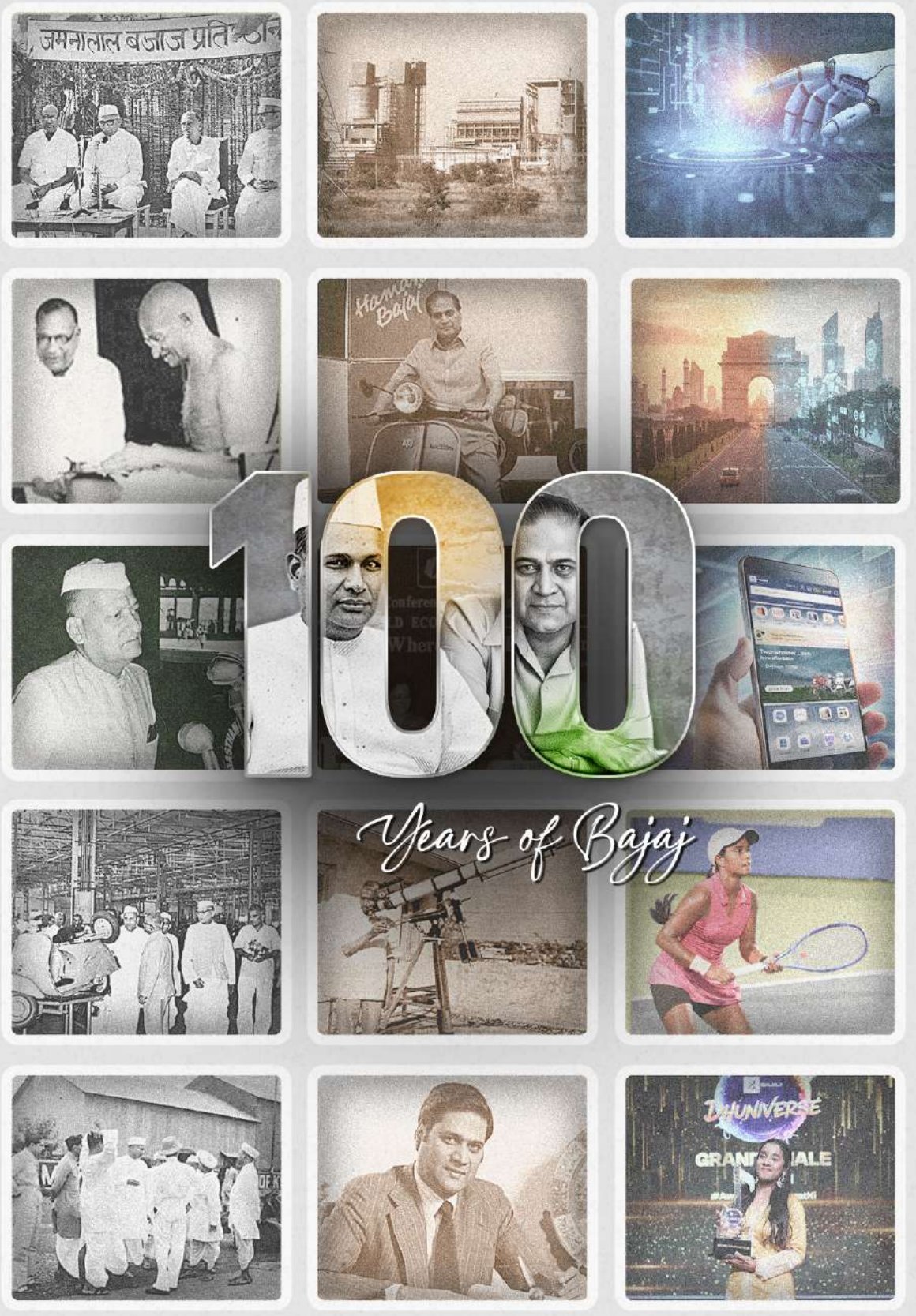
19th ANNUAL REPORT
2025-2026

BAJAJ FINSERV



BAJAJ FINSERV LIMITED

Contents

1-38
Corporate Overview

2 Chairman's Letter
8 Our Leadership
10 Corporate Information
12 There at Every Turn: A Financial Lifecycle Partner to Every Indian
13 Our Companies: Building Responsibly
14 FY2026: The Numbers that Defined the Year
16 Building for Tomorrow. Building for a Billion Futures.
18 Finserv Intelligence
20 A Century Celebrated
24 People Who Power Our Purpose
26 Our Planet Has a Deadline. We have a Plan: ESG
30 Corporate Social Responsibility
38 Our Refreshed Brand Identity

40-203
Statutory Reports

40 Management Discussion and Analysis
72 Directors' Report
103 Report on Corporate Governance
126 General Shareholder Information
136 Business Responsibility and Sustainability Report

207-429
Financial Statements

207 Consolidated Financial Statements
369 Standalone Financial Statements

A Century of Values. A Future of Possibilities.

More than a century ago, in the modest town of Wardha, Maharashtra, the first yarn of cotton was spun under the Bajaj name. No one could have imagined then that these threads would weave themselves into the story of modern India.

In 1926, Jamnalal Bajaj, freedom fighter, social reformer, philanthropist, and considered the fifth adopted son of Mahatma Gandhi, formally established the Bajaj Group. His philosophy was simple but uncompromising – integrity, transparency, strong governance, and above all, nation-building. Everything that followed was built on that foundation.

Transforming Lives. Building the Nation.

Bajaj Finance was born in 1987 as a captive auto-financing unit to make mobility affordable to India's middle classes. Its first customers were school teachers from Solapur, seeking loans to buy two-wheelers to reach villages where they taught. That act of enabling aspiration became the template for the future and a steady march toward bringing millions into India's formal financial system.

In 2001, the Bajaj Group entered insurance, pioneering cashless claims settlement and bancassurance. Bajaj General and Bajaj Life stood firmly by their customers through India's most challenging moments and earned their lasting trust.

A Financial Lifecycle Partner to Every Indian

The defining structural moment came in 2007-08 when Bajaj Finserv was launched as the holding company for all financial services businesses. What followed was a rapid and purposeful diversification to offer loans, fixed deposits, payments, insurance, mutual funds, wealth management, delivered across App, Web and at pan-India locations - building a genuinely full-spectrum financial lifecycle for every Indian.

Financial Inclusion at Scale

Today, Bajaj Finserv serves 1 in 3 Indian households, disbursing over 300,000 loans and insurance policies every day. Three every second. 40% of all new-to-Bajaj customers at Bajaj Finance are also new-to-credit. For millions of Indians, the first loan is their formal step into the country's mainstream financial system.

100 Years of the Bajaj Group

FY2026 marks a new phase of growth at Bajaj Finserv. For decades, we have scaled for India. The next chapter is about serving India better - defined by customer centricity, technology leadership and an ambition to be the lowest risk company in India.

1926
Bajaj Group founded

1987
Financing India's mobility

1994
Bajaj Auto Finance's IPO unlocks value for investors

2001
Insurance for India

2007
- Bajaj Finserv formed
- BFL business and digital transformation starts

2018-2023
New businesses launched: Housing finance, Marketplace, Broking, Health-tech and Asset management

2024
Bajaj Housing Finance's IPO unlocks value

2025
BFL FinAI transformation begins

2026
- Insurance subsidiaries become 100% Bajaj
- 100 years of Bajaj

Chairman's Letter

We embarked on a transformative journey to become a FinAI (Financial AI) enterprise, fuelled by an advanced AI-driven technology architecture that integrates intelligence across all processes. This, in turn, enhances customer engagement, boosts revenue, reduces operational costs, optimises credit risk, improves productivity and strengthens financial governance.

Sanjiv Bajaj
Chairman & Managing Director

Dear Shareholder,

Global macroeconomic conditions remain broadly resilient but uneven, amid elevated policy and geopolitical uncertainty. However, the external environment remains fragile, with intermittent flare-ups in trade policy and geopolitics continuing to shape risk sentiment and capital flows.

Geopolitical risks have intensified, particularly due to escalating tensions in the Middle East, including Iran-related developments, which pose upside risks to energy prices and could reignite global inflationary pressures. The ceasefire between the US/Israel and Iran is on at the time of writing, but the situation remains fragile. Continued breakdown in negotiations could significantly disrupt global energy markets, with adverse implications for trade flows and economic activity.

Simultaneously, US-China trade relations remain uncertain, shaped by selective tariff adjustments, export controls in strategic sectors such as semiconductors and rare earths and evolving bilateral arrangements. While recent truces have helped avert a broader escalation, the risk of renewed trade tensions remains material. These could weigh on global trade volumes, disrupt supply chains and tighten financial conditions, particularly for open economies and commodity-importing countries.

In such an uncertain scenario, I am happy to state that all the enterprises in your Company's portfolio have performed well. However, before touching upon the results, let me repeat something I wrote in my last year's letter to you. It bears repetition.

While it may look to some of you that Bajaj Finserv (BFS) is like a holding company, it is much more than that. The fundamental rationale of BFS is to continuously integrate the various companies under its wing — both directly and increasingly digitally — and, thus, enhance customer inclusion and experience in ways such that the total is larger than the sum of its parts.

Your Company's vision is to be a diversified yet integrated financial services entity with a pan-India presence and to offer lifecycle financial solutions for the needs of its various customers.

These needs are provided by companies through omnichannel products and solutions, and by digital-first platforms. In your Company, these are:

a) Products and solutions, which are provided by:

i. Bajaj Finance Ltd. (BFL), a large, listed, well-recognised and significantly profitable consumer finance and lending business; and its listed subsidiary, Bajaj Housing Finance Ltd. (BHFL).

ii. Bajaj General Insurance Ltd.; and Bajaj Life Insurance Ltd. In FY2026, the Bajaj group bought over the stakes held by Allianz SE of Germany.

iii. Bajaj Finserv Asset Management Ltd. (BFS AMC), an unlisted wholly-owned subsidiary of BFS. It is in the mutual fund business.

b) Digital-first platforms, which are offered through:

i. Bajaj Finserv Direct Ltd. (BFSD), an unlisted subsidiary in which BFS holds 80.10% stake with the remaining 19.90% held by BFL. BFSD operates a financial products marketplace and offers technology services;

ii. Bajaj Finserv Health Ltd., a health-tech venture, in which BFS holds 100% stake; and

iii. Bajaj Financial Securities Ltd. (BFSL), another wholly-owned subsidiary of BFL which provides digital stock-broking and demat services.

What is the role of your Company across all these ventures? It is to regularly monitor and engage with its companies with some key objectives in mind:

- To be the preferred partner for all financial lifecycle needs of customers.
- To create and enhance value across the customer lifecycle.
- To build maintainable businesses that deliver long-term sustainable profit, meaningful market share and effectively use capital.
- To encourage innovation, agility and ownership.

Let me now dwell upon the financial results of each of the enterprises.

BFL: Consolidated Performance Highlights for FY2026

- Customer franchise grew by 17% to 119 million.
- Number of new loans booked were 52.5 million.
- Number of customers on Bajaj Finserv App was 86.6 million.
- Assets under management (AUM) increased by 22% to ₹ 509,975 crore.
- Profit before tax (PBT) increased by 17% to ₹ 25,817 crore.
- Profit after tax (PAT) attributable to owners increased by 14% to ₹ 19,017 crore.
- Capital adequacy ratio (standalone) as on 31 March 2026 was 21.55%. Tier-I adequacy was 20.67%.

BHFL: Performance Highlights for FY2026

- AUM grew 23% to ₹ 140,706 crore.
- PBT grew 20% to ₹ 3,320 crore.
- PAT increased by 18% to ₹ 2,560 crore.
- Healthy capital adequacy at 22.46% as on 31 March 2026 and Tier-1 ratio was 22.01%; both well above regulatory norms.
- ROA was steady at 2.3% and ROE at 12.1% for FY2026.
- Overall capital base stood at ₹ 22,523 crore as on 31 March 2026.

In the last quarter of FY2026, BFS along with its promoter group entities, namely Bajaj Holdings & Investment Ltd. and Jamnalal Sons Pvt. Ltd., successfully completed acquisition (including buyback) of the 26% equity stake held by Allianz SE in the two insurance subsidiaries for a transaction value of ₹ 24,180 crore — all of which was internally financed. These have been renamed as Bajaj General Insurance Ltd. and Bajaj Life Insurance Ltd. The joint venture agreements between BFS and Allianz SE have been terminated.

This transaction, the largest ever in the Indian insurance sector, marks one of the most significant acquisitions of a global joint venture partner by an Indian business group. Both insurance companies are now 100% Bajaj — 'Made in India, Made for India, Made by India' — signifying the Bajaj group's renewed commitment to shaping the future of insurance in India.

Bajaj General: Performance Highlights for FY2026

- 37 million policies issued in FY2026.
- Gross written premium (GWP) was ₹ 23,326 crore in FY2026, or a growth of 8%.
  Excluding tender driven business of crop and government health insurance, Bajaj General's growth was 12%.
- Bajaj General's market share in the industry was 7.1%.
- Net earned premium was ₹ 9,519 crore.
- The combined ratio was 102.8%. (Combined ratio on old accounting basis was 101.9%).
- PAT for FY2026 was ₹ 1,942 crore, with a growth of 6%.
- AUM was ₹ 35,529 crore.
- Highest solvency ratio at 302%.
- 5.39 million claims were reported in the year, FY2026.
- Bajaj General's grievance ratio is among the lowest in the industry and its NPS scores continue to outperform the market, reflecting strong customer trust.

Bajaj Life: Performance Highlights for FY2026

- Covered 15.3 million group lives in FY2026.
- Retail weighted received premium (RWRP) grew by 6% to ₹ 7,514 crore.
- New business premium increased by 19% to ₹ 14,586 crore.
- Renewal premium grew by 23% to ₹ 18,310 crore.
- Gross written premium (GWP) increased by 21% to ₹ 32,896 crore.
- PAT was ₹ 226 crore.
- Value of new business (VNB), a key metric used to measure profitability of life insurance businesses, increased by 41% to ₹ 1,626 crore.
- Embedded value of Bajaj Life at FY2026 was ₹ 25,299 crore, versus ₹ 23,805 crore last year.
- AUM was ₹ 133,563 crore.
- Highest solvency ratio in the industry: 266%
- 13th month persistency* was at 81.7%.
- Retail claims settlement ratio of 99.3% and group claims settlement ratio of 99.8%

*Policies issued in the March to February period of the relevant years.

Let me now move on to the emerging businesses.

Bajaj Finserv Direct Ltd. (BFSD)

BFSD is a diversified, open architecture based marketplace for financial services which attracts large number of new-to-Finserv consumers. It creates awareness and discovery of the Bajaj brand and cross-sells products by leveraging technology and analytics. Starting in July 2018, it operates under two divisions. These are: (i) Bajaj Markets with two customer facing digital assets; and (ii) Bajaj Technology Services, which focuses on building digital-first solutions for BFSI businesses.

Bajaj Finserv Direct recorded a revenue of ₹ 374 crore and a loss of ₹ 172 crore during FY2026. BFS and BFL have so far infused capital of ₹ 808 crore in this venture. However, no further capital was infused during FY2026.

Bajaj Finserv Health Ltd. (Bajaj Finserv Health)

Bajaj Finserv Health is a health-tech venture that aims to transform the healthcare sector in India. With a range of healthcare solutions and services, the mission is to provide platforms for customers to manage their healthcare needs 360°, covering wellness, outpatient (OPD) and inpatient (IPD) services.

Through an efficient digital platform, Bajaj Finserv Health seeks to (a) connect providers of healthcare such as hospitals, doctors, labs, etc. with patients, and (b) provide healthcare and claims management services to payers of healthcare expenditure such as insurance companies, employers and government.

Bajaj Finserv Health operates primarily through an AI-based consumer facing app which allows customers to manage their plans, access healthcare providers, book appointments and store their health records for future reference. It has built a network of over 125,000 doctors, more than 5,000 diagnostic points and over 15,000 hospitals where outpatient (OP) transactions can be done on cashless basis. Over 20 million health transactions were processed and fulfilled in FY2026.

During FY2026, Bajaj Finserv Health recorded a consolidated income of ₹ 1,121 crore and a loss of ₹ 161 crore. So far, BFS has infused capital of ₹ 1,340 crore in this venture, including ₹ 214 crore in FY2026.

Bajaj Finserv Asset Management Ltd. (BFS AMC)

Bajaj Finserv received its final registration from the Securities and Exchange Board of India (SEBI) on 1 March 2023 to commence its mutual fund operations under the name Bajaj Finserv Mutual Fund; with Bajaj Finserv Asset Management Ltd. (a 100% subsidiary of BFS) to act as the asset management company.

BFS AMC uses AI to integrate behavioural finance, information-driven insights and quantitative techniques to deliver superior market performance. Serving over 1 million investors and empowering over 50,000 distributors, it has already achieved an average AUM of ₹ 30,627 crore for Q4 FY2026 and closing AUM of ₹ 26,819 crore as on 31 March 2026. BFS AMC is poised for success in shaping India's investment landscape. Your Company has infused ₹ 775 crore in this venture.

Bajaj Finserv Consolidated, FY2026

All-time high

- Consolidated revenue of ₹ 150,530 crore.
- Consolidated PAT of ₹ 9,801 crore.
- Bajaj Finance consolidated PAT attributable to owners of ₹ 19,017 crore.
- Bajaj General PAT of ₹ 1,942 crore.
- Bajaj Life value of new business (VNB) of ₹ 1,626 crore.

Let me focus a bit on digitisation and the use of AI, which are driving rapid growth through each of these enterprises.

In December 2025, we embarked on a transformative journey to become a FinAI (financial AI) enterprise, fuelled by an advanced AI-driven technology architecture that integrates intelligence across all processes. This, in turn, enhances customer engagement, boosts revenue, reduces operational costs, optimises credit risk, improves productivity and strengthens financial governance. In this journey, each enterprise remains committed to responsible AI principles based upon fairness, transparency, privacy and security.

FinAI implementation is underway across each line of businesses and should start to reflect in costs and productivity benefits in the next 12-18 months. We are building an AI-based financial services institution where intelligence is embedded in every decision through four strategic dimensions. These are:

1. *Enterprise AI*: Voice AI, Text AI, Vision AI, Content AI, Tech AI, and AI for business intelligence together form an end-to-end AI portfolio. Together, these enable human-like voice and text conversations, data extraction from images and documents, on-demand content creation, accelerated software development and testing and intelligent, conversational enterprise analytics powered by autonomous agents.
2. *Consumer AI*, or the use of AI to power everyday products and experiences that make the consumers' life simpler, more personalised and transformational.
3. *Agentic AI*, where autonomous, intelligent agents go beyond predefined workflows and rule-based automation. These agents can reason, plan, adapt and collaborate across systems and processes. It enables a shift from process-centric automation to goal-oriented autonomy.
4. *Data AI*: Data AI, Data Tagging and Custom Model AI to enable scalable data intelligence by transforming unstructured data into structured form, generating behavioural insights from digital and voice signals, and building custom models for credit risk, personalisation and propensity scoring.

We have a dedicated AI team structured across various domains, so that AI is deployed across every customer touchpoint and operational workflow.

Here are a couple of examples for you to appreciate what AI means to your Company. Through conversational AI bots (voice and text), BFL achieved over ₹ 5,520 crore in loan disbursals in FY2026. Also in BFL, AI converted over 52 million voice logs into text which, in turn, enabled disbursals of ₹ 697 crore. Using GenAI, Bajaj Finserv Health has built capabilities for healthcare ecosystem like fraud and abuse identification, automated claims management, document digitisation and more. These services are not only used in daily claim processing by us but also offered as service to clients. The AI era has begun for each of your enterprises, and will rapidly intensify in the future.

Rooted in a long legacy of social stewardship, the Bajaj group has embarked on its most ambitious journey with Bajaj Beyond, a landmark corporate social responsibility commitment with an investment of ₹ 5,000 crore to touch the lives of two crore Indians over five years. We view CSR as a nation and society building imperative; and are focusing on two pillars: Youth and Children — i.e. the youth of today and that of tomorrow.

Let me end with some rejoicing. 2026 represents 100 years of the Bajaj group. Not too many corporate or industrial groups of major size can claim to have such a long history. We are justly proud of it. And we pray that this is the beginning of a double-century!

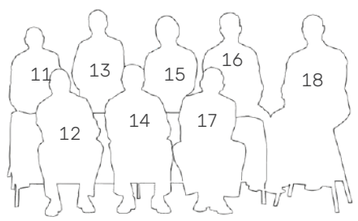
As always, thank you for your support to BFS. And my thanks to every employee of the group to deliver the results that you see today.

Yours sincerely,

Sanjiv Bajaj
Chairman & Managing Director

Our Leadership

1. **S Sreenivasan**
   President (Insurance and Special Projects)
2. **Lakshmi Iyer**
   Group President (Investments) and Managing Director and CEO, Bajaj Alternate Investment Management Ltd.
3. **Anish Amin**
   President (Group Risk and Assurance)
4. **Ashish Panchal**
   Managing Director and CEO, Bajaj Finserv Direct Ltd.
5. **Atul Jain**
   Managing Director, Bajaj Housing Finance Ltd.
6. **Deepak Matai**
   CEO, Bajaj Finserv Health Ltd.
7. **Rajeev Jain**
   Vice Chairman and Managing Director, Bajaj Finance Ltd.
8. **Tapan Singhel**
   Managing Director and CEO, Bajaj General Insurance Ltd.
9. **Sanjiv Bajaj**
   Chairman & Managing Director
10. **Anupam Sirbhaiya**
    Group Chief Human Resources Officer



11. **Sam Subramaniam**
    President (Private Equity Investments and Group Strategy)
12. **Manish Jain**
    Deputy CEO, Bajaj Finance Ltd., and Managing Director, Bajaj Financial Securities Ltd.
13. **Dr. N Srinivasa Rao**
    Chief Economist and President (Corporate Affairs)
14. **Tarun Chugh**
    Managing Director and CEO, Bajaj Life Insurance Ltd.
15. **Ramandeep Singh Sahni**
    Chief Financial Officer
16. **Ganesh Mohan**
    Managing Director, Bajaj Finserv Asset Management Ltd.
17. **V Rajagopalan**
    President (Legal and Taxation)
18. **Kurush Irani**
    President (CSR)

Corporate Information

Board of Directors

SANJIV BAJAJ
Chairman & Managing Director

CSR | RMC | SRC | SIC

DR. NAUSHAD FORBES
Independent Director

RMC | SRC

ANAMI N ROY
Independent Director

NRC | AC | CSR | SIC

PRAMIT JHAVERI
Independent Director

RMC | SIC | AC

RADHIKA HARIBHAKTI
Independent Director

SRC | AC | NRC

SANJIV SAHAI
Independent Director

AC | CSR | NRC | RMC | SIC

MANISH KEJRIWAL
Non-Executive Director

NRC

RAJIV BAJAJ
Non-Executive Director

RAJEEV JAIN
Non-Executive Director

Committees

- AC — Audit Committee
- CSR — Corporate Social Responsibility Committee
- NRC — Nomination and Remuneration Committee
- RMC — Risk Management Committee
- SRC — Stakeholders' Relationship Committee
- SIC — Strategic Investment Committee

Chairperson Member

Note: The above Committee positions are effective 1 May 2026.

Leadership Team

S SREENIVASAN
President
(Insurance & Special Projects)

V RAJAGOPALAN
President
(Legal & Taxation)

ANISH AMIN
President
(Group Risk & Assurance)

DR. N SRINIVASA RAO
Chief Economist & President
(Corporate Affairs)

ANUPAM SIRBHAIYA
Group Chief
(Human Resources Officer)

SAM SUBRAMANIAM
President
(Private Equity Investments & Group Strategy)

KURUSH IRANI
President
(CSR)

LAKSHMI IYER
Group President (Investments) and MD & CEO,
Bajaj Alternate Investment Management Ltd.

TAPAN SINGHEL
MD & CEO
Bajaj General Insurance Ltd.

TARUN CHUGH
MD & CEO
Bajaj Life Insurance Ltd.

ATUL JAIN
MD
Bajaj Housing Finance Ltd.

MANISH JAIN
MD
Bajaj Financial Securities Ltd. and Deputy CEO,
Bajaj Finance Ltd.

GANESH MOHAN
MD
Bajaj Finserv Asset Management Ltd.

ASHISH PANCHAL
MD & CEO
Bajaj Finserv Direct Ltd.

DEEPAK MATAI
CEO
Bajaj Finserv Health Ltd.

Chief Financial Officer

RAMANDEEP SINGH SAHNI

Company Secretary

UMA SHENDE

Auditors

KKC & ASSOCIATES LLP
Statutory Auditors

M/s. MAKARAND M. JOSHI & Co.
Secretarial Auditors

DHANANJAY V JOSHI & ASSOCIATES
Cost Auditors

Bankers

Deutsche Bank
Citibank N A
HDFC Bank
State Bank of India

Contact Details

Registered Office:
Bajaj Auto Ltd. Complex,
Mumbai - Pune Road, Pune - 411 035

Corporate Office:
Bajaj Finserv House,
Viman Nagar, Pune - 411 014

Tel No.: (020) 7150 5700
Email ID: Investors@bajajfinserv.in
Website: https://www.aboutbajajfinserv.com/about-us
CIN: L65923PN2007PLC130075

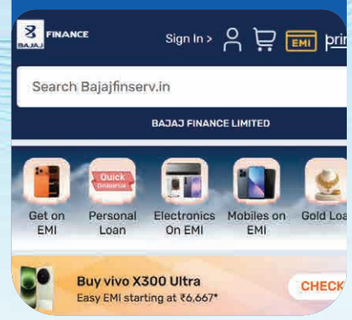
Registrar to an Issue and Share Transfer Agent

KFin Technologies Ltd.
Unit: Bajaj Finserv Ltd.
Selenium Building, Tower-B,
Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally,
Hyderabad, Rangareddy
Telangana – 500 032
Toll Free No.: 1800 309 4001
Email ID: einward.ris@kfintech.com
Website: https://www.kfintech.com
https://ris.kfintech.com

There at Every Turn: A Financial Lifecycle Partner to Every Indian

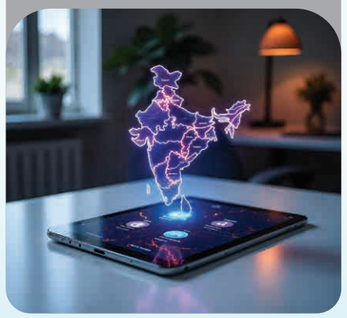
180
million+
Customer franchise

890+
Products



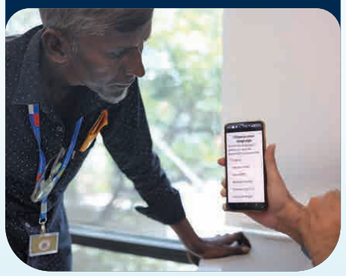
4,098
Locations including 2,571 locations in smaller towns and villages

570,000
Distribution network



113,000+
Full-time employees

30 million
New-to-Credit customers in 6 years



Our Companies: Building Responsibly

Addressing Lifecycle Needs of Individuals, SMEs and Corporate Customers

Asset Acquisition	Asset Protection	Family, Health & Income Protection	Investment/ Wealth Management	Retirement
Loan (Personal, Home, Commercial)	General Insurance	General, Health & Life Insurance - Guaranteed Savings. Digital access to health ecosystem	ULIPs, Fixed Deposits, Mutual Funds, Stocks	Annuities

Through the following Financial Services Companies

Bajaj Finserv (Listed)

Products and Solutions Companies

- **Bajaj Finance (BFL)** (Consumer & Finance Business) (Listed)
- **Bajaj Housing Finance (BHFL)** (Mortgage and Developer Financing) (Listed)
- **Bajaj Life Insurance (Bajaj Life)** (Life Insurance, Retirement & Pension)
- **Bajaj General Insurance (Bajaj General)** (General and Health Insurance)
- **Bajaj Finserv Asset Management (BFS AMC)** (Mutual Funds)

Platform Companies

- **Bajaj Finserv Direct (BFSD)** (Digital Marketplace)
- **Bajaj Finserv Health (BFHL)** (Health-tech Platform)
- **Bajaj Financial Securities (BFSL)** (Digital Stockbroker)

FY2026: The Numbers that Defined the Year

Diversified Financial Services

Bajaj Finserv

Continuously transforming through innovation, digital-first products and platforms

₹ 150,530 crore
All-time high consolidated total income (up 13%)

₹ 9,801 crore
All-time high consolidated profit (up 10%)

Financing, Deposits, Investments

Bajaj Finance

India's largest private sector NBFC that is re-engineering itself as an AI-first company, embedding intelligence at scale into customer journeys, processes and customer experiences

₹ 509,975 crore
Consolidated AUM (up 22%) (crossed ₹5 lakh crore)

₹ 19,017 crore
Profit after tax, attributable to owners (up 14%)

50 million+
New loans booked

Home Finance

Bajaj Housing Finance

Second-largest and amongst the most profitable HFCs in India with digital first solutions for self-employed and salaried customers

₹ 140,706 crore
Assets under management (up 23%)

₹ 2,560 crore
Profit after tax (up 18%)

Property, Casualty, and Health Protection

Bajaj General Insurance

Second-largest private insurer and amongst the most profitable, contributing to 19% of industry's profit pool, driven by technology-led underwriting, faster claims and continuous product innovation

₹ 23,326 crore
Gross written premium (up 8%)

₹ 1,942 crore
Profit after tax (up 6%)

₹ 35,529 crore
Assets under management (up 7%)

Financial & Life Protection

Bajaj Life Insurance

Second-largest non-bank backed private life insurer in India, building seamless, simplified and personalised protection and savings journeys for policyholders

₹ 32,896 crore
Gross written premium (up 21%)

₹ 1,626 crore
Value of new business (up 41%)

₹ 133,563 crore
Assets under management (up 8%)

Digital Stockbroker

Bajaj Financial Securities

All-in-one digital platform combining demat, broking and margin trade financing for retail and HNI clients

41%
Growth in customer franchise

₹ 203 crore
Profit after tax (up 46%)

Digital Financial Marketplace & Technology Services

Bajaj Finserv Direct

Comprises:

- Bajaj Markets, an AI-first financial services marketplace that connects consumers with the widest choice of BFSI products & manufacturers
- BajajTech.ai, an AI-first, global tech business, offering expertise in Experience, Commerce, Digital Agency, CRM, Cloud, Data & AI, Emerging Tech and Engineering

103
Total unique partners

45.7 million
Total app installs

Health Tech

Bajaj Finserv Health

A digital platform providing differentiated products and services to Payers like insurers, corporates, government and more, through bilateral network arrangement with all Providers who cover wellness, Outpatient (OPD) and Inpatient (IPD) services, thus giving continuum of care

15,000+
Hospitals

20 million+
Health transactions processed

125,000+
Doctors on platform

Mutual Funds

Bajaj Finserv Asset Management

A full-stack AMC across active and passive products in debt, equity and hybrid, for retail, HNI and institutional investors with a unique behavioural-finance philosophy

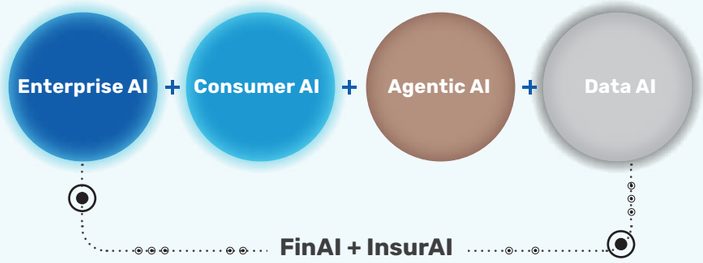
₹ 30,627 crore
Average AUM for Q4 FY2026

Building for Tomorrow. Building for a Billion Futures.

As India enters a defining era of economic and technological transformation, Bajaj Finserv's journey remains intertwined with the nation's aspirations.

Our AI-led strategy, FinAI & InsurAI, is now embedded in every process, transforming credit underwriting, claims processing, fraud detection, customer service and investment advisory. Customer relationships, data and institutional knowledge are now powered by the most transformative technology of our time. Every customer interaction is becoming smarter. Every risk decision, sharper. Every product, more personalised.

India is moving fast. We are building to make sure no one gets left behind.



A Snapshot of What Our Technology and AI-led Initiatives Delivered in FY2026

86.6 million
BFL's net app installs

250 member AI unit
AI-focused talent across subsidiaries

6
Tech practices offered by BajajTech.ai

₹5,520 crore
Conversational AI enabled loan disbursals by BFL

69 million+
Vision AI processed application documents by BFL

52 million
Voice-to-data conversions for customer conversations (BFL)

65%
Customer servicing through AI voice and text bots at BFL

~55%
Customer queries resolved by Agentic AI at Bajaj Finserv Health

65%
Digital servicing via AI bots at Bajaj General

1.35 lakh
Sessions by Bajaj Life's smart pitch, a GenAI powered platform

40,000
Role plays by Bajaj Life's Smart Coach, a GenAI-powered platform

~67%
Reduction expected in TAT for motor claims through automated invoice processing at Bajaj General

AI Cloud Infrastructure at BFL

- Microsoft Cloud for most AI workloads
- Google Cloud Platform for voice and data
- Salesforce for native AI

Responsible AI

- Framework for Responsible and Ethical Enablement of AI (FREE) AI Board-level policy
- Dedicated AI security team led by Deputy CISO
- Observability and security platform under implementation

AI Outcomes

- 300+ AI-driven projects underway across the group
- 100+ projects deployed

Finserv Intelligence

A Future being Built Today at Bajaj Finserv

The next decade of value creation in financial services will belong to those who build technology that powers it. We have chosen to build and to build in India.

Finserv Intelligence is our commitment to that shift, bridging the gap between academia, industry and national priorities. It is a Group-wide strategic initiative in applied research and innovation, launched to focus on high-tech, low unit-cost, highly scalable solutions – built in India, for India and the world.

Finserv Intelligence is designed as a holistic innovation ecosystem with a five-to-ten-year horizon for realisable impact. It will operate through an integrated model that brings together academic collaborations, investments in the start-up ecosystem and in-house specialists. Drawing on leading global and domestic innovation models, the initiative envisages R&D labs, centres of excellence, venture-led models and Scholars-in-Residence programme for capability building.

To launch the initiative, Finserv Intelligence has partnered IIT Bombay, India's premier academic and research institution. An MoU and Master Collaboration Agreement have been signed to establish a joint research centre and define a joint Statement of Work spanning AI, cyber security, quantum technologies and the reimagining of physical retail experience.

With IIT Bombay, we are putting India's finest scientists and most ambitious founders at the centre of solving problems that matter to a billion-plus Indians.

A Century Celebrated

Some milestones are measured in numbers, but 100 years of the Bajaj Group measures nation-building. Our story has run alongside India's growth arc. From the freedom struggle to modern industry, the Bajaj Group, and Bajaj Finserv as part of it, has contributed to industry, job creation, innovation and expanded access to finance, where people need it most.

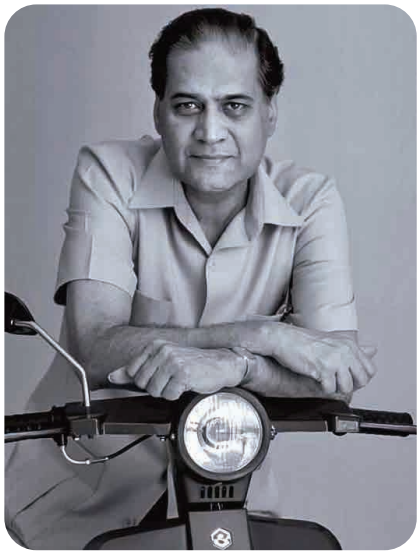
Jamnalal Bajaj, philanthropist, freedom fighter, social reformer and the man Mahatma Gandhi considered his fifth adopted son, was the founder of the Bajaj Group. In 1970, the Government of India honoured him by releasing a commemorative postal stamp.

Jamnalal Bajaj with Mahatma Gandhi at Sevagram in 1941

In the course of India's freedom struggle in 1932, the Dhulia Jail authorities had accorded Jamnalal Bajaj with an 'A' Class facility but he preferred to stay with his colleagues in 'C' class.

Jamnalal Bajaj's spouse Jankidevi Bajaj promoted many social reforms; in 1956, she received the second-highest civilian award 'Padma Vibhushan' from the President of India, Dr. Rajendra Prasad.

Kamalnayan Bajaj, architect of the Bajaj Group, who carried the Company through India's tumultuous partition era, diversified the Group into manufacturing activities.



Rahul Bajaj, Chairman Emeritus of Bajaj Group, was an extraordinary visionary and one of India's most distinguished business leaders.

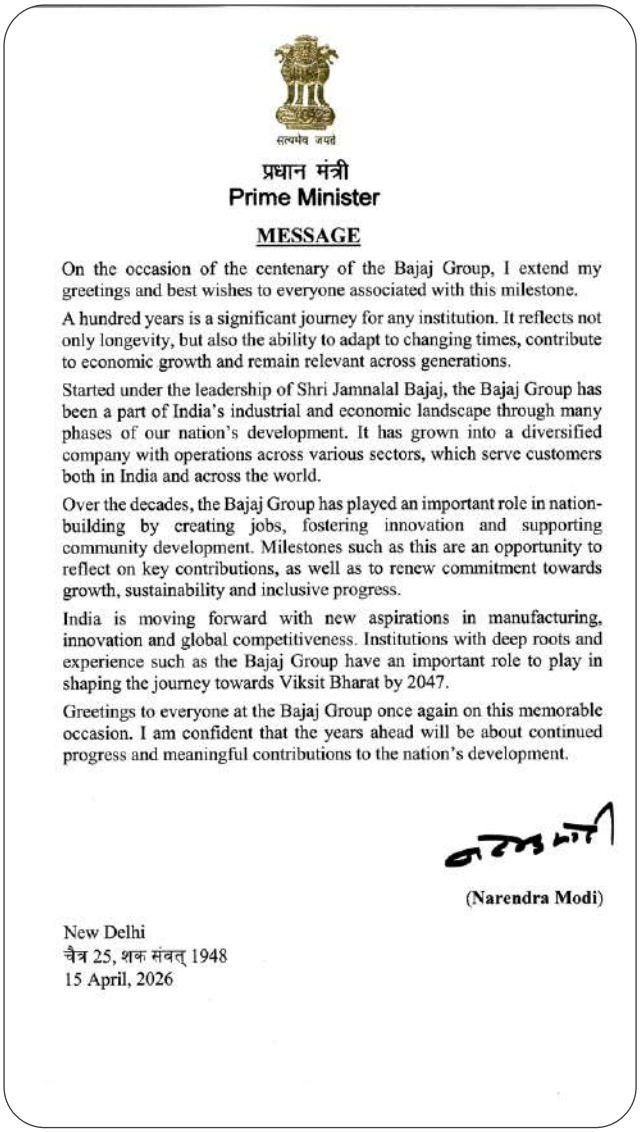
Gitai Mandir at Wardha.

Laxminarayan Mandir by the Bajaj family was the first temple to open its gates to all communities in India in 1907.

A Future Imagined

The centenary was celebrated at a mega event in Mumbai with prominent members of the Bajaj family addressing and engaging with leading personalities from public life, media and celebrities. The occasion was also graced by a letter by Hon'ble Prime Minister Shri Narendra Modi to the Bajaj family, recognising the Bajaj Group's contributions to nation-building.

Speaking at the event, Sanjiv Bajaj, Chairman and Managing Director, Bajaj Finserv, said the 'next 100 will be about building ecosystems' that use AI and next-gen technologies to expand access to finance, enhance efficiencies and experiences.



सत्यमेव जयते

प्रधान मंत्री
Prime Minister

MESSAGE

On the occasion of the centenary of the Bajaj Group, I extend my greetings and best wishes to everyone associated with this milestone.

A hundred years is a significant journey for any institution. It reflects not only longevity, but also the ability to adapt to changing times, contribute to economic growth and remain relevant across generations.

Started under the leadership of Shri Jamnalal Bajaj, the Bajaj Group has been a part of India's industrial and economic landscape through many phases of our nation's development. It has grown into a diversified company with operations across various sectors, which serve customers both in India and across the world.

Over the decades, the Bajaj Group has played an important role in nation-building by creating jobs, fostering innovation and supporting community development. Milestones such as this are an opportunity to reflect on key contributions, as well as to renew commitment towards growth, sustainability and inclusive progress.

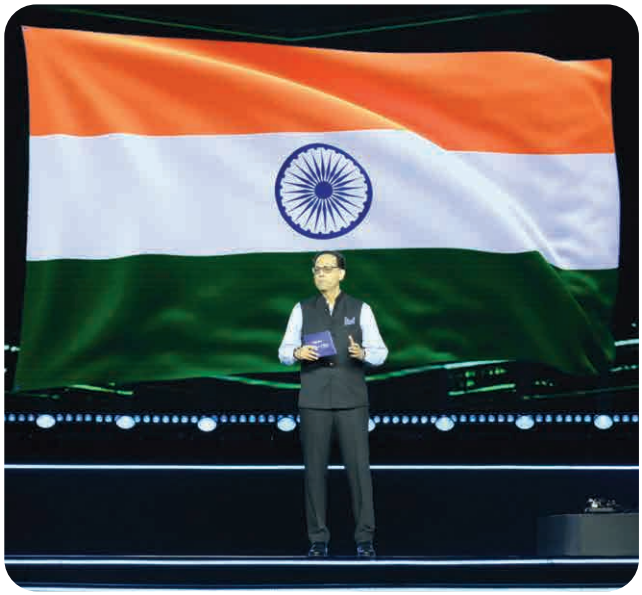
India is moving forward with new aspirations in manufacturing, innovation and global competitiveness. Institutions with deep roots and experience such as the Bajaj Group have an important role to play in shaping the journey towards Viksit Bharat by 2047.

Greetings to everyone at the Bajaj Group once again on this memorable occasion. I am confident that the years ahead will be about continued progress and meaningful contributions to the nation's development.

(Narendra Modi)

New Delhi
चैत्र 25, शक संवत् 1948
15 April, 2026

Hon'ble Prime Minister Shri Narendra Modiji's letter to the Bajaj Group recognises its role in nation-building



Sanjiv Bajaj, Chairman & MD, Bajaj Finserv, speaking at the event

The Bajaj family unveils the '100 Years of Bajaj' logo at the event

Founded in Timeless Values

The Bajaj Group remembered the philosophy and ethical values instilled by its founder, Jamnalal Bajaj at the '100 Years of Bajaj' event.

Rahul Bajaj carried a legacy that began with his grandfather, Jamnalal Bajaj. That legacy lives on in the institutions he built, the entrepreneurs he inspired, and the millions of Indians whose lives his vision touched. At the event, we paid him a live tribute by Ricky Kej, Grammy Award winner and globally acclaimed composer.

Ricky Kej and his troupe also presented a specially composed musical symphony for the Bajaj Group at the '100 Years of Bajaj' event.

A still from *Kathni Karni Ek Si*, Bajaj Group's AI-crafted centenary film, directed by acclaimed film-maker Rajkumar Hirani.

Events that Marked the Centenary Year

Across sport, music, fitness and community health, the Bajaj Group's centenary year was defined by our reaffirmation to our Founder's conviction: Business must serve society. From championship courts to open-air plank arenas, from digital auditions in villages to marathons, Bajaj Finserv created opportunities, giving wings to citizens' aspirations.

Tennis' Next Level

The Bajaj Group was a Platinum Sponsor of the Chennai Open 2025. The Group also partnered with the Tamil Nadu Tennis Association (TNTA) for 'The Next Level', a player development programme providing crucial financial and infrastructural support, including coaching, equipment, travel and mentorship to promising young tennis players.

Bajaj Dhuniverse - Voice of India

In the world of music, Bajaj Dhuniverse brought 64,000 aspirants from across India on to a single digital stage, with legendary composers Shankar-Ehsaan-Loy selecting finalists whose voices represent the breadth and depth of India's musical heritage. The grand finale in Mumbai crowned Ratnika Shrivastava as the Voice of the Nation.

#YouTooCanFly

On the streets, the Bajaj Pune Marathon drew thousands of runners with over 31% of them women, to participate alongside global icons - Noah Lyles and Shelly-Ann Fraser-Pryce.

Plankathon 2026

Fittingly, we closed our centenary with a Guinness World Records™ title for the largest abdominal plank at the Bajaj Plankathon 2026, an event that was attended by actor Vicky Kaushal. However, the true measure of a century well-lived is not a record broken, but lives changed. At the event, Bajaj Finserv reaffirmed its commitment to improving lives of children by committing to medical treatment for 100,000 children battling cancer, Type 1 diabetes, heart ailments and epilepsy.

People Who Power Our Purpose

Our people are at the heart of how we serve customers and create long-term value. We are committed to giving them a safe workplace, a culture of ownership and the room to grow.

Our Employee Charter reflects this commitment through a clear Human Rights Statement that upholds equal opportunity, zero tolerance for corruption, bribery, harassment, forced and child labour, and a safe, healthy and growth-oriented environment for everyone.

Building India's Workforce

BFS is one of India's largest employment generators. We are now 113,000+ strong, with 35,000+ new colleagues joining us in FY2026 across India's cities and small towns.

'One Finserv', our group-wide platform for human capital development, creates meaningful opportunities for colleagues to build careers across our businesses. Guiding this journey is the Bajaj Finserv Culture Wheel, anchored in our Founder's Ethos and built around four leadership mindsets - growth mindset, customer obsession, being responsible and talent building, supported by behaviours that encourage continuous transformation, innovation, delegation and development, and always doing the right thing.

108,216

95% employees trained on human rights principles in FY2026

Preparing Our People for an AI-first Culture

As we reimagine businesses through AI, we are equally committed to reimagining the employee experience. Rather than buying capability, we are building it within our companies.

Through our **Grow from Within** initiative, we continue to identify, nurture and advance high-performing talent.

192

AI-focused learning batches conducted

Inclusion Strengthens Innovation

Innovation thrives when diverse perspectives come together.

Our approach to diversity, equity and inclusion is embedded across our businesses through equitable opportunities, inclusive policies and a culture where everyone feels valued.
In FY2026, women's representation increased to nearly 14%.

Initiatives included strengthening women representation at senior levels, introducing common Group-wide standards for inclusive policies, expanding women-focused health programmes and advancing accessibility.

6,200+

Women added across Group Companies during the year

Learning Without Limits

Learning is central to building a future-ready organisation.
Our **One Finserv Talent** platform enables employees to explore opportunities seamlessly across Group companies through a common job evaluation framework and an integrated internal job portal.

During FY2026, BFS companies invested ₹44 crore in learning and development while strengthening leadership pipelines at every stage of the career journey, from campus programmes such as the Group Young Leaders Programme (GYLP) and Group Finance Associate Programme (GFAP) to the 30-Under-30 initiative and structured development for senior leaders. These, along with several other initiatives, are building a leadership cadre of 1,000 future leaders over the next four to five years.

80 lakh+ hours

of learning and development

Well-being that Enables Performance

We believe that sustainable performance of an organisation begins with the holistic well-being of its employees. When people feel supported emotionally, physically and financially, they perform better, build stronger customer relationships and create long-term value.

Our year-round well-being framework combines preventive care, expert guidance and peer support across every stage of an employee's journey.

In FY2026, employees had access to Emotional Care Champions, confidential counselling, parental support, yoga and fitness sessions, women's health webinars, walkathons, preventive screenings, maternity and gynaecological consultations, crisis response support, dedicated DEI HR partners and regular well-being engagements.

400+

1-to-1 counselling sessions delivered to employees in FY2026

Our ESG Priorities

Our Planet has a Deadline. We have a Plan: ESG

From Financial Inclusion to Carbon Neutrality, our ESG agenda spans eight pillars. Each one is carefully chosen and actively measured.

Governance

₹ 45,083 crore
Surplus capital held above regulatory requirements across BFL, BHFL, Bajaj General Insurance and Bajaj Life Insurance

~96%
Responsible-investment coverage at Bajaj General and Bajaj Life, against an 80% target

Reasonable assurance
On BRSR Core (Scope 1 & 2, water, waste)

Financial Inclusion

30 million
New-to-credit customers added by BFL in the last six financial years

49.1 million
Lives covered through integration with government health schemes in Bajaj General

7.40 lakh+
Women reached through group MFI lending, across 447 microfinance branches

Customer Centricity

99.3%
Retail claim settlement ratio (Bajaj Life)

1.23 per 10,000
Customer Grievance ratio (Bajaj General), among the lowest in the industry

94% | 82%
Urban and rural digital payments at BFL

Employee Well-being

~29%
Women insurance agents (Bajaj Life 33%, Bajaj General 23%)

~14%
Gender diversity ratio (26.2% diversity in new hiring)

ISO 45001
Occupational Health and Safety Management System rolled out across offices

Preserving & Protecting the Environment

90.4 million units
Wind power generated; total green electricity

800,000+
Saplings planted to date (2 lakh+ in FY2026)

61,042 tCO_2e
Total Scope 1 + 2 emissions

Empowering Society

₹ 416 crore
CSR expenditure

9.3 million
CSR beneficiaries for full project period

3.41 lakh
Youth skilled, across 34 impact-assessed projects

Cyber Security, Data Privacy & Information Security

- Multi-layered Security & Cyber Security policies - VAPT, SOC monitoring, DLP and anti-phishing controls
- Group-wide cyber insurance, annual policy reviews and employee awareness programmes

Stakeholder Engagement

- BRSR assurance across all listed companies and material subsidiaries
- Bajaj General and Bajaj Life - among the first non-listed insurers in India to fully report ESG metrics per SEBI BRSR guidelines
- Voluntary limited assurance on environmental data since FY2022; reasonable assurance on Scope 1 & 2, water and waste from FY2024

Our ESG Choices that Create Change

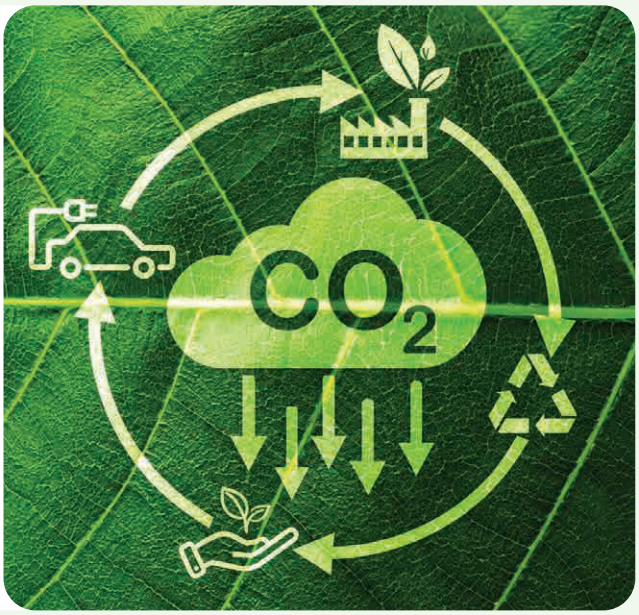
Sustainability is embedded in the businesses of Bajaj Finserv, built on the belief that those who inherit the earth deserve to inherit it greener. As the Bajaj Group completes a centenary, these are foundational roots that will build our future.

Our Commitment to Carbon Neutrality by 2032

Backed by a clear, consultant-developed roadmap, Bajaj Finserv is targeting carbon neutrality across Scope 1 and Scope 2 emissions by 2032. Bajaj Finserv is already a net producer of renewable energy, generating more clean power than its entire operations consume.

61,042 tCO_2e

FY2026 Scope 1 + 2 emissions (Scope 1: 9,398; Scope 2: 51,644)



Powered by Wind

At Satara and Supa in Maharashtra, 138 wind turbines stand as the most visible symbol of our commitment to sustainability. With 65.2 MW of installed capacity, they generated about 90.4 million units of clean electricity in FY2026, exceeding Bajaj Finserv's total operational power consumption, making Bajaj Finserv Group a net generator of renewable energy.

Cleaner Kitchens. Healthier Lives.

In rural Maharashtra, the most meaningful climate action happens at the hearth. Bajaj Finserv has distributed 22,500 cleaner cooking alternatives through its Improved Cookstove (ICS) Programme, replacing traditional three-stone high-emission traditional stoves that fill kitchens with smoke and impact the health of families. The programme targets 67,500 beneficiaries over three years, cutting emissions, generating carbon credits, and delivering real health and economic benefits to families.

Doing More with Less

Across its operations and customers' homes, Bajaj Finserv is making every unit of energy count. Bajaj Finance disbursed over ₹4,000 crore to finance over 13.5 lakh five-star and above energy-efficient appliances in FY2026, reducing household energy consumption at scale. Internally, energy intensity improved to 47.62 per crore of revenue (from 50.29), driven by a phased LED rollout, retro-fit emission-control devices on diesel generators, ozone-friendly refrigerants and 757 KW of rooftop solar generating 3.77 lakh units of clean power.

Roots for a Sustainable Future

Over 8 lakh saplings planted across India. 720 crore sheets of paper have been avoided over three years – the equivalent of preserving roughly 8.6 lakh trees. Ecological restoration and local climate resilience is a key aspect of our sustainability strategy. It is woven into how we operate, procure and grow.

Corporate Social Responsibility

A Legacy of Transforming Lives

Jamnalal Bajaj put social responsibility into practice long before the term existed and decades before it became law.
Across generations, the Bajaj Group has carried forward the belief that business exists not apart from society, but in its service.

At Bajaj Finserv, the principles of Jamnalal Bajaj continue to inspire us. Our Corporate Social Responsibility (CSR) efforts are directed towards those most in need, with programmes designed for lasting impact.

The Five Pillars of Our CSR Commitment

291
Projects executed

2,500+
Hours of employee volunteering

Backed by a strong legacy of community impact, Bajaj Finserv, through Bajaj Beyond, is dedicated to shaping a better future for the youth of today and tomorrow. We work closely with grassroots organisations, partners, schools, institutions and hospitals to drive meaningful change in society. Here is our report for FY2026.

Youth Skilling

Self-implemented Skillserv

Skillserv, our flagship skilling initiative, prepares youth for careers in the financial services sector. Co-created with Bajaj Finserv's business teams, the programme combines industry-relevant curriculum, practical skills, and workplace exposure. Recognised as an Awarding and Assessing Body by National Council for Vocational Education and Training (NCVET), Skillserv stands among a select group of high-quality, industry-led skill development programmes.

50,475
Students trained through Skillserv programmes

90,290
Individuals skilled for income generation through grants

131,555
Individuals supported for self-employment through grants

2,982
Individuals supported under healthcare skilling through grants

23,047
Individuals with disabilities skilled through grants

5,900
Artisans skilled through grants

College-based: Certificate Programme in Banking, Finance & Insurance

This is a widely implemented flagship programme that builds foundation and teaches students about the fundamentals of BFSI. A 120-hour module is designed to equip youth with the knowledge and skills that make them industry-ready. Certificate Programme in Banking, Finance and Insurance (CPBFI) participants are mostly first-generation graduates, primarily young aspirants from Tier 2 and Tier 3 cities.

Insurance Marketing Professional Academy (IMPA)

The initiative trains individuals seeking new income opportunities by providing comprehensive knowledge of general insurance through a 3-day intensive programme. Individuals above 18 years of age who have completed the 10th grade can enroll, even without any prior background.

Apart from the specific certificate programmes, the Skillserv Leap Internship was piloted this year, an on-the-job training initiative that bridges the gap between academia and the financial services industry.

Centre-based: Gold Loan and Microfinance Programmes

The Skillserv Centre Based Model is co-created by Bajaj business teams to provide comprehensive skill development and employment opportunities to youth by leveraging independent training centres.

- **Microfinance Training Programme:** This 180-hour course prepares individuals to work in microfinance institutions that provide loans and savings services to self-help groups (SHGs) and low-income customers. The individuals are trained to manage field operations and sales, group meetings, collections, and build trust with rural communities.
- **Gold Loan Training Programme:** This 180-hour course is designed specifically for graduates seeking entry-level roles. The programme provides practical expertise in gold valuation, purity assessment, and safe handling techniques.
- **Housing Finance and Upcoming Programmes:** This 150-hour course is designed specifically for graduates seeking entry-level roles. The programme provides practical expertise in customer profiling, comprehensive loan documentation and professional workplace communication.

Skilling through Grant-making

The projects are implemented in collaboration with multiple non-profit organisations to offer a comprehensive range of training and skilling programmes aimed at employment, enterprise development, entrepreneurship and fellowship. The initiative encompasses vocational training, job readiness, healthcare skill development, skilling for Persons with Disabilities, incubation support, as well as scholarship and fellowship programmes.

Skilling Models for Income Generation

It focuses on providing specific and diverse training and skilling programmes across varied models to help bridge the employment gap and help the participants generate a steady income.

Self-employment and Entrepreneurship Development

It focuses on strengthening the local economy by incubating micro-enterprises and supporting individual entrepreneurs.
It is done through ecosystem strengthening, direct enterprise support, incubation programme, need-based entrepreneurship and returnable grants.

Bandhan Konnagar: Enabling Sustainable Livelihoods for Vulnerable Women

Financial instability, loss of family income and limited livelihood opportunities often leave women in rural communities struggling to achieve economic security and independence.

To address this, Bandhan Konnagar, in partnership with Bajaj Finserv, supports vulnerable women through entrepreneurship training, financial literacy, and livelihood assistance under the Targeting Hardcore Programme. Through this initiative, 5,000 women have been empowered to build sustainable livelihoods and improve their financial stability.

Swati's journey reflects the transformative impact of this initiative. After losing her husband, she was left as the sole provider for her two children, including one with a disability. With no stable source of income, she worked as a daily wage labourer, often struggling to provide even basic necessities for her family. Through the Targeting Hardcore Programme, she received entrepreneurship training, financial literacy support, and startup assistance to establish her own grocery business. Today, she earns a steady monthly income, saves regularly, and has gained the confidence and independence to build a more secure future for her family.

Healthcare Skilling

In the healthcare domain, BFS supports strengthening the medical ecosystem by enhancing the capacity of frontline professionals. Through targeted skilling initiatives and specialised fellowships, the Company builds a robust workforce of nurses, paramedics, and technical staff equipped to deliver high-quality clinical and preventive care.

Skill Development for Persons with Disabilities

BFS facilitates the holistic development of Persons with Disabilities (PwDs), including those with intellectual and developmental challenges by shifting focus from basic skilling to meaningful workforce participation. As an ecosystem enabler, BFS promotes fostering of inclusive employment, entrepreneurship, and advanced career progression. It enhances vocational skills through training tailored to individual needs, specifically targeting pre-vocation, access to employment, the service industry, enterprise, and advanced career progression.

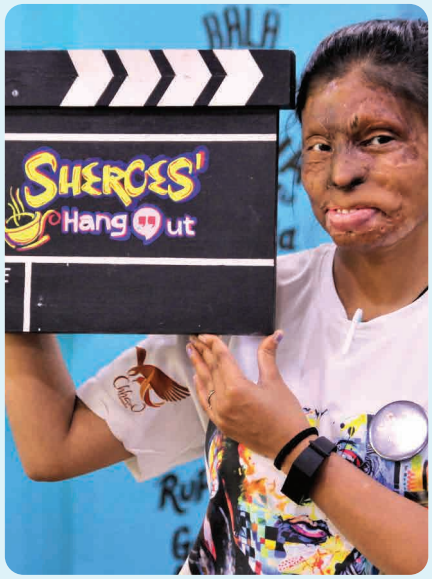
Chhanv Foundation: Skill Development for Acid Attack Survivors

Acid attack survivors in India often face social stigma, limited livelihood opportunities and barriers to reintegration.

To address this, Chhanv Foundation, in partnership with Bajaj Finserv, enables survivors through skill development, livelihood support, and leadership-building initiatives. Through this intervention, 40 survivors have been supported to rebuild confidence, access dignified employment, and reintegrate into society.

Roopa's journey reflects this impact. A part of the movement since its early days, she has grown into a strong leader and advocate. As a host on The Sheroes TV and Associate Manager at Sheroes Café, Delhi, she amplifies survivor voices while mentoring others. Her growth is further strengthened by a hospitality certification from the Taj Mahal Hotel, New Delhi, and recognition for 'Spirit of Hospitality'.

Her story highlights how the right support can restore dignity and create pathways for inclusive growth.



Artisan Skilling

BFS supports ecosystem-level collaboration through tie-ups with like-minded CSR partners, impact firms, enablers, finance players, and monitoring and evaluation organisations to design solution-oriented programmes. This involves exploring a layered approach to business development, including piloting in-depth programmes with existing partners to strengthen enterprise growth. Furthermore, the focus on educational integration through structured 1- to 2-year programmes in design development and business management, specifically developed to build the next generation of craft leadership among artisans.

Kadam India: Enabling Livelihoods through Skill Development

Limited access to skill development and livelihood opportunities often restricts women in rural areas from contributing to household income and achieving financial independence.

To address this, Kadam India, in partnership with Bajaj Finserv, provides training in sustainable craft, design development, and market-oriented skills. Through this initiative, 400 women have been empowered to build livelihoods and improve their economic stability.

Sifa Layla Molla's journey reflects this impact. A homemaker from West Bengal, she had limited exposure to income-generating opportunities. Through the training, she learned to create water hyacinth products, enhancing her skills, confidence and creativity. Today, she contributes to her household income while continuing to grow her craft.

Her journey highlights how skill-based interventions can enable women to become self-reliant and create sustainable livelihood opportunities.

Child Development

Investing in children's well-being is essential for long-term societal progress. BFS supports several initiatives across health, education, protection and inclusion for Persons with Disabilities.

6,760,785
Children supported through Education initiatives

56,138
Children benefitted from Child Protection initiatives

393,708
Children with disabilities supported

39,176
Supported under Child Health initiatives

Child Education

Bajaj Finserv's 5S Model School framework: Sundar (beautiful), Safal (effective), Saksham (capable), Surakshit (safe), and Shala (school), provides a structured, holistic approach to school quality rather than isolated inputs.

BFS supports and strengthens foundational literacy and numeracy (FLN), vocational education, mental health, digital and tech-based education, school-led health interventions and scholarships.

4,210,000 children benefitted from digital and technology-based learning; 2,030,200 through foundational literacy and numeracy; 3,000 through early childhood education; 382,350 through school-related health support; 5,453 through scholarship assistance. Around 38,482 children benefitted from comprehensive interventions in school, spanning nutrition support, health check-ups, and skill development; and 9,100 through vocational education initiatives.

WOSCA: Model School 5S Program (Sampoorna Shala)

In partnership with WOSCA and supported by BFS, this initiative is transforming six government-aided schools in Pune into model institutions, benefitting 2,400 children annually. The programme follows the 5S framework—Sundar (improved child-friendly infrastructure), Surakshit (safe and secure school environments), Safal(quality learning through remedial education and enhanced facilities), Saksham(strengthened school governance), and Shala (community-led efforts to improve enrolment and retention).

By creating a collaborative and inclusive learning ecosystem, the initiative offers a scalable model that can be replicated across the district to strengthen educational outcomes and advance the goals of the Right to Education Act.

Child Health

BFS is committed to improving long-term resilience and health outcomes for children under 18 affected by Non-Communicable Diseases (NCDs). Moving beyond isolated treatment, the 'whole-of-child' approach integrates early diagnosis, community-based screening, and infrastructure enhancement to create a sustainable support system for the most vulnerable. By acting as an ecosystem enabler, the Company collaborates with strategic partners to strengthen hospital capacity and frontline networks, ensuring specialised care is both high-quality and accessible. The focus is on Cleft Care, Type 1 Diabetes, Paediatric Healthcare, Paediatric Cancer and Epilepsy.

On the health front, 39,176 children were supported through health interventions. The cumulative cleft care programme has benefitted 22,120 children. The Company supports interventions for Type 1 Diabetes benefitting 2,750 children. The recently inaugurated Sweetlings Centre of Excellence at Jehangir Hospital has transformed a once-weekly Type 1 Diabetes clinic into a six-day-a-week, multidisciplinary facility with a 24-hour helpline and school outreach, benefitting 700 children.

The Company's paediatric cardiac care programme has reached close to 1,740 children, while 5,446 children were supported for cancer and epilepsy care. Close to 5,905 children were supported through community, treatment support and healthcare infrastructure support.

HCJMRI: Enabling Comprehensive Care for Children with Type 1 Diabetes

Conditions like Type 1 diabetes can significantly impact a child's growth, confidence, and ability to lead an active life, especially for families with limited resources.

To address this, HCJMRI, in partnership with Bajaj Finserv, provides free medical support, regular checkups, and continuous guidance to children, ensuring better health outcomes and quality of life. Through this initiative, 700 children have been supported to manage their conditions and lead active, fulfilling lives.

Taha Qureshi's journey reflects this impact. Diagnosed with diabetes at the age of two, he faced early health challenges but with consistent medical support and care, regained confidence and strength. Today, he actively participates in sports and excels in academics and extracurricular activities, earning multiple recognitions.

His journey highlights how timely healthcare support and encouragement can empower children to overcome challenges and achieve their full potential.

Corporate Social Responsibility

Child Protection

BFS's child protection strategy adopts an Integrated Community Approach to shield vulnerable children from trafficking, abuse, and labour. The Company combines system strengthening with a communities model to drive behavioural change. BFS utilises both Model Child Care Institutions for institutional safety and prioritised Non-Institutional Care to provide tailored rehabilitation. This holistic framework now extends to Children in Conflict with the Law, ensuring they access the development opportunities necessary to become productive citizens.

Child protection receives close to 56,138 beneficiaries: 2,271 across institutional care; 3,305 across rescue and rehabilitation; 9,365 across community programmes; and 2,144 across aftercare and transition; while awareness programmes on child sexual abuse covering 29,874 individuals.

Inclusion for Persons with Disabilities

The Company focuses on the well-being of Persons with Disabilities (PwDs) by facilitating their inclusion into mainstream society. BFS addresses a variety of challenges, including intellectual, developmental, physical, and locomotor disabilities, with a strong emphasis on early identification, intervention, and counselling. The interventions are across therapies, medical rehabilitation, inclusive education, assistive technology, community-based interventions and fellowships and scholarships.

BFS supported 354,630 children with disabilities through medical aid; 31,441 through rehabilitation and comprehensive care; 3,552 through educational inclusion; 3,895 through various assistive technologies and 670 through support for competitive exams and fellowships.

Employee Volunteering

The Company's employee volunteering initiatives are designed to create shared value for employees, NGO partners, and communities. The programmes focus on strengthening partner capacities, supporting beneficiaries through knowledge-sharing, and enabling employees to gain exposure, empathy, and leadership experience through meaningful engagement.
More than 2,100 BFS employees contributed to volunteering more than 2,500 hours.

The volunteering framework is centred around two key themes

Awareness Generation: Promoting social causes and responsible citizenship

Capability Building: Mentoring, training, and guiding NGO partners and beneficiaries

Key flagship initiatives included:

- **Career Guidance and Mentorship for Students:** Employees conducted sessions for students from Grades 8 to 10, introducing them to diverse career pathways, future opportunities, and personal growth journeys. These sessions were aimed at ensuring equitable access to career awareness and informed decision-making.
- **Learning Modules on AI, BFSI and Interview Readiness:** Employees, supported by internal Learning & Development teams, delivered curated modules on emerging technologies, banking and financial services, and interview preparedness to enhance employability outcomes for youth.
- **Awareness Initiatives:** Employees actively participated in awareness campaigns on themes such as inclusion of Persons with Disabilities, child safety, the POSCO Act, etc. These initiatives were implemented through workplace activities, inclusive runs, wall-painting drives, and external outreach programmes.

Note: Beneficiary estimates are based on the full project period and not just the financial year under consideration.

Our Refreshed Brand Identity

Every brand has a story. And with time, stories evolve. Taking on new shapes, new voices and new ways of being told. In FY2026, we opened a new chapter in the Bajaj Finserv journey. Under the renewed Bajaj brand architecture, Bajaj Finserv has a refreshed logo. Each of its subsidiaries have a distinct identity, while staying aligned to the holding company. The logo is reimagined creating symbols that are familiar yet fresh – anchored in trust but sharpened for the future.

Our Vision

Building a financially empowered India through integrity, inclusion and innovation, creating long-term sustainable value for our people, stakeholders and the nation.

Our Mission

To be a lifecycle financial partner to every Indian, building responsible, market-leading, tech-first and resilient businesses with strong governance, that continuously transform to deliver lasting value to our customers.

Our Purpose

To nurture a culture where innovation, agility and ownership thrive; build responsible leaders and long-term profitable businesses; create lasting value for customers and deepen financial inclusion, serving communities, the nation and every Indian as their Financial Lifecycle Partner.

BAJAJ FINSERV

BAJAJ FINANCE

BAJAJ HOUSING FINANCE

BAJAJ LIFE
LIFE GOALS. DONE.

BAJAJ GENERAL
CARINGLY YOURS

BAJAJ HEALTH

BAJAJ VENTURES

BAJAJ ASSET MANAGEMENT

BAJAJ BROKING

BAJAJ ALTS

BAJAJ MARKETS

BAJAJ TECH.AI

BAJAJ FINANCE

WE BUILD FOR

THE AMBITIONS OF A GROWING NATION

₹5.09 lakh crore in Assets Under Management reflects the scale at which we support India's aspirations. Every financial journey we enable contributes to a larger story of enterprise, inclusion and economic participation.

Because scale is meaningful only when it creates impact.

Management Discussion and Analysis

Bajaj Finserv Ltd. ('Bajaj Finserv', 'BFS' or 'the Company') is an unregistered core investment company (CIC) under Reserve Bank Regulations. It is the holding company for various financial services businesses under the Bajaj group. With a vision to be a diversified financial services group with a pan-India presence, it offers lifecycle financial solutions for its various customers.

The need of customers across their financial lifecycle typically involve five phases:

1 Asset acquisition	Assisted through loans (personal, home and commercial).
2 Asset protection	Brought about through general insurance policies.
3 Family health and income protection	Done using general, health and life insurance, guaranteed savings and digital access to the health ecosystem.
4 Investment and wealth management	Provided through unit-linked investment products (ULIPs), mutual funds, fixed deposits and shares.
5 Retirement	Met by annuities.

These requirements are best provided by companies that offer omnichannel (i) products and solutions, and (ii) digital-first platforms. Such an enterprise is Bajaj Finserv.

Bajaj Finserv offers:

a) **Products and solutions**, provided by:

i. Bajaj Finance Ltd. (BFL), a large, listed, well-recognised and significantly profitable consumer finance and lending business in which BFS holds 51.32% stake and its listed subsidiary, Bajaj Housing Finance Ltd. (BHFL) in which BFL holds 86.70% stake. BHFL is a profitable and fast-growing enterprise engaged in a full range of mortgage products such as home loans, loan against property and lease rental discounting.

ii. Bajaj General Insurance Ltd. (Bajaj General) and Bajaj Life Insurance Ltd. (Bajaj Life), these are unlisted entities in which Bajaj group now holds 100% stake.

iii. Bajaj Finserv Asset Management Ltd. (BFS AMC), an unlisted wholly-owned subsidiary of BFS. It is in the mutual fund business and offers innovative investment products and solutions.

b) **Digital-first platforms**, which are offered through:

i. Bajaj Finserv Direct Ltd. (BFSD), an unlisted subsidiary in which BFS holds 80.10% stake with the remaining 19.90% held by BFL. BFSD operates a financial products marketplace and offers technology services.

ii. Bajaj Finserv Health Ltd., a health-tech venture, in which BFS holds 100% stake.

iii. Bajaj Financial Securities Ltd. (BFSL), another wholly-owned subsidiary of BFL, which provides digital stock-broking and demat services.

The role of Bajaj Finserv is to regularly monitor and engage with its companies with some key objectives in mind:

- To be the preferred partner for all financial lifecycle needs of customers.
- To constantly create value across the customer lifecycle.
- To build businesses that deliver long-term sustainable profit, meaningful market share and, through effective use of capital, deliver superior shareholder returns.
- To be an organisation where innovation, agility and ownership thrives, thus creating responsible leaders who build long term businesses to delight customers.

Bajaj Finserv seeks to achieve these objectives by driving the companies under its wings to create institutionalised frameworks through accountable empowerment and by encouraging disruptive thinking.

The monitoring and engaging roles are under six heads:

1 Business and strategy	Rigorous engagement in long range planning and annual operating plans; regular review of all businesses and their strategic business units (SBUs); and periodic analysis of new business opportunities as well as strategic investments.
2 Risk management	Harmonisation of risk policies and framework; regular engagement with Chief Risk Officers of the businesses; periodic review of top enterprise risks including credit, business, financial, operational, reputational, as well as the mitigation actions planned; and driving risk mitigation across the group.
3 Collaboration and best practices	These involve group knowledge forums covering analytics, technology, investments, governance and the like; cross-company projects on data, innovation and digital strategy; and a cross-group stress identification forum to arrive at cross-functional views on investment risks.
4 People/HR	The notion of 'One Finserv' which translates to group talent mobility; group young leader management trainee programmes; 30 Under 30 programme; and a three-tier merit-based remuneration plan combining fixed cash, annual bonus and ESOPs.
5 Customer experience, investments and ESG	To define customer service protocols for businesses; to review and standardise investment processes; and to provide oversight of the ESG policy and its implementation across the group.
6 Corporate social responsibility (CSR)	To harmonise the CSR efforts of the businesses in a focused manner with aligned goals to optimise impact on the beneficiaries.

As a core investment company (CIC) under the regulations of the RBI, Bajaj Finserv is required to invest at least 90% of its net assets in group companies, of which at least 60% should be in the form of equity and equity equivalent investments. Investments outside the group can only be made in specified short-term securities like money market instruments. As Bajaj Finserv does not access public funds, it does not require registration with the Reserve Bank of India.

Bajaj Finserv has invested in renewable energy through 138 windmills in Maharashtra with an aggregate installed capacity of 65.2 MW. Through this, it annually generates more renewable energy than what the BFS group consumes in the aggregate. This investment in renewable energy helps the BFS group to fulfil its environmental obligations.

As required by the regulation, the standalone and consolidated financial results of Bajaj Finserv are compliant with Indian Accounting Standards (Ind AS). The insurance companies are not covered under Ind AS. They prepare Ind AS financials only for the purpose of consolidation with Bajaj Finserv. Accordingly, the financials in the sections on Bajaj General Insurance Ltd. (Bajaj General) and Bajaj Life Insurance Ltd. (Bajaj Life) in this chapter are as per Indian Generally Accepted Accounting Principles (Indian GAAP) and regulations laid down by the Insurance Regulatory and Development Authority of India (IRDAI). IRDAI has issued a roadmap for insurance companies to migrate to Ind AS and our companies are working towards the same objective. As permitted by IRDAI, Bajaj General and Bajaj Life are seeking forbearance from IRDAI from preparation of Ind AS financial statements for FY2027 as it would be able to present comparative figures for preceding year.

Given below are highlights during the year. Performance of subsidiary companies is detailed in subsequent pages.

BFS: Highlights for FY2026

- BFS achieved a significant milestone. Together with its promoter group entities, it completed the acquisition of Allianz's 26% stake, achieving 100% ownership of both its insurance subsidiaries — Bajaj General and Bajaj Life. The two companies are now '100% Bajaj – Made in India, Made for India, Made by India'.
- Bajaj Finserv unveiled a new brand identity. It signifies BFS moving up to the stature of the holding company. Each subsidiary steps forward with its own distinct identity, while staying connected under the Bajaj umbrella. It is the same trusted brand, now looking sharper and more dynamic than ever.
- Bajaj Finance Ltd.'s (BFL's) number of new loans crossed a milestone of 50 million. Its consolidated assets under management (AUM) crossed the ₹ 500,000 crore mark, increasing by 22% to arrive at ₹ 509,975 crore as at 31 March 2026. BFL's consolidated profit after tax (PAT) rose by 14% to ₹ 19,017 crore. BFL is now the largest NBFC in India in terms of both AUM and PAT.
- Bajaj General continued to be the third largest general insurer, measured by gross direct premium — ahead of three public sector insurers of significantly longer vintage.
- Bajaj Life maintained sixth rank in retail weighted received premium among private players. Its AUM crossed ₹ 130,000 crore.
- BFS AMC recorded an average AUM of ₹ 30,627 crore for Q4 FY2026 and closing AUM of ₹ 26,819 crore as on 31 March 2026. In less than three years since launching its first fund, it has emerged as a prominent mid-tier asset management company in India.
- Bajaj Alternate Investment Management Ltd. (a wholly owned subsidiary of BFS) has been set up with a focus on alternate investments through early-stage equity and real estate focused AIFs, thus broadening the group's strategy to cover other asset classes. It is in the process of obtaining regulatory approvals to commence business.
- Bajaj Marketplace and Bajaj Finserv Health continue to scale up operations in line with their planned growth trajectory and have remained on the planned path to profitability.

BFS

₹ 150,530 crore
All time high consolidated revenue

₹ 9,801 crore
All time high consolidated profit

Macroeconomic Overview

Global macroeconomic conditions remain broadly resilient but uneven, amid elevated policy and geopolitical uncertainty. According to the IMF's World Economic Outlook (April 2026), global growth is projected at 3.1% in 2026, improving marginally to 3.2% in 2027, under the assumption that the Middle East conflict remains limited in duration and scope. Global headline inflation is projected to rise modestly to 4.4% in 2026 before declining to 3.7% in 2027, reflecting normalisation in commodity prices and the lagged impact of tighter monetary policies. However, the external environment remains fragile, with intermittent flare-ups in trade policy and geopolitics continuing to shape risk sentiment and capital flows.

Geopolitical risks have intensified, particularly due to escalating tensions in the Middle East, including Iran related developments, which pose upside risks to energy prices and could reignite global inflationary pressures. The ceasefire between the US/Israel and Iran has again broken down at the time of writing and the situation remains worryingly fragile. Continued breakdown in negotiations could significantly disrupt global energy markets, with adverse implications for trade flows and economic activity.

Simultaneously, US-China trade relations remain uncertain, shaped by selective tariff adjustments, export controls in strategic sectors such as semiconductors and rare earths and evolving bilateral arrangements. While recent truces have helped avert a broader escalation, the risk of renewed trade tensions remains material. Such tensions could weigh on global trade volumes, disrupt supply chains and tighten financial conditions, particularly for open economies and commodity-importing countries.

Against this backdrop, India continued to exhibit relative macroeconomic resilience. As per the IMF projections, India's growth is expected to moderate to 6.5% in both 2026 and 2027, following an estimated 7.3% expansion in 2025. Domestically, the Second Advance Estimates released by the National Statistical Organisation (NSO) in February 2026 place real GDP growth at 7.6% in FY2026, up from 7.1% in FY2025, driven by the twin engines of private consumption and investment. Real GDP expanded to ₹ 322.6 trillion in FY2026, while real GVA reached ₹ 294.4 trillion, supported by services-led growth and a recovery in manufacturing.

India remains the fastest-growing major economy, underpinned by resilient domestic demand, with private final consumption expenditure accounting for nearly 56% of GDP.

Inflation dynamics in India have been benign, which has created space for calibrated monetary easing. CPI inflation declined sharply through 2025, reaching a trough of 0.25% in October 2025 before inching up to 1.3% in December 2025 — well below the inflation target band — aided by food price deflation and favourable base effects. In response, the RBI reduced the repo rate cumulatively from 6.50% to 5.25% by December 2025, while maintaining a neutral stance. On the external front, the current account deficit narrowed to 0.80% of GDP in the first half of FY2026, supported by strong services exports, providing a buffer against global volatility. Key risks stem from geopolitical-led commodity price shocks and renewed trade disruptions, while low inflation, a narrowing CAD and robust domestic demand remain critical macroeconomic buffers.

Table 1: India, Real gross domestic product (GDP) and gross value added (GVA) at constant prices

Particulars	FY2023 (FE)	FY2024 (FE)	FY2025 (FE)	FY2026 (2nd AE)
Real GDP (₹ in trillion)	261.2	280.0	299.9	322.6
Real GVA (₹ in trillion)	237.6	254.8	273.4	294.4
Real GDP growth*	NA	7.2%	7.1%	7.6%
Real GVA growth*	NA	7.2%	7.3%	7.7%

*The Ministry of Statistics and Programme Implementation (MoSPI) has released the new series of annual and quarterly national accounts estimates with base year 2022–23, which replaces the previous series with base year of 2011–12. Therefore GDP and GVA growth are not populated for FY2023.

Source: Government of India, National Statistical Office (NSO). AE denotes advance estimate and FE denotes final estimate.

Constructed upon baseline assumptions, survey indicators and model forecasts, real GDP growth is projected at 6.9% in FY2027.

Overview of Consumer Finance and Lending

Structure and developments

Lending and borrowing money are critical to a country's financial health. Banks traditionally played the role of prime lenders in India, disbursing loans for both commercial and personal purposes. However, extensive due diligence and long processes resulted in individuals turning to the unorganised sector, especially the traditional moneylenders who charged exorbitant interest rates.

In recent years, however, the lending market in India has developed into a dynamic playfield with various non-banking financial companies (NBFC), fintech enterprises and digital lending platforms.

India's NBFCs have been instrumental in driving credit growth and are key pillars of country's financial intermediation ecosystem. These entities complement scheduled commercial banks (SCBs) by extending credit to customer segments and geographies where conventional channels are less penetrated. Their specialised underwriting, product innovation and last-mile delivery capabilities — supported by increasing digital origination and servicing — have facilitated greater access to finance for micro and small enterprises, self-employed borrowers, affordable housing customers and microfinance-linked households, thereby advancing financial inclusion and supporting broad-based economic activity.

NBFC credit as a proportion of GDP has increased steadily over the past decade from 8.8% in FY2014 to 14.6% in FY2025.

The NBFC sector's performance indicators have remained supportive of GDP growth. Credit growth for NBFCs in the aggregate upper and middle layers reached 21.3% year-on-year as of September 2025. Asset quality further improved, with the overall gross non-performing assets (GNPA) ratio declining to 2.9% as of September 2025 from 3.4% a year earlier — which reflects continued strengthening in portfolio performance, underwriting discipline and collection outcomes.

The regulatory landscape for NBFCs has evolved towards a more proportionate, risk-aligned framework under the Reserve Bank of India's (RBI's) Scale-Based Regulation, which applies differentiated requirements based on size, complexity, activity profile and systemic importance across base, middle, upper and top layers, with enhanced governance, prudential and disclosure expectations for upper-layer entities.
In addition to statutory oversight, greater emphasis is being placed on industry-led standard setting through self-regulation initiatives, intended to strengthen best practices, transparency and consumer protection.

Simply put, NBFCs remain a cornerstone of India's financial system, particularly to promote financial inclusion and economic growth. These enterprises address the credit needs of underserved segments, leverage new sources of funds and embrace technological advancements. By integrating these strategies, NBFCs now play a pivotal role in driving universal and sustainable economic growth and ensure that the benefits of financial inclusion and technological innovation are widely shared across the nation.

We embarked on the FinAI journey a year back — where we dynamically leverage various AI opportunities across-the-board to derive significant cost, operational and productivity benefits. In this, we are on track to become a future-ready financial services company. This is completely backed by the India digitisation story as depicted in Chart A and B below, highlighting the growing opportunity for the financial services businesses in India.

Chart A: India's rapid digitisation journey

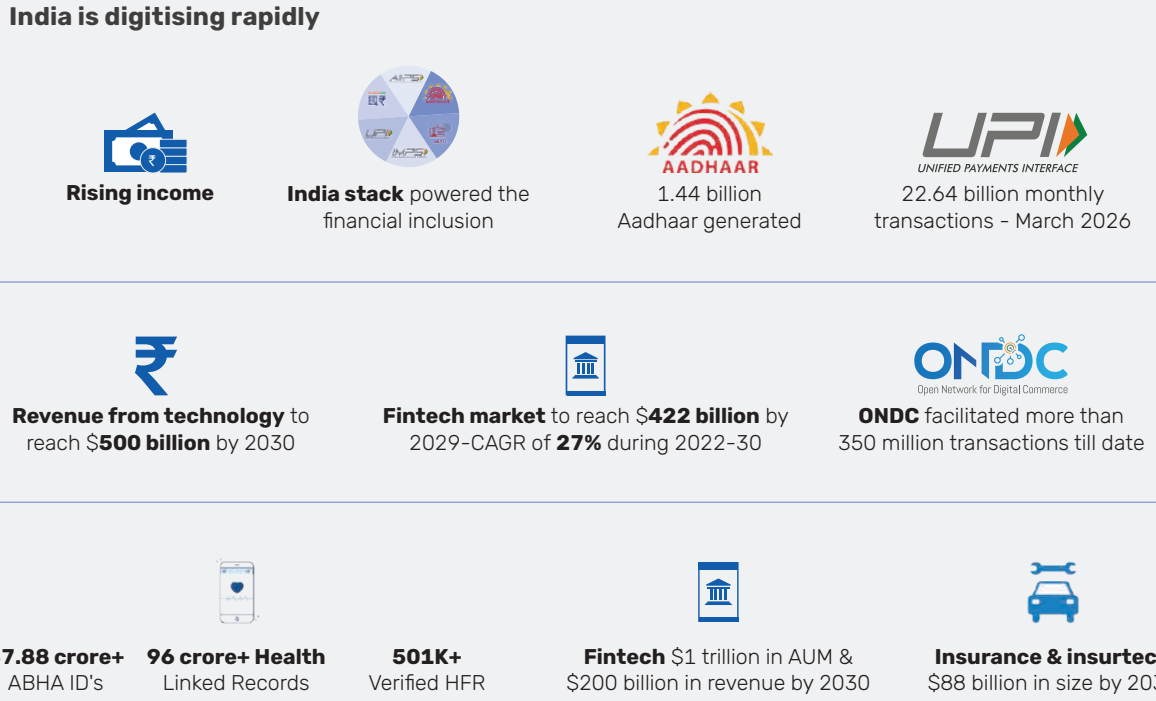
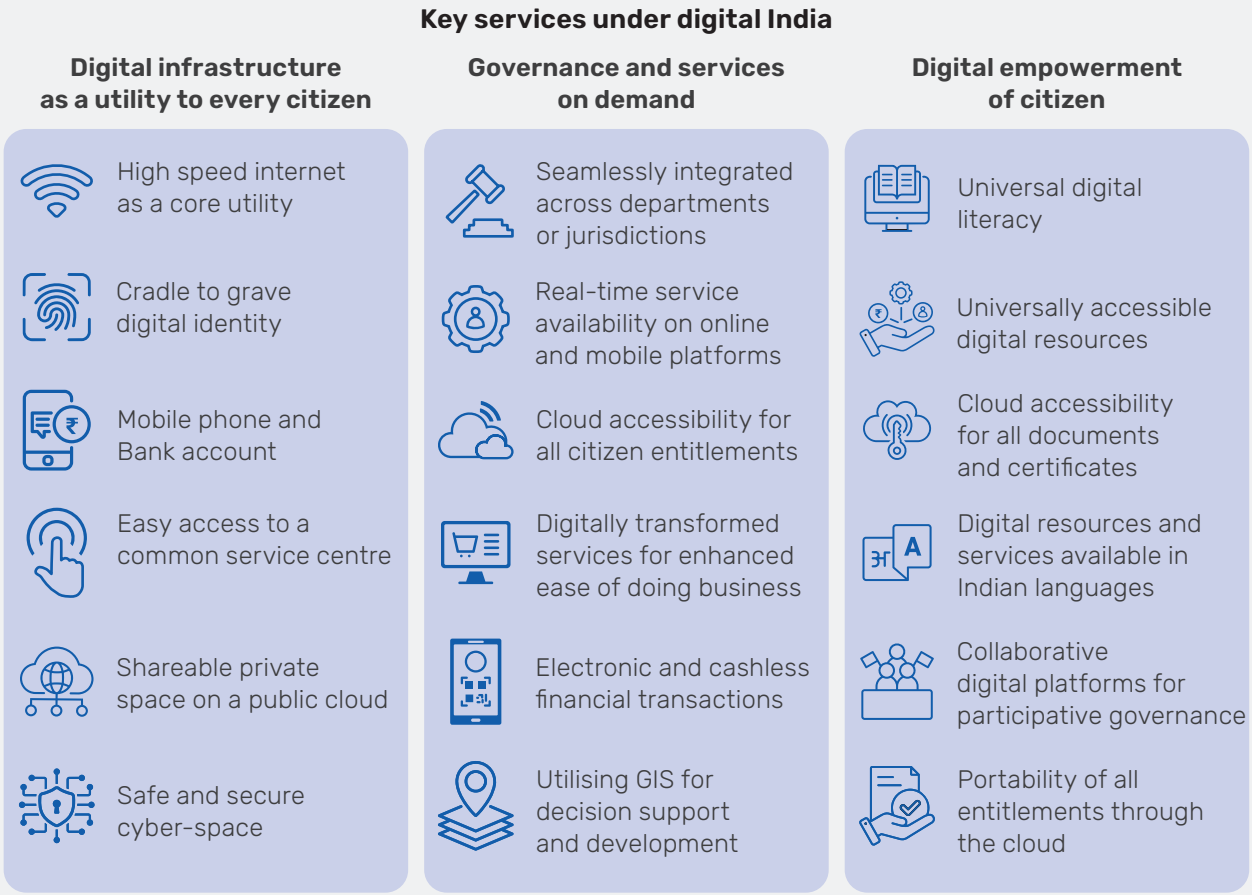


Chart B: India's wide digital offering



Source: Ministry of Electronics and Information Technology

Overview of the Insurance Sector

Structure and developments

The Indian insurance market is the second largest among the emerging economies and tenth largest in the world. There are 62 insurers registered with the Insurance and Regulatory Development Authority of India (IRDAI), comprising 26 life insurers, 27 non-life insurers, seven stand-alone health insurers and two reinsurers. Though the industry is still under-penetrated compared to developed economies, with penetration remaining under 4% (ratio of total insurance premiums to the country's nominal GDP), the market continues to progress on a path to attain its vision of 'Insurance for All' by 2047.

The significant insurance reform in FY2026, driven by *Sabka Bima Sabki Raksha* (Amendment of Insurance Laws) Act, 2026, represents a landmark overhaul designed to achieve three key objectives:

a) Universal insurance coverage: 'Sabka Bima' emphasises insurance access for all citizens;

b) Policyholder protection: 'Sabki Raksha' ensures robust safeguards and education for policyholders; and

c) Sector modernisation: Encourages competition, global best practices and regulatory clarity to strengthen the insurance ecosystem.

Key changes include: (i) 100% FDI in the insurance sector, (ii) policyholder protection through a policyholder protection fund, and (iii) ease of doing business through various provisions including one-time licensing for intermediaries, suspension instead of cancellation of licenses and relaxed regulatory approvals for share capital transfers.

Key expected outcomes of the amended act include:

1. Increased insurance penetration by attracting foreign insurers and capital, leading to expanded coverage and reduction in premiums;
2. Enhanced consumer benefits, with greater competition expected to improve product efficiency, affordability and innovation;
3. Greater employment opportunities, where opening the sector to global players should create more jobs in insurance and allied services; and
4. Regulatory clarity, through standardised terminology and consultative regulation-making reducing ambiguity and litigation risks.

The other big transformation within the insurance sector is likely to arise from convergence to Indian Accounting Standards (Ind AS). The IRDAI has mandated adoption of Ind AS for all insurers effective from 1 April 2026. This move aims to align India's insurance sector with global standards, enhancing transparency and comparability in financial reporting. Similarly, the IRDAI is expected to soon announce the convergence date for risk based capital (RBC). The RBC framework aims to replace the current solvency-based model with a risk-sensitive approach, allowing insurers to hold capital proportionate to their risks, including investment, underwriting and operational risks.

FY2026 was very eventful for the sector backed by life and health insurance premiums being exempted from the Goods and Service Tax (GST). With this GST exemption, the consumers gained with insurance costs coming down. However, the insurers were adversely impacted by loss of input tax credit. We nevertheless believe that GST exemption will be beneficial for the industry in medium to long term.

Overall, FY2026 saw lower losses for us from natural catastrophes. However, the prognosis seems to be dire. According to a report published by the Centre for Science and Environment, India faced extreme weather events on 99% of days in the first nine months of 2025 marked by heat and cold waves, lightnings, storms, heavy rain, floods and landslides — leading to increased loss of lives, crop and other property. Climate change and weather-related issues will continue to be central going forward.

On the investment front, FY2026 was volatile for financial markets, with both equity and fixed income delivering sub-par returns. On a relative basis, Indian equities were among the worst-performing globally. Renewed geopolitical tensions in West Asia have triggered another phase of volatility. Fixed income markets have also come under pressure, with the 10-year government security yield rising by around 50 basis points. Overall, it has been a challenging environment, requiring agility and conviction in managing the investment portfolio.

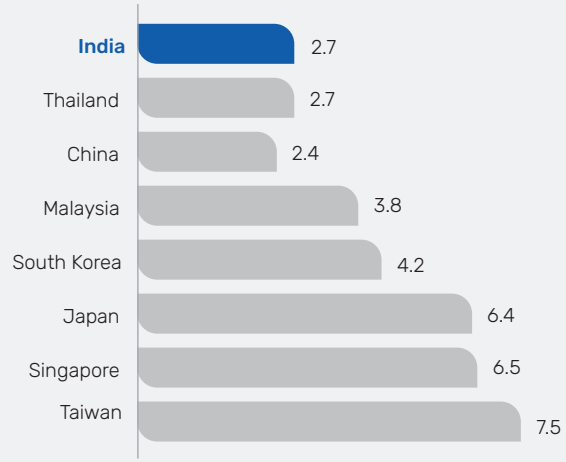
Outlook

The Indian economy continues to witness strong fundamentals across sectors and will remain the fastest growing in the world. Such an economy backed by a favourable regulatory environment should drive insurance market growth in India. Lower insurance penetration and density (as depicted in Chart C), rising income levels, larger proportion of earning population, manufacturing growth and rapid infrastructure development should provide considerable scope for insurance and reinsurance in India in the immediate and near future.

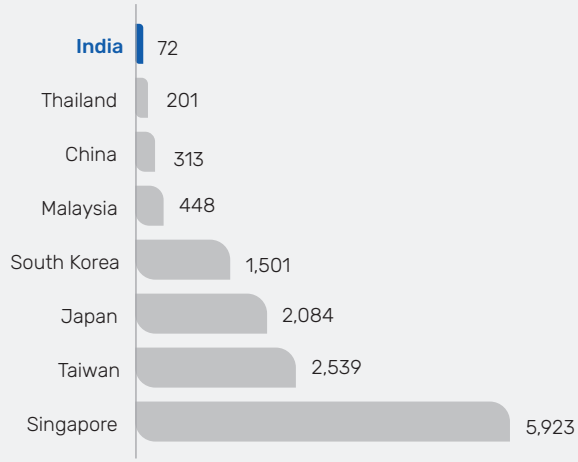
Chart C: Insurance penetration and density

Indian life insurance market - growth opportunity

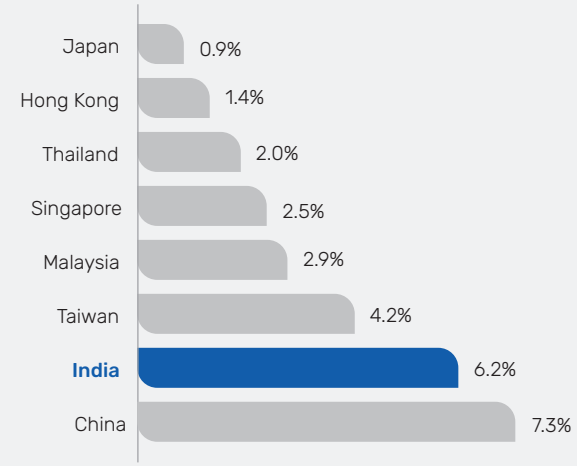
Insurance penetration as a % of GDP



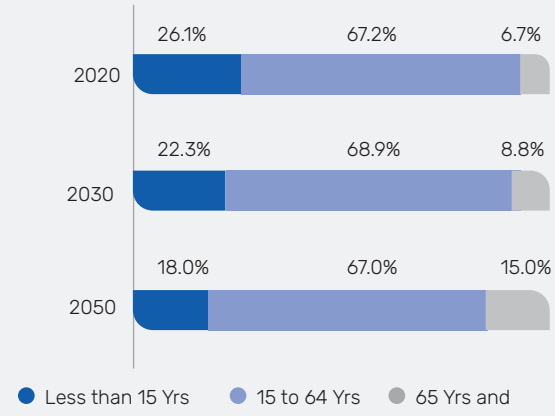
Life insurance density (US$)



GDP per capita CAGR FY 2015-2025



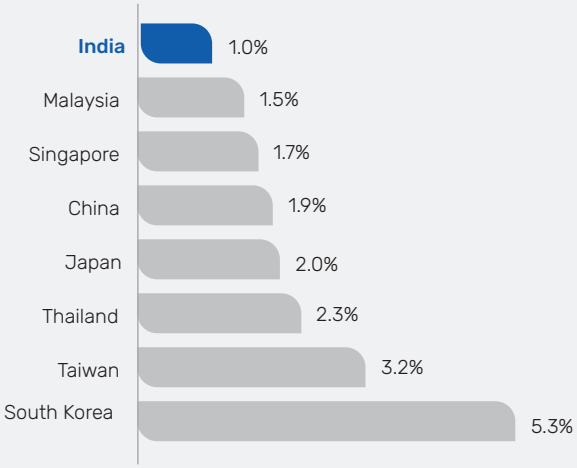
Population composition - India



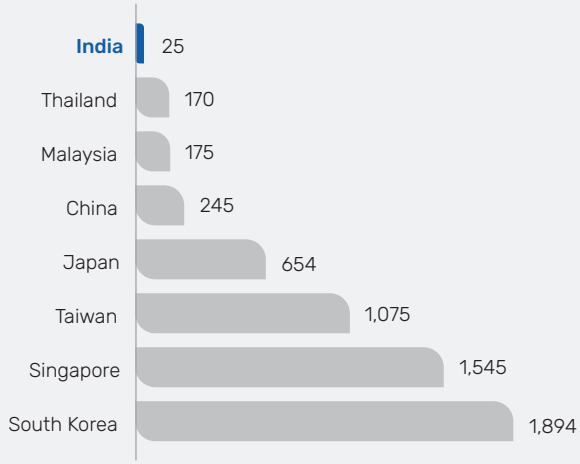
Source: Population trends Asia Pacific | World Economics | IRDAI Annual Report 2024-25 | Insurance penetration is measured as ratio of premium (in US Dollars) to GDP (in US Dollars).

Indian non-life insurance market - large addressable market

Insurance penetration as a % of GDP



Non-life insurance density (US$)



Source: IRDAI Annual Report 2024-25 | Insurance penetration is measured as ratio of premium [in US Dollars) to GDP (in US Dollars).

Consumer Finance, Lending and Broking businesses

Bajaj Finance Ltd. (BFL)

BFL is one of India's largest non-banking financial companies (NBFCs). It is a customer-centric, digital-first enterprise with omnipresence across physical, mobile and web channels led by various payment platforms that combine different payment instruments. Focusing on India's mass affluent customers and above in both urban and rural, it uses cross-selling with the digital use of state-of-the-art data, innovations and analytics to transform customer experience and create growth opportunities. It offers diversified financial services and optimises the mix of risks so as to regularly generate significant and sustainable profits.

BFL: Consolidated Performance Highlights for FY2026

- Customer franchise grew by 17% to 119 million.
- Number of new loans booked crossed a milestone of 50 million and were 52.5 million.
- Number of customers on Bajaj Finserv App was 86.6 million.
- Assets under management (AUM) crossed a milestone of ₹ 500,000 crore and increased by 22% to ₹ 509,975 crore.
- Net interest income (NII) increased by 21% to ₹ 44,110 crore.
- Net total income (NTI) grew by 21% to ₹ 53,324 crore.
- Profit before tax (PBT) increased by 17% to ₹ 25,817 crore.
- Profit after tax (PAT) attributable to owners increased by 14% to ₹ 19,017 crore.
- Capital adequacy ratio (standalone) as on 31 March 2026 was 21.55%, Tier-I adequacy was 20.67% which are well above the RBI norms.

BFL

119 million
Customer franchise
(↑ 17% YoY)

₹ 509,975 crore
AUM
(↑ 22% YoY)

Business update

BFL is present in 4,098 locations across the country, including 2,571 in rural/smaller towns and villages. Geographical expansion, large customer franchise and adoption of digital technology continue to be critical pillars of Bajaj Finance's growth.

It focuses on 10 broad categories. These are: (i) consumer lending; (ii) personal loans; (iii) MSME lending (secured and unsecured); (iv) wheels financing; (v) rural lending; (vi) gold loans; (vii) microfinance business; (viii) commercial lending; (ix) loan against securities; (x) deposits; and (xi) partnerships and services.

Table 2 gives a snapshot of BFL's AUM across its different businesses. Chart D depicts BFL's standalone and consolidated AUM over the years.

Table 2: BFL's assets under management

(₹ In Crore)

	Standalone			Consolidated		
Particulars	**FY2026**	**FY2025**	**Change**	**FY2026**	**FY2025**	**Change**
Captive 2W and 3W finance	4,288	10,691	(60%)	4,288	10,691	(60%)
Open market 2W and 3W finance	8,325	6,628	26%	8,325	6,628	26%
Urban consumer finance	37,430	29,109	29%	37,430	29,109	29%
Urban B2C loans	102,566	86,096	19%	104,485	87,696	19%
Rural consumer finance	10,559	7,944	33%	10,559	7,944	33%
Rural B2C loans	25,234	20,209	25%	25,234	20,209	25%
MSME lending	51,473	48,583	6%	51,570	48,698	6%
Loan against securities	25,576	20,872	23%	33,247	25,377	31%
Commercial lending	33,839	28,285	20%	33,839	27,760	22%
Mortgages	34,775	27,327	27%	162,077	129,461	25%
Gold loans	17,831	8,307	115%	17,831	8,307	115%
Car loans	15,011	11,876	26%	15,011	11,876	26%
CV and tractor finance	3,881	1,647	136%	3,881	1,647	136%
MFI business	2,198	1,258	75%	2,198	1,258	75%
Total	**372,986**	**308,832**	**21%**	**509,975**	**416,661**	**22%**

Chart D: BFL's Consolidated assets under management (₹ In Crore)

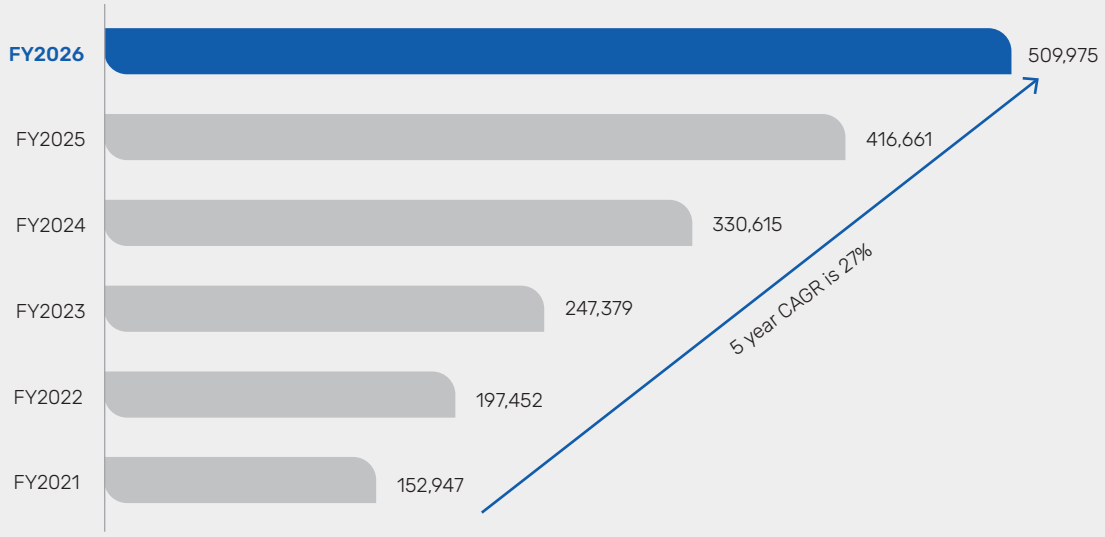


Table 3 gives BFL's standalone and consolidated financial performance; and Table 4 highlights the key ratios.

Table 3: BFL's financial performance

(₹ In Crore)

	Standalone			Consolidated		
Particulars	**FY2026**	**FY2025**	**Change**	**FY2026**	**FY2025**	**Change**
Interest income	61,357	51,549	19%	72,776	61,164	19%
Interest and finance charges	21,417	18,436	16%	28,666	24,770	16%
Net interest income (NII)	**39,940**	**33,113**	**21%**	**44,110**	**36,394**	**21%**
Other operating income	8,497	7,015	21%	9,214	7,683	20%
Net total income (NTI)	**48,437**	**40,128**	**21%**	**53,324**	**44,077**	**21%**
Operating expenses	16,641	13,969	19%	17,776	14,927	19%
Pre-provisioning operating profit	**31,796**	**26,159**	**22%**	**35,548**	**29,150**	**22%**
Loan losses and provisions	9,290	7,027	32%	9,482	7,088	34%
Share of profit from associates	-	-	-	16	18	-
Exceptional items	1,166	2,544	-	(265)	-	-
Profit before tax (PBT)	**23,672**	**21,676**	**9%**	**25,817**	**22,080**	**17%**
Profit after tax (PAT)	17,804	16,662	7%	19,332	16,779	15%
Profit after tax (PAT) attributable to owners of the Company	**17,804**	**16,662**	**7%**	**19,017**	**16,638**	**14%**
Earnings per share (EPS) basic, in ₹	28.65	26.93	6%	30.60	26.89	14%
Earnings per share (EPS) diluted, in ₹	28.56	26.86	6%	30.51	26.82	14%
Book value per share, in ₹	165.85	142.09	17%	183.34	156.09	17%

Table 4: BFL's key ratios on consolidated basis

Consolidated ratios	**FY2026**	**FY2025**
Net interest income (NII) to average loans receivable	9.73%	9.91%
Total operating expenses to NTI	33.34%	33.86%
Return on average loans receivable (ROA)	4.26%	4.57%
Return on average equity (ROE)	18.05%	19.19%
Capital to risk-weighted assets ratio (CRAR) *	21.55%	21.93%
Tier I *	20.67%	21.09%
Tier II *	0.88%	0.84%
Gross NPA	1.01%	0.96%
Net NPA	0.41%	0.44%
Provisioning coverage ratio (PCR)	60%	54%

* These ratios are on standalone basis.

AI and digital capability update

The Company advanced its AI transformation agenda materially during FY2026, driving scale, efficiency and improved risk managed growth across the customer lifecycle. Conversational AI, through 27 chatbots, enabled loan disbursals of ₹ 5,520 crore, with an additional ₹ 697 crore enabled through voice log based decisioning. Vision AI processed 69 million application documents with 44% auto QC and supported 12.2 million existing customer face matches across 70 pilot locations. Content AI generated 1.5 million videos and 0.5 million banners, strengthening digital discovery and customer engagement. Data AI converted 52 million voice interactions and 2.3 million text interactions into structured datasets, generating 0.4 million new loan offers. Technology productivity improved with over 22,600 BRDs use; over 77,300 test cases and 24% developer efficiency gains. The Company has dedicated AI team of over 200 members structured across various domains, so that AI is deployed across every customer touchpoint and operational workflow.

Bajaj Housing Finance Ltd. (BHFL)

Ranked among the largest housing finance companies in India, Bajaj Housing Finance Ltd. (BHFL), a listed subsidiary of BFL, is registered as a non-deposit taking housing finance company with the National Housing Bank (NHB) since September 2015 to carry the business of housing finance. BHFL started its lending operations from July 2017. BHFL is regulated by the RBI and supervised by the NHB.

The company offers full mortgage product suite spanning: (i) home loans; (ii) loans against property; (iii) lease rental discounting; (iv) developer financing; and (v) others, covering non-collateralised loans. Through its varied product suite, BHFL addresses diverse mortgage needs of all retail customer segments, which include salaried individuals and self-employed professionals. It serves all sub-segments, including prime, near-prime, and affordable customers; and offers various transaction types such as purchase, resale, self-construction and balance transfer. Through its commercial product suite, which includes construction finance and lease rental discounting, BHFL caters to a wide range of marquee clients, including real estate developers, high net worth individuals (HNIs), real estate investment trusts (REITs), sovereign wealth funds and corporations.

BHFL holds the highest credit rating of AAA/stable from both CRISIL and India Ratings for its long-term debt programme; and A1+ from CRISIL and India Ratings for its short-term debt programme. These ratings are supported by strong parent backing and reflect the Company's stable financial position and repayment capability.

A snapshot of BHFL's performance in FY2026 is given below.

BHFL: Performance Highlights for FY2026

- Assets under management (AUM) grew 23% to ₹ 140,706 crore.
- Net interest income rose by 25% to ₹ 3,752 crore.
- Net total income (NTI) increased by 23% to ₹ 4,391 crore.
- Profit before tax (PBT) grew 20% to ₹ 3,320 crore.
- Profit after tax (PAT) increased by 18% to ₹ 2,560 crore.
- Healthy capital adequacy with CRAR at 22.46% as of 31 March 2026 and Tier-1 ratio was 22.01%; both well above regulatory norms.
- ROA was steady at 2.3% and ROE at 12.1% for FY2026.
- Overall capital base stood at ₹ 22,523 crore as of 31 March 2026.

BHFL

₹ 140,706 crore
AUM
(↑ 23% YoY)

₹ 2,560 crore
PAT
(↑ 18% YoY)

Table 5 gives BHFL's assets under management (AUM) and Table 6 gives its standalone financial performance.

Table 5: BHFL's AUM across major business verticals

(₹ In Crore)

Particulars	FY2026	FY2025	Change
Housing loans (including top ups)	76,055	64,447	18%
Loan against property	15,191	12,262	24%
Lease rental discounting	31,531	21,913	44%
Developer finance	16,226	14,346	13%
Other loans	1,703	1,716	(1%)
Total	**140,706**	**114,684**	**23%**

Table 6: BHFL's standalone financials

(₹ In Crore)

Particulars	FY2026	FY2025	Change
Total Income	11,151	9,554	17%
Interest and finance charges	6,760	5,979	13%
Net total income (NTI)	**4,391**	**3,575**	23%
Operating expenses	867	747	16%
Pre-provisioning operating profit	**3,524**	**2,828**	25%
Loan losses and provisions	191	58	229%
Exceptional items	(13)	-	
Profit before tax (PBT)	**3,320**	**2,770**	20%
Profit after tax (PAT)	**2,560**	**2,163**	18%
Earnings per share (EPS) basic, in ₹	3.07	2.67	15%

Bajaj Financial Securities Ltd. or Bajaj Broking

Bajaj Financial Securities Ltd. ('BFSL' or 'Bajaj Broking') functions as a wholly-owned subsidiary of BFL. It is registered with the SEBI, both as a stockbroker and as a depository participant.

In FY2026, Bajaj Broking sustained its strong growth momentum, with over 1.38 million retail and branch clients with a comprehensive suite of offerings, including broking, DP services, margin trade facility (MTF), IPO, and distribution of financial products. During the year, BFSL further strengthened its product portfolio with the introduction of ESOP financing.

The performance highlights of Bajaj Broking for FY2026 are given below:

BFSL: Performance Highlights for FY2026

- Customer franchise grew by 41% to over 1.38 million.
- Assets under finance increased by 77% to ₹ 7,984 crore.
- Net interest income (NII) increased by 53% to ₹ 380 crore.
- Net total income (NTI) increased by 31% to ₹ 578 crore.
- Profit before tax (PBT) increased by 49% to ₹ 273 crore.
- Profit after tax (PAT) increased by 46% to ₹ 203 crore.

Bajaj Broking

Over 1.38 million
Customer franchise
(↑ 41% YoY)

₹ 203 crore
PAT
(↑ 46% YoY)

Associate Companies of Bajaj Finance Ltd.

There are two associate companies of BFL. These are:

a) Snapwork Technologies Pvt. Ltd. which specialises in delivering innovative digital solutions and where BFL holds a stake of 41.50% on a fully diluted basis; and

b) Pennant Technologies Pvt. Ltd. which provides end-to-end lending solutions through its pennApps Lending Factory (PLF) – a comprehensive, highly configurable and scalable lending platform that streamlines the entire loan lifecycle. Here BFL holds a stake of 26.53% on a fully diluted basis.

Both these companies have become profitable.

Insurance, Protection and Savings businesses

Acquisition of 26% stake in two insurance subsidiaries

On 8 January 2026, Bajaj Finserv (BFS) along with its promoter group entities, namely Bajaj Holdings & Investment Ltd. and Jamnalal Sons Private Ltd., successfully completed acquisition of the 23% equity stake held by Allianz SE in the two insurance subsidiaries. These have been renamed as Bajaj General Insurance Ltd. (formerly Bajaj Allianz General Insurance Company Ltd.) and Bajaj Life Insurance Ltd. (formerly Bajaj Allianz Life Insurance Company Ltd.). The joint venture agreements between BFS and Allianz SE were terminated.

Consequent to this transaction, BFS acquired 1.01% equity stake for a purchase consideration of ₹ 939 crore. Pursuant to this, BFS held 75.01% equity stake in both Bajaj General Insurance Ltd. and Bajaj Life Insurance Ltd.

Subsequently, on 12 March 2026, pursuant to the buyback offer, Allianz SE, tendered its entire remaining equity stake of 3% each in the insurance subsidiaries. Consequently, Allianz SE has completely exited the two insurance subsidiaries. As a result, the equity stake of BFS in each of the above insurance subsidiaries has increased from 75.01% to 77.33%. BFS, along with promoter group companies, now hold 100% equity stake in both insurance subsidiaries.

The transaction, the largest ever in the Indian insurance sector, marks one of the most significant acquisitions of a global joint venture partner by an Indian business group. The acquisition demonstrated heft of the Bajaj group to fund a large transaction of ₹ 24,180 crore in a time-bound manner — entirely through its internal accruals.

The acquisition has no impact on the operations of the insurance companies or the interests of policyholders and business partners.

BFS also completed the acquisition of 50% equity stake in Bajaj Financial Distributors Ltd. (BFDL) (formerly Bajaj Allianz Financial Distributors Ltd.) held by Allianz SE for ₹ 12.50 crore. Consequently, the joint venture agreement between BFS and Allianz SE stands terminated and BFDL has become a wholly owned subsidiary of BFS.

Both insurance companies are now 100% Bajaj — 'Made in India, Made for India, Made by India' — signifying the Bajaj group's renewed commitment to shaping the future of insurance in India.

Bajaj General and Bajaj Life are now 100% Bajaj

₹ 24,180 crore
Funded entirely through its internal accruals

General Insurance: Bajaj General Insurance Ltd. (Bajaj General)

Bajaj General is one of India's leading composite general insurers offering all types of general insurance products including motor, health as well as various forms of commercial lines of insurance such as fire, engineering, liabilities and marine. It also participates in the tender driven government health and crop insurance schemes run across various states. It has built a strong retail franchise and retained a leading position among insurers. Its business is based on a quality product portfolio, supported by strong underwriting, multi-channel distribution and prudent financial management. With a positioning of 'Caringly Yours', it remains one of the most respected brands in general insurance known for its customer service.

In a market where many peers continue to chase market share, Bajaj General has, since its inception, differentiated itself by focusing on a profitable and diversified portfolio, and by balancing growth with profitability.

Industry update

The general insurance industry (private and public multi-line players) recorded gross direct premium income (GDPI) growth of 7.9% in FY2026. The data for the industry and Bajaj General are shown in Table 7.

Table 7: Gross direct premium in India – the general insurance industry*

(₹ In Crore)

Particulars	Gross direct premium*		Gross direct premium excluding tender driven government schemes*	
	FY2026	FY2025	FY2026	FY2025
Bajaj General	23,179	21,417	17,984	16,090
Private sector	175,936	162,898	160,633	141,743
Public sector	102,580	95,247	95,853	86,554
Industry	278,517	258,145	256,486	228,297
Standalone health insurers (SAHI)	45,866	38,411	45,866	38,411
Industry including SAHI	324,383	296,556	302,352	266,708
Growth rates				
Bajaj General	8.2%	4.6%	11.8%	7.9%
Private sector	8.0%	5.0%	13.3%	6.3%
Public sector	7.7%	5.5%	10.7%	7.5%
Industry	7.9%	5.2%	12.3%	6.7%
Standalone health insurers (SAHI)	19.4%	16.1%	19.4%	16.1%
Industry including SAHI	9.4%	6.5%	13.4%	8.0%

Source: GI Council figures, IRDA website and IRDA, Handbook of Insurance Statistics.

* Excluding specialised insurers.

Business update

- Bajaj General posted a gross direct premium income (GDPI) growth rate of 8.2% in FY2026, versus an industry growth of 7.9%.
- During FY2026, Bajaj General wrote premium of ₹ 1,607 crore (PY ₹ 2,067 crore) under the government crop insurance schemes and ₹ 3,588 crore (PY ₹ 3,260 crore) crore under the Ayushman Bharat Government Health Scheme, thus continuing its endeavour of financial inclusion.
- Excluding the volatile tender-driven crop insurance and government health business, Bajaj General posted a GDPI growth rate of 11.8% in line with industry growth.
- Bajaj General continues to be among the most profitable general insurers in India. Its combined ratio (COR) of 102.8% in FY2026 is expected to be among the best in the industry, reflecting a sound balance between growth and profitability. Bajaj General has achieved this by:

  (a) robust and prudent underwriting practices driven by strong analytics based on past claims experience;

  (b) diversified exposure across business lines and geographies;

  (c) granular loss ratio modelling;

  (d) robust investigation and loss management;

  (e) generation of cash flows through strong retention of premium and judicious investments of the proceeds; and

  (f) focus on high quality customer service.

- Bajaj General has a diversified and among the largest multi-channel distribution network consisting of banks, NBFCs, individual agents, motor insurance service providers, point of salespersons, web-sales and its proprietary direct to customers' channel. It continued to expand the network of bancassurance partners including private banks, public sector banks, regional banks, small finance banks and cooperative banks. Bajaj General has one of the largest networks of bancassurance partners in general insurance.
- Bajaj General has embarked upon journey to expand its presence in tier 3 and below cities to take the general and health insurance business to semi-urban and rural parts of the country.
- Bajaj General continues to balance its product mix across retail and commercial lines depending on profit pools that it identifies from time to time.

- Bajaj General continued to accelerate its digital transformation journey with significant strides across core technology modernisation, platform innovation and AI-driven initiatives. The core policy administration platform, Maximus, achieved a major milestone with six new lines of business successfully migrated, further consolidating it's transition and phasing out the legacy systems. The modern data platform on cloud was progressively scaled through phases 2 and 3, establishing an industry-standard data model. Bajaj General carried out digital integration across 289 integrations with 77 partners, generating over ₹ 5,000 crore in premium through partner integrations.
- Throughout the year, notable launches include ClimateSafe, an industry-first platform leveraging real-time climate data for parametric insurance issuance and claims, the Zero TAT policy issuance framework for carving out generic products under an hour; a new cloud-based commissions portal; and an alumni portal.
- Bajaj General continued to scale its AI and innovation agenda with multiple AI use cases implemented, including an AI-powered health claims adjudication framework, Aignite and AIME our employee facing bot for all HR related queries. The AI-powered conversational bot ecosystem was extended with new journeys across customer, partner and employee touchpoints. Bajaj General made significant strides in AI, conducting an AI Agent creation workshop and hosting InsureHack.AI an internal AI hackathon where business teams have created their own agents to solve their real business problems.

Bajaj General: Performance Highlights for FY2026

- Gross written premium (GWP) stood at ₹ 23,326 crore in FY2026, or a growth of 8%. Excluding tender driven business of crop and government health insurance, Bajaj General's growth was 12%.
- Bajaj General's market share in the industry on GDPI basis, including standalone insurers, stood at 7.1%.
- Net earned premium was ₹ 9,519 crore.
- The combined ratio was 102.8%. (Combined ratio on old accounting basis was 101.9%).
- Profit after tax for FY2026 was ₹ 1,942 crore, with a growth of 6%.
- Profit after tax (PAT) (before one-time charge of New Labour Codes) was ₹ 1,973 crore with a growth of 8%.
- Assets under management (AUM) was ₹ 35,529 crore.
- Highest solvency ratio among comparable industry players at 302%.
- 37 million policies issued in the year, versus some 48 million in FY2025.
- 5.39 million claims were reported in the year, versus 6.47 million in FY2025.
- Bajaj General's grievance ratio continues to be among the lowest in the industry and its NPS scores continue to outperform the market, reflecting strong customer trust.

Bajaj General

302%
Highest solvency ratio in industry

₹ 1,942 crore
PAT
(↑ 6% YoY)

Financial performance

Bajaj General's financial performance for FY2026 is summarised in Table 8. Chart E plots Bajaj General's PAT over the last five years.

Table 8: Bajaj General's financial performance

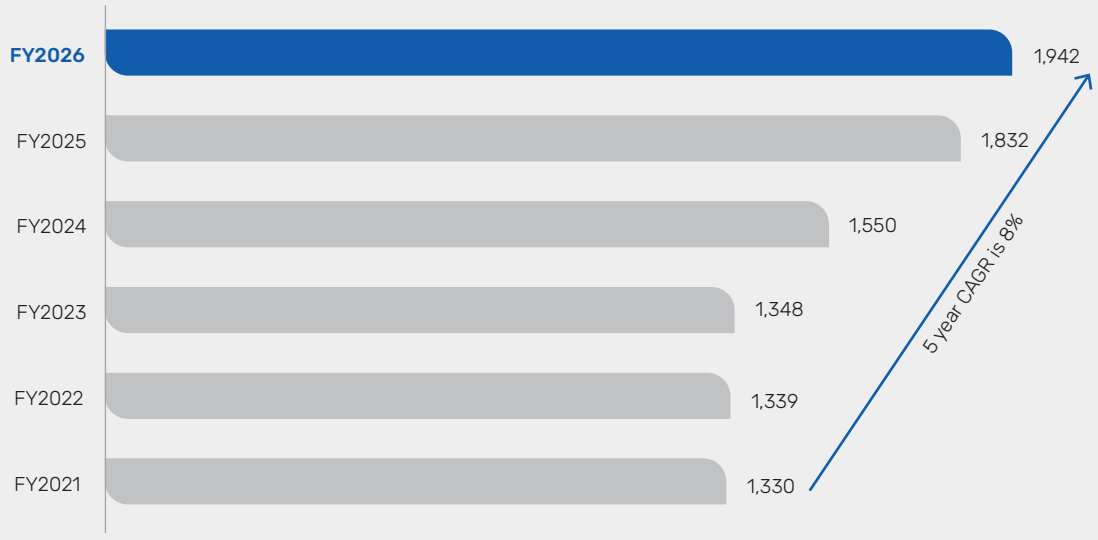
(₹ In Crore)

Particulars	FY2026	FY2025	Change
Gross written premium (GWP)	**23,326**	**21,583**	**8%**
GWP excluding crop and government health	18,131	16,256	12%
GWP excluding crop, government health and 1/n impact of long-term products	**19,082**	**16,807**	**14%**
Net earned premium	9,519	9,565	(1%)
Underwriting result	(441)	(77)	
Profit before tax	2,578	2,445	5%
Profit after tax	**1,942**	**1,832**	**6%**
Profit after tax (before one-time charge of New Labour Codes)	1,973	1,832	8%
Claims ratio	72.6%	74.6%	
Combined ratio*	**102.8%**	**102.3%**	
Combined ratio (excluding 1/n impact of long-term products)*	101.9%	101.7%	
Return on average equity ^	15.9%	16.0%	

* Combined ratio is calculated according to the Master Circular on 'Preparation of Financial Statements of General Insurance Business' issued by the IRDAI effective from 1 April 2013.

^ Excluding the surplus capital (at 200% solvency) the return on average equity was approximately 20%.

Chart E: Bajaj General's profit after tax (₹ In Crore)



Cash and investments

Bajaj General's cash and investments as on 31 March 2026 were ₹ 35,529 crore, versus ₹ 33,122 crore in the previous year. Cash flow generation continued to be strong and was impacted by share buyback.

Capital and solvency

- Paid-up capital, including share premium stood at ₹ 274 crore as at 31 March 2026. No fresh capital was infused in the year.
- Bajaj General continues to be one of the most efficient users of capital in the private sector — as measured by the ratio of GWP to share capital and by GWP to shareholders' equity.
- Shareholders' equity of Bajaj General was ₹ 11,949 crore as on 31 March 2026 (after share buyback of ₹ 1,590 crore), versus ₹ 12,498 crore a year earlier.
- As on 31 March 2026, Bajaj General's solvency margin was at 302%, which is well above the normal regulatory requirement of 150%.

Life Insurance, Savings and Retirement: Bajaj Life Insurance Ltd. (Bajaj Life)

With a brand positioning of getting Life Goals Done, Bajaj Life is committed to offer value-packed and innovative products which are simple to understand and easy to buy. These are designed to meet long-term life goals of individual and group customers, ranging from protection, wealth creation to retirement solutions, legacy planning and more; and are backed by a well-diversified and strong multi-channel distribution network, data analytics, tech-enabled services and touchpoints to ensure a simplified and personalised insurance experience with a 'Customer First' approach.

Over the last few years, Bajaj Life has achieved significant growth and market share. As part of its journey towards profitable and sustainable growth, Bajaj Life initiated a change in strategy ('Bajaj Life 2.0') which coincided with the new product regulations issued by the IRDAI in FY2025. This new strategy aims to leverage the scale already achieved for further expansion of its margins.

In line with the strategy of sustainable and profitable growth, Bajaj Life has continued to deliver strong performance in FY2026, despite the impact of GST exemption on profits and margins. Bajaj Life has focused on redesigning products to balance customer needs with profitability, strengthening quality of business across key metrics such as customer grievance redressal and claims management. This is reflected in the consistent increase in renewal premiums, improved cost efficiencies and a balanced product mix.

Industry update

The life insurance industry recorded a growth of 10.2% in retail weighted received premium (RWRP) in FY2026 over FY2025. Within the industry, private sector grew by 12.3%, while LIC grew by 5.2%. Bajaj Life recorded growth in RWRP of 6.3% for FY2026. Participating, retail term and ULIP product basket were the key growth drivers. Table 9 gives the data.

Table 9: New business premium in India – the life insurance industry

(₹ In Crore)

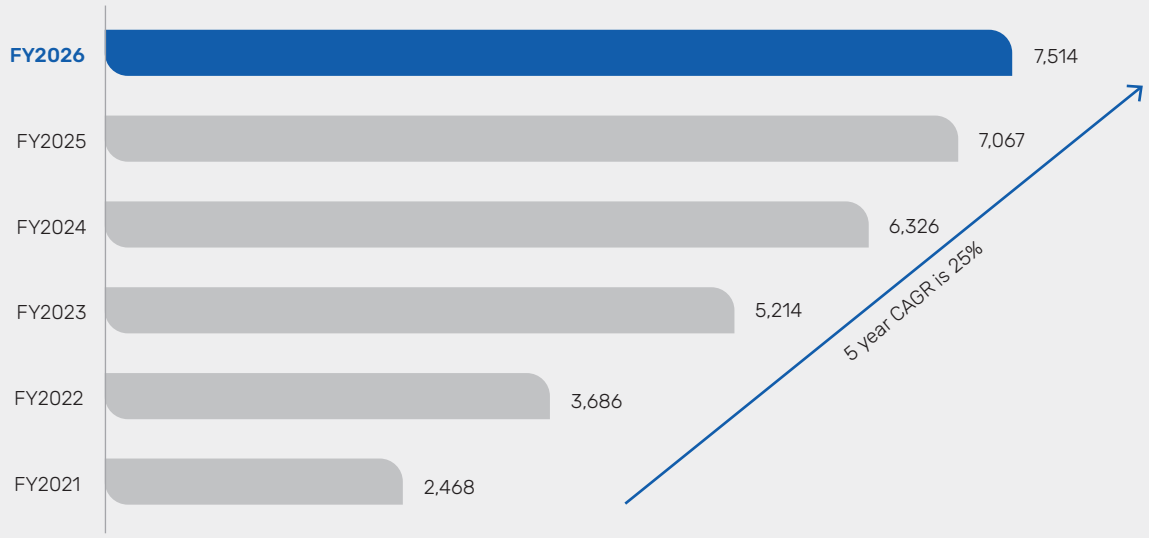
	Retail weighted received business		New business (NB)	
Particulars	**FY2026**	**FY2025**	**FY2026**	**FY2025**
Bajaj Life	7,514	7,067	14,587	12,293
Private sector	95,479	85,021	199,253	170,667
LIC	37,189	35,352	260,464	226,670
Industry	132,667	120,374	459,717	397,337
Growth rates				
Bajaj Life	6.3%	11.7%	18.7%	6.9%
Private sector	12.3%	15.1%	16.7%	9.8%
LIC	5.2%	0.7%	14.9%	1.9%
Industry	10.2%	10.5%	15.7%	5.1%
Market share				
Private industry	72.0%	70.6%	43.4%	43.0%
LIC	28.0%	29.4%	56.6%	57.0%

Source: Life Council statistics. Note: Retail weighted received premium = (100% of first year premium and 10% of single premium excluding group products).

Business update

Bajaj Life recorded gross written premium (GWP) of ₹ 32,896 crore and an AUM of ₹ 133,563 crore in FY2026. In terms of retail weighted received premium (RWRP), a key focus area, it registered a growth of 6.3%, while the industry grew at 10.2%. Slower than the industry growth is in line with expectations — as the company is implementing Bajaj Life 2.0 to focus on balancing growth and profitability. Growth is expected to return to normalcy in FY2027. Bajaj Life's growth is evident from the Chart F below, with a five-year compounded annual growth rate (CAGR) of 25%.

Chart F: Bajaj Life's retail weighted received premium (RWRP) (₹ In Crore)



- Bajaj Life saw a 20 basis points decline in market share from 5.9% in FY2025 to 5.7% in FY2026 on RWRP basis. Within the private industry, its market shares de-grew by 40 basis points from 8.3% in FY2025 to 7.9% in FY2026. This moderation reflects a deliberate shift under the Bajaj Life 2.0 strategy, which prioritises sustainable and profitable growth over short-term expansion.
- Bajaj Life continued with its emphasis on a balanced and sustainable product mix. As a result, in the product mix measured on RWRP basis was stable. The proportion of retail protection business was 8.4% in FY2026; participating (Par) business was 23.3%; non-participating business (savings and annuity) was 25.3%; and ULIP was 43%.
- Bajaj Life has a robust risk management framework. Products carrying financial guarantees are hedged against interest-rate and cash flow risk through forward rate and bond forward agreements with reputed banks within the Board approved framework.
- Some other key achievements of FY2026 for Bajaj Life are:
  - Diversified product mix with balance of ULIP, traditional and group products
  - Diverse and innovative suite of products across various need segments, with an aspiration to provide customers 'Best in Class' features
  - Continued to strengthen and build-up agency via an 'Add and Grow' strategy through new initiatives with higher proportion of variable cost channels to drive efficiencies. This has led to Bajaj Life building one of the largest agency channels in the private life insurance space with over 160,000 agents.

- Bajaj Life Direct which involves selling by Bajaj Life's own staff increased its presence to 465 branches, with dedicated verticals for various customer segments such as Service to Sales, New to Bajaj Life and Defense.
- Continued focus on reducing concentration risk in institutional business with addition of new bancassurance partners and developing new relations with quality partners in the non-banking sector.
- Customer obsession to deliver seamless, simplified and personalised experience-customer centricity at our core.
- Focusing on faster issuances, claim settlement and driving 'first time right'.
- Lower customer grievances and improvement in claims settlement ratios.
- Use of innovation and data analytics as a strategic differentiator for customers and sales partners
  - End to end digital eco-system for distribution enablement
  - 100% digital onboarding of ICs through i-Recruit.
  - WhatsApp bot - One stop platform for quick access to business, earnings, sales queries
  - Analytics backed data room exercise enabling higher penetration in large Banca Partners
- Use of AI across lifecycle – enablement, login, underwriting, claims and servicing
  - Smart pitch- All-in-one platform to create compelling sales pitches tailored to customer's preference
  - Smart coach- GenAI powered platform to boost sales performance basis custom roleplays, personalised feedback and insights
  - Customer 360- Empowering sales teams with a 360 degree view of customers and upsell opportunities
  - Humanoid- GenAI powered synthetic voice bot for generating leads and activating sales representatives
- Data and analytics based risk management - usage of predictive models on top of RI models for customer risk profiling.

Bajaj Life: Performance Highlights for FY2026

- Covered 15.3 million group lives in FY2026.
- Retail weighted received premium (RWRP) grew by 6% to ₹ 7,514 crore.
- New business premium grew by 19% to ₹ 14,586 crore.
- Renewal premium grew by 23% to ₹ 18,310 crore.
- Gross written premium (GWP) increased by 21% to ₹ 32,896 crore.
- Profit after tax (PAT) was ₹ 226 crore, impacted by GST exemption on life insurance.
- Value of new business (VNB), a key metric used to measure profitability of life insurance businesses, increased by 41% to ₹ 1,626 crore. New business margin (NBM) was at 19.2% up from 14.5% in FY2025.
- The embedded value of Bajaj Life at FY2026 stood at ₹ 25,299 crore — up from ₹ 23,805 crore at FY2025.
- Assets under management (AUM) was ₹ 133,563 crore.
- Highest solvency ratio in the industry: 266%
- 13th month persistency* was at 81.7% and 61st month persistency* was at 51.9%.
- Retail claims settlement ratio of 99.3% and group claims settlement ratio of 99.8% (FY2026).

*Policies issued in the March to February period of the relevant years.

Bajaj Life

₹ 133,563 crore
AUM
(↑ 8% YoY)

99.3%
Claim settlement ratio
(Retail claims)

Financial performance

Bajaj Life's financial performance for FY2026 is summarised in Table 10.

Table 10: Bajaj Life's financial performance

(₹ In Crore)

Particulars	FY2026	FY2025	Change
Gross written premium (GWP)	**32,896**	**27,160**	**21%**
New business premium	14,586	12,293	19%
- Retail weighted received premium	7,514	7,067	6%
- Group protection new business premium	3,156	2,616	21%
Renewal premium	18,310	14,867	23%
Value of new business (VNB)	**1,626**	**1,152**	**41%**
Profit After Tax (PAT)	226	508	(55%)
- Policyholders' surplus	(641)	(420)	-
- Shareholders' profit after tax	867	928	(7%)

Investments

As on 31 March 2026, Bajaj Life's AUM was ₹ 133,563 crore, up by 8% from ₹ 123,734 crore on 31 March 2025. Table 11 provides the data.

Table 11: Bajaj Life's assets under management

(₹ In Crore)

Particulars	FY2026	FY2025
Shareholders' funds	9,087	10,289
Policyholders' linked funds	50,596	47,261
Policyholders' non linked funds	73,880	66,184
Total	**133,563**	**123,734**

Capital and solvency

- Paid up capital, including share premium, stood at ₹ 1,206 crore as at 31 March 2026. No fresh capital was infused in FY2026.
- Shareholders' equity of Bajaj Life was ₹ 9,597 crore as on 31 March 2026 (after share buyback of ₹ 1,200 crore), versus ₹ 10,899 crore a year earlier.
- Bajaj Life has a strong solvency ratio of 266% as on 31 March 2026, which is well above the minimum regulatory requirement of 150%.

Emerging businesses

Bajaj Finserv Direct Ltd. (BFSD)

Bajaj Finserv Direct is an open architecture based diversified marketplace for financial services which attracts a large number of new-to-Finserv consumers and cross-sells products by leveraging technology and analytics. It also enhances the digital footprint of Bajaj Finserv by offering select digital technology services. It operates under two divisions, as explained.

BFSI Marketplace (Bajaj Markets)

- It has two customer facing digital assets: (i) the 'Bajaj Markets website' – which attracts some 221 million annual visits, and (ii) the 'Bajaj Markets mobile app' which is available on Android and iOS with total installs of some 45.7 million. Bajaj Markets operates under the concept of web is equal to app.
- It partners with some of the leading companies in the BFSI sector. It has onboarded 103 partners, with 37 products ranging across retail banking (loans and credit cards), life insurance, general insurance, health insurance and investments (fixed deposits, mutual funds, national pension scheme, etc.).
- It has integrated with ONDC through a technology partnership, expanding from electronics into high-frequency consumer categories such as e-commerce, financial services, food and beverage, grocery, beauty and personal care, and home and kitchen.
- It is among the largest lending marketplace in India.

Bajaj Technology Services

- Bajaj Finserv and its subsidiaries have demonstrated the use of relevant technology at scale across various segments of financial services like lending and insurance. Capitalising on this and the capabilities gained while building our own marketplace, the division seeks to offer technology-based services to prospective clients in the financial services ecosystem.
- Working with some of the leading global platforms like SalesForce, Adobe, Microsoft Azure and Amazon Web Services, Bajaj Technology Services helps customers in their digital transformation journey. It has developed real-world GenAI applications and AI accelerators designed to reduce time-to-market and maximise value of AI-powered solutions.
- Bajaj Technology Services plans to drive business through local clients, GCCs set up in India and international clients (largely in the Middle East and the United States). In order to expand its technology business further, the company has established a wholly owned subsidiary at Delaware, USA.

Bajaj Finserv Direct recorded a revenue of ₹ 374 crore and a loss of ₹ 172 crore during FY2026 due to planned migration of customer journey (₹ 598 crore and ₹ 49 crore respectively in FY2025). BFS and BFL have so far infused capital of ₹ 808 crore in this venture. However, no further capital was infused during the year. The marketplace business is not expected to need further capital in the near future and is on its path to soon breakeven. The technology services business plans to focus on AI opportunities in the coming year.

BFSD

221 million
Annual visits on Bajaj Markets website

₹ 374 crore
Revenue

Bajaj Finserv Health Ltd. (Bajaj Finserv Health)

Bajaj Finserv Health is health-tech venture that aims to transform the healthcare sector in India. With a range of healthcare solutions and services, the mission is to provide platforms for customers to manage their healthcare needs 360°, covering wellness, outpatient (OPD) and inpatient (IPD) services.

Through an efficient digital platform, Bajaj Finserv Health seeks to (a) connect providers of healthcare such as hospitals, doctors, labs, etc. with consumers of healthcare, and (b) provide healthcare and claims management services to payers of healthcare expenditure such as insurance companies, employers and government.

On a consolidated basis with Vidal (our acquisition of two years ago), Bajaj Finserv Health has built a network of over 125,000 doctors, more than 5,000 diagnostic points and over 15,000 hospitals where outpatient (OP) transactions can be done on cashless basis. Over 20 million health transactions have been processed and fulfilled in FY2026. Bajaj Finserv Health operates primarily through a consumer facing app which allows customers to manage their plans, access network of healthcare providers, book appointments and store their health records for future reference.

Using GenAI, Bajaj Finserv Health has built capabilities for healthcare ecosystem like fraud and abuse identification, automated claims management, document digitisation and more. These services are not only used in daily claim processing by us but also offered as service to clients.

During FY2026, Bajaj Finserv Health recorded a consolidated income of ₹ 1,121 crore and a loss of ₹ 161 crore — versus consolidated income of ₹ 892 crore and a loss of ₹ 168 crore in FY2025. BFS has so far infused capital of ₹ 1,340 crore in this health-tech venture including ₹ 214 crore in FY2026.

Vidal Healthcare Services Private Ltd., a wholly owned subsidiary of Bajaj Finserv Health Ltd., operates through its subsidiary Vidal Health Insurance TPA Private Ltd., an IRDAI-registered Third-Party Administrator, VH Medcare Private Ltd. and VH International LLC.

Bajaj Finserv Health

Over 20 million
Health transactions processed

₹ 1,121 crore
Consolidated income

Bajaj Finserv Asset Management Ltd. (BFS AMC)

Pursuant to approval granted by the Securities and Exchange Board of India (SEBI) on 1 March 2023, BFS AMC acts as the Investment Manager to Bajaj Finserv Mutual Fund (Mutual Fund). Since its first scheme(s) on 29 June 2023, the mutual fund has launched 24 schemes across equity, debt, hybrid, thematic and passive categories, thereby establishing a diversified and comprehensive product portfolio for investors.

Further, BFS AMC has obtained no objection certificates under SEBI (Mutual Funds) Regulations originally notified in 1996, which has been repealed and replaced by the SEBI (Mutual Funds) Regulations, 2026, for undertaking additional activities, including (i) portfolio management services (approved on 26 June 2024), and (ii) establishment of a branch in IFSC GIFT City (approved on 29 December 2025).

BFS AMC is guided by its proprietary investment philosophy, INQUBE, which integrates information-led insights (IN), quantitative techniques (QU) and behavioural finance elements (BE) to drive investment decision-making and seek superior risk-adjusted returns.

BFS AMC's key differentiators include its focus on identifying structural megatrends and leveraging proprietary quantitative models aimed at generating alpha over benchmark indices. In a competitive asset management landscape, the AMC has adopted a 'build-from-scratch' strategy, as opposed to inorganic acquisition, with an intent of establishing a differentiated and institutionally robust platform.

It has already achieved an impressive milestone with an average AUM of ₹ 30,627 crore for Q4 FY2026 and closing AUM of ₹ 26,819 crore as on 31 March 2026. In less than three years since launching its first fund, BFS AMC has emerged as a prominent mid-tier asset management company in India, serving over 1 million investors and empowering over 50,000 distributors with innovative solutions, including a pioneering WhatsApp-based empanelment.

BFS has infused ₹ 775 crore into this venture, reinforcing its commitment to long-term growth and investor value creation.

BFS AMC

Over 1 million
Investors

₹ 30,627 crore
Average AUM for Q4 FY2026

Bajaj Finserv ESG

Renewable Energy and Conservation of Environment

Bajaj Finserv owns and operates 138 windmills in Maharashtra with total installed capacity of 65.2 MW. During FY2026, the Company continued generating green energy, thereby contributing to conservation of the environment.

Due to favourable wind patterns, the windmills generated 9.04 crore units of renewable power in FY2026 versus 8.41 crore units in FY2025. Revenue from renewable energy in FY2026 was ₹ 24 crore versus ₹ 22 crore in FY2025.

BFS generates more renewable energy than what the BFS group consumes on an annual basis.

Bajaj Finserv and its group companies are committed to integrating environmental, social and governance (ESG) principles into the core fabric of its DNA.

In FY2026, we conducted a comprehensive, group-wide ESG Double Materiality Assessment (DMA) to identify material impact, risks and opportunities (IROs) across our value chain. This dual-perspective approach evaluates impact materiality — how our operations affect people and the environment — alongside financial materiality, which assesses how ESG-related factors influence Bajaj Finserv's financial position and long-term performance. The DMA serves as the foundation of our ESG journey.

As a group, we have deeply integrated societal contribution. We trace our sustainability journey and legacy to our founder, Shri Jamnalal Bajaj and the Gandhian philosophy that he inculcated. This legacy of responsible business practices and inclusive growth drives us to recognise that true sustainability lies in our dedication to create value for all, both for present and future generations. ESG priorities are integrated into our governance structures and risk management frameworks; into our product offerings and our customer engagement strategies. Our business responsibility strategy is mapped to our vision of responsible growth and implemented in our ESG objectives.

Our ESG initiatives are built upon eight key pillars, given below. Each of these plays a major role in shaping our path of sustainable growth.

High standards of corporate governance

We uphold the highest ethical, transparent, fair and accountable standards in our business conduct and governance. The Bajaj group's commitment to the highest standards of corporate governance predates the provisions of the SEBI Listing Regulations. It is also reflected in the strong culture of responsible conduct for building long-term businesses and providing sustainable growth and meeting the interests of its stakeholders. Besides adopting high standards of governance, the group remains committed to prudent practices to ensure that businesses are not exposed to undue risks.

Our unlisted subsidiaries follow almost the same level of governance as their listed parent. Our financial disclosures are among the best in the market.

This robust governance framework is further strengthened by a dedicated ESG executive committee, with Board supervision, which provides strategic direction and governance, ensuring our legacy of integrity is embedded into our ESG objectives.

Delivering financial services to millions of Indians

Our extensive pan-India presence, vast network of offices and points of presence continue to champion financial inclusion as a core value proposition of our businesses.

We strive to provide access to relevant and innovative financial products and services that meet the diverse needs of the society in a fair and equitable manner.

Our products and services empower individuals and communities to achieve their financial goals.

Preserving and protecting the environment

We are committed to environmentally friendly practices and processes to minimise the impact of our operations on the environment. We have been implementing measures for increased renewable energy use, energy-efficient device adoption and carbon footprint reduction. Additionally, we offer financial products that support environmental preservation, promote sustainable development and encourage stakeholder adoption of eco-friendly practices. The group is committed to achieving carbon neutrality for Scope 1 and Scope 2 emissions by FY2032. Simultaneously, we are progressively strengthening the measurement and disclosure of Scope 3 emissions across our value chain.

Empowering society

Our CSR activities are focused on promoting social welfare initiatives that drive inclusive growth, equitable development and societal well-being. The Company's social investments are directed towards areas of skilling, child education, child health, child protection and inclusion for persons with disabilities. We collaborate with several non-profit organisations, government, hospitals, institutions and training partners to implement programmes and deliver ground-level interventions. We also run a self-implemented skilling programme, Skillserv, which is discussed subsequently. Backed by a strong legacy of community impact we continue to focus on building India beyond our businesses through our CSR programmes under the umbrella of 'Bajaj Beyond'.

Customer centricity

We are constantly innovating and investing in products, technologies and processes that enhance customer experience and promote professional, fair and transparent dealings. Our aim remains to deliver personalised and seamless experiences that exceed our customers' expectations and build long-lasting relationships based on trust and transparency.

Human capital management

Our people are our key assets. Creating a thriving, safe and inclusive workplace that fosters growth is a priority in line with our 'Founders' Ethos' of valuing and nurturing human capital. We continue to provide merit-based opportunities for professional development while ensuring equal opportunities for employment across gender and ethnic backgrounds. We invest in our employees' well-being, offering comprehensive benefits, training programmes and initiatives that promote diversity, equity and inclusion.

Information and cyber security including fraud management

We remain vigilant in adopting robust information security, cyber security and fraud management controls to protect our business operations and safeguard customer data. We continuously invest in state-of-the-art technologies, processes and training to stay ahead of evolving cyber threats and maintain the highest standards of data privacy, security and other anti-fraud controls.

Stakeholders' engagement

We believe that periodic and regular engagement with our stakeholders is crucial to enhancing sustainable and responsible business practices. We actively seek feedback and insights and engage our customers, employees, investors, partners and communities to inform our decision-making and ensure that our ESG initiatives are aligned with their expectations and needs.

Details of the progress that we have made in these areas can be found in our Business Responsibility and Sustainability Report (BRSR) and our ESG Report which is uploaded on our website at www.aboutbajajfinserv.com/about-us.

The Company and all other listed entities within the group comply with the Business Responsibility and Sustainability Reporting (BRSR) requirements – as mandated by the SEBI. Since FY2023, despite not being mandated, our non-listed material entities too have been complying with the BRSR requirements, reflecting the group's commitment to uniform ESG governance and reporting standards.

Bajaj General and Bajaj Life are among the few non-listed insurance companies in India that voluntarily report all ESG metrics, without exception, in line with the SEBI's BRSR requirements. Additionally, since FY2023, Bajaj General and Bajaj Life are also one of the first non-listed insurance companies in India to obtain limited assurance of the BRSR report and separate verification of GHG emissions (Scopes 1, 2 and 3), reinforcing ESG disclosure transparency and credibility.

One Finserv: A group-wide platform for human capital development

One Finserv is a group-wide initiative designed to provide employees with meaningful opportunities for growth and career development across Bajaj Finserv's businesses. Introduced several years ago, the One Finserv platform has evolved steadily and encompasses the following core elements:

- **A common job evaluation framework** that enables roles to be compared seamlessly and talent to be redeployed across group companies.
- **A dedicated internal job posting platform**, through which the majority of open positions are advertised across the group, enabling eligible employees to view opportunities and apply transparently.
- **The Bajaj Finserv culture wheel** is our means to bring alive our purpose and fuel our mission of consistent outperformance. Our culture wheel is anchored on the 'Founders' Ethos' and comprises leadership mindsets – namely, growth mindset, customer obsession, being responsible and building talent. Each of these mindsets are complemented by related leadership behaviours: (i) continuous transformation; (ii) innovate to simplify; (iii) do the right thing; and (iv) delegate and develop. All middle and senior management employees aspiring to be leaders are evaluated and developed on these dimensions.

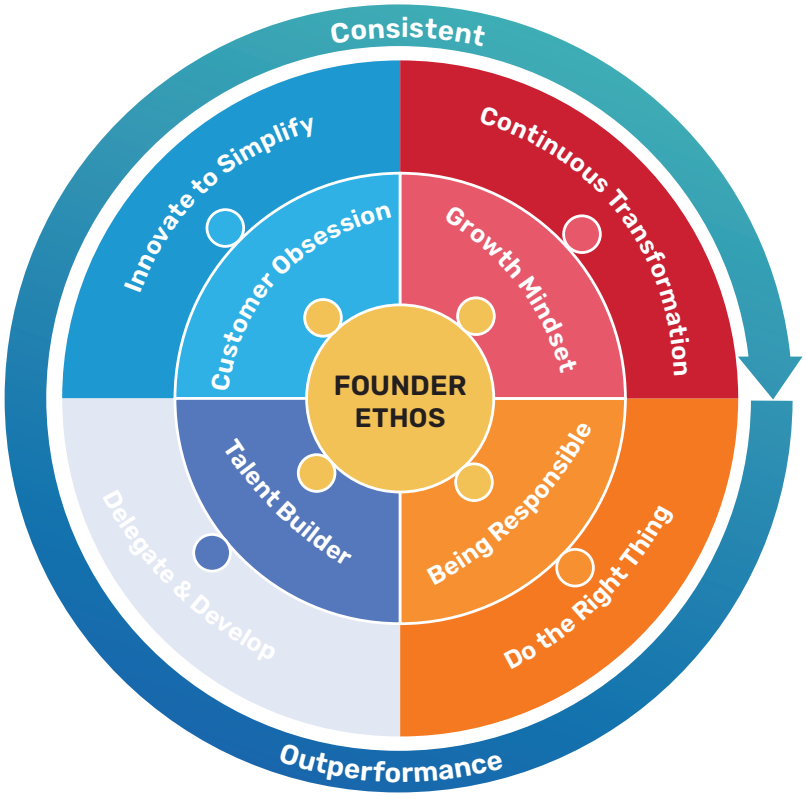
  Together, these mindsets and behaviours form the foundation of our people management philosophy. All middle and senior management employees aspiring to leadership roles are assessed, developed and progressed along these dimensions.

Refresh of senior management talent process

The refreshed senior management talent process for FY2026 is aimed at building a robust and future-ready leadership pipeline. Key highlights include:

- **Segmented and targeted succession planning**, with focused identification and grooming of high-potential leaders, capable of transitioning into CEO, CXO and Function Head roles.
- **Timely and focused development interventions** initiated 18–24 months ahead of potential transitions. These interventions address leadership mindsets and behaviours, strategic thinking, execution excellence, large and cross-functional team management, talent development, P&L ownership and sustained outperformance.
- **Cohort-based leadership programmes and interventions**, aligned to specific leadership roles and tailored to the needs of leaders across group companies.

Our purpose is to be : 'A place where innovation, agility and ownership thrives, creating responsible leaders who build long-term profitable businesses to delight our customers.'



The Bajaj Finserv culture wheel

Corporate Social Responsibility (CSR)

Rooted in a long legacy of social stewardship, the Bajaj group embarked on its most ambitious journey two years back with Bajaj Beyond, a landmark commitment by the group to touch the lives of 2 crore Indians, with an investment of ₹ 5,000 crore, over five years. We view CSR not merely as a corporate mandate, but as a nation and society building imperative focusing on two pillars — Youth and Children — the youth of today and that of tomorrow. By harmonising industry-leading expertise with grassroots level interventions, we aim to foster economic self-reliance and fuel India's 'Viksit Bharat' vision.

In FY2026, the BFS group translated this vision into action through 291 projects, with a total CSR expenditure of ₹ 416 crore, focusing on five strategic pillars: youth skilling, child education, child health, child protection and inclusion for persons with disabilities.

Youth skilling: Preparing the workforce of tomorrow

Our skilling ecosystem is designed to bridge the gap between academic potential and industrial excellence through a dual-delivery model, self-implemented and through NGO grants.

Skillserv, our flagship, self-implemented skilling initiative, serves as an incubator for future BFSI professionals. Built on strong internal expertise, it is designed to create industry-ready talent and has received certification - approval from National Council for Vocational Education and Training (NCVET). Our Certificate Programme in Banking, Finance and Insurance (CPBFI) is a cornerstone of social democratisation. In FY2026, we empowered 50,475 students bringing our total reach to over 159,000 students across 160 districts.

Skillserv has expanded into high-growth specialised domains including gold loans, microfinance and housing finance, alongside the Insurance Marketing Professional Academy (IMPA) to provide specialised training co-designed by Bajaj business teams.

Grant-making: Through strategic alliances with specialised NGOs, we cultivate a diverse employment, employability and entrepreneurship landscape designed to reach various drivers of society. We drive systemic economic mobility by integrating community-led vocational models with specialised support for self-employment and entrepreneurship. We strengthen this ecosystem through direct enterprise support and social start-up incubation, enabling resilient entrepreneurs to grow. Our commitment to healthcare services is reflected in our intensive training programmes for nurses and paramedics, ensuring a steady pipeline of frontline healthcare talent. Simultaneously, we promote inclusion by enabling persons with disabilities to advance their careers through personalised, industry-aligned training. We also champion artisan skilling through structured programmes for modern market dynamics. 253,774 individuals were supported.

Child development: A holistic life-cycle approach

The Company believes that a nation's future is secured only when its youth of tomorrow, the children, are protected, healthy and educated.

Education is our strongest pillar of systemic change. Through a robust Public-Private Partnership (PPP) model, we have adopted a 'whole-of-school' approach impacting over 10 schools and beyond. Utilising our 5S Model - integrated and practical model *(Sundar, Safal, Saksham, Surakshit* and *Shala)*, we are equipping students with the foundational, digital and vocational competencies to become future ready.

We have evolved from providing isolated treatments to acting as a total ecosystem enabler for paediatric health especially in Pune. We are investing in world-class medical infrastructure, including a multi-speciality children's hospital in Pune, designed to deliver advanced surgical and clinical care under one roof. Through initiatives like Maha Smiles Cleft Care, the Sweetlings Centre of Excellence for Type 1 Diabetes and our comprehensive paediatric heart care programmes, we ensure access to specialised, high-quality treatment for children in need. Over 7,200,000 children have been supported.

We promote the wellbeing and inclusion of Persons with Disabilities (PwDs) in mainstream society by addressing intellectual, developmental, physical and locomotor disabilities through early identification, timely intervention and counselling.

By grounding our strategy at the intersection of youth empowerment and child welfare, we believe that growth of Bajaj Finserv is inextricably linked to the prosperity, dignity and future-readiness of India's next generation.

Financials of Bajaj Finserv

BFS: Consolidated Performance Highlights for FY2026

All-time high

- Consolidated revenue of ₹ 150,530 crore.
- Consolidated profit after tax (PAT) of ₹ 9,801 crore.
- Bajaj Finance consolidated PAT attributable to owners of ₹ 19,017 crore.
- Bajaj General PAT of ₹ 1,942 crore.
- Bajaj Life value of new business (VNB) of ₹ 1,626 crore.

Standalone financials

Standalone financials of BFS are given in Table 12 and significant ratios in Table 13.

Table 12: Standalone financials of Bajaj Finserv

(₹ In Crore)

Particulars		FY2026	FY2025
A.	Income from wind farm activity	24	22
	Administrative expenses	12	11
	Profit from wind farm activity	12	11
B.	Income from investments and others*	2,053	2,277
	Other expenses	284	238
	Profit before tax (PBT)	1,781	2,050
	Tax expense	349	491
	Profit after tax (PAT)	1,432	1,559

* Includes dividend received from subsidiaries of ₹ 1,788 crore (Previous year : ₹2,001 crore).

Table 13: Significant standalone ratios of Bajaj Finserv

(₹ In Crore)

Particulars	FY2026	FY2025
Current ratio	0.4	1.0
Operating profit margin %	85.7%	89.1%
Net profit margin %	68.9%	67.8%
Return on net worth %	15.4%	20.9%

Consolidated financials

The consolidated financials are given in Table 14. These include the results of subsidiaries and joint venture and are prepared in accordance with the Ind AS.

Note on consolidated profit after tax

Under Ind AS, the insurance subsidiaries have chosen to hold a part of the equity securities portfolio as Fair Value Through Profit and Loss (FVTPL) and the balance as Fair Value Through Other Comprehensive Income (FVTOCI). This may cause temporary volatility in financial results due to unrealised mark to market (MTM) movements on the FVTPL portfolio. Further, the realised profit on FVTOCI equity portfolio is not routed to Profit and Loss Account.

Table 14: Consolidated financials of Bajaj Finserv

Segment revenue

(₹ In Crore)

Particulars	FY2026	FY2025
Life insurance	34,210	32,139
General insurance	34,650	32,034
Windpower	24	22
Retail finance	81,990	68,847
Investments and others	3,619	4,006
	154,493	**137,048**
Less: inter-segment	3,963	4,104
Total	**150,530**	**132,944**

Segment results: profit after tax

(₹ In Crore)

Particulars	FY2026	FY2025
Life insurance	162	381
General insurance	1,441	1,351
Windpower	12	11
Retail finance	9,764	8,542
Investments and others	(875)	(970)
Profit excluding MTM movements	**10,504**	**9,315**
Unrealised MTM gain/(loss)	(434)	(225)
Realised MTM (gain)/loss booked in OCI	(269)	(218)
Profit including MTM movements	**9,801**	**8,872**

Risks and concerns

- *Geo-political instability*: While the year ended on a positive note with ceasefire being announced between US and Iran, things deteriorated thereafter with continuing West Asia conflict between Iran on the one hand and USA and Israel on the other. If it continues, especially choking of the Strait of Hormuz, it could impact the economic environment in India especially from the energy shocks, given India's high dependence on imports of oil and gas. This could impact inflation, current account deficit, currency depreciation and market volatility, leading to overall economic slowdown.
- *Trade barriers*: With the narrative for US has shifted to the war with Iran, US tariffs seem to be a settled matter for the time being. However, given India's neutral position with Iran, US could again reinstate its focus on higher tariffs. This could lead to export stress through sharp competitiveness pressures on export-driven industries. However, it could also positively impact the nation in the long term if the government accelerates a trade diversification toward Europe and ASEAN through intensified bilateral trade negotiations.
- *Funding constraints for NBFCs*: India's debt market lacks depth and liquidity, limiting access to diversified domestic funding. Further, while overseas borrowing continues to be attractive due to reduced hedging costs, overseas funding is still at a nascent stage for many NBFCs.
- *Defaults/cost pressures*: Rising credit costs may affect NBFC profitability especially if the economic instability was to continue from the West Asia conflict. This may impact premium persistency with affordability becoming a challenge.
- *Enhanced competition in insurance sector*: With the sector opening up with 100% FDI, several companies/promoters have lined up for licenses especially in the general insurance and reinsurance space given the not-so-high capital requirements. This, backed by existing players looking for market share gains, significantly enhances competitiveness in the environment.
- *Enhanced data and cyber security risk* mainly arises from nature of financial services industry and the high level of digitisation within it. This will accelerate with higher adoption of AI.
- *Technology related disruptions*: With our companies focusing on pioneering the AI space in India, we could be at the forefront of technology related disruptions, especially with respect to AI governance — which include bias in AI models, data privacy concerns, accountability concerns, etc.
- *Climate risk*: With growing number and impact of natural calamities due to global warming, our businesses are more exposed to climate risk than ever before.

Internal control systems and their adequacy

The internal controls of the Company are commensurate with the business requirements, its scale of operation and applicable statutes to ensure orderly and efficient conduct of business. These have been designed to provide a reasonable assurance with regard to maintaining proper accounting controls, safeguarding of assets, prevention and detection of frauds and errors, ensuring operating effectiveness, reliability of financial reporting, and compliance with applicable regulations. The auditors opine on the adequacy and operating effectiveness of internal financial controls over financial reporting. Internal auditors periodically bring to the attention of the Audit Committee deficiencies and weaknesses in the internal control systems, if any. Internal auditors also present to the Audit Committee an update on internal controls of the wholly owned subsidiaries reviewed by them. The Audit Committee reviews and monitors the remedial actions to ensure its overall adequacy and effectiveness. Statutory and internal auditors are also invited to the Audit Committee meetings to ascertain their views on the adequacy of internal control systems. A pre-Audit Committee is conducted quarterly between the Audit Committee chair and the statutory and internal auditors to review the audit outcomes and financials at length.

There have been no material changes in the process level controls or activities conducted in the financial statement closing process of the Company. It has been compliant with the requirements, prescribed under amendments in the Companies (Account) Rules, 2014, of using accounting software which has a feature of recording audit trail and creating an edit log of each change made in the books of account. Management believes that strengthening internal controls is a continuous process and it will, therefore, continue its efforts to keep pace with changing business needs and environment.

Awards and Recognition

During the year, the Company and its subsidiaries received several awards, some of which are given below.

BFS

Sanjiv Bajaj, Chairman and Managing Director, was honoured with 'Lifetime Achievement Award' by the Financial Express Best Banks Awards 2026 recognising his leadership, contribution to the financial services sector and commitment to creating a positive impact on society.

BFL

- Best NBFC for Face Authentication by the Unique Identification Authority of India.
- Best Large NBFC at Business Today Best Banks Awards 2026.

BHFL

- Best Housing Finance Company at Business Today Best Banks Awards 2026.

Bajaj General

- 1st Rank in PMFBY Performance by the Government of India-Ministry of Agriculture and Farmers Welfare.
- Best Insurer in Motor and Health by Fortune India.
- AI Visionary Award at IDC CIO Summit.
- Insurer Leader of 2025 for Digital Excellence at Digital Insurance Awards APAC 2025.
- Awards for ESG Initiatives at Finnoviti 2025 Conclave and Awards.

Bajaj Life

- Impactful Large Enterprise CEO at the India's Impactful CEO Awards 2025, organised by The Times Group.
- Best AI Solution Showcase–Most Innovative Category at the Global AI Summit and CII National AI Awards 2025, organised by the Confederation of Indian Industry.
- Best Innovation Led by Technology and Insurtech–Life (India) at the 6th Emerging Asia Insurance Awards 2025, organised by the Indian Chamber of Commerce.

Bajaj Broking

- Prestigious Brands of India 2025 in Investment Solutions category by Herald Global.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include global economy, political stability, stock performance on stock markets, changes in government regulations, tax regimes, economic developments and other incidental factors. Except as required by law, the Company does not undertake to update any forward-looking statements to reflect future events or circumstances. Investors are advised to exercise due care and caution while interpreting these statements.

BAJAJ HOUSING FINANCE

BAJAJ HOUSING FINANCE

BRINGING YOU 360° MORTGAGE SOLUTIONS

HOME LOAN

- *Tailored repayment solutions*
- *Fast & transparent*
- *Service at your fingertips*

LOAN AGAINST PROPERTY

- *Get funds in 72 hrs**
- *Funding for business expansion, home renovation, & debt consolidation*

LEASE RENTAL DISCOUNTING

- *Financing backed by rental income from commercial assets*
- *For business expansion & general corporate purposes*

DEVELOPER FINANCE

- *Construction finance for residential & commercial projects*

BAJAJ HOUSING FINANCE LTD.

www.bajajhousingfinance.in

Directors' Report

Contents

Company Overview & Financial Results

Subsidiaries, Associates and Joint Ventures

Risk Management approach and framework

Performance Evaluation of Board and Committees

Statutory and Other Disclosures

Dear Shareholders,

Your directors have pleasure in presenting the nineteenth Annual Report along with the audited standalone and consolidated financial statements for Financial Year 2025-26 (or FY2026).

Company overview

Bajaj Finserv Ltd. ('BFS' or 'the Company'), is a public limited company incorporated on 30 April 2007 under the Companies Act, 1956. Born out of the strategic demerger of Bajaj Auto Ltd. in 2008, BFS inherited a unique blend of green energy assets (windmills) and a robust portfolio of financial services investments — laying the foundation for a diversified financial powerhouse. The Company is listed on BSE Ltd. and National Stock Exchange of India Ltd., and it stood at 20th rank based on average market capitalisation as on 31 December 2025 as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations').

As per the Core Investment Companies (Reserve Bank) Directions, 2025, the Company operates as an Unregistered Core Investment Company (CIC) — with an asset base exceeding ₹ 100 crore and not accessing public fund. This regulatory framework empowers the Company to focus on strategic investments, with 90% of its capital deployed in group companies, of which 60% is in equity and equity equivalent investments. This structure enables the Bajaj Group to maintain a unified brand identity while unlocking diverse opportunities across financial services & technology enabled businesses conducted through its subsidiaries.

Through its ecosystem of subsidiaries, Bajaj Finserv delivers a comprehensive suite of financial solutions — spanning:

- **Consumer & Commercial Lending**
- **Mortgages & Housing Finance**
- **Life & General Insurance**
- **Securities Brokerage & Investments**
- **Savings & Wealth Management**
- **Health & Wellness Services**
- **Digital Marketplace & Technology Services**

With innovation at its core and trust as its foundation, Bajaj Finserv's vision is to be a diversified financial services group with a pan-India presence. There is no change in the nature of business carried out by the Company. The Company is however expanding its scope within financial services offerings by setting up Bajaj Alternate Investment Management Ltd. which will offer early-stage equity, real estate focused and other Alternate Investment Funds from FY2027, subject to such regulatory approvals, as may be required.

Financial Results

The financial results of the Company are elaborated in the Management Discussion and Analysis.

The highlights of the standalone financial results are given below:

(₹ In Crore)

Particulars	FY2026	FY2025
Total income	2,076.82	2,299.19
Total expenses	295.75	249.79
Profit before tax	1,781.07	2,049.40
Tax expense	349.34	490.53
Profit for the year	**1,431.73**	**1,558.87**
Basic earnings per share (₹)	9.0	9.8
Diluted earnings per share (₹)	8.9	9.7

Closing balances in reserve/other equity:

(₹ In Crore)

Particulars	FY2026	FY2025
Securities premium account	1,674.14	1,315.63
General reserve	1,257.46	1,233.97
Share based payment reserve	678.17	570.72
Treasury shares	(11.94)	(63.91)
Retained earnings	6,423.70	5,155.88
Total	**10,021.53**	**8,212.29**

Note: Details of changes in the above reserves can be seen in 'Statement of changes in equity'.

The highlights of the consolidated financial results are as under:

(₹ In Crore)

Particulars	FY2026	FY2025
Total income	150,530.38	132,944.32
Total expenses	123,284.20	109,214.10
Profit before tax	26,883.15	23,748.21
Tax expense	7,213.68	6,190.57
Profit after tax	19,669.47	17,557.64
Profit attributable to non-controlling interests	9,868.50	8,685.33
Profit for the year	**9,800.97**	**8,872.31**
Basic earnings per share (₹)	61.3	55.6
Diluted earnings per share (₹)	61.0	55.0

Operations

Detailed information on the operations and state of affairs of the Company and of its subsidiaries are covered in the Management Discussion and Analysis.

Dividend

Pursuant to the provisions of regulation 43A of the SEBI Listing Regulations, the Company has in place a dividend distribution policy, which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and/or retaining profit earned. The said policy is also available on the website of the Company at https://www.aboutbajajfinserv.com/content/dam/bajajfinserv/web/in/en/global/document/corporate/bfs-new/bfs-investor-relations/policies-and-codes/dividend-policy/dividend-distribution-policy-BFS-V5.pdf

Further, there has been no change to any parameters in the dividend distribution policy during the year.

In accordance with the aforesaid policy, the Board, after taking into account various aspects and in compliance with the said regulation, at its meeting held on 30 April 2026, has recommended, the payment of a final dividend of ₹ 1.50 per equity share (150%) of face value of ₹ 1. This includes a special payout of ₹ 0.20 per equity share (20%), in celebration of 100 years of Bajaj Group.

The dividend recommended is in accordance with the principles and criteria set out in the dividend distribution policy of the Company.

The record date fixed for the purpose of declaration of above dividend is 30 June 2026.

The said dividend will be taxable in the hands of the members of the Company in accordance with the applicable Income Tax provisions. For further details on taxability, please refer Notice of Annual General Meeting ('AGM').

Material changes and commitments

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

Governance of subsidiaries

Through robust institutional frameworks and the appointment of highly qualified and experienced board members, the Company ensures that each subsidiary is aligned with long-term goals, operational excellence and ethical governance.

Our engagement spans across:

- Long term strategies and annual business planning;
- Operating reviews;
- Risk management and oversight of financial controls;
- Remuneration and sustainability frameworks;
- Policies around employees and corporate conduct;
- Sharing of expertise; and
- Corporate governance.

This deep involvement empowers the Company to deliver on its mission of becoming the provider of choice of financial services for every Indian.

The Board and its Committees maintain active oversight of subsidiary performance and risk exposure. At every meeting, key developments and emerging risks across subsidiaries are reviewed, ensuring agility and accountability.

Importantly, in line with SEBI Listing Regulations, an independent director from the Company serves on the board of each unlisted material subsidiary, reinforcing transparency and governance across the Group.

The senior leadership team devotes significant time in helping subsidiaries to shape strategy and setting up process for governance, assurance and risk mitigation and where necessary, by being non-executive director on the Board.

Subsidiaries, associates and joint ventures

4	7	8	2
Subsidiaries	Wholly owned subsidiaries	Step-down subsidiaries	Associates of subsidiary

A. Subsidiaries — 4 companies

Bajaj Finance Ltd. (BFL)*	51.32%	Bajaj Life Insurance Ltd. (Bajaj Life)* (formerly known as Bajaj Allianz Life Insurance Company Ltd.)	77.33%
Bajaj General Insurance Ltd. (Bajaj General)* (formerly known as Bajaj Allianz General Insurance Company Ltd.)	77.33%	Bajaj Finserv Direct Ltd. (BFS-D)	80.10%

B. Wholly owned subsidiaries — 7 companies

Bajaj Finserv Health Ltd. (BFHL)	100%	Bajaj Finserv Ventures Ltd. (BFS-V)	100%
Bajaj Finserv Asset Management Ltd. (BFS-AMC)	100%	Bajaj Finserv Mutual Fund Trustee Ltd. (BFS-Trustee)	100%
Bajaj AIF Trustee Ltd. (Bajaj AIF - Trustee)***	100%	Bajaj Alternate Investment Management Ltd. (Bajaj Alts)***	100%
Bajaj Financial Distributors Ltd. (BFDL)*** (formerly known as Bajaj Allianz Financial Distributors Ltd.)	100%		

C. Step down subsidiaries — 8 companies

Bajaj Housing Finance Ltd. (BHFL)* (Listed subsidiary of BFL)	Bajaj Financial Securities Ltd. (BFSL) (100% subsidiary of BFL)
Bajaj Staffing Solutions Ltd. (BSSL) (formerly known as Bajaj Allianz Staffing Solutions Ltd.) (100% subsidiary of BFDL)***	Vidal Healthcare Services Private Ltd. (VHC) (100% subsidiary of BFHL)
Vidal Health Insurance TPA Private Ltd. (VHI-TPA) (100% subsidiary of VHC)	VH Medcare Private Ltd. (VH-Medcare) (100% subsidiary of VHC)
VH International LLC (VH-INT) (100% subsidiary of VHC)	Bajaj Technology Services INC (BTS-INC) (100% subsidiary of BFS-D)***

D. Associates of subsidiary company — 2 companies

Snapwork Technologies Private Ltd. (associate of BFL) (BFL holds 41.50%**)	Pennant Technologies Private Ltd. (associate of BFL) (BFL holds 23.53%**)

*Material subsidiary of the Company within the meaning of the SEBI Listing Regulations.

** On fully diluted basis.

***Became subsidiary during the year.

The Company does not have any associates and joint ventures. Further, during FY2026, BFDL ceased to be a joint venture and became a wholly owned subsidiary of the Company. Additionally, during FY2026 no entity ceased to be an associate or subsidiary of the Company.

A separate statement containing the salient features of the subsidiaries in the prescribed form AOC-1 is attached to the consolidated financial statements.

The Company's policy for determination of material subsidiary, as adopted by the Board of Directors, in conformity with regulation 16 of the SEBI Listing Regulations, is available on the Company's website and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/policy-for-material-subsidiaries-v3?scl=1&fmt=pdf.

Acquisition of equity stake

- **Acquisition of equity stake held by Allianz SE in Bajaj General and Bajaj Life:**

  Allianz SE held a 26% equity stake in both the insurance subsidiaries, namely Bajaj General and Bajaj Life. During the year, pursuant to the share purchase agreements (SPAs) dated 17 March 2025 executed amongst (a). the Company, Allianz SE and Bajaj General; and (b). the Company, Allianz SE and Bajaj Life, each as amended ('Agreement'), the Company, along with Bajaj Holdings & Investment Ltd. and Jamnalal Sons Pvt. Ltd. (the 'Promoter Group Companies'), completed the acquisition of a 23% equity stake held by Allianz SE in each of Bajaj General and Bajaj Life on 8 January 2026. Consequent to the above acquisition, the twenty-five-year old joint venture agreements between the Company and Allianz SE, in relation to Bajaj General and Bajaj Life, respectively, were terminated with effect from 8 January 2026.

  With respect to the balance 3% equity stake held by Allianz SE, the insurance subsidiaries offered a buyback to their shareholders. Pursuant to the buyback offer, on 12 March 2026, Allianz SE tendered its entire remaining equity stake of 3% in each of the insurance subsidiaries. Pursuant to the same, Allianz SE has completely exited the two insurance joint ventures. The Company's shareholding in both Bajaj General and Bajaj Life stands at 77.33%. The Company along with Promoter Group Companies, now collectively hold 100% equity stake in each of the above insurance subsidiaries.

  The said acquisition was completed after receiving necessary regulatory approvals including those from the Competition Commission of India ('CCI') and the Insurance Regulatory and Development Authority of India ('IRDAI').

  Further, in accordance with the SPAs and approval from the Registrar of Companies, the names of the general insurance and life insurance subsidiary were changed to Bajaj General Insurance Ltd. and Bajaj Life Insurance Ltd., respectively with effect from 7 October 2025.

  Both the insurance subsidiaries seamlessly launched their new identity under the Bajaj brand with the theme of ***'Made in India, Made for India, Made by India'.***

- **Acquisition of equity stake held by Allianz SE in BFDL:**

  Pursuant to the share purchase agreement dated 17 March 2025 executed amongst the Company, Allianz SE and BFDL ('Agreement'), the Company on 16 January 2026, had acquired from Allianz SE, remaining 50% equity stake held by Allianz SE in BFDL. The joint venture agreement between the Company and Allianz SE, in relation to BFDL stands terminated with effect from 16 January 2026.

  With the above acquisition, the Company holds 100% equity stake in BFDL. Further the name of the company was changed to Bajaj Financial Distributors Ltd. with effect from 15 October 2025 and that of its wholly owned subsidiary in the business of providing staffing solutions to Bajaj Staffing Solutions Ltd. with effect from 14 October 2025.

Particulars of loans, guarantees or investments

Details of loans granted to subsidiaries are provided in the notes to financial statements, as required under the provisions of section 186 of the Companies Act, 2013 (the 'Act').

Directors and Key Managerial Personnel

A. Change in Directorate:

i) Appointment:

Rajeev Jain (DIN: 01550158):

The Board, at its meeting held on 21 March 2025, based on the recommendation of Nomination and Remuneration Committee (NRC), appointed Rajeev Jain (DIN: 01550158) as an additional non-executive and non-independent director, liable to retire by rotation, effective from 1 April 2025.

Further, the aforesaid appointment was approved by the members by way of a resolution passed through postal ballot on 17 May 2025.

ii) Director liable to retire by rotation*:

Rajiv Bajaj (DIN: 00018262) retires by rotation at the ensuing AGM, being eligible, offers himself for re-appointment.

* Rajiv Bajaj vide his letter dated 5 June 2026, expressed his desire to step down from the Board and not to seek re-appointment at the ensuing AGM. Accordingly, he will cease to be a Director of the Company upon retirement by rotation at the ensuing AGM.

B. Key managerial personnel ('KMP'):

There were no changes in KMP during the year.

Composition of Committees

The details of all the Board Committees including composition, attendance, terms of reference, etc., are provided under Report on Corporate Governance. Pursuant to section 135 and section 177 of the Act, the composition of Audit Committee and Corporate Social Responsibility ('CSR') Committee are provided hereunder:

Audit Committee:

The composition as on 31 March 2026 is as follows:

Sr. No.	Name of Director	Category
1.	Dr. Naushad Forbes	Chairman, non-executive, independent
2.	Pramit Jhaveri	Member, non-executive, independent
3.	Anami N Roy	Member, non-executive, independent
4.	Sanjiv Sahai	Member, non-executive, independent

Further details on Audit Committee, brief terms of reference and attendance record of members are given in the Report on Corporate Governance.

During FY2026, all recommendations of the Audit Committee were accepted by the Board.

Corporate Social Responsibility Committee

The composition as on 31 March 2026 is as follows:

Sr. No.	Name of Director	Category
1.	Dr. Naushad Forbes	Chairman, non-executive, independent
2.	Anami N Roy	Member, non-executive, independent
3.	Sanjiv Bajaj	Member, Chairman of the Board & Managing Director

The CSR obligation of the Company for FY2026 was ₹ 0.69 crore. The Company spent ₹ 0.80 crore on its CSR activities during FY2026.

Pursuant to rule 8(1) of Companies (Corporate Social Responsibility Policy) Rules, 2014, Annual Report on CSR activities is annexed to this Report.

Further details on CSR Policy, its salient features, brief terms of reference, attendance record of members and details pertaining to spent and unspent amount are given in the Annual Report on CSR activities.

The CSR policy has been hosted on the website of the Company and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/csr-policy-v7?scl=1&fmt=pdf.

Risk management approach and framework

RISK MANAGEMENT

As BFS is an unregistered CIC, there are no significant risks that arise other than those arising from its material subsidiaries.

APPROACH

The primary approach of BFS's risk management is 'bottoms up', which is monitoring the risks of material subsidiaries which individually or in aggregate could culminate into a key capital or reputational risk for the Company.

FRAMEWORK

BFS engages with its subsidiaries to understand the nature of risks, the assessment of risks as regards its criticality (severity and likelihood), mitigating actions and controls, monitoring and reporting of the same on a periodical basis to its Risk Management Committee.

Identification	Each of the material subsidiaries have laid down processes for identification of risks/risk events (including emerging risks such as AI risk and Data Privacy), which include self-assessment by the risk owners, analysis of data, internal audit observations, etc.
Assessment	BFS identifies and assesses risks of its subsidiaries, which could materially impact its capital and reputation, which would become key risks for BFS.
Mitigation	Risk mitigation options are usually considered in determining the suitable risk treatment strategy by the subsidiaries. BFS periodically discusses the results/ status of mitigation activities on key risks with its subsidiaries.
Monitoring	Risks which have not been mitigated to an acceptable level are monitored against the key risk indicators, which are periodically reviewed for appropriateness by the subsidiaries. BFS reviews the outcome of monitoring of key risks and the resulting action/ assessment by the subsidiaries.
Reporting	Reporting to the Committee, *inter-alia*, include the key risks, business continuity plan, etc. for BFS and its material subsidiaries.

Information on the development and implementation of a Risk Management Policy for the Company is given in the Management Discussion and Analysis. The Board is of the opinion that there are no elements of risk that may threaten the existence of the Company.

Number of Meetings of the Board

Six (6) meetings of the Board were held during FY2026. Details of the meetings and attendance thereat, form part of the Report on Corporate Governance.

Independent Directors' Meeting

Pursuant to the Act and the SEBI Listing Regulations, the independent directors must hold at least one meeting in a financial year without the presence of non–independent directors and members of the management.

Accordingly, independent directors met on 20 March 2026 and:

- noted the report of performance evaluation of the Board and its Committees for FY2026;
- reviewed the performance of non-independent directors and the Board as a whole;
- reviewed the performance of the Chairman of the Board, taking into account the views of non-executive directors; and
- assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Declaration by independent directors

All the independent directors have submitted a declaration of independence, stating that they meet the criteria of independence provided under section 149(6) of the Act read with regulation 16 of the SEBI Listing Regulations, as amended. They also confirmed compliance with the provisions of rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of independent directors.

The Board took on record the declaration and confirmation submitted by the independent directors regarding the fulfillment of the prescribed criteria of independence, after undertaking due assessment of the veracity of the same in terms of the requirements of regulation 25 of the SEBI Listing Regulations.

In the opinion of the Board, the independent directors fulfil the conditions specified in the Act read with rules made thereunder and have complied with the code for independent directors prescribed in Schedule IV to the Act.

Performance evaluation of the Board, its Committees and Directors

Pursuant to section 178 of the Act, the NRC and the Board has decided that the evaluation shall be carried out by the Board only and the NRC will only review its implementation and compliance.

Further, as per Schedule IV of the Act and provisions of the SEBI Listing Regulations, the performance evaluation of independent directors shall be done by the entire Board excluding the director being evaluated, on the basis of performance and fulfilment of criteria of independence and their independence from Management. On the basis of the report on performance evaluation, it shall be determined whether to extend or continue the term of appointment of independent director.

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

The manner in which formal annual evaluation of performance was carried out by the Board for FY2026 is given below:

- Based on the criteria approved by the Board, a questionnaire-cum-rating sheet was circulated for seeking feedback of the directors with regards to the performance of the Board, its Committees, the Chairperson, and individual directors.
- From the individual ratings received from the directors, a report on summary of ratings in respect of performance evaluation and a consolidated report thereof were arrived at.
- The NRC reviewed the implementation and compliance of the performance evaluation at its meeting held on 20 March 2026.
- The report of performance evaluation so arrived at was then discussed and noted by the Board at its meeting held on 20 March 2026.

- Based on the report and evaluation, the NRC and Board at their respective meetings, determined that the term of all independent directors may continue.
- Details on the evaluation of the Board, non-independent directors, and Chairperson of the Company as carried out by the independent directors at their separate meeting held on 20 March 2026 have been furnished in a separate paragraph elsewhere in this Report.
- The evaluation criteria for Independent Directors as required under Chapter VI – D of the SEBI Master Circular dated 30 January 2026 is available on the Company's website and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/board-evaluation-criteria-1?scl=1&fmt=pdf

Other than Chairperson of the Board and NRC, no other director has access to the individual ratings given by directors.

Succession planning

The Company has in place a succession planning framework to address anticipated as well as unscheduled changes in leadership. The said framework is re-evaluated and updated every year. The Company has several programmes through which high performing talent are identified. Series of interventions and experiential environments are organised to develop their leadership qualities and skills. In line with the principles of governance, changes are planned from time to time in the Board of Directors, Committees and Top Management as part of succession planning for long-term organisational resilience.

Remuneration Policy

Pursuant to section 178(3) of the Act and regulation 19(4) read with Part D of Schedule II of the SEBI Listing Regulations, the Board has framed a Remuneration Policy. This policy, *inter-alia*, lays down:

- The criteria for determining qualifications, positive attributes and independence of directors; and
- Broad guidelines of compensation philosophy and structure for non-executive directors, key managerial personnel and other employees.

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

Hitherto, Company has not paid any commission and sitting fees to its Independent Directors for attending separate meetings. Considering the value addition from these meetings to Management and the Board as a whole, the Board at its meeting held on 29 April 2025, has approved the payment of sitting fees of ₹ 100,000 and Commission of ₹ 300,000 per meeting, for separate meeting of Independent Directors. Consequently, the policy was amended.

The said policy is available on the Company's website and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/remuneration-policy-v7?scl=1&fmt=pdf

As per the requirements of the SEBI Listing Regulations, details of all pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company are disclosed in the Report on Corporate Governance.

Related party transactions

All contracts/arrangement/transactions entered by the Company during FY2026 with related parties were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. Approval of the Audit Committee was obtained for all related party transactions entered during FY2026 as per the Act and the SEBI Listing Regulations. Such transactions are reviewed by the Audit Committee, on a quarterly basis.

The Company had engaged an independent consulting firm to review the transactions carried out with related parties during FY2026, on the review, they opined that the transactions are at arm's length.

During the year under review, the Company has entered into one significant related party transaction, the details of the same are mentioned below:

Sr. No.	Particulars	Name of Related Party	Amount (₹ In Crore)
1.	Acquisition of equity stake held in Bajaj General, Bajaj Life and BFDL.	Allianz SE*	952

*Being erstwhile joint venture partner of the Company, was a related party to the two insurance subsidiaries. Hence, covered as related party transaction under SEBI Listing Regulations.

All related party transactions entered during FY2026 were in the ordinary course of business, at arm's length and not material under the Act and the SEBI Listing Regulations. None of the transactions required members' prior approval under the Act or the SEBI Listing Regulations.

Details of transactions with related parties during FY2026 are provided in the notes to the financial statements. There were no transaction requiring disclosure under section 134(3)(h) of the Act. Hence, the prescribed Form AOC–2 does not form a part of this Report.

Annual Return

The Annual Return as provided under section 92(3) of the Act, in the prescribed form is hosted on the Company's website and can be accessed at https://www.aboutbajajfinserv.com/investor-relations-annual-reports

Employee stock options ('ESOP')

The Company offers stock options to select employees of the Company and its subsidiaries, in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the 'SBEB Regulations'), to foster a spirit of ownership and an entrepreneurial mindset. Because of their nature, stock options help to build a holistic, long-term view of the business and a sustainability focus in the senior management team. Stock options are granted to employees in managerial and leadership positions upon achieving defined thresholds of performance and leadership behaviour. This has contributed to the active involvement of the leadership and senior team who are motivated to ensure long-term success of the Company. Your Company has a group talent management programme which seeks to provide employees to work across group companies and thereby preparing them for future roles in a well-planned manner.

Grant of stock options also allows the Company to maintain the right balance between fixed pay, short-term incentives and long-term incentives to effectively align with the risk considerations and build the focus on consistent long-term results.

Bajaj Finserv Ltd. Employee Stock Option Scheme ('BFS ESOS') is in compliance with the SBEB Regulations and there were no material changes in the scheme during the year. The same is available on Company's website and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/esop-scheme-final-proof-readpdf?scl=1&fmt=pdf.

A statement giving details as at the year ended 31 March 2026, in terms of regulation 14 of SBEB Regulations is available on the Company's website and can be accessed at https://www.aboutbajajfinserv.com/investor-relations-annual-reports.

Grant wise details of options vested, exercised and cancelled are provided in the notes to the standalone financial statements.

The Company has not issued any sweat equity shares or equity shares with differential voting rights during FY2026.

Share capital

The Authorised capital of the Company as on 31 March 2026 stood at ₹ 200 crore consisting of 2,000,000,000 (Two hundred crore) equity shares of face value of ₹ 1.

During the year, the Allotment Committee has allotted 1,151,123 and 2,736,768 equity shares of face value ₹ 1 to Bajaj Finserv ESOP Trust under the BFS ESOS on 7 May 2025 and 17 February 2026, respectively, thereby increasing the paid-up capital from ₹ 159.67 crore consisting of 1,596,662,097 (One hundred fifty nine crore sixty six lakh sixty two thousand ninety seven) fully paid-up equity shares to ₹ 160.05 crore consisting of 1,600,549,988 (One hundred sixty crore five lakh forty-nine thousand nine hundred eighty-eight) fully paid-up equity shares.

During the year under review, there was no public issue, rights issue, bonus issue or preferential issue, etc.

Internal financial controls

Internal financial controls laid down by the Company are a systematic set of controls and procedures to ensure orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Internal financial controls not only require the system to be designed effectively but also to be tested for operating effectiveness periodically.

The Board reviewed the internal financial controls of the Company and is of the opinion that internal financial controls with reference to the financial statements were adequate, operating effectively and are commensurate with the size, scale and complexity of operations.

Internal Control Systems and their adequacy has been discussed in more detail in Management Discussion and Analysis.

Audit

Statutory Audit

KKC & Associates LLP, Chartered Accountants, (Firm Registration No. 105146W/ W100621), the Statutory Auditors of the Company have conducted audit of the financial statements of the Company for the FY2026.

The Audit Report given by the statutory auditors for FY2026 is unmodified i.e., it does not contain any qualification, reservation or adverse remark or disclaimer.

Re-appointment of Statutory Auditors

Pursuant to section 139 of the Act and the rules made thereunder, based on the recommendation of the Audit Committee, the Board at its meeting held on 30 April 2026, has recommended the re-appointment of KKC & Associates LLP, Chartered Accountants, (Firm Registration Number: 105146W/W100621), as statutory auditors of the Company, subject to the approval of the Members at the forthcoming 19th AGM, for a second term of 5 (five) consecutive years i.e., from the conclusion of 19th AGM till the conclusion of 24th AGM to conduct audit of accounts of the Company till the financial year ended 31 March 2031.

Brief profile and other details of proposed statutory auditors, forms part of the Notice of AGM.

Secretarial Audit

Pursuant to regulation 24A(1) of the SEBI Listing Regulations, the Members at the 18th AGM held on 25 July 2025, approved the appointment of M/s. Makarand M. Joshi & Co. ('MMJC'), a peer reviewed firm of Company Secretaries in Practice as Secretarial Auditor of the Company for a term of 5 (five) consecutive years from FY2026 till FY2030.

Pursuant to the provisions of section 204 of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A(1) of the SEBI Listing Regulations, the secretarial audit for FY2026 was conducted by MMJC. The report in the prescribed Form MR-3 is annexed to this Report. The report is unmodified i.e., it does not contain any qualification, reservation, adverse remark or disclaimer.

Pursuant to regulation 24A(2) of the SEBI Listing Regulations, a report on annual secretarial compliance for FY2026 has been issued by MMJC, and the same will be submitted with the stock exchanges within the given timeframe. The report will also be made available on the website of the Company.

As per regulation 24A(1) of the SEBI Listing Regulations, a listed company is required to annex a secretarial audit report of its material unlisted subsidiary to its Annual Report. In line with the same, the secretarial audit reports of Bajaj Life and Bajaj General, for the FY2026 are annexed to this Report and also placed on Company's website and can be accessed at https://www.aboutbajajfinserv.com/investor-relations-annual-reports.

Cost Audit

In line with section 148 of the Act and the rules made thereunder, the Board of Directors on recommendation of the Audit Committee, have re-appointed Dhananjay V Joshi & Associates (Firm Registration No. 000030), Cost Accountants, to audit the cost records of the Company for FY2027.

The cost audit report for FY2025, was unmodified i.e., it does not contain any qualification, reservation, adverse remark or disclaimer.

A resolution seeking members' ratification for the remuneration payable for FY2027 to the Cost Auditor is included in the Notice of AGM.

Provisions relating to maintenance of cost records as specified by the Central Government under section 148 of the Act, as applicable to the Company have been complied with for FY2026.

Internal audit

The internal audit is an integral part of corporate governance. The objective of internal audit is to identify, assess and mitigate risks as well as to evaluate and contribute to the systems of internal controls and governance processes followed by the Company. Key elements of internal audit are assurance on Controls, Governance and Compliance, Risk Assessment and its Mitigation and Process Optimisation.

At the beginning of each financial year, an audit plan is rolled out after approval of the Audit Committee.

The Audit Committee regularly reviews the adequacy of the internal audit structure, internal audit reports and the adequacy and effectiveness of internal controls. Significant audit observations, corrective and preventive actions thereon of the Company and its wholly owned subsidiaries are discussed by the Audit Committee on a quarterly basis.

Whistle-blower policy/vigil mechanism

The Company has a whistle-blower policy encompassing vigil mechanism pursuant to the requirements of section 177(9) of the Act and regulation 22 of the SEBI Listing Regulations. The whistle-blower framework has been introduced with an aim to provide employees and directors with a safe and confidential channel to share their inputs about such aspects which are adversely impacting their work environment. The policy/vigil mechanism enables employees and directors to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and leak or suspected leak of unpublished price sensitive information.

The concerns may be reported anonymously either through email or through a 'Confidential Feedback Mechanism', which is reviewed by an Enforcement Committee comprising senior management representatives from within the organisation. Pursuant to the Whistle-Blower Policy, a summary of incidents investigated, actioned upon, founded and unfounded, if any, are reviewed by the Audit Committee.

Further, the Committee from time to time reviews the functioning of the whistle-blower mechanism and measures taken by the Management to encourage employees to avail of the mechanism to report unethical practice.

The whistle-blower policy is available on the website of the Company and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/whistle-blower-policy-v3-3?scl=1&fmt=pdf.

Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibitionand Redressal) Act, 2013 ('POSH Act')

The Company is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender discrimination and harassment. The Company believe that all employees have the right to be treated with fairness and dignity.

The Company has a policy on prevention of sexual harassment at the workplace. The policy is gender neutral and it has been framed in accordance with the provisions of the POSH Act and rules framed thereunder.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under POSH Act. The policy is available on Company's website and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/prevention-of-sexural-harassment-at-workplace-v4?scl=1&fmt=pdf.

Details of the complaints received during the year are as under:

No. of complaints of sexual harassment received in the year	No. of complaints disposed off during the year	No. of cases pending for more than ninety days
Nil	Nil	Nil

Business Responsibility and Sustainability Report ('BRSR')

In accordance with the SEBI Master Circular dated 30 January 2026 and the amendments to the SEBI Listing Regulations, the top 1,000 listed entities by market capitalisation are required to submit the Business Responsibility and Sustainability Report ('BRSR'), as part of their Annual Report.

SEBI has further introduced the BRSR Core, a focused sub-set of the BRSR comprising Key Performance Indicators (KPIs) across nine Environmental, Social, and Governance (ESG) attributes. As per the glide path outlined in the circular, the top 500 listed entities are mandated to obtain reasonable assurance on the BRSR Core as per the format prescribed by SEBI.

Accordingly, SGS India Pvt. Ltd., assurance provider, has provided the following:

- Reasonable assurance for the BRSR Core, and
- Limited assurance for the remaining BRSR disclosures, in alignment with SEBI's requirements.

The BRSR, prepared in the format prescribed by SEBI, is annexed to the Company's Annual Report.

Additionally, the Company has adopted a Policy for Responsible and Sustainable Business Conduct which is available on the Company's website and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/responsible-and-sustainable-business-conduct-policy-v4?scl=1&fmt=pdf.

A detailed ESG Report describing various initiatives, actions and process of the Company towards the ESG endeavour can be accessed at https://www.aboutbajajfinserv.com/impact-environmental-social-and-governance.

Significant and material orders by Regulators or Courts or Tribunals

There were no significant or material orders passed by any regulators or courts or tribunals, impacting the going concern status and Company's operations in future.

Conservation of energy

The Company being an unregistered CIC, does not manufacture products and therefore, does not discharge effluents directly. However, the Company has windfarms in addition to its financial services activities which produces green energy. The Company produces more renewable energy through these windfarms than the energy consumed by the entire group. Details of these measures and their outcomes are provided in the Business Responsibility and Sustainability Report.

Technology absorption

The details pertaining to technology absorption have been explained in the Management Discussion and Analysis.

Considering the nature of services and businesses, no specific amount of expenditure is earmarked for Research and Development. However, the Company on an ongoing basis strives for various improvements in the products, platforms and processes. On future technology adoption, the Company along with its subsidiaries endeavours to pioneer adoption of Artificial Intelligence (AI) in the financial services space and accordingly is running a series of AI projects across its companies.

Foreign exchange earnings and outgo

During FY2026, the Company did not have foreign exchange earnings. The foreign exchange outgo in terms of actual outflow in FY2026 amounted to ₹ 55.57 crore, as against ₹ 371.43 crore in FY2025.

Corporate governance

Pursuant to the SEBI Listing Regulations, a separate section titled Report on Corporate Governance has been included in this Annual Report, along with the Management Discussion and Analysis and report on General Shareholder Information.

The Chairman & Managing Director and Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as specified in the SEBI Listing Regulations.

A certificate from the secretarial auditor of the Company regarding compliance of conditions of corporate governance is annexed to this Report and it does not have any observations.

Secretarial standards of ICSI

The Company has followed the applicable Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India, as amended.

Other Statutory Disclosures

- In this Report, any reference to the statutory or regulatory guidelines, acts, circulars, regulations, notifications and directions, unless the context otherwise requires, be construed to include any amendments, modifications, updations or re-enactment thereof as the case may be.
- The financial statements of the Company and its subsidiaries are placed on the Company's website and be accessed at https://www.aboutbajajfinserv.com/investor-relations-annual-reports.
- Details as required under section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended containing, *inter-alia*, the ratio of remuneration of directors to median remuneration of employees, percentage increase in the median remuneration, are annexed to this Report.
- Disclosure as required under section 197(14): Sanjiv Bajaj (DIN: 00014615), who is also the Non-executive, Chairman of Bajaj Finance Ltd. ('BFL') and Bajaj Housing Finance Ltd. ('BHFL') has been paid sitting fees and commission as follows:

(₹ In Crore)

		Sitting Fees		Commission	
Sr. No.	**Particulars**	**FY2026**	**FY2025**	**FY2026***	**FY2025**
1.	BFL	0.29	0.34	6.91	5.06
2.	BHFL	0.17	0.19	0.34	0.38

*will be payable post adoption of financial statements for FY2026.

He is entitled for sitting fees and commission in line with the remuneration policy and as determined by NRC/ Board from time to time in BHFL and BFL. He does not draw any remuneration from any other subsidiary of which he is a non-executive director.

- As on 31 March 2026, the Company had 169 permanent employees, comprising 108 male and 61 female employees.
- Details of top ten employees in terms of the remuneration and employees in receipt of remuneration as prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, containing details prescribed under rule 5(3) of the said rules, which form part of this Report, will be made available to any member on request, as per provisions of section 136(1) of the Act.
- The auditors, i.e., statutory auditor, secretarial auditor and cost auditor have not reported any matter under section 143(12) of the Act and therefore, no details are required to be disclosed under section 134(3)(ca) of the Act.
- The Company remains committed to supporting working mothers and promoting a gender-inclusive workplace. The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961.
- There is no change in the nature of business of the Company during FY2026.
- Neither any application was made, nor any proceeding is pending under the Insolvency and Bankruptcy Code 2016, during FY2026 against the Company.
- The Company has neither accepted any deposits covered under Chapter V of the Act during the year under review nor has ever accepted.
- The voting rights are exercised directly by the employees in respect of shares allotted under the Employee Stock Option Scheme of the Company. Thus, the disclosure requirements pursuant to rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable.
- The Company has in place various Board approved policies pursuant to Act and SEBI Regulations. These policies are reviewed from time to time keeping in view the operational requirements and the extant regulations.
- During FY2026, there was no instance of one-time settlement with Banks or Financial Institutions. Therefore, as per rule 8(5)(xii) of Companies (Accounts) Rules, 2014, reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not reported.

Directors' responsibility statement

In accordance with the provisions of section 134(3)(c) of the Act and based on the information provided by the management, the directors state that:

i. in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures where applicable;

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for FY2026;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the annual accounts on a going concern basis;

v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Acknowledgement

The Board of Directors places its gratitude and appreciation for the support and co-operation from its members, the Securities and Exchange Board of India, BSE Ltd., National Stock Exchange of India Ltd., the Registrar to an issue and Share Transfer Agent, the Depositories and other regulators.

The Board of Directors also places on record its sincere appreciation for the commitment and hard work put in by the Management and the employees of the Company and its subsidiaries and thanks them for yet another good year of performance.

On behalf of the Board of Directors

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Pune: 30 April 2026

Annual Report on CSR activities for the financial year ended 31 March 2026

1. Introduction

The vision and philosophy of Late Jamnalal Bajaj, founder of the Bajaj Group, continue to guide its Corporate Social Responsibility (CSR) approach of the Group. Rooted in the principle of trusteeship and the common good, his values laid the foundation for ethical, transparent and purpose-driven business practices.

At Bajaj Group, growth is not measured by financial performance alone, but by the positive difference created in people's lives. CSR is viewed not merely as a corporate responsibility, but as a commitment to nation-building—driving sustainable, inclusive and long-term social impact.

Building on this legacy, the Group launched its most ambitious social impact commitment, Bajaj Beyond, with a pledge of ₹ 5,000 crore over five years to impact 2 crore lives. This collective effort by Bajaj Group companies is focused on fostering economic self-reliance and strengthening communities, aligned with India's vision of skilling.

Through its social investments, the Group primarily focuses on youth skilling, enabling employment, income generation and entrepreneurship. At the same time, efforts are expanding to support children through interventions in education, health and protection, along with inclusion for persons with disabilities (PwDs).

Guiding Principles:

The Bajaj Group believes that social investments should:

Benefit Generations	The Company believes in 'investment in resource creation' for use over generations. The Company tries to identify sustainable projects which will benefit the society over long periods.
Educate for Self-Reliance and Growth	To usher in a growth-oriented society and thereby a very strong and prosperous nation, by educating each and every Indian.
Promote Health	The Company believes good health is a pre-requisite for both education and productivity.
Encourage for Self Help	To guide and do hand holding for self-help, individually and collectively to create excellence for self and for the team.
Target those who need it most	Care for the sections of the society, which are socially at the lowest rung irrespective of their religion or caste or language or colour.

2. Brief outline of Company's CSR Policy

In compliance with section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has in place a CSR Policy. The Policy was reviewed by the Board during the year under review. The Policy, *inter alia*, covers the following:

- Philosophy, Approach & Direction
- Guiding Principles for selection, implementation and monitoring of activities
- Guiding Principles for formulation of Annual Action Plan

3. Composition of CSR Committee

Name of member	Category	Meetings attended/ entitled to attend
Dr. Naushad Forbes	Chairman, non-executive, independent	1/1
Anami N Roy	Member, non-executive, independent	1/1
Sanjiv Bajaj	Member, Chairman of Board & Managing Director	1/1

4. Web-link where the following are disclosed on the website of the Company:

Composition of CSR Committee	https://www.aboutbajajfinserv.com/people-and-committees-corporate-social-responsibility-committee
CSR Policy	https://cms-assets.bajajfinserv.in/is/content/bajajfinance/csr-policy-v7?scl=1&fmt=pdf
CSR projects approved by the Board	https://www.aboutbajajfinserv.com/investor-relations-shareholders-information-investor-csr-projects
Terms of Reference	https://cms-assets.bajajfinserv.in/is/content/bajajfinance/csr-tor?scl=1&fmt=pdf

5. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

6.	(a) Average net profit of the Company as per sub-section (5) of section 135:	₹ 34.05 crore
	(b) Two percent of average net profit of the Company as per sub-section (5) of section 135:	₹ 0.69 crore
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	-
	(d) Amount required to be set-off for the financial year, if any:	-
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)]:	₹ 0.69 crore
7.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	₹ 0.80 crore
	(b) Amount spent on Administrative Overheads:	Nil
	(c) Amount spent on Impact Assessment, if applicable:	Not applicable
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]:	₹ 0.80 crore
	(e) CSR amount spent or unspent for the Financial Year:	

Amount Unspent (₹ In Crore)					
Total Amount Spent for the financial year (₹ In Crore)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
0.80	Not applicable as there is no unspent amount				

(f) Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (₹ In Crore)
i.	Two percent of average net profit of the Company as per sub-section (5) of section 135	0.69
ii.	Total amount spent for the financial year	0.80
iii.	Excess amount spent for the financial year	0.11
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years*	0.09

* The Board at its meeting held on 30 April 2026, approved to set off ₹ 0.09 crore, being amount spent in excess as against the requirement under sub-section 135(5) of Companies Act, 2013 for FY2026 till the immediate subsequent three financial years.

8.	Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:	Not applicable since there is no unspent CSR obligation.
9.	Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:	None
10.	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:	Not Applicable

Sd/-

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Sd/-

Dr. Naushad Forbes
Chairman of CSR Committee
DIN: 00630825

Annexure to Directors' Report: FY2026

Remuneration Details under Rule 5 (1) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31 March 2026

Sr.No.	Name of the Director/KMP	Ratio of Remuneration of director to median Remuneration of employees	% increase in the remuneration in FY2026
(A)	**Whole-time director/Managerial Personnel**		
	Sanjiv Bajaj-Chairman & Managing Director	146.95	29.82
(B)	**Non-Executive directors[1]**		
	Dr. Naushad Forbes	1.36	Refer note 1
	Anami N Roy	1.73	Refer note 1
	Radhika Haribhakti	1.46	0.00
	Pramit Jhaveri	1.55	0.00
	Sanjiv Sahai	1.27	Refer note 2
	Rajiv Bajaj	0.55	Refer note 1
	Manish Kejriwal	0.91	0.00
	Rajeev Jain	0.45	Refer note 3
(C)	**Key Managerial Personnel**		
	Ramandeep Singh Sahni – Chief Financial Officer		20.41
	Uma Shende – Company Secretary		21.51
(D)	**% increase in the median remuneration of employees (other than whole-time director)**		12.18
(E)	**Permanent employees as on 31 March 2026**	169	-

Notes:

1. (a) Remuneration payable to non-executive directors is based on the number of meetings of the Board and its Committees attended by them as members during the year. The amount of commission payable to non-executive directors is fixed at ₹300,000/- per meeting. There is no increase in the amount of commission per meeting as compared to previous year.

   (b) Remuneration to directors does not include sitting fee paid to them for attending Board/ Committee meetings.

   (c) As the number of Board/Committee meetings are lower than previous financial years, there has been no increase in total commission drawn by the directors as compared to previous year.

2. Not comparable since appointed effective from 1 March 2025.

3. Not comparable since appointed effective from 1 April 2025.

4. 'Permanent employees' does not include trainees, probationers and contract employees.

Notes on Disclosures under Rule 5:

A. Average percentage increase in salary of employee other than Whole-time Director is 12.19%.

B. Percentage increase in remuneration of managerial personnel has been determined keeping in view his/ her duties and responsibilities, the performance of the Company and trend of remuneration in industry.

C. The remuneration paid as above was as per the remuneration policy of the Company.

Form No. MR-3
Secretarial Audit Report

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year ended 31 March 2026

To,
The Members,

Bajaj Finserv Ltd.
Bajaj Auto Ltd. Complex Mumbai - Pune Road,
Pune – 411035, Maharashtra.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bajaj Finserv Ltd.** (hereinafter referred as 'the Company'). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering from 01 April 2025 to 31 March 2026 (hereinafter referred as the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner reporting made hereinafter:

We have examined books, papers, minutes books, forms and returns filed and other records maintained by the Company for financial year ended on 31 March 2026 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit Period);

(ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period)

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 erstwhile Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period)

h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 ('Buy-back Regulations') (Not Applicable to the Company during the Audit Period); and

i. The Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

During the period under review the Company has complied with the provisions of the Act, rules, regulations, guidelines and standards etc. made there under.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the rules, regulations and guidelines issued by the Reserve Bank of India as are applicable to unregistered Core Investment Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors, and independent directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period:

1. The Company has incorporated two wholly owned subsidiaries in the name and style of Bajaj Alternate Investment Management Ltd. and Bajaj AIF Trustee Ltd.
2. The Company pursuant to the share purchase agreements dated 17 March 2025 executed amongst (a) the Company, Allianz SE and Bajaj General Insurance Ltd. ('Bajaj General'); and (b) the Company, Allianz SE and Bajaj Life Insurance Ltd.('Bajaj Life'), each as amended ('Agreement'), the Company has acquired from Allianz SE, share representing 1.01% equity stake in each of Bajaj General and Bajaj Life. Further, pursuant to the Buyback offer, Allianz SE tendered its entire remaining equity stake of 3% each in the insurance subsidiaries.
3. The Company pursuant to the share purchase agreement dated 17 March 2025 executed amongst the Company, Allianz SE and Bajaj Financial Distributors Ltd. (BFDL), the Company has acquired from Allianz SE, equity shares representing 50% equity stake in BFDL. Consequently, Bajaj Staffing Solutions Ltd. ('BSSL'), wholly owned subsidiary of BFDL, has become an indirect wholly owned subsidiary of the Company.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Makarand M. Joshi
Partner
FCS: 5533
CP: 3662
UDIN:F005533H000247896

Mumbai: 30 April 2026

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure to Secretarial Audit of the Company (Form MR-3)

To,
The Members,

Bajaj Finserv Ltd.
Bajaj Auto Ltd. Complex Mumbai - Pune Road,
Pune – 411035, Maharashtra.

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

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

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Makarand M. Joshi
Partner
FCS: 5533
CP: 3662
UDIN:F005533H000247896

Mumbai: 30 April 2026

Secretarial Audit Report of subsidiary company (Form MR-3)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended 31 March 2026

To,
The Members,

Bajaj General Insurance Ltd.,
(formerly known as Bajaj Allianz General Insurance Company Ltd.)
(CIN: U66010PN2000PLC015329)
Bajaj Insurance House, Airport Road, Yerawada,
Pune- 411006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bajaj General Insurance Ltd.** (formerly known as Bajaj Allianz General Insurance Company Ltd.) (hereinafter called as 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company, books, registers, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2026, complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, registers, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2026, according to the provisions of:

1) The Companies Act, 2013 ('the Act') and the rules made thereunder;

2) Foreign Exchange Management Act, 1999 and the rules and regulations made there under regarding Foreign Direct Investment;

3) The Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999 and rules and regulations made thereunder; and

4) Rules, regulations, guidelines, circulars and notifications issued by the Insurance Regulatory and Development Authority of India ('IRDAI') as are applicable to a general insurance company.

The Company is an unlisted public company and subsidiary of a listed company.

I have also examined compliance with the applicable clauses of the Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the applicable provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive, non-executive and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings, including committees thereof, alongwith agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors. The decisions are carried unanimously.

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

I further report that during the audit period there was no event / action having major bearing on the Company's affairs except:

i. The name of the Company was changed from Bajaj Allianz General Insurance Company Ltd. to Bajaj General Insurance Ltd. w.e.f. 7 October 2025.

ii. On 8 January 2026, Allianz SE had transferred 23% stake held by it in the Company to Bajaj Finserv Ltd. (1.01%), Bajaj Holdings & Investment Ltd. (17.56%) and Jamnalal Sons Private Ltd. (4.43%).

iii. On 12 March 2026, the Company has bought back 3,306,717 equity shares representing ~ 3% of its equity share capital from Allianz SE, in accordance with the provisions of the Companies Act, 2013. With this, Allianz SE ceased to be a shareholder of the Company.

Shyamprasad D. Limaye

FCS 1587 CP 572
UDIN: F001587H000189434

Pune: 24 April 2026

Annexure to Secretarial Audit of subsidiary company (Form MR-3)

To,
The Members,

Bajaj General Insurance Ltd.,
(formerly known as Bajaj Allianz General Insurance Company Ltd.)
Bajaj Insurance House, Airport Road, Yerawada,
Pune- 411006

My Secretarial Audit Report for Financial Year ended on 31 March 2026 of even date is to be read along with this letter.

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

Shyamprasad D. Limaye
FCS 1587 CP 572

Pune: 24 April 2026

Secretarial Audit Report of subsidiary company (Form MR-3)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended 31 March 2026

To,
The Members,

Bajaj Life Insurance Ltd.
(formerly known as Bajaj Allianz Life Insurance Company Ltd.)
(CIN: U66010PN2001PLC015959)
Bajaj Insurance House, Airport Road, Yerawada,
Pune- 411006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bajaj Life Insurance Ltd.** (formerly known as Bajaj Allianz Life Insurance Company Ltd.,) (hereinafter called as 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company, books, registers, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2026, complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, registers, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2026, according to the provisions of:

1) The Companies Act, 2013 ('the Act') and the rules made thereunder;

2) Foreign Exchange Management Act, 1999 and the rules and regulations made there under regarding Foreign Direct Investment;

3) The Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999 and rules and regulations made thereunder; and

4) Rules, regulations, guidelines, circulars, and notifications issued by the Insurance Regulatory and Development Authority of India ('IRDAI') as are applicable to a life insurance company.

The Company is an unlisted public company and subsidiary of a listed company.

I have also examined compliance with the applicable clauses of the Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the applicable provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive, non-executive and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all Directors to schedule the Board Meetings, including committees thereof, alongwith agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors. The decisions are carried unanimously.

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

I further report that during the audit period there was no event / action having major bearing on the Company's affairs except:

i. The name of the Company was changed from Bajaj Allianz Life Insurance Company Ltd. to Bajaj Life Insurance Ltd. w.e.f. 7 October 2025.

ii. On 8 January 2026, Allianz SE had transferred 23% stake held by it in the Company to Bajaj Finserv Ltd. (1.01%), Bajaj Holdings & Investment Ltd. (17.56%) and Jamnalal Sons Private Ltd. (4.43%).

iii. On 12 March 2026, the Company has bought back 4,521,170 equity shares representing ~ 3% of its equity share capital from Allianz SE, in accordance with the provisions of the Companies Act, 2013. With this, Allianz SE ceased to be a shareholder of the Company.

Shyamprasad D. Limaye

FCS 1587 CP 572

UDIN: F001587H000189467

Pune: 24 April 2026

Annexure to Secretarial Audit of subsidiary company (Form MR-3)

To,
The Members,

Bajaj Life Insurance Ltd.,
(formerly known as Bajaj Allianz Life Insurance Company Ltd.)
Bajaj Insurance House, Airport Road,
Yerawada, Pune- 411006

My Secretarial Audit Report for Financial Year ended on 31 March 2026 of even date is to be read along with this letter.

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

Shyamprasad D. Limaye
FCS 1587 CP 572

Pune: 24 April 2026

Certificate by Practising Company Secretary

(Pursuant to regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,

Bajaj Finserv Ltd.,
Bajaj Auto Ltd. Complex, Mumbai - Pune Road,
Pune, Maharashtra, India, 411035

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to **Bajaj Finserv Ltd.** having CIN L65923PN2007PLC130075 and having registered office at Bajaj Auto Ltd. Complex Mumbai - Pune Road, Pune, Maharashtra, India, 411035 (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA') (ii) Verification of Directors Identification Number ('DIN') status on the website of the MCA, and (iii) Disclosures provided by the Directors to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on 31 March 2026.

Table A

Sr. No.	Name of the Directors	DIN	Designation
1.	Sanjivnayan Bajaj	00014615	Chairman & Managing Director
2.	Dr. Naushad Darius Forbes	00630825	Independent Director
3.	Anami Narayan Prema Roy	01361110	Independent Director
4.	Pramit Shashikant Jhaveri	00186137	Independent Director
5.	Radhika Vijay Haribhakti	02409519	Independent Director
6.	Sanjiv Nandan Sahai	00860449	Independent Director
7.	Rajivnayan Rahulkumar Bajaj	00018262	Non-Executive Director
8.	Manish Santoshkumar Kejriwal	00040055	Non-Executive Director
9.	Rajeev Jain	01550158	Non-Executive Director

General Disclaimer: Our Analysis for this certificate does not cover the verification of criteria pertaining to appointment as independent director under Section 149 and criteria pertaining to appointment as Managing Director under Section 196 and Schedule V of the Companies Act, 2013.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Makarand M. Joshi
Partner
FCS: 5533
CP: 3662
UDIN: F005533H000249788

Mumbai: 30 April 2026

Independent Auditors' Certificate on Corporate Governance

To,

The Members,
Bajaj Finserv Ltd.
Bajaj Auto Ltd. Complex, Mumbai - Pune Road,
Pune – 411035, Maharashtra

We have examined the compliance of conditions of Corporate Governance by **Bajaj Finserv Ltd.** ('the Company') for the year ended on 31 March 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'].

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Makarand M. Joshi & Co.

Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Makarand M. Joshi
Partner
FCS: 5533
CP: 3662
UDIN: F005533H000247995

Mumbai: 30 April 2026

Report on Corporate Governance

Contents

Corporate Governance framework & philosophy

Board of Directors

Committees of the Board and oversight mechanism

Remuneration of Directors

Policies and Regulatory Assurance

Other mandatory & non-mandatory disclosures

Auditors' Certificate on Corporate Governance

Corporate Governance framework & philosophy

This report details the corporate governance policies and practices of Bajaj Finserv Ltd. (the 'Company', 'Bajaj Finserv' or 'BFS') for FY2026 and outlines compliance with requirements of the Companies Act, 2013, as amended, (the 'Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (the 'SEBI Listing Regulations'), as applicable to the Company.

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 and clause 49 of erstwhile Listing Agreement. 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.

As will be seen, the Company's corporate governance practices and disclosures go well beyond complying with the statutory and regulatory requirements stipulated pursuant to applicable laws.

Key elements of Bajaj Finserv's Corporate Governance

- Compliance with applicable laws.
- Promoting fairness, transparency, accountability, commitment to values, ethical business conduct and considering all stakeholders' interest while conducting business.
- Proactive adherence to the regulations and periodical engagement with the regulators.
- Benchmarking and adopting best practices among peers and other leading organisations.
- Number of Board and Committee meetings more than the statutory requirement, including meetings dedicated for discussing strategy, operating plans and key risks of the Company and its subsidiaries.
- Directors from diverse backgrounds and with 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.
- Rotation of key Committee's chair and changes to its composition once in every few years, to provide broader exposure and have a balanced responsibilities amongst Board members.
- Independent assurance on arm's length of Related Party Transaction(s).
- Audit Committee comprising only of Independent Board members and with Independent Directors chairing all Statutory Committees of the Board.
- Pre-briefing sessions with the Committee's Chair with statutory auditors, internal auditors and members of executive management who are the process owners.
- Strategic Investment Committee for evaluating, scrutinising and recommending investment opportunities to the Board.
- 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.
- Presentations by key senior management team members of the Company and its subsidiaries to familiarise the directors with key elements of each of the businesses.
- 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 subsidiaries which ensures an institutionalised structure of control over subsidiaries.
- Half-yearly communication from the Chairman to all shareholders of the Company giving an update on the Company's performance.
- Periodical updates to the Board and various Committees on the Group's preparedness on evolving regulatory landscape, emerging risks and technological changes.
- 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/viewing from the Company's website, these *inter-alia* include:
  - Whistle-Blower Policy/Vigil mechanism;
  - Policy on Materiality of and Dealing with Related Party Transactions;
  - Dividend Distribution Policy;
  - Policy on Prevention of Sexual Harassment at Workplace;
  - Charter of Fair & Responsible Workplace Guidelines for Contract Labour;
  - Code of Ethics and Personal Conduct;
  - Employee Charter and Human Rights Statement;
  - Responsible and Sustainable Business Conduct Policy;
  - Code of Conduct for Directors and Senior Management;
  - Remuneration Policy;
  - Corporate Social Responsibility Policy; and
  - Policy for determining Material Subsidiaries.

Various policies adopted by the Company can be accessed at https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes.

Board of Directors

The responsibilities of the Board of Directors ('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 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 Board has constituted several Board Committees. The remit of these Committees is governed by the regulations, operational requirements and such other matters requiring special and expert attention. Further, during the year, a review of terms of reference of various Committees was carried out to align them with updated regulations, emerging technologies, best practices and various governance guidelines.

The Company follows structured post-meeting review processes to ensure effective execution of the decisions taken and suggestions given by the Board and its Committees. The key decisions, directions and recommendations arising from the meetings are promptly communicated to the concerned departments for execution. The status of implementation is captured through Action Taken Reports, which are reviewed by the Board and the Committees at subsequent meetings.

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.

As on 31 March 2026, the Board of the Company consisted of 9 directors, comprising the following:

- one promoter and executive (Chairman & Managing Director);
- one promoter and non-executive;
- five non-executive and independent (including one-woman independent director); and
- two non-executive, non-independent.

Changes in composition of Board during FY2026

Table 1: Details of change in composition of the Board during FY2026:

Sr. No.	Name of Director	Capacity	Nature of Change	Effective Date
1.	Rajeev Jain	Non-executive non-independent	Appointment	1 April 2025

Number of meetings of the Board

The calendar for the Board and Committee meetings is fixed in advance for the entire year and informed to directors well in advance to facilitate their participation at all the meeting(s). In addition to the quarterly Board meetings, dedicated meetings are also convened in the month of March and September every year to facilitate the Board to devote additional time on long range planning, annual operating planning and other strategic matters of the Company including that of the subsidiaries.

During FY2026, the Board met 6 (Six) times. The gap between two consecutive meetings has been less than one hundred and twenty days. The details of board meetings are given hereunder:

Table 2: The details of Board meetings and attendance record of directors for FY2026:

Sr. No.	Name of Directors, DIN and capacity/category	Dates of Board meetings held during FY2026						Attendance at the last AGM held on 25 July 2025
		29 April 2025	25 July 2025	15 September 2025	11 November 2025	4 February 2026	20 March 2026	
	Chairman & Managing Director							
1.	Sanjiv Bajaj (DIN: 00014615) (Executive, Promoter)	√	√	√	√	√	√	√
	Independent Directors							
2.	Dr. Naushad Forbes (DIN: 00630825)	√	√	√	√	√	X	√
3.	Anami N Roy (DIN: 01361110)	√	√	√	√	√	√	√
4.	Pramit Jhaveri (DIN: 00186137)	√	√	√	√	√	√	√
5.	Radhika Haribhakti (DIN: 02409519)	√	√	√	√	√	√	√
6.	Sanjiv Sahai (DIN: 00860449)	√	√	√	√	√	√	√
	Non-Executive Directors							
7.	Rajiv Bajaj (DIN: 00018262) Promoter	√	√	√	√	√	√	√
8.	Manish Kejriwal (DIN: 00040055) Promoter Group	√	√	√	√	√	√	√
9.	Rajeev Jain (DIN: 01550158)	√	√	X	√	√	√	√

√ Attended | X Absent

Note: Sanjiv Bajaj and Rajiv Bajaj are related as brothers. No other directors are related inter-se.

Table 3: Summary of Board composition, % of attendance, remuneration & shareholding:

Sr. No.	Name of Director	Director since	% of meetings attended in last 3 years	Remuneration for FY2026 (₹ in Crore)			No. of Shares held in the Company as on 31 March 2026
				Salary and other compensation	Sitting Fee	Commission	
	Chairman & Managing Director						
1.	Sanjiv Bajaj	30 April 2007	100	48.59	-	-	4,144,040
	Independent Directors						
2.	Dr. Naushad Forbes	13 September 2017	90	-	0.15	0.45	500
3.	Anami N Roy	1 January 2019	100	-	0.19	0.57	-
4.	Pramit Jhaveri	1 May 2022	95	-	0.17	0.51	-
5.	Radhika Haribhakti	1 May 2022	100	-	0.16	0.48	900
6.	Sanjiv Sahai	1 March 2025	100	-	0.14	0.42	-
	Non-Executive Directors						
7.	Rajiv Bajaj	30 April 2007	86	-	0.06	0.18	2,000
8.	Manish Kejriwal	1 January 2019	95	-	0.10	0.30	6,739,380
9.	Rajeev Jain	1 April 2025	83	-	0.05	0.15	-

Notes:

1. % of meetings attended is calculated based on the number of Board meetings attended post their appointment.
2. The Company has not issued any convertible instruments and none of the Directors hold any convertible instrument.
3. Rajeev Jain has been granted one time special grant under the Bajaj Finserv Limited Employee Stock Option Scheme in the FY2023.

Board Diversity

In compliance with the provisions of the SEBI Listing Regulations, the Board through Nomination and Remuneration Committee ('NRC') has devised a policy on Board Diversity. The Board comprises an 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 the areas of financial services, technology, banking, business transformation and strategy, audit and risk management, finance, law, administration, research, and investment banking 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.

A brief profile of the directors is available on the website of the Company at https://www.aboutbajajfinserv.com/people-and-committees-board-of-directors.

Core skills/ expertise/ competencies

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.	Name of the Directors	Core skills/Expertise/Competencies								
		Management and 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 and Strategy
1.	Sanjiv Bajaj	✓	✓	✓	✓	✓	✓	✓	✓	✓
2.	Dr. Naushad Forbes	✓	-	✓	✓	✓	✓	✓	✓	✓
3.	Anami N Roy	✓	✓	-	-	✓	✓	✓	✓	-
4.	Pramit Jhaveri	✓	✓	✓	✓	✓	✓	✓	✓	✓
5.	Radhika Haribhakti	✓	✓	-	-	✓	✓	-	✓	✓
6.	Sanjiv Sahai	✓	-	-	✓	✓	✓	✓	✓	-
7.	Rajiv Bajaj	✓	✓	✓	✓	✓	✓	-	✓	✓
8.	Manish Kejriwal	✓	✓	✓	✓	✓	-	✓	-	✓
9.	Rajeev Jain	✓	✓	✓	✓	✓	✓	✓	✓	✓

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.

Information placed before the Board and its Committees

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 Senior Management of the Company and its subsidiaries. In addition to items required to be placed before the Board for its noting and/or approval, information is provided on various significant matters.

Since the Company operates through its subsidiaries across diverse businesses, special presentations are made on specific businesses and/or topics as part of governance oversight over subsidiaries.

In terms of quality and importance, the information supplied by Management to the Board is far ahead of the mandate under the Act and the SEBI Listing Regulations. The independent directors of the Company met on 20 March 2026 and assessed the same, 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, risks, compliance and regulatory matters. During FY2026, it, *inter-alia,* covered the following:

- Business plans, forecast and strategic initiatives of the Group
- Succession planning and talent management framework
- Annual operating plans/ financial budget of select subsidiaries
- Status of compliance with the Act, various SEBI regulations and shareholder related matters
- Review of various policies framed by Company from time to time
- Risk management policy of the Company, Risk management system and strategy followed at the Company and at its subsidiaries
- Deliberations of Committees
- Review of critical legal matters involving the Company and/or its subsidiaries
- Performance of subsidiaries
- Group preparedness with the data privacy laws, and impact of the new labour code
- Internal financial controls and adequacy thereof
- Presentations on the various regulatory updates
- Review of Terms of reference of Board constituted Committees
- Group's ESG initiatives and sustainability practices

Directorships and memberships of Board committees

Table 4: Number of directorships/committee positions of directors as on 31 March 2026 (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 Ltd. companies	As member (including as chairperson)	As chairperson
1.	Sanjiv Bajaj	18	6	4	8	5	-
2.	Dr. Naushad Forbes	13	6	1	6	6	1
3.	Anami N Roy	7	5	1	1	8	5
4.	Pramit Jhaveri	4	3	-	1	2	-
5.	Radhika Haribhakti	7	4	2	1	8	4
6.	Sanjiv Sahai	5	2	2	1	4	-
7.	Rajiv Bajaj	10	4	2	4	-	-
8.	Manish Kejriwal	7	4	-	3	1	1
9.	Rajeev Jain	3	3	-	-	2	-

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 Ltd. 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 twenty companies at the same time. None of them has directorships in more than ten 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 companies under section 8 of the Act are excluded. For the purpose of reckoning the directorships in listed companies, only equity listed companies and high-value debt listed entities have been considered.

As per declarations received, no director serves as a director, independent or otherwise, 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.

None of the director was a member in more than ten committees, or 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 and efforts to their responsibilities as Board/Committee members.

Directorship in listed companies

Table 5: Name of listed entities where directors of the Company held directorships as on 31 March 2026 (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 & Managing Director, executive
		Bajaj Holdings & Investment Ltd.	Managing Director and CEO, executive
		Bajaj Housing Finance Ltd.	Chairman, non-executive, non-independent
		Maharashtra Scooters Ltd.	

Sr. No.	Name of director	Name of listed entity	Category
2.	Dr. Naushad Forbes	Bajaj Auto Ltd.	Non-executive, independent
		Bajaj Finance Ltd.	
		Bajaj Finserv Ltd.	
		Bajaj Holdings & Investment Ltd.	
		Pidilite Industries Ltd.	
		Zodiac Clothing Company Ltd.	
3.	Anami N Roy	Bajaj Auto Ltd.	Non-executive, independent
		Bajaj Finance Ltd.	
		Bajaj Finserv Ltd.	
		Bajaj Housing Finance Ltd.	
		Elevate Campuses Ltd.*	
		Siemens Ltd.	
4.	Pramit Jhaveri	Bajaj Finance Ltd.	Non-executive, independent
		Bajaj Finserv Ltd.	
		Larsen & Toubro Ltd.	
5.	Radhika Haribhakti	Bajaj Finance Ltd.	Non-executive, independent
		Bajaj Finserv Ltd.	
		NOCIL Ltd.	
		Torrent Gas Ltd.*	
		Torrent Power Ltd.	
6.	Sanjiv Sahai	Bajaj Finserv Ltd.	Non-executive, independent
		Lemon Tree Hotels Ltd.	
7.	Rajiv Bajaj	Bajaj Auto Ltd.	Managing Director and CEO, executive
		Bajaj Finance Ltd.	Non-executive, non-independent
		Bajaj Finserv Ltd.	
		Bajaj Holdings & Investment Ltd.	Vice-Chairman, non-executive, non-independent
8.	Manish Kejriwal	Adani Ports and Special Economic Zone Ltd.	Non-executive, independent
		Alembic Pharmaceuticals Ltd.	
		Bajaj Finserv Ltd.	Non-executive, non-independent
		Bajaj Holdings & Investment Ltd.	
9.	Rajeev Jain	Bajaj Finance Ltd.	Vice Chairman and Managing Director, executive
		Bajaj Finserv Ltd.	Non-executive, non-independent
		Bajaj Housing Finance Ltd.	Vice Chairman, non-executive, non-independent

Note: *Draft Red Herring Prospectus is filed with SEBI. Hence, these companies are considered.

Resignation of independent director during FY2026

No Independent Director resigned during FY2026.

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)(b) 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/terms-of-appointment-of-Independent-director-v2?scl=1&fmt=pdf

Familiarisation programme

On an ongoing basis, the Company endeavors to keep the Board including independent directors abreast with matters relating to the industry in which the Company and its subsidiaries operate, their business model, long range strategies, operating plans business updates, key risks, cyber security risk mitigation, Environment Social and Governance ('ESG') initiatives of the Company and the Group, their roles, rights and responsibilities and major developments and updates on the Company, its subsidiaries and the Group, 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 can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/familiarisation-programme-for-independent-directors-v3?scl=1&fmt=pdf.

Committees of the Board and oversight mechanism

Audit Committee

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

The Terms of Reference ('TOR') of the Committee are in accordance with the Act and the 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 and the SEBI Listing Regulations. The TOR of the Committee can be accessed at https://www.bajajfinserv.in/content/dam/bajajfinserv/web/in/en/global/document/corporate/bfs-new/bfs-people-and-committies/people-and-committies.-board-committees/acm-tor.pdf

Broadly the key TOR of the Committee are as under:

Particulars	Periodicity
Oversight of financial reporting process:	
Review of financial results/statements and Auditor's Report	Quarterly
Reviewing with the management changes, if any, in accounting policies and practices	Quarterly
Discussion with the Auditors on items of significant judgement, Audit Plan, matter of emphasis, if any	Quarterly /Annually
Oversight of Related Party and its transactions:	
Approval or any subsequent modification of transactions with related parties	Annually / Event based
Review of related party transactions	Quarterly
Regulatory oversight responsibilities:	
Review the functioning of the Whistle Blower Mechanism	Annually
Review compliance with the provisions of Insider Trading Regulations	Quarterly
Oversight of internal audit and internal controls:	
Evaluation of internal financial controls	Annually
Discussion with internal auditor of any significant findings and follow up there on	Quarterly
Others:	
Recommendation of appointment and remuneration of auditors and CFO	Annually/ Event based

Meetings and attendance

During FY2026, the Audit Committee met five times, viz., 29 April 2025, 25 July 2025, 11 November 2025, 4 February 2026 and 20 March 2026. The meetings were scheduled well in advance and not more than one hundred and twenty 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, representatives of statutory auditors, cost auditor 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.

Dr. Naushad Forbes, Chairman of the Committee, was present at the Annual General Meeting (AGM) which was held on 25 July 2025 to answer members' queries.

Table 6: Composition of the Audit Committee and attendance record for FY2026:

Name of member	Member since	Category	Meetings attended/ entitled to attend
Dr. Naushad Forbes	13 September 2017	Chairman, non-executive, independent	4/5
Pramit Jhaveri	1 May 2022	Non-executive - independent	5/5
Anami N Roy	1 April 2023	Non-executive - independent	5/5
Sanjiv Sahai	22 March 2025	Non-executive - independent	5/5

During FY2026, the Board had accepted all the recommendations of the Committee.

Nomination and Remuneration Committee

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

The TOR of the Committee are in accordance with the Act and the SEBI Listing Regulations. The TOR of the Committee can be accessed at https://www.bajajfinserv.in/content/dam/bajajfinserv/web/in/en/global/document/corporate/bfs-new/bfs-people-and-committies/people-and-committies,-board-committees/nrc-tor.pdf

Broadly the key TOR of the Committee are as under:

Particulars	Periodicity
Recommendation of appointment of directors	Event based
Formulation and recommendation of criteria for determining qualifications, positive attributes and independence of directors	Annually
Performance evaluation of the Board, its Committees and individual directors, including independent directors	Annually
Review and recommendation on continuation or extension of tenure of independent directors based on performance evaluation	Annually
Recommendation of remuneration payable to executive directors and senior management	Annually/ Event based
Assist the Board in relation to succession plan for the executive and non-executive directors	Annually

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

Meetings and attendance

During FY2026, the Committee met four times, viz., 29 April 2025, 25 July 2025, 11 November 2025 and 20 March 2026.

Anami N Roy, Chairman of the Committee, was present at the AGM which was held on 25 July 2025 to answer members' queries.

Table 7: Composition of the Nomination and Remuneration Committee and attendance record for FY2026:

Name of member	Member since	Category	Meetings attended/ entitled to attend
Anami N Roy	1 October 2021	Chairman, non-executive, independent	4/4
Dr. Naushad Forbes	1 October 2021	Non-executive - independent	3/4
Radhika Haribhakti	1 May 2022	Non-executive - independent	4/4
Manish Kejriwal	17 May 2019	Non- executive, Non- independent	4/4

During FY2026, the Board had accepted all the 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 contributes the objectivity of the Board's deliberations—particularly on matters related to performance of the Company and its subsidiaries, capital allocation amongst various subsidiaries, 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/board-evaluation-criteria-1?scl=1&fmt=pdf

Risk Management Committee

Pursuant to the SEBI Listing Regulations, the Company has constituted a Risk Management Committee ('RMC'). During FY2026, the Company has amended its TOR and charter by incorporating emerging risk as part of the supervisory role which was duly approved by the Board. The details of Risk Management and various mitigants are covered in detail in Management Discussion and Analysis and in the Directors' Report.

Under the Reserve Bank of India (Core Investment Companies) Directions, 2025, the Company is termed as an unregistered Core Investment Company.

Hence, 90% of its net owned funds stand invested in group companies, of which 60% is in equity share capital and balance in debt of the group and balance 10% of the net owned funds stand invested in money market instruments, which have a short-term maturity. Consequently, the risk to BFS stems largely from its subsidiaries.

The TOR of the Committee can also be accessed at https://www.bajajfinserv.in/content/dam/bajajfinserv/web/in/en/global/document/corporate/bfs-new/bfs-people-and-committies/people-and-committies,-board-committees/rmc-tor.pdf

Broadly the key TOR of the Committee are as under:

Particulars	Periodicity
Review internal and external risks specifically faced by the Company, including financial, capital, operational, sectoral, sustainability, cyber security risks, data privacy & protection and reputational risk	Half yearly
Periodically review, monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems	
Mechanism for monitoring the risks faced by the subsidiaries including emerging risks (e.g. Data and AI governance) which could culminate into an adverse event for the Company	
Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company	

Meetings and attendance

During FY2026, the Committee met two times, viz., 15 September 2025 and 20 March 2026 and the meetings were scheduled well in advance and not more than two hundred and ten days elapsed between any two consecutive meetings.

Table 8: Composition of the RMC and attendance record for FY2026:

Name of member	Member since	Category	Meetings attended/ entitled to attend
Pramit Jhaveri	1 May 2022	Chairman, non-executive, independent	2/2
Dr. Naushad Forbes	17 March 2020	Non-executive - independent	1/2
Sanjiv Sahai	22 March 2025	Non-executive - independent	2/2
Sanjiv Bajaj	14 October 2014	Executive, non-independent	2/2
Anish Amin	17 May 2019	President-Group Risk & Assurance	2/2

During FY2026, the Board accepted all recommendations of the Committee.

Stakeholders Relationship Committee

Pursuant to the Act and the SEBI Listing Regulations, the Company has constituted a Stakeholders Relationship Committee ('SRC'). The TOR of the Committee can be accessed at https://www.bajajfinserv.in/content/dam/bajajfinserv/web/in/en/global/document/corporate/bfs-new/bfs-people-and-committies/people-and-committies,-board-committees/src-tor.pdf

Broadly the key TOR of the Committee are as under:

Particulars	Periodicity
Resolving the grievances of the security holders of the Company	Half yearly
Review measures taken for effective exercise of voting rights by shareholders	
Adherence to the service standards in respect of various services rendered by the Registrar to an Issue and Share Transfer Agent	

Meetings and attendance

During FY2026, the Committee met two times, viz., 15 September 2025 and 20 March 2026. The Company Secretary was present at the said meetings.

The Committee was apprised on the major developments pertaining to the 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 9: Composition of the SRC and attendance record for FY2026:

Name of member	Member since	Category	Meetings attended/ entitled to attend
Radhika Haribhakti	1 May 2022	Chairperson, non-executive, independent	2/2
Dr. Naushad Forbes	17 March 2020	Non-executive - independent	1/2
Sanjiv Bajaj	30 January 2008	Executive, non-independent	2/2

Uma Shende, Company Secretary, acts as the Compliance Officer.

During FY2026, the Board accepted all the recommendations of the Committee.

Radhika Haribhakti, Chairperson of the Committee, was present at the AGM which was held on 25 July 2025 to answer shareholders' queries.

Table 10: Details of the investor complaints received during FY2026:

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 resolved	No. of complaints pending at the end of the year
0	21	0	21	0

Strategic Investment Committee

To facilitate the Board with appropriate recommendations with respect to strategic investment, the Company has in place a Strategic Investment Committee ('SIC'). The Committee comprises majority of independent directors. An independent director chairs the meetings of the Committee. The TOR of the Committee can be accessed at https://www.bajajfinserv.in/content/dam/bajajfinserv/web/in/en/global/document/corporate/bfs-new/bfs-people-and-committies/people-and-committies.-board-committees/sic-tor.pdf

Broadly the key TOR of the Committee are as under:

Particulars	Periodicity
To evaluate, scrutinise, consider, and recommend to the Board, investment opportunities in the nature of acquisition of a controlling stake in a company or a body corporate, takeover in a company or body corporate, and similar or like proposals.	Event based
To approve the further investments in the form of primary subscription to equity, preference shares, convertible or non-convertible debentures, or such other securities which may be convertible into equity or not, in subsidiaries, joint ventures, associates or group companies.	Event based
To review the existing terms and conditions and performance of investments.	Annually

Meeting and attendance

During FY2026, the Committee met three times viz., 28 April 2025, 8 July 2025 and 27 October 2025.

Table 11: Composition of the Strategic Investment Committee and attendance record for FY2026:

Name of member	Member since	Category	Meetings attended/ entitled to attend
Pramit Jhaveri	1 October 2023	Chairman, non-executive, independent	3/3
Radhika Haribhakti		Non-executive - independent	3/3
Anami N Roy		Non-executive - independent	3/3
Sanjiv Bajaj		Executive, non-independent	3/3

During FY2026, the Board accepted all the recommendations of the Committee.

Corporate Social Responsibility Committee:

The details of the composition of the Committee, meetings held during the year and attendance thereat, updated TOR of the Committee and other details are given in Annual Report of CSR activities.

Remuneration of Directors

Pecuniary relationship/transaction with non-executive directors

During FY2026, there were no pecuniary relationship/transactions of any non–executive directors with the Company, other than receiving sitting fees and remuneration as directors.

Criteria of making payments to non-executive directors

Non-executive directors 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/remuneration-policy-v7?scl=1&fmt=pdf.

Details of Remuneration of directors

The details of remuneration payable to all non–executive directors are provided in the Table 3 of this report.

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 compensation is proportionate to the attendance and ensures directors' remuneration is commensurate with their time, effort, attendance and participation.

The members of the Company vide special resolution dated 22 June 2022, have approved the payment of commission up to a sum not exceeding one percent of the net profit 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 and Whole-time Director, if any) 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 period of five years commencing from 1 April 2022.

For FY2026, the NEDs of the Company are being paid commission at the rate of ₹ 300,000 per meeting of the Board and/or its Committees attended by them. The commission is paid to the directors' post adoption of financial statements by the members at the annual general meeting. The directors are also entitled to sitting fee of ₹ 100,000 per meeting for every meeting of the Board and/or Committee (except Corporate Social Responsibility Committee) attended by them.

The Board, at its meeting held on 29 April 2025, approved the payment of sitting fees of ₹ 100,000 and commission of ₹ 300,000 for each separate meeting of Independent Directors.

The Company does not have a stock option programme for any of its directors. However, Rajeev Jain has been awarded one time grant of stock options of BFS in capacity of Managing Director of Bajaj Finance Ltd.

Chairman & Managing Director

The tenure of Sanjiv Bajaj, Chairman & Managing Director ('CMD') of the Company is of five years up to 31 March 2027 with a notice period of ninety days and is governed by a service contract. The same is in compliance with the applicable provisions of the Act. Salary and perquisites include all elements of remuneration and is entitled for performance incentives. There is no provision for payment of severance fees.

The remuneration of CMD is determined after taking into account various factors including:

- The profile of CMD including his standing amongst external stakeholders;
- The overall performance of the Company at consolidated level as well as those of its subsidiaries and the leadership, vision and execution rigour shown by him;
- His leadership in steering the group;
- New initiatives which help the Company to move towards becoming a comprehensive provider of financial services;
- His significant contribution as Chairman to the performance of the finance, insurance and other businesses;
- Salary of other senior executives across the Company and its subsidiaries;
- Initiatives taken at the group level strengthening Risk management, Human Resources, ESG initiatives/ reporting and Corporate Social Responsibility;
- The remuneration drawn by him as Managing Director & CEO from Bajaj Holdings & Investment Ltd., which has close linkage with the business of the Company; and
- The remuneration paid by other companies of comparable size and profile as the Company and benchmarked with the help of an independent consultant.

The Company has not issued any stock options to him. He is entitled to superannuation benefits payable in the form of an annuity from an approved life insurance company, which forms part of the perquisites allowed to him.

Further details pursuant to section 197(14) of the Act, are furnished in Directors' Report.

Policies and Regulatory Assurance

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. The Board is of the opinion that quantum and risk presently covered is adequate.

Whistle-blower policy/Vigil mechanism

The Company has a whistle blower policy encompassing Vigil Mechanism pursuant to the requirements of section 177(9) of the Act and regulation 22 of the SEBI Listing Regulations.

This mechanism enables directors and employees 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 who avail the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

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-v3-3?scl=1&fmt=pdf.

During FY2026, no employee was denied access to the Audit Committee under this Policy. No complaints were received by Company during FY2026.

Related party transactions

All related party transactions entered during FY2026 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 FY2026, on the review they opined that the transactions are at arm's length. Approval of the Audit Committee was obtained for all related party transactions entered during FY2026. Details of such transactions were placed before the Audit Committee for its review on a quarterly basis.

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, 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 FY2026, there were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. During the year under review, SEBI has revised the criteria for determination of material related party transactions. Accordingly, Company has amended the policy to include the revised criteria. The aforesaid Policy has been hosted on the Company's website and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/policy-on-materiality-and-dealing-with-related-party-transactions-v3?scl=1&fmt=pdf.

Compliances regarding insider trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, (the '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 as per Board approved penalty matrix, 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.

To enable Audit Committee and the Board to review the adequacy and effectiveness of the system of internal controls to ensure compliance with the requirements of the SEBI PIT Regulations, the Management had engaged a practicing company secretary, to conduct an independent review of the Company's insider trading-related processes and controls.

Based on their review, they opined that during the review period the Company has complied with the provisions of the SEBI PIT Regulations and the systems for internal control placed by the Management are adequate and operating effectively. The Audit Committee, based on the external assurance and other materials and information provided, having reviewed compliances with provisions of the SEBI PIT Regulations and verified that the systems for internal control are adequate and are operating effectively.

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-director-and-senior-management-v1?scl=1&fmt=pdf.

All the Board members and senior management personnel have affirmed compliance with the said Code for the year ended 31 March 2026. A declaration to this effect signed by the Chairman & Managing Director forms a part of this Annual Report.

Compliance Certificate

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

Certificate on qualification of Directors

The Company has received a certificate from M/s. Makarand M. Joshi & Co., practising company secretary and the Secretarial Auditor of the Company, 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 or such other statutory authority for FY2026. The certificate forms a part of this Annual Report.

Other mandatory & non-mandatory disclosures

Orderly succession to Board and Senior Management

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.

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 Chairman & Managing Director and Company Secretary provide compliance report to the Board on a periodic basis.

Details of subsidiaries

a) Material subsidiaries

The Company has four material subsidiaries viz., Bajaj Finance Ltd. ('BFL'), Bajaj Life Insurance Ltd. ('Bajaj Life') (formerly known as Bajaj Allianz Life Insurance Company Ltd.), Bajaj General Insurance Ltd. ('Bajaj General') (formerly known as Bajaj Allianz General Insurance Company Ltd.) and Bajaj Housing Finance Ltd. ('BHFL').

The details of the same are as under:

		Lending companies	
Sr. No.	**Particulars**	**BFL**	**BHFL**
1.	Date of incorporation	25 March 1987	13 June 2008
2.	Place of incorporation	Pune	Pune
3.	Registered office	C/o Bajaj Auto Ltd. Akurdi, Pune- MH 411035	Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Akurdi, Pune- 411035
4.	Name of the Joint Statutory Auditors	A. Price Waterhouse LLP, Chartered Accountants B. Kirtane & Pandit LLP, Chartered Accountants	A. Mukund M Chitale & Co., Chartered Accountants B. Singhi & Co., Chartered Accountants
5.	Date of appointment	23 July 2024	22 July 2024
6.	Period of appointment	3 Years, from the conclusion of 37th AGM till conclusion of 40th AGM	3 years, from the conclusion of 16th AGM till conclusion of 19th AGM
7.	Other details	– The equity shares of the company are listed on BSE Ltd. and National Stock Exchange of India Ltd. – It is registered as a Non-Banking Finance Company with Reserve Bank of India ('RBI') (Registration No. A-13.00243). – It is also registered as a corporate agent with the Insurance Regulatory and Development Authority of India ('IRDAI').	– The equity shares of the company are listed on BSE Ltd. and National Stock Exchange of India Ltd. – It is registered as Housing Finance Company with National Housing Bank (Registration No. 09.0127.15) – It is also registered as a corporate agent with the Insurance Regulatory and Development Authority of India ('IRDAI').

		Insurance companies			
Sr. No.	**Particulars**	**Bajaj General**		**Bajaj Life**	
1.	Date of incorporation	19 September 2000		12 March 2001	
2.	Place of incorporation	Pune		Pune	
3.	Registered office	Bajaj Insurance House, Airport Road, Yerawada, Pune - 411006		Bajaj Insurance House, Airport Road, Yerawada, Pune - 411006	
4.	Name of the Joint Statutory Auditors	S R Batliboi & Co. LLP, Chartered Accountants	KKC & Associates LLP, Chartered Accountants	Deloitte Haskins & Sells, Chartered Accountants	Kalyaniwalla & Mistry LLP, Chartered Accountants
5.	Date of appointment	28 April 2023	5 May 2022	28 April 2023	5 May 2022
6.	Period of appointment	5 Years, from the conclusion of 23rd AGM till conclusion of 28th AGM	5 Years, from the conclusion of 22nd AGM till conclusion of 27th AGM	5 Years, from the conclusion of 22nd AGM till conclusion of 27th AGM	5 Years, from the conclusion of 21st AGM till conclusion of 26th AGM
7.	Other details	The Company is registered as a General Insurer with IRDAI (Registration No. 113)		The Company is registered as Life Insurer with IRDAI (Registration No. 116)	

These material subsidiaries have eminent and professional Board of Directors comprising of highly qualified persons and the brief profile of those directors are uploaded on respective company's website.

Details of material subsidiaries, including their performance, business, etc. is given in the Management Discussion and Analysis.

The Company's policy for determination of material subsidiary has been placed on the Company's website and can be accessed at https://cms-assets.bajajfinserv.in/is/content/bajajfinance/policy-for-material-subsidiaries-v3?scl=1&fmt=pdf

b) Wholly-owned subsidiaries:

		Particulars			
Sr. No.	**Name of the company**	**Date of incorporation**	**Place of incorporation**	**Registered office**	**Other details**
1.	Bajaj Financial Distributors Ltd. (BFDL)	16 March 2007	Pune	Bajaj Insurance House, Airport Road, Yerawada, Pune – 411006	BFDL is authorised corporate agent for Bajaj Life and Bajaj General.
2.	Bajaj Finserv Health Ltd. (BFS-Health)	5 July 2019	Pune	Bajaj Auto Ltd., Mumbai-Pune Road, Akurdi Pune – 411035	BFS-Health provides a healthcare management platform that integrates various parts of the healthcare ecosystem and uses technology to improve the health outcomes of its customers.
3.	Bajaj Finserv Ventures Ltd. (BFS-Ventures)	27 September 2021	Pune	Bajaj Finserv Ltd. S.No.208/1B, Lohagaon, Viman Nagar, Pune - 411014	BFS-Ventures is engaged in the business of alternative investments in properties and start-ups.
4.	Bajaj Finserv Mutual Fund Trustee Ltd. (BFS-Trustee)	11 October 2021	Pune	Bajaj Finserv Ltd. S. No. 208/1B, Lohegaon, Viman Nagar, Pune – 411014	BFS-Trustee is the Trustee for the Bajaj Finserv Mutual Fund. They are entrusted with the responsibility of supervising the activities of asset management company, mutual fund and discharging other obligations under the SEBI (Mutual Fund) Regulations, 2026

		Particulars			
Sr. No.	Name of the company	Date of incorporation	Place of incorporation	Registered office	Other details
5.	Bajaj Finserv Asset Management Ltd. (BFS-AMC)	18 October 2021	Pune	Bajaj Finserv Ltd. S. No. 208/1B, Lohegaon, Viman Nagar, Pune – 411014	BFS-AMC offers a host of innovative Mutual Fund products and solutions for every Indian. Currently its product suite includes equity, debt, hybrid, Index mutual funds and ETFs. With a future focused and differentiated investment strategy, its ambition is to help every Indian achieve his/her financial goals. Further, it carries out the business of managing various Mutual Fund Schemes as per the provisions of SEBI (Mutual Fund) Regulations, 2026.
6.	Bajaj AIF Trustee Ltd. (Bajaj AIF - Trustee)	25 August 2025	Pune	Bajaj Finserv Ltd. S. No. 208/1B, Lohegaon, Viman Nagar, Pune – 411014	Bajaj AIF Trustee primarily acts as Trustee for various funds such as investment funds, alternative investment funds, etc.
7.	Bajaj Alternate Investment Management Ltd. (Bajaj Alts)	29 August 2025	Pune	Bajaj Finserv Ltd. S. No. 208/1B, Lohegaon, Viman Nagar, Pune – 411014	Bajaj Alts has been incorporated to operate as an alternative investment management platform dedicated to generating sustainable long-term value for its investors through research-led and disciplined investment approaches. It has also received a Portfolio Manager license from SEBI.

Other subsidiaries of the Company include Bajaj Finserv Direct Ltd., Bajaj Financial Securities Ltd. (wholly owned subsidiary of BFL), Bajaj Staffing Solutions Ltd. (wholly owned subsidiary of BFDL) and Vidal Healthcare Services Private Ltd. (wholly owned subsidiary of Bajaj Finserv Health Ltd.).

Provisions under regulations 24 and 24A of the SEBI Listing Regulations, with reference to the subsidiary companies were duly complied, to the extent applicable.

Loans and advances

During FY2026 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

The paid-up equity share capital as on 31 March 2026 was ₹ 160.05 crore consisting of 1,600,549,988 (One hundred and sixty crore five lakh forty nine thousand nine hundred and eighty eight) fully paid-up equity shares of face value of ₹ 1.

The Company has not issued any convertible securities and there are no outstanding convertible securities as on 31 March 2026.

Utilisation of funds raised through Preferential Allotment/Qualified Institutions Placement

The Company has not raised funds by issue of equity shares either on preferential basis or through qualified institutions placement. Therefore, there are no details to be disclosed as per regulation 32(7A) of the SEBI Listing Regulations.

Commodity price risks and commodity hedging activities

The Company is not directly exposed to commodity price risk and hedging activities.

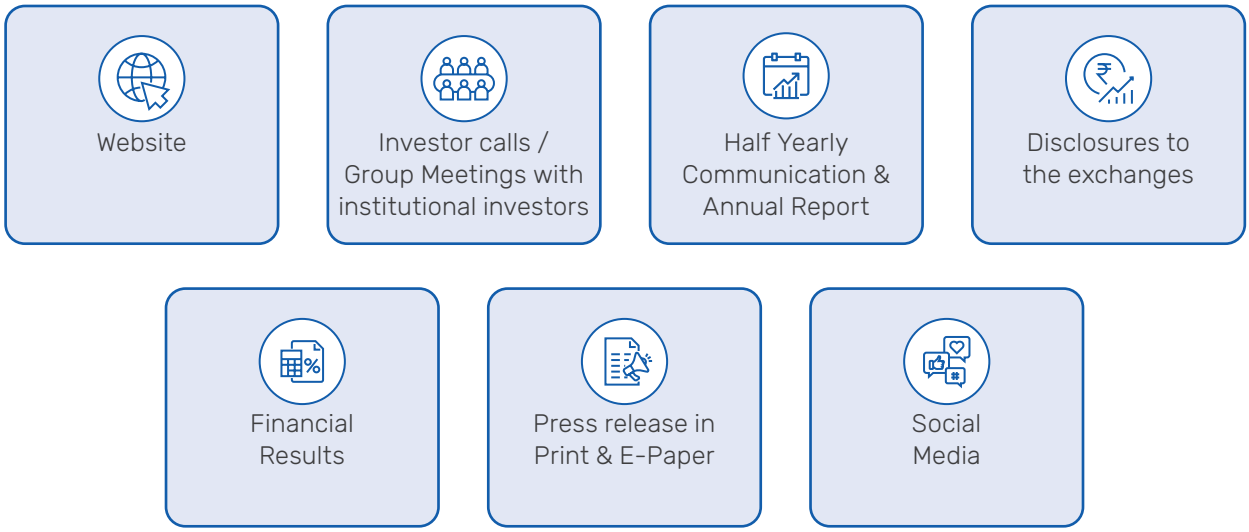
Management discussion and analysis

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 FY2026.

Means of Communication



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

The Company's website https://www.aboutbajajfinserv.com/about-us under the section of 'investor relations', contains all important public domain information including press release on financial results, various policies and codes framed/approved by the Board, investor presentations, analysts and institutional investors meeting schedule, transcripts and audio recordings of earnings call with investors, matters concerning the shareholders, etc.

All financial and other 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:

Sr. No.	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
1.	16th AGM –Through VC Deemed Venue: Registered office	27 July 2023 at 12:15 p.m.	NIL	Not Applicable		
2.	17th AGM – Venue - Hotel Hyatt Regency, Viman Nagar, Pune - 411014	24 July 2024 at 12:15 p.m.	NIL			
3.	18th AGM – Venue - Hotel Hyatt Regency, Viman Nagar, Pune - 411014	25 July 2025 at 12:15 p.m.	NIL			

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

Sr. No.	Items of special resolutions	Voting percentage of shareholders participated		
		Particulars	% Favour*	% Against*
1.	Appointment of Sanjiv Sahai (DIN: 00860449) as an Independent Director for a term of five consecutive years w.e.f. 1 March 2025	All shareholders	99.97	0.03
		Non-promoter Category	99.89	0.11

*The percentages have been rounded off to two decimals.

The Company had appointed Shyamprasad D Limaye, Practising 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, the resolution proposed by the Board has 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.

As on date of this Report, no special resolution is proposed to be conducted through postal ballot.

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 & Managing Director and the voting results are announced by the Chairman & Managing Director by placing the same along with the scrutiniser's report on the Company's website and e-voting service provider'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

There has been no penalty or stricture 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.

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 FY2026.

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:

Sr. No.	Particulars	No. of cases
1.	Number of complaints filed during FY2026	Nil
2.	Number of complaints disposed of during FY2026	Nil
3.	Number of complaints pending at the end of FY2026	Nil

Fees paid to Statutory Auditors

KKC & Associates LLP are the statutory auditors of the Company. Fees paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors including all entities in their network firm/entity of which they are a part, is given below:

Sr. No.	Particulars	Amount (in ₹)
1.	Statutory audit fees	13,165,000
2.	Fees for other services	3,785,577

Senior Management

Details of Senior Management Personnel ('SMT') as on 31 March 2026 and changes therein during FY2026 pursuant to the provisions of schedule V (C)(5B) of the SEBI Listing Regulations are as follows:

Sr. No.	Name of SMTs	Designation	Remark
1.	Anish Amin	President – Group Risk and Assurance	-
2.	Anupam Sirbhaiya	Group Chief – Human Resources Officer	Appointment w.e.f. 1 November 2025
3.	Dr. N Srinivasa Rao	Chief Economist & President – Corporate Affairs	-
4.	Lakshmi Iyer	Group President – Investments and Managing Director & CEO, Bajaj Alts	Appointment w.e.f. 1 August 2025
5.	Purav Jhaveri	President – Investments	Ceased to be President – Investments w.e.f. 31 January 2026 (close of business hours)
6.	Rajagopalan V	President - Legal and Taxation	-
7.	Ramandeep Singh Sahni	Chief Financial Officer	-
8.	Sam Subramaniam	President - Private Equity & Group Strategy Head	-
9.	S Sreenivasan	President- Insurance & Special Projects	-
10.	Uma Shende	Company Secretary	-

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 SEBI Listing 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.

Auditors' certificate on Corporate Governance

The Company has obtained a certificate from its secretarial 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.

General Shareholder Information containing requisite disclosures under schedule V of the SEBI Listing Regulations is annexed to this Report.

Declaration by Chief Executive Officer (CMD)

[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 Finserv Ltd.

I, Sanjiv Bajaj, Chairman & Managing Director of Bajaj Finserv 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 2026.

Sanjiv Bajaj
Chairman & Managing Director

Pune: 30 April 2026

General Shareholder Information

Contents

Details of Annual General Meeting

Service to Shareholders

Dividend Related Information

Distribution of Shareholding

Contact Details

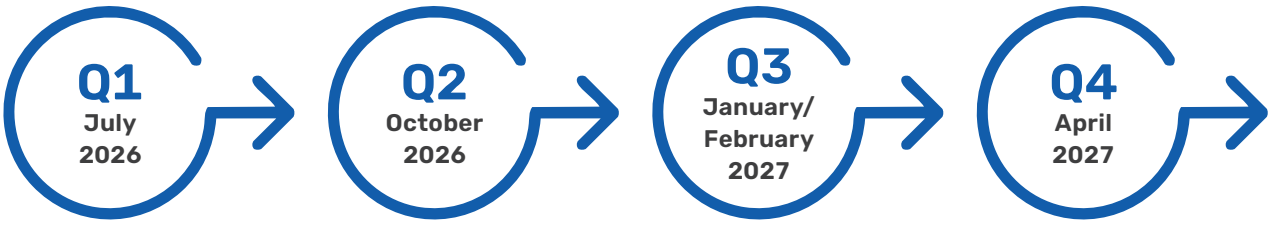
19th Annual General Meeting (AGM)

Following are the details pertaining to the upcoming AGM:

Day and Date	Friday, 31 July 2026
Time	12.15 pm (IST)
Mode of AGM	Through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')
Deemed venue of the Meeting	Bajaj Auto Ltd. Complex, Mumbai - Pune Road, Pune-411035
Link to participate through Video Conferencing	https://emeetings.kfintech.com/
Remote e-voting starts	Monday, 27 July 2026 at 9:00 am (IST)
Remote e-voting ends	Thursday, 30 July 2026 at 5:00 pm (IST)
Financial Year ('FY')	1 April 2025 to 31 March 2026

Tentative meeting schedule for financial reporting

The indicative months for meetings of Audit Committee and Board of Directors for consideration of quarterly and year to date standalone and consolidated financials results for FY2027 are as follows:



In addition to the above, Board meetings are convened in the month of September and March to discuss strategy, operating plans and other matters. Additional Board and Committee meetings are also convened as and when deemed necessary.

Registrar to an Issue and Share Transfer Agent ('RTA')

In terms of regulation 7 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') KFin Technologies Ltd. ('KFin') continues to be the RTA of the Company and handles all relevant corporate registry services for the equity shares.

Service to Shareholders

The Company ('Bajaj Finserv Ltd.' or 'BFS') endeavours to offer its best services to the shareholders. To ensure service delivery and quality across various shareholder requests, the Company interacts with the KFin at multiple levels. Following are few of the many measures undertaken by the Company for ensuring the same:

- Defined service timelines which are stricter than prescribed by law;
- Dedicated resources for attending to shareholder service requests;
- Daily monitoring of queries and responses to shareholders for their completeness and adequacy;
- Imbibing best practices;
- Additional due diligence for high value claims; and
- Evaluation of the security posture of KFin while dealing with shareholder information and its grievance management systems.

Services by KFin are subject to internal audit by the Company. The findings, if any, of the internal audit are discussed by the Audit Committee and acted upon. In addition, Stakeholders Relationship Committee, reviews the service quality of the processes adopted by the Company and KFin.

All existing investors are encouraged, in their own interest, to provide 'choice of nomination' to ensure smooth transmission of securities held by them.

Security holders holding securities in physical form shall be eligible to receive any payment, w.r.t. dividend, interest, or redemption as well as to lodge grievances or avail service requests from the RTA, even if 'choice of nomination' is not submitted by them, subject to KYC details have been duly updated.

For smooth redressal of grievances, securityholders may follow the below process:

Step 1:
Approach the RTA with their requests/ queries along with requisite documents/ information

Step 2:
If not satisfied, escalate the issue to higher levels i.e. to Investor Services Department of the Company

Step 3:
Lodging of complaint through various designated portals/ forums i.e. Stock Exchanges/ SCORES

Step 4:
Online Dispute Resolution (SMART ODR)

Shareholder experience survey

The Company periodically conducts shareholder experience survey. The survey can be accessed at https://ris.kfintech.com/clientservices/survey/BJFS/. The survey, *inter-alia*, captures feedback on information hosted on the Company's website, disclosures to the stock exchanges, annual report contents and service standards of RTA and the Company. Shareholders are requested to take a moment to offer their feedback.

Dividend related information

Dividend and date of payment

The Board of Directors have recommended a dividend of ₹ 1.50 (150%) per equity share of face value of ₹ 1 for FY2026, subject to approval of the members at the ensuing AGM. This includes a special payout of ₹ 0.20 (20%), in celebration of 100 years of Bajaj Group. The total dividend earmarked for pay-out on account of declaration of final dividend is ₹ 240 crore.

Dividend on equity shares, if declared, at the AGM, will be credited on or about Tuesday, 4 August 2026, to all eligible shareholders holding shares as of the end of the day on Tuesday, 30 June 2026 ('record date').

Dividend will be taxable in the hands of the members, as per the provisions of the applicable Income Tax Act.

The Company would be required to deduct applicable TDS on dividend payment to members in accordance with provisions of the applicable Income Tax Act.

For more details, members are requested to refer to the Notice of AGM and communication sent by the Company in this regard.

Payment of dividend

Pursuant to regulation 12 (as amended w.e.f. 19 November 2025) of the SEBI Listing Regulations, the Company shall use electronic payment facility, approved by the Reserve Bank of India ('RBI') for payment of dividend. In terms of the said regulation, the Company will not issue 'payable-at-par' warrants or cheques, for payment of dividend.

Accordingly, the said dividend will be paid through electronic mode, where the bank account details of the members are available. An intimation of credit regarding such remittance will be sent separately to the members.

In line with SEBI Circular dated 16 March 2023, read with SEBI circular dated 10 June 2024, it has been mandated that the security holders holding securities in physical form, whose folio(s) do not have PAN (Aadhar seeded) or contact details or mobile number or bank account details or specimen signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios only through electronic mode and shall be eligible to lodge grievance or avail any service request from the RTA only after furnishing PAN and KYC details.

In case any aforesaid KYC details have not been updated in respect of physical folios, dividend shall be paid only through electronic mode, upon furnishing all the aforesaid details in entirety.

After successful updation of the details, the security holder would receive all the dividends declared during that period till the date of updation in respect of the folio.

For enabling payment of dividend through electronic mode, members holding shares in physical mode are requested to send Form ISR-1 along with requisite documents to KFin.

In case of members holding shares in demat mode, they are requested to update bank account details with their respective depository participant.

The aforesaid form can be downloaded from the website of the Company at https://www.aboutbajajfinserv.com/investor-relations-investor-service-request and KFin at https://ris.kfintech.com/clientservices/isc/isrforms.aspx.

Unclaimed dividend

Any money transferred to the 'Unpaid Dividend Account' of the Company in pursuance of section 124 of the Companies Act, 2013 (the 'Act') and which remained unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued, if any, to the Investor Education and Protection Fund (the 'Fund') set up by the Central Government.

The unpaid/unclaimed final dividend for FY2019, is due for transfer to the Fund in August 2026. Members are requested to verify their records and send their claim, if any, for the said year. Communication in this regard was sent to those members, who had not yet claimed dividend, requesting them to claim the same as well as unpaid dividend, if any, for subsequent years.

The following table gives information relating to unclaimed dividends and the dates by which they can be claimed by the members:

Year	Dividend type	Date of declaration	Last date for claiming dividend	Date of transfer to Fund (on or before)
2018-2019	Final	25 July 2019	24 August 2026	23 September 2026
2019-2020	Interim (Confirmed as Final)	21 February 2020	22 March 2027	21 April 2027
2020-2021	Final	21 July 2021	20 August 2028	19 September 2028
2021-2022	Final	28 July 2022	27 August 2029	26 September 2029
2022-2023	Final	27 July 2023	26 August 2030	25 September 2030
2023-2024	Final	24 July 2024	23 August 2031	22 September 2031
2024-2025	Final	25 July 2025	24 August 2032	23 September 2032

Initiatives for reduction of unclaimed dividend:

The Company has a proactive approach towards reduction in quantum of unclaimed dividend. The measures, *inter-alia*, included:

- Reaching out to shareholders via calls, emails and reminders through RTA and depositories.
- Identifying shareholders who have received the dividend for FY2025 but not for the earlier years.
- Crediting dividend to shareholders who have successfully claimed shares from Investor Education and Protection Fund Authority ('IEPFA').
- Advising the shareholders who approach the Company/KFin for any service request to claim their dividend and remitting unpaid dividend, if any, for KYC compliant folios.

The amount is remitted based on the verification of the documents and bona fides of the claim. The Company will continue to undertake various initiatives in this regard.

Saksham Niveshak

With an endeavour to reduce the unclaimed dividend amount continued under the umbrella of 100 days campaign – 'Saksham Niveshak' launched by IEPFA, for shareholders to claim unpaid/unclaimed dividends, thereby preventing transfer of dividends which has remained unpaid/unclaimed for a period of seven years to Fund.

The campaign commenced on 28 July 2025 and concluded on 6 November 2025. During this Campaign all the shareholders who had not claimed their dividend for any of the year during FY2018 to FY2025 or had not updated their KYC and nomination or any issues related to unclaimed dividends and shares were encouraged to update their KYC details, bank mandates and contact information so that dividend is paid to the rightful claimant and transfer of shares to IEPFA is not required.

The Company had initiated the campaign during the said period and an action taken report indicating the steps undertaken during the period was submitted to IEPFA.

Initiatives for reduction of undelivered share certificates

The members of the Company, vide resolution passed through postal ballot on 2 September 2022, had approved sub-division of equity shares and issue of bonus equity shares. Subsequently new share certificates were issued to the members as on 14 September 2022 i.e., record date, as per their entitlement on that date.

However, a few of the new share certificates were returned undelivered by postal authorities and are lying with KFin.

Pursuant to the requirement of regulation 39(4) read with Schedule VI of the SEBI Listing Regulations, any share/s issued by the Company which remains unclaimed shall be transferred by the Company to an 'Unclaimed Suspense Account'. Further, all corporate benefits accruing on such shares shall also be credited to such Unclaimed Suspense Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

The Company undertook various initiatives to minimise the number of shares liable to be transferred to the Unclaimed Suspense Account. These efforts included reaching out to the concerned members through dispatch of reminder letters, telephone/email/SMS/in-person verification and advising them of the process for reclaiming their shares. Consequently, the details of undelivered shares/unclaimed shares are given below:

Sr. No.	Particulars	No. of cases	No. of shares
1.	Total undelivered certificate as on record date	54	358,170
2.	Certificates remain undelivered as on 31 March 2026	17	81,795

Efforts taken for increasing the dematerialisation of shares

In view of the various benefits offered under dematerialisation and given that only dematerialised shares are tradable, Company and SEBI, have been encouraging shareholders holding shares in physical form to dematerialise their holdings.

There has been reduction in number of shareholders holding shares in physical form in the last 4 years, after stock split and bonus. The details are given below:

Sr. No.	Year	No. of holders	No. of shares	% shareholders holding shares in physical form
1.	30 September 2022	786	91,605,235	5.75
2.	31 March 2026	410	3,783,760	0.24

Transfer of shares to IEPF

Pursuant to section 124(6) of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (the 'IEPF Rules'), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to Demat Account of the IEPFA within a period of thirty days of expiry of said seven years.

The Company publishes a notice intimating the members regarding the said IEPF transfer. The details of the members whose shares are liable to be transferred to IEPF or have been transferred to IEPF are made available on the Company's website at https://www.aboutbajajfinserv.com/investor-relations-shareholder-services-iepf-details.

During FY2026, the Company transferred 17,591 equity shares (previous year – 92,840 equity shares) of face value of ₹ 1 in respect of 44 shareholders (previous year – 62 shareholders) to Demat Account of the IEPFA held with National Securities Depositories Ltd. ('NSDL').

Shareholder can claim such shares and unclaimed dividends transferred to the Fund by accessing the link to the refund webpage of IEPF Authority at https://www.mca.gov.in/content/mca/global/en/mca/iepf-related-services.html.

For further details, members may get in touch with the nodal officer/deputy nodal officer of the Company at:

Nodal officer for IEPF

Uma Shende
Email id: uma.shende@bajajfinserv.in
bfs.iepfnodalofficer@bajajfinserv.in

Deputy Nodal officer for IEPF

Komal Tahilyani
Email id: komal.tahilyani@bajajfinserv.in
bfs.iepfnodalofficer@bajajfinserv.in

Share transfer system

Transfer of shares is not permissible in physical form. All service requests will be entertained in dematerialised form only. The work related to dematerialisation/ rematerialisation is handled by KFin through connectivity with NSDL and Central Depository Services (India) Ltd. ('CDSL').

SEBI vide its circular dated 2 July 2025 introduced the Ease of Doing Investment – Special Window for Re-lodgement of Transfer Requests of Physical Shares. Investors who had lodged transfer deeds before 1 April 2019 but whose requests were rejected/returned due to documentation deficiencies were given an opportunity between 7 July 2025 to 6 January 2026 to re-lodge such requests. Further, SEBI vide its circular dated 30 January 2026, has opened another Special Window for the above-mentioned investors, for a period of one year, from 5 February 2026 to 4 February 2027.

All valid cases will be processed through the transfer-cum-demat route, ensuring that shares are credited only in dematerialised form. The Company has publicise the opening of this Special Window through various media including print and social media. However, till the date of this report no request was received.

Listing on Stock Exchanges and Stock Code

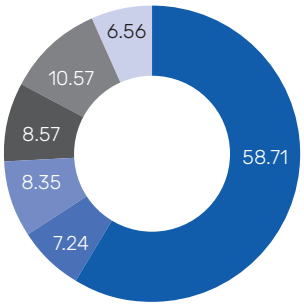
Name	Stock code for equity shares	Address
BSE Ltd. ('BSE')	532978	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
National Stock Exchange of India Ltd. ('NSE')	BAJAJFINSV	Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051

The International Securities Identification Number ('ISIN') for Depositories (NSDL and CDSL) in respect of equity shares is INE918I01026.

Annual listing fees, as prescribed, have been paid to the said stock exchanges up to 31 March 2027. None of the securities of the Company were suspended from trading during the year on account of corporate actions or otherwise.

Distribution of Shareholding

Details about the pattern of shareholding across various categories as on 31 March 2026:



Category	% to capital
Promoters & Promoter group	58.71
Foreign Institutional Investor/Foreign Portfolio Investor	7.24
Mutual Fund	8.35
Corporates	8.57
Resident & Non Resident individuals	10.57
Others	6.56
Total	**100.00**

Distribution of shareholding according to size class as on 31 March 2026:

Category (on folio basis)	No. of Members	% to total Members	No. of shares held	% to total capital
1 – 1000	603,906	97.92	26,240,976	1.64
1001 – 5000	8,146	1.32	18,191,221	1.14
5001 – 10000	1,549	0.25	11,208,008	0.70
10001 – 100000	2,418	0.39	70,052,262	4.38
100001 – 500000	452	0.07	98,625,444	6.16
500001 – 1000000	94	0.02	67,662,401	4.23
1000001 and above	146	0.02	1,308,569,676	81.76
Total	**616,711**	**100.00**	**1,600,549,988**	**100.00**

Dematerialisation/rematerialisation of shares and liquidity

During FY2026, 4,280,512 shares of face value of ₹ 1 were dematerialised. No share was rematerialised during FY2026. Shares held in physical and electronic mode as on 31 March 2026 are given below:

Shares held in physical and electronic mode:

		Position as on 31 March 2026		
Sr. No.	Particulars	No. of holders	No. of shares	% of total shareholding
1.	Demat:			
2.	NSDL	220,739	1,181,407,197	73.81
3.	CSDL	395,562	415,359,031	25.95
	Sub-Total	**616,301**	**1,596,766,228**	**99.76**
4.	Physical	410	3,783,760	0.24
	Total	**616,711**	**1,600,549,988**	**100.00**

Liquidity

The equity shares of the Company are listed on BSE and NSE and are frequently traded. The summary of average daily turnover in equity shares of the Company on both the stock Exchanges for FY2026 is shown as below:

(₹ In Crore)

Sr. No.	Name of Stock Exchange	Average no. of shares traded on daily basis	Average value of shares traded on daily basis
1.	BSE	65,515	12.94
2.	NSE	1,345,496	267.41

Credit rating

The Company has neither issued any debt instruments nor undertaken any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad. As such, there are no credit ratings to be disclosed under regulation 34 read with Schedule V to the SEBI Listing Regulations.

Demat suspense account for unclaimed shares

In terms of the provisions of the SEBI Listing Regulations, the Company has a demat account titled 'Bajaj Finserv Ltd. – Unclaimed Suspense Account' with HDFC Bank Ltd., Pune, to which unclaimed shares were transferred.

Status of Unclaimed Suspense Account as on 31 March 2026 is given below:

Sr. No.	Particulars	No. of holders	No. of shares
1.	At the beginning of the year	1	70
2.	Transferred to IEPF	0	0
3.	Claims received/approved during the year	0	0
4.	At the end of the year	1	70

The Company, acting as a trustee in respect of the unclaimed shares, follows the modalities for the operation of the said account in the manner set out in regulation 39(4) of the SEBI Listing Regulations.

The shares lying in the aforesaid account will be transferred to the concerned member on lodging of the claim and after proper verification. Till such time, the voting rights on these shares will remain frozen.

Outstanding convertible instruments/ ADRs/ GDRs/ Warrants

The Company does not have any outstanding convertible instruments/ ADRs/ GDRs/ Warrants as on 31 March 2026.

Commodity price/foreign exchange risk and hedging activities

The Company, being a financial services company, is not directly exposed to commodity price/foreign exchange risk and hedging activities. Hence, no disclosure is required under regulation 34 read with Schedule V of the SEBI Listing Regulations.

Plant Location

Bajaj Finserv Ltd. does not have any manufacturing plant.

You can reach out to us:

Bajaj Finserv Ltd.

Corporate Office
Corporate Office Extn.
Secretarial Department, 3rd Floor,
Panchshil Tech Park, Viman Nagar,
Pune – 411 014

Registered Office
Bajaj Auto Ltd. Complex
Mumbai - Pune Road,
Pune, Maharashtra,
India, 411035

(020) 7157 6064

investors@bajajfinserv.in

https://www.aboutbajajfinserv.com/about- us

KFin Technologies Ltd.

Unit: Bajaj Finserv Ltd.
Selenium Building,
Tower- B, Plot No. 31 & 32,
Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddy,
Telangana – 500 032

Toll Free No.: 1800 309 4001

einward.ris@kfintech.com

Dedicated Investor cell for Senior Citizen: senior.citizen@kfintech.com

Platform: https://kprism.kfintech.com/signup

KFin RTA Website: https://ris.kfintech.com

KFin Corporate Website: https://www.kfintech.com/

A Quick Scan Can Unlock Your Unclaimed Dividend

Submissions To RTA For Claiming Unclaimed Dividend

- **For Shares held in Demat Mode:**
  - Copy of the updated Client Master List (CML) reflecting registered name, address, demat and bank account details (Bank name, branch, account number, IFSC code and MICR).
- **For Shares held in Physical Mode:**
  - Original cancelled cheque leaf bearing the name of the first shareholder.
  - Investor Service Request Forms (ISR-1, ISR -2)

BAJAJ LIFE

LIFE GOALS. DONE.

Bajaj Life

CARE PLUS RIDER

A Non-Participating, Linked, Individual, Pure Risk Health Rider

LIVING BENEFITS WORTH UPTO

₹2 LAKH PER ANNUM^

AT ₹60 PER DAY[4]

IN-CLINIC DOCTOR CONSULTATION

HEALTH CHECK-UP

ANNUAL GYM MEMBERSHIP

Bajaj Life Insurance Limited (Formerly known as Bajaj Allianz Life Insurance Company Limited)

BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS /FRAUDULENT OFFERS - IRDAI or its officials do not involve in activities like selling insurance policies, announcing bonus or investment of premiums. Public receiving such phone calls are requested to lodge a police complaint.

Risk Factors & Warning Statements: Bajaj Life Insurance Limited and Bajaj Life Care Plus Rider are the names of the company and the product respectively and do not in any way indicate the quality of the product and its future prospects or returns. For more details on risk factors, terms and conditions, please read sales brochure & policy document of base product rider (available on www.bajajlifeinsurance.com) carefully before concluding a sale or consult your "Insurance Consultant" for more details and eligibility conditions. Bajaj Life Care Plus Rider (116A059V01) – A Non-Participating, Linked, Individual, Pure Risk Health Rider. Regd. Office Address: Bajaj Insurance House, Airport Road, Yerawada, Pune – 411006, Reg. No.: 116, CIN: U66010PN2001PLC015959, Call us on Customer Care Number: 020-6712 1212, Mail us: customercare@bajajlife.com. The Logo of Bajaj Life Insurance Limited is provided on the basis of license given by Bajaj Finserv Limited to use its "Bajaj" logo. All charges / taxes, as applicable, will be borne by the Policyholder.

[4]Above illustration considering male | Total Premium[2] Paid ₹2,18,350 | Premium payment frequency: Annually | Premium Payment Term 10 years & Policy Term 20 years | Variant: Optima | Sum Assured under the rider will be the Accidental Total Permanent Disability Benefit (ATPD) Sum Assured: ₹2,18,350 | The premium shown above are exclusive of any extra premium loading and any other applicable tax, subject to changes in tax laws and is for illustrative purpose only | [2]Total Premiums means total of all the premiums paid under the rider, excluding any extra premium and taxes, if collected explicitly | ^For more details, please refer https://apps.bajajlifeinsurance.com/bajaj-life-video-gal/wp-content/uploads/2026/03/Care-Plus-perceived-value1.pdf Rider can be taken only along with a base life insurance plan at additional cost, as per the availability and product term and conditions.

BLIC-OT-EC-22487/26

Business Responsibility and Sustainability Report

Section A: General Disclosures

I. Details of the listed entity

1.	**Corporate identity number (CIN) of the listed entity**	L65923PN2007PLC130075	
2.	**Name of the listed entity**	Bajaj Finserv Ltd. (also referred to as 'BFS' and 'the Company' in this report)	
3.	**Year of incorporation**	2007	
4.	**Registered office address**	C/o Bajaj Auto Ltd. Complex, Mumbai - Pune Road, Pune - 411035	
5.	**Corporate address**	6th Floor, Bajaj Finserv Corporate office, off Pune-Ahmednagar Road, Viman Nagar, Pune – 411014	
6.	**E-mail**	investors@bajajfinserv.in	
7.	**Telephone**	+91 20 7150 5700	
8.	**Website**	https://www.aboutbajajfinserv.com/about-us	
9.	**Financial year for which reporting is being done**	2025-26	
10.	**Name of the stock exchange(s) where shares are listed**	BSE Ltd. and National Stock Exchange of India Ltd. (NSE)	
11.	**Paid-up capital**	₹ 160.05 crore	
12.	**Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report**	Name of the person	Ms. Uma Shende, Company Secretary
		Telephone number	+91 20 7157 6064
		E-mail ID	uma.shende@bajajfinserv.in
13.	**Reporting boundary**	Consolidated basis, collectively referred to as 'BFS group' (For more details on entities considered for consolidation refer #23 below)	
14.	**Name of assessment or assurance provider**	SGS India Pvt. Ltd.	
15.	**Type of assessment or assurance obtained**	**BRSR core:** Reasonable assurance (SEBI's circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023) **BRSR comprehensive (excluding BRSR core):** Limited assurance	

100 years in business and nation building

In 2026, the Bajaj group completes 100 years—a milestone that reflects not just longevity, but a legacy of trust built on unwavering values. Through changing economic landscapes, the Group has remained guided by the principles of ethical business, transparency, and service to the nation.

Bajaj Finserv and its companies have continuously innovated to make financial services more accessible, relevant, and impactful. Today, we are proud to be a lifecycle partner to millions of Indians, supporting their aspirations at every stage. While our businesses have evolved with time, our foundations remain unchanged-strong governance, prudent risk management, disciplined long-term thinking, and a culture that empowers with accountability.

Our CSR efforts continue to focus on skilling, child health, education, and child protection—areas critical to build a more inclusive and resilient society. As we move forward, we remain committed to **'Building a financially empowered India through integrity, inclusion and innovation, creating long-term sustainable value for our people, stakeholders and the nation'**.

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. no.	Description of main activity	Description of business activity	% of turnover of the entity
1	Financial and insurance services	Non-banking finance company engaged in lending and allied activities	54%
2	Financial and insurance activities	Non-life insurance business	23%
3	Financial and insurance activities	Life insurance	23%

Note: On a standalone basis, the Company has no business operations except the 138 windmills with 65.2 MW capacity (generating over 9 crore units of renewable energy) it has installed to fulfil its contribution to the environment. These windmills generate more renewable energy annually than the energy the entire BFS group consumes annually.

17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

Sr. no.	Product/service	NIC Code	% of total turnover contributed
1	Other financial activities: non-banking finance company engaged in lending and allied activities	65923	54%
2	Non-life insurance business	65120	23%
3	Life insurance	65110	23%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants#	Number of offices*	Total
National	NA	4,991	4,991
International		3	3

* Includes branches, representative offices, and corporate offices as on 31 March 2026.

Bajaj Finserv group provides financial services and does not undertake any manufacturing activities.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	28 states and 8 union territories
International (No. of countries)	2

b. What is the contribution of exports as a percentage of the total turnover of the entity?

BFS operations are largely concentrated within India. However, through its subsidiary Bajaj Finserv Health Ltd. a small proportion of services are rendered outside India which is less than 1% of the total revenue.

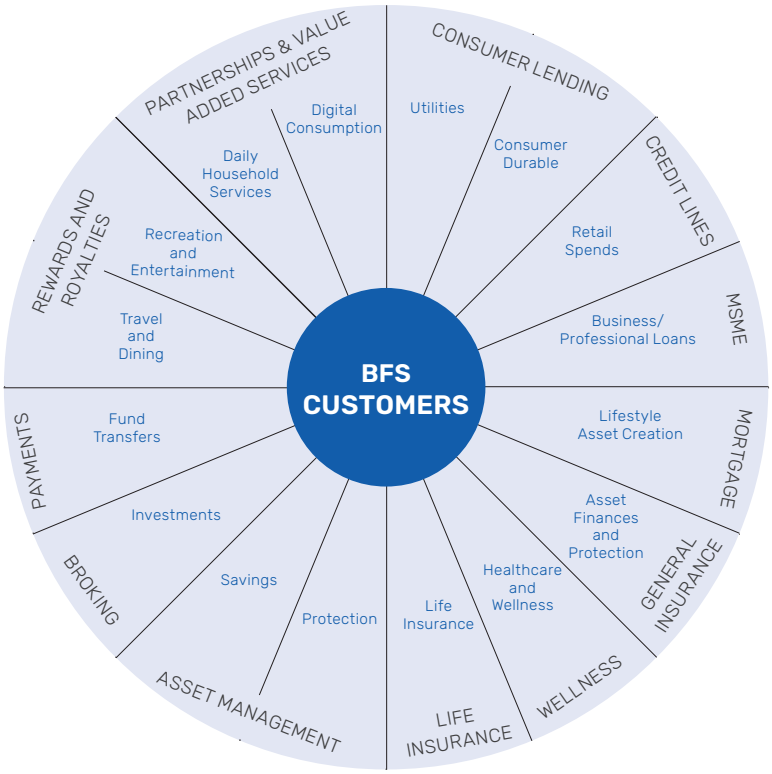
c. A brief on types of customers:

Customer Lifecycle Partner

Enablers through payments, rewards and partnership for granular and seamless customer experience

Savings and protection needs of the customers through life insurance coupled with securities business and the most recent asset management Company

Health and wellness was a necessary component to add value to customer products and offerings



Created a strong market for consumer lending products for individual, households and MSMEs

Established strong data analytics to deepen wallet share and strengthen secured lending business

Simultaneously, general insurance built a strong market share in retail businesses

Objective: To be the financial services lifecycle partner to every Indian create constant value across the customer lifecycle, build sustainable business.

Finance and lending

- BFS participates in lending business through its 51.32% subsidiary—**Bajaj Finance Ltd. (BFL)**. BFL also participates in the savings business by offering fixed deposits, mutual funds, and other similar financial products to its customers. BFL's customer franchise as on 31 March 2026 stood at 119.33 million. It has a strong geographic presence spread across 4,098 locations and 242,000 active distribution points.
- BFL acquired 17.51 million new customers in FY2026 with 30 million customers being new to credit in the last six financial years.
- BFL operates mortgage business through 86.70% subsidiary—**Bajaj Housing Finance Ltd. (BHFL),** which is engaged in various aspects of housing finance and development.
- BFL also has another 100% unlisted subsidiary called **Bajaj Financial Securities Ltd. (BFSL/Bajaj Broking),** which is registered with the SEBI as a stockbroker and depository participant providing its clients a full suite of investment products and services in an all-in-one digital platform.

Insurance

Non-life insurance

BFS's non-life insurance (including health) participation is through its subsidiary **Bajaj General Insurance Ltd. (Bajaj General)**, which is focused on retail segments (mass, mass affluent and HNI) and commercial segments [SME and MSMEs (Micro, Small and Medium Enterprises)], while maintaining strong position in large corporate and government business.

It uses a strong multi-channel pan India distribution network encompassing multiline agents, broking, bancassurance, direct and ecommerce network serving all segments of customers with an array of products including motor, health, fire, marine, engineering, liability, travel, personal accident and crop insurance.

Its 'Caringly Yours' approach helps it achieve the highest net promoter scores and lowest grievances across the industry, consistently.

Bajaj General issued 37,270,222 policies during the year.

Life insurance

BFS's Life insurance (including retirement) participation is through its subsidiary **Bajaj Life Insurance Ltd. (Bajaj Life)**. Bajaj Life maintains a most balanced pan India distribution network across Agency, Bancassurance and direct channels, combined with an array of innovative products and features spread across participating and non-participating (including protection, non-par savings, ULIPs and annuities) lines of business.

Its strong focus on service and customer obsession has helped Bajaj Life witness a solid growth in their number of customers, especially in the mass affluent and above segments.

Bajaj Life has also recently received approval from IRDAI to set up a pensions fund management company.

Bajaj Life covered 15,956,122 lives during the year.

Other businesses

- BFS through its subsidiary, **Bajaj Finserv Direct Ltd. (BFSD/Bajaj Markets)**, BFS holding 80.10% and BFL holding 19.90%, has created a digital open architecture marketplace which offers a range of financial products including loans, insurance, mutual funds, investments, lifestyle products, payments, and e-commerce. Through its digital technology services business, BFSD also offers end-to-end services including design, development, implementation and support for digital technology solution needs of customers. The Company has also recently set up a subsidiary - **Bajaj Technology Services Inc** to tap the technology market in the United States of America.
- BFS through its another 100% subsidiary, **Bajaj Finserv Health Ltd. (BFHL)**, a health tech venture, aims to transform healthcare in India by integrating a fragmented healthcare delivery ecosystem with technology and financial services on a digital platform to bring quality healthcare closer to consumers' reach through products, networks, and technology.
- BFS offers mutual fund products to its customers through its asset management Company, **Bajaj Finserv Asset Management Ltd. (BFS AMC)**, a 100% subsidiary. FY2025 was the first full year of operations for BFS AMC.
- **Bajaj Finserv Ventures Ltd. (BFSV)** is another 100% subsidiary of BFS, which is an investment platform for early to mid-stage venture capital investments and managing common real estate for the Group.
- **Bajaj Alternate Investment Management Ltd. (Bajaj AIts)** is a newly incorporated 100% subsidiary of BFS; established to manage the Group's foray into alternate investment funds (AIFs) and portfolio management services (PMS).

IV. Employees

20. Details as at the end of financial year:

a. Employees and workers (including differently abled):

Sr. no.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)
			Employees					
1.	Permanent (E)	113,732	98,261	86%	15,471	14%	0	0%
2.	Other than permanent (F)*	122,658	96,321	79%	26,336	21%	1	0%
3.	Total employees (E+F)	236,390	194,582	82%	41,807	18%	1	0%

* Refers to fixed term employees

Sr. no.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)
			Workers					
4.	Permanent (G)	NA	NA	NA	NA	NA	NA	NA
5.	Other than permanent (H)	NA	NA	NA	NA	NA	NA	NA
6.	Total workers (G+H)	NA	NA	NA	NA	NA	NA	NA

NA - Bajaj Finserv group does not have any workers across its locations.

b. Differently abled employees and workers:

Sr. No	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)
			Differently abled employees					
1.	Permanent (E)	42	29	69%	13	31%	0	0%
2.	Other than permanent (F)	52	47	90%	5	10%	0	0%
3.	Total differently abled employees (E+F)	94	76	81%	18	19%	0	0%

Sr. no.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)
			Differently abled worker					
4.	Permanent (G)	NA	NA	NA	NA	NA	NA	NA
5.	Other than permanent (H)	NA	NA	NA	NA	NA	NA	NA
6.	Total differently abled workers (G+H)	NA	NA	NA	NA	NA	NA	NA

NA - Bajaj Finserv group does not have any workers across its locations.

21. Participation/inclusion/representation of women:

		No. and percentage of females	
	Total (A)*	No. (B)	% (B/A)
Board of Directors	9	1	11.11%
Key Management Personnel**	3	1	33%

* The data pertains to the Company as on 31 March 2026

** Key Managerial Personnel are as defined under section 203(1) of the Companies Act, 2013. The Chairman & Managing Director of the Company falls under two categories i.e., KMP and Board. For the purposes of this disclosure, the Chairman & Managing Director (CMD) is accounted for in both the 'Director' and 'KMP' categories.

22. Turnover rate for permanent employees and workers

	FY2026 (Turnover rate in current FY)			FY2025 (Turnover rate in previous FY)			FY2024 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	22%	30%	23%	24%	38%	26%	24%	35%	26%
Permanent workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA - Bajaj Finserv group does not have any workers across its locations.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

Sr. no.	Name of the holding/subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/ subsidiary/ Associate/Joint Venture	% of shares held by Bajaj Finserv Ltd. as at 31 March 2026	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Bajaj Finserv Ltd. (BFS)	Holding	-	Yes, Refer note below this table
2	Bajaj Life Insurance Ltd. (Bajaj Life) *	Subsidiary	77.33%	
3	Bajaj General Insurance Ltd. (Bajaj General) *	Subsidiary	77.33%	
4	Bajaj Finance Ltd. (BFL) *	Subsidiary	51.32%	
5	Bajaj Finserv Direct Ltd. (Balance 19.90% shares are held by BFL)	Subsidiary	80.10%	
6	Bajaj Finserv Health Ltd.	Subsidiary	100.00%	
7	Bajaj Housing Finance Ltd. (86.70% subsidiary of Bajaj Finance Ltd.) *	Step down subsidiary	-	
8	Bajaj Financial Securities Ltd. (100% subsidiary of Bajaj Finance Ltd.)	Step down subsidiary	-	
9	Bajaj Finserv Mutual Fund Trustee Ltd.	Subsidiary	100%	
10	Bajaj Finserv Asset Management Ltd.	Subsidiary	100%	
11	Bajaj Finserv Ventures Ltd.	Subsidiary	100%	
12	Bajaj Alternate Investment Management Ltd. ***	Subsidiary	100%	
13	Bajaj AIF Trustee Ltd. ***	Subsidiary	100%	
14	Bajaj Financial Distributors Ltd. (formerly known as Bajaj Allianz Financial Distributors Ltd.) ***	Subsidiary	100%	
15	Bajaj Staffing Solutions Ltd. (100% subsidiary of Bajaj Financial Distributors Ltd.) (formerly known as Bajaj Allianz Staffing Solutions Ltd.) ***	Step down subsidiary	-	
16	Vidal Healthcare Services Pvt. Ltd. (100% subsidiary of Bajaj Finserv Health Ltd.)	Step down subsidiary	-	
17	Vidal Health Insurance TPA Pvt. Ltd. (100% subsidiary of Vidal Healthcare Services Pvt. Ltd.)	Step down subsidiary	-	
18	VH Medcare Pvt. Ltd. (100% subsidiary of Vidal Healthcare Services Pvt. Ltd.)	Step down subsidiary	-	
19	VH International LLC (100% subsidiary of Vidal Healthcare Services Pvt. Ltd.)	Step down subsidiary	-	
20	Bajaj Technology Services Inc. (100% subsidiary of Bajaj Finserv Direct Ltd.)***	Step down subsidiary	-	
21	Snapwork Technologies Pvt. Ltd. (41.50% associate of Bajaj Finance Ltd.)**		-	No
22	Pennant Technologies Pvt. Ltd. (26.53% associate of Bajaj Finance Ltd.)**		-	No

* Material subsidiary of the Company within the meaning of SEBI Listing Regulations.

** On fully diluted basis

*** Became subsidiary during the year

Note: The Company is a Core Investment Company (CIC) and has no business operations of its own except the windmills (generating renewable energy) it has installed to fulfil its contribution to the environment. Further, the Company through its responsible and sustainable business Conduct Policy engages with and enjoins upon its Group companies to participate in the responsible and sustainable business conduct.

While not mandatory, our insurance subsidiaries, Bajaj General and Bajaj Life, are among the first non-listed insurance companies in India to obtain a limited assurance of their BRSR reports and separate verification of their GHG emissions (scope 1, 2, and 3) starting from FY2023.

VI. CSR Details

24.	(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	:	Yes
	(ii)	Turnover (₹ in)	:	₹ 150,530 crore consolidated; ₹ 2,077 crore standalone
	(iii)	Net worth (₹ in)	:	₹ 79,396 crore consolidated; ₹ 10,193 crore standalone

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

		FY2026			FY2025		
		Number of complaints			Number of complaints		
Stakeholder group from whom complaint is received	**Grievance redressal mechanism in Place (Yes/No) (if yes, then provide web-link for grievance redress policy)**	**Filed during the year**	**Pending resolution at close of the year**	**Remarks**	**Filed during the year**	**Pending resolution at close of the year**	**Remarks**
Communities	Yes. Any queries or complaints can be shared by sending an e-mail to: bfscommunity.grievance@bajajfinserv.in	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholder-bondholders)	Yes. Any queries or complaints can be shared by sending an e-mail to: investors@bajajfinserv.in	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes. Any queries or complaints can be shared by sending an e-mail to: investors@bajajfinserv.in	103	0	0	457	7	Pending complaints as on 31 March 2025 have been suitably addressed in FY2026
Employees and workers	Yes. Any queries or complaints can be shared by sending an e-mail to: whistleblower@bajajfinserv.in	Nil	Nil	Nil	Nil	Nil	Nil
Customers*	Yes. Refer Bajaj Finserv customer care service | reach us for support section on: https://www.bajajfinserv.in/reach-us	27,764	9	7 pending complaints have been resolved by 29 April 2026	13,425	8	Pending complaints as on 31 March 2025 have been suitably addressed in FY2026.

Stakeholder group from whom complaint is received	Grievance redressal mechanism in Place (Yes/No) (if yes, then provide web-link for grievance redress policy)	FY2026 Number of complaints Filed during the year	FY2026 Number of complaints Pending resolution at close of the year	FY2026 Remarks	FY2025 Number of complaints Filed during the year	FY2025 Number of complaints Pending resolution at close of the year	FY2025 Remarks
Value chain partners	Yes. Refer whistleblower@bajajfinserv.in	7	Nil	Nil	11	2	Pending complaints as on 31 March 2025 have been suitably addressed in FY2026.
Others (government and regulators)	Yes	Nil	Nil	Nil	Nil	Nil	Nil

*Note: In lieu of 'Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026', issued on 14 January 2026, the definition of complaint has been modified to also include alleged deficiency in service on the part of NBFC as a complaint. Thus, the previous year's details are not comparable.

As a principle, each company within the BFS group engages with its stakeholders according to its respective policies, practices, and processes. The BFS group aims to resolve any differences justly, fairly, equitably, and consistently, taking corrective measures when warranted. While some policies on stakeholder conduct and grievance mechanisms are publicly available on the respective companies' websites, others are internal documents (e.g., SOPs) and therefore not accessible to the public.

In order to enhance and standardise the dealings with customers across the BFS group companies, BFS has during the year started the process of calculating customer satisfaction score (CSAT) for each of its subsidiaries through a standardised mechanism on a monthly basis. This on one hand fosters a customer feedback-driven culture across teams/functions and on the other hand provides a common view of customer towards Bajaj Finserv brand.

The material subsidiaries have put in place the following Board-level committees to ensure highest level of customer service and fair practices.

- BFL and BHFL - Customer Service Committee of the Board (CSCB)
- Bajaj General and Bajaj Life - Board Policyholder Protection, Grievance Redressal and Claims Monitoring Committee

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

The following risks and opportunities (given in order of materiality) have been determined through a robust double materiality assessment (DMA) process carried out by an external subject matter expert during FY2026. The said activity is being carried out for BFS and its material subsidiaries through an external consultant once every 2-3 years towards sustainable development - to understand and manage the positive and negative impacts of the Company in a way that is transparent, trusted and objective. DMA helps us identify the impact of the Company and its material subsidiaries on economy, environment and people, including human rights.

DMA is a systematic approach to identifying and prioritizing sustainability material issues, risks or opportunities that are of primary concern to stakeholders and could impact an organization's ability to execute its business strategy. The process entails (a) Determining an exhaustive list of material topics based on global sustainability reporting standards, frameworks and peer benchmarking, (b) Internal and external stakeholder consultation based on identified material topics determining the management view of the environment/business, (c) Rating material topics based on materiality and likelihood, (d) Assessing

the financial implications of the material topics and lastly (e) Determining the final double materiality matrix for BFS and all its material subsidiaries.

Sr. no.	Material identified issue	Indicate whether risk or opportunity	Rationale for identifying. The risk/opportunity	In case of risk, approach to rationale for identifying. The risk/opportunity adapt or mitigate	Financial implications -positive or negative
1.	Data privacy and cybersecurity	Risk	Information and data is a valuable asset regardless of its source and nature. The importance of information security, cyber security and data privacy cannot be over-emphasised in this technological age. Security threats endanger customer data and disrupt business operations coupled with legal liabilities, regulatory investigations, financial penalties and damage to brand and reputation.	We have institutionalized a group information security policy and group cybersecurity policy to safeguard its information infrastructure. These policies mandate structured controls to prevent, detect, and respond to cyber incidents while reducing systemic vulnerabilities. Governance is enforced through committee and Board-level monitoring of cyber security and information security incidents and controls, periodic stress testing of incident response protocols, and mandatory timely training for all personnel. In all our material subsidiaries data privacy and cybersecurity risk is overseen by the Board and Risk Management Committee with oversight by the BFS Risk Committee. Cyber security maturity assessment is carried out by an external consultant for all BFS subsidiaries on periodic basis.	Negative
2.	Marketing and selling practices	Opportunity	1. Brand advocacy: Transparent practices convert customers into brand promoters, lowering acquisition costs. 2. Resilience: Ethical selling reduces regulatory and reputational risk, ensuring stable growth. 3. Competitive edge: Simplification of financial terms improves customer experience and cross-sell efficiency.	NA	Positive
3.	Ethical use of technology and algorithms	Opportunity	Seamless customer experience is the hallmark of our businesses. As we digitize and simplify processes, we view responsible technology governance as a strategic opportunity. By integrating ethical guardrails and transparency into our digital systems alongside robust cybersecurity, we build deep-rooted customer trust. The Group has taken the lead in transitioning to a FinAI and InsureAI Company with a focus on continuous innovation to transform customer experience and create growth opportunities.	NA	Positive

Sr. no.	Material identified issue	Indicate whether risk or opportunity	Rationale for identifying. The risk/opportunity	In case of risk, approach to rationale for identifying. The risk/opportunity adapt or mitigate	Financial implications -positive or negative
4.	Anti-corruption and compliance	Risk	Upholding the highest standards of anti-corruption and compliance is crucial for the integrity of the Bajaj Finserv group and the financial system. Driven by a rapidly changing external environment where regulatory and digital risks evolve, it is essential to implement comprehensive measures to prevent, detect, and respond to unethical practices across our diversified financial services operations.	Guided by the BFS Code of Ethics and Personal Conduct (CoEPC), we maintain a zero-tolerance approach toward unethical practices. In line with the BFS responsible and sustainable business conduct policy, we have established robust mechanisms across our diversified operations. By investing in advanced monitoring and enhancing our governance capabilities, we strengthen our ability to detect and prevent compliance risks throughout the Group's financial services ecosystem. Our mitigation strategy also includes the enforcement of the Group anti-money laundering (AML) and know your customer (KYC) policy. These guidelines serve as the primary directions for all respective companies to maintain rigorous compliance standards, supported by continuous monitoring and group-level data validation.	Negative
5.	Human capital development	Opportunity	We strongly believe that 'happy customers start with happy employees'. We value our people as they power our success. In line with this philosophy, at the BFS group, we are committed to attracting, engaging, and retaining the right talent, as it contributes to delivering a superior business performance. We are focused on creating a thriving, safe and inclusive workplace for employees, while keeping them engaged and providing opportunities for professional and personal development and growth. A balanced compensation structure, focused learning and development efforts for all levels of employees and a talent management framework across each of our companies helps us achieve the objective of 'Happy Employees'.	NA	Positive
6.	Financial inclusion	Opportunity	Financial inclusion presents a strong opportunity to extend the Group's reach while advancing equitable growth. Aligned with Bajaj Finserv's purpose of enabling a more inclusive and resilient economy, we aim to empower underserved communities by broadening access to diversified financial services. Financial inclusion is tracked across all our companies in terms of new to credit, higher insurance penetration, covering the lower strata of the population, rural/ social penetration, etc.	NA	Positive

Sr. no.	Material identified issue	Indicate whether risk or opportunity	Rationale for identifying. The risk/opportunity	In case of risk, approach to rationale for identifying. The risk/opportunity adapt or mitigate	Financial implications -positive or negative
7.	Customer experience and grievance redressal	Opportunity	Exceptional customer experience and satisfaction are fundamental to the Group's success. With millions of customers relying on Bajaj Finserv, we are committed to safeguard their interests by ensuring fairness, transparency, and the protection of their financial well-being. Customer feedback and effective grievance redressal mechanisms are vital for continuously improving our diversified offerings and service delivery.	Through our digital outreach, we regularly capture customer feedback via satisfaction surveys to enhance our offerings. In order to enhance and standardise the dealings with customers across the BFS group companies, BFS has during the year started the process of calculating customer satisfaction score (CSAT) for each of its subsidiaries. The material subsidiaries have also put in place Board-Level Committees to ensure the highest level of customer service and safeguard fair practices.	Positive
8.	Business ethics and transparency	Opportunity	Exercising ethical business behaviour in business presents opportunities for the following reasons: (a) Helps build trust and credibility with stakeholders, (b) Promotes long-term sustainability and profitability and (c) Prevents reputational damage, legal problems and loss of business.	NA	Positive
		Risk	Failure to serve customers with appropriate product offering or inappropriate conduct can lead to loss of trust and risk the reputation of the Company.	The Group's philosophy of 'Customer obsession' and 'Responsible growth' is a part of the culture wheel of the BFS group which emphasises the need to deliver fair value to customers, including selling products and offering services which meet societal needs and are in the interest of customers. The Board level customer service/Risk Committees oversee all aspects relating to customers including fairness and right selling. BFS group companies follow a strict code of conduct (CoC) for its outsourced agents. The CoC prescribes stringent guidelines, such as maintaining privacy of prospective and existing customers, providing accurate product information, telemarketing etiquette, etc. The CoC for our outsourced agents is available on our website.	Negative

Sr. no.	Material identified issue	Indicate whether risk or opportunity	Rationale for identifying. The risk/opportunity	In case of risk, approach to rationale for identifying. The risk/opportunity adapt or mitigate	Financial implications -positive or negative
9	Corporate governance	Opportunity	Adhering to proper governance practices carries substantial benefits, including strong reputation and building stakeholder trust. 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.	NA	Positive
10	Risk management	Risk	BFS group is exposed to credit, liquidity, operational, regulatory, insurance related risk (e.g. mortality), market and interest-rate risk and various other types of risk. The ability to manage various types of risks is critical to our sustainable growth.	At Bajaj Finserv group of companies, we are committed to manage risks within clearly defined parameters aligned with our established risk appetite frameworks. We assess risks using a structured framework that identifies, evaluates, mitigates, and monitors potential threats. This framework enables us to address risks that could materially impact our organisation or potentially hinder our business objectives and goals. Our proactive and anticipatory approach to identifying and addressing risks allows us to make informed strategic decisions. Each material subsidiary has also put in place business sustainability metrics, which is monitored by the Board Risk Committees of the respective companies quarterly.	Negative
11	Promoting health, safety and well-being	Opportunity	Beyond legal and financial considerations, promoting health, safety, and well-being is simply the right thing to do. It shows that the organisation values its employees as individuals. When employees feel safe and healthy at work, they are more likely to be engaged, motivated, and productive. This can lead to higher job satisfaction and lower turnover rates.	NA	Positive

Sr. no.	Material identified issue	Indicate whether risk or opportunity	Rationale for identifying. The risk/opportunity	In case of risk, approach to rationale for identifying. The risk/opportunity adapt or mitigate	Financial implications -positive or negative
12	Brand and reputation management	Opportunity	By leveraging our century-long legacy of integrity, we capitalize on high brand equity to drive organic growth and customer loyalty. Our strong reputation enhances stakeholder confidence, reducing the cost of capital and easing regulatory interactions, while providing a 'buffer' of goodwill that ensures crisis resilience during market volatility. Ultimately, this proactive management leads to lower acquisition costs, superior brand valuation, and enhanced long-term Group resilience.	NA	Positive
13	Diversity, equity and inclusion	Opportunity	At Bajaj Finserv Ltd., we seek to create an inclusive, equitable, culturally competent, supportive and safe environment where our employee's model behaviour enriches our workplace. We are committed to embedding equity and inclusion in all our people and business practices.	NA	Positive
14	Climate change and decarbonization	Risk	Climate change and decarbonization are crucial for businesses to manage operational and environmental risks and contribute to a sustainable economy.	The Company, as a responsible corporate citizen, is conscious of direct and indirect impact of its operations on the environment. The Company is committed to reduce any negative impact on the natural environment and climate change. The Company endeavours to integrate sound environmental practices and governance systems in its day-to-day operations to minimise environmental impact. Business impact of natural calamities is addressed through robust underwriting which incorporates climate risk as its key element. External natural catastrophe models are used to avoid concentration to calamity prone geographies. Reinsurance programmes are effectively used to minimise impact of natural catastrophe.	Negative
15	Community development and CSR	Opportunity	Engaging with communities helps us to better understand their needs and challenges, allowing us to design focused initiatives that create meaningful social impact.	Our CSR programmes, overseen by the Board's CSR Committee and aligned with Section 135 of the Companies Act, draw inspiration from the UN SDGs. In FY2026, initiatives spanned diverse regions and themes, including youth skilling, education, healthcare, protection of children, and the inclusion of persons with disabilities.	Positive

Sr. no.	Material identified issue	Indicate whether risk or opportunity	Rationale for identifying. The risk/opportunity	In case of risk, approach to rationale for identifying. The risk/opportunity adapt or mitigate	Financial implications -positive or negative
16	Operational eco-efficiency (including energy, emissions, waste, water, biodiversity)	Opportunity	BFS and its group companies endeavour to reduce the overall environmental footprint of our operations. Optimising the use of natural resources can have business implications in terms of operational cost reduction and at the same time help organisations reduce waste generation.	NA	Positive
17	Sustainable and responsible finance	Opportunity	Sustainable financing is not only important to address pressing environmental and social challenges but also for creating a more resilient, inclusive and prosperous future for all. All individuals and businesses across the country should have easy and seamless access to relevant and affordable financial products and services in a sustainable way. This is essential for them to meet their transactional, payment, saving, credit and insurance needs in a hassle-free manner. Rooted in a legacy of business innovation, community development and service to the nation, our ESG principles are deeply integrated with our businesses at Bajaj Finserv. As the holding company for the financial services businesses of the Bajaj group, we carry forward our tradition of building responsible, long-term and sustainable enterprises.	NA	Positive

Section B: Management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes, BFS group has a policy covering all the principles named 'Responsible and Sustainable Business Conduct Policy'								
b. Has the policy been approved by the Board? (Yes/No)	Yes. The said Policy is approved by the Board. Further, the Policy is reviewed by the management periodically and the changes are put to the Board for their approval as applicable.								
c. Web link of the Policies, if available	The 'Responsible and Sustainable Business Conduct Policy' and all other relevant policies/codes are accessible at: https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes. The Company has translated the policies and imbibed the same into procedures and practices of the Company, as applicable.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The Company strives to influence its value chain partners to participate in responsible and sustainable business conduct depending upon their means and resources. Our commitment is ensured through legal clauses in our contracts with vendors and service providers, which mandate adherence to high standards for human rights, non-discrimination, prohibiting forced/ child labour, and environmental responsibility. Additionally, our largest subsidiary, BFL (contributing to over 50% of our revenue), has now implemented a comprehensive Supplier's code of conduct that extends to its value chain partners.								
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Truster) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All policies have been developed based on industry best practices or as per the regulatory requirements, and through appropriate consultation with relevant stakeholders. The Group follows the standards listed below as a part of efforts towards health and safety: 1. ISO 14001:2015 – Environment Management System. 2. ISO 45001:2018 – Occupational Health and Safety. Additionally, following standards have been adopted by all material subsidiaries: 1. ISO 27001:2022 Information Security Management System and Business Continuity Management System 2. ISO 22301: 2019 Business Continuity Management System In addition, many of our operational processes are ISO certified.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	1. Mega-forest development project in Satara, Maharashtra, for environmental conservation and biodiversity enhancement (currently project under feasibility study) or plantation of over 2 lakh tree saplings in FY2027. 2. Improvised cook stove project to be undertaken across all material subsidiaries to minimise de-forestation and carbon footprint (CO_2e emission reduction) in the environment while preventing the women in rural areas from the ill effects of the smoke generated by traditional cook stoves. 3. Expanding ISO 14001 and ISO 45001 certification coverage to 10 new locations in FY2027, supported by annual surveillance audits across all ISO 14001 and ISO 45001 certified offices to validate ongoing compliance and Continual Improvement. 4. Implementation of energy and thermographic audits across 65 major office locations of BFL, Bajaj General and Bajaj Life to optimize power consumption, enhance energy efficiency and ensure employee safety. 5. Implementation of water tracking system (WTS) and aerators across 46 locations of BFL, BHFL, Bajaj General, and Bajaj Life for consumption tracking and water conservation.								

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	6. IGBC net-zero waste certification of BFL HO and insurance house (Bajaj General and Bajaj Life HO), complemented by the rollout of waste segregation and tracking systems across 70 key locations of BHFL, Bajaj Life, Bajaj General to advance our circular economy objectives. 7. BFL to open 20 new microfinance branches and BHFL to open 10 new branches catering to the affordable housing segment. 8. BFL to hire 200+ persons with disabilities (PwD) to foster an inclusive work environment. 9. Investments – more than 80% applicable investment portfolio of insurance subsidiaries would be assessed for ESG.								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	1. Environment restoration through tree plantation- Planting 2 lakh tree saplings in FY2026 - 2 lakh+ saplings planted at over 100 locations in FY2026. 2. Improvised cook stove project to be undertaken across all material subsidiaries to minimise de-forestation and carbon footprint (CO_2e emission reduction) in the environment while preventing the women in rural areas from the ill effects of the smoke generated by traditional cook stoves. – 22,500 improved cook stoves (ICS) distributed in Maharashtra. 3. Increase coverage of ISO 14001 (Environmental Management System) & ISO 45001 (Occupational Health and Safety Management System) certifications across more than 40 locations. – ISO 14001 and ISO 45001 certifications obtained for 44 major offices of BFS, BFL, BHFL, Bajaj General and Bajaj Life. Additionally, Bajaj Finserv head office awarded the IGBC Net-Zero Waste to Landfill Certification. 4. Implementation of water tracking system (WTS) across 40 BFL locations. - Implemented at over 71 locations of BFL, BHFL, Bajaj General and Bajaj Life. 5. BFL to open 20 new microfinance branches- 25 new MFI branches opened in FY2026. 6. Investments –more than 80% applicable investment portfolio of insurance subsidiaries would be assessed for ESG by FY2026 - More than 95% portfolio have been assessed: Bajaj Life: 98% Bajaj General: 95% 7. In addition to the above goals, the Company has taken a target to become carbon neutral in scope 1 and scope 2 emissions by FY2032.								

Governance, Leadership and Oversight

7. Statement by director responsible for the business responsibility Report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure):	Please refer to 'Message from the Chairman & Managing Director' in the ESG Report available on the Company website – Bajaj Finserv Impact – ESG
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Sanjiv Bajaj Designation: Chairman and Managing Director (CMD) DIN: 00014615
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	Yes, our approach to business responsibility is structured across multiple levels: **1. Group-level Committee:** Chaired by the BFS CMD, this committee includes senior executives from group companies and material subsidiaries. It meets periodically to provide strategic direction on business responsibility matters.

	2. **Material Subsidiaries:** BFS and each of its material subsidiaries has its own Board-approved responsible and sustainable business conduct policy and an Executive level ESG Committee. Their empowered Executive Committees monitor implementation and meet periodically to assess performance against business responsibility objectives. 3. **Aggregate Meetings:** These Executive Committees' meetings are held throughout the year across the Group to drive common ESG initiatives. 4. **Board of Directors Review:** The Company's business responsibility performance is reviewed annually by the Board of Directors. Updates and discussions on sustainable and responsive business conduct initiatives take place during the quarterly Board Risk Committee meetings. 5. **ESG Risks:** The ESG risks of the Company and its material subsidiaries are discussed during the year in the respective Company's Risk Management Committee of the Board. 6. **Chief Sustainability Officers:** BFS and most material subsidiaries have also designated their CFO's as personnel responsible for integrating business and ESG requirements.

10. Details of Review of National Guidelines on Responsible Business Conduct (NGRBCs) by the Company:

	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									**Frequency (annually/half yearly/ quarterly/any other – please specify)**								
Subject for review	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Performance against above policies and follow up action	As a practice, all the policies of the Company are reviewed periodically (minimum annually) or on a need basis by department heads, business heads, senior management personnel and placed before the Board of Directors as and when required. During this assessment, the efficacy of the policies is also reviewed and necessary changes to policies and procedures are implemented. Performance against Board approved policies is monitored at a Board level on a regular basis.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company and all its subsidiaries have an established process of tracking new regulations, pronouncements, etc. There is also an established process of monitoring compliances to all applicable extant regulations and statutory guidelines. This is reviewed by the Board periodically. The Chairman & Managing Director and Company Secretary provide compliance report to the Board on a periodic basis.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	The Company ensures all policies are reviewed internally by relevant department heads, domain experts, or committee members, as applicable. All policies are approved by the Board. Our Board, comprising of experts in financial services, customer behaviour, management and governance, technology, finance, and regulations, reviews these policies at least annually.								

12. If answer to question (1) above is 'No' i.e., not all principles are covered by a policy, reasons to be stated:

Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
The entity does not consider the principles material to its business (Yes/No)	As the answer to question above is 'Yes,' this question is not applicable.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Section C: Principle wise performance disclosure

This section is aimed at helping entities demonstrate their performance in integrating the principles and core elements with key processes and decisions. The information sought is categorized as 'Essential' and 'Leadership'. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by awareness programmes
Board of Directors	2	Apart from BFS and its listed subsidiaries, which carry out familiarisation programmes for its Directors, as required under the SEBI Listing Regulations, even unlisted material subsidiaries on an ongoing basis keep their respective directors and KMPs abreast on matters relating to the industry, business models, risk metrices, mitigation and management, governing regulations, ESG, information technology including cyber security, their roles, rights and responsibilities and major developments and updates on the Company, etc. Please visit - Bajaj Finserv Investor Relations – Policies and Codes for detailed policy on 'Familiarisation programmes' In addition to the above, the Board of Directors at its meeting held on 20 March 2026, were updated with BFS group initiatives encompassing the following: 1. ESG focus areas 2. ESG assurance and Reporting 3. ESG ratings 4. ESG initiatives undertaken by the Group. 5. Various policies aligned with ESG Reporting, implemented at the Group. In addition, ESG risks are presented in each Board Risk Committee of each Company.	100%
Key Managerial Personnel			100%
Employees other than BoD and KMPs		The BFS group invests significant time and resources in the training and development of its employees, to help them stay ahead of latest trends and technology. Further, for certain relevant topics periodical awareness programmes are carried out through e-mails, posters/banners (physical and digital) and other modes of internal communication. Such training/awareness programmes are on array of topics, such as code of conduct, ethics, cyber security, data privacy, consumer financial protection, ESG awareness, bribery, corruption and fraud prevention, anti-money laundering, employee health and safety, insider trading, prevention of sexual harassment, skill upgradation, business continuity management system, functional trainings, etc.	100%
Workers	NA	NA	NA

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	1-9	Nil	Nil	Nil	Nil
Settlement	1-9	Nil	Nil	Nil	Nil
Compounding fee	1-9	Nil	Nil	Nil	Nil

Non-Monetary

	NGRBC principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Nil	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes.

BFS group maintains a zero-tolerance policy towards unethical business practices and strictly prohibits bribery in any form across all its business dealings through various policies, codes, and charters. This commitment to anti-bribery is consistently reiterated in the Code of Ethics and Personal Conduct (CoEPC), which is adopted across the Group. All full-time and part-time employees of BFS group companies are required to adhere to the principles of integrity and other responsible business conduct as outlined in the CoEPC.

These policies, codes and charters are available on Company's website (https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes). Further material subsidiaries also have some of these policies, codes, and charters available on their respective websites.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY2026	FY2025	FY2024
Directors	Nil	Nil	Nil
KMPs	Nil	Nil	Nil
Employees	Nil	Nil	Nil
Workers	Nil	Nil	Nil

6. Details of complaints regarding conflict of interest:

	FY2026		FY2025		FY2024	
	Number	Remarks	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	NA	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of conflict of interest of the KMPs	Nil	NA	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not applicable. No corrective actions as no cases of cases of corruption and conflicts of interest during the year under review.

8. Number of days of accounts payables ((Accounts payable *365)/cost of goods/services procured) in the following format:

	FY2026	FY2025
Number of days of accounts payables	11	35

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances and investments, with related parties, in the following format:

Parameter	Metrics	FY2026	FY2025
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of sales	a. Sales to dealers/distributors as % of total sales	NA	NA
	b. Number of dealers/distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	NA	NA
Share of RPTs In	a. Purchases (Purchases with related parties/Total Purchases)	2.58%	2.77%
	b. Sales (Sales to related parties/Total Sales)	0.10%	0.11%
	c. Loans and advances (Loans and advances given to related parties/Total loans and advances)	0.05%	0.02%
	d. Investments (Investments in related parties/Total Investments made)	0.21%	0.21%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/Principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes

Please refer the note below:

BFS group strives to influence its value chain partners to participate in the responsible and sustainable business conduct depending upon their means and resources. Material group companies carry out awareness/training programmes for its value chain partners (especially agents and other intermediaries), depending on the business needs, stakeholder feedback and regulatory requirements covering various topics.

BFS group has conducted an awareness series for the stakeholders through social media channel to create awareness on ESG matters and encouraged them to uphold the same, as applicable.

Our insurance subsidiaries provide knowledge-based trainings to their agents which cover various topics such as ethics, professional conduct, anti-money laundering, functional and skill upgradation trainings.

During the year Bajaj Life and Bajaj General have conducted a detailed ESG awareness session for all the identified strategic value chain partners.

Our commitment with value chain is ensured through legal clauses in our contracts with vendors and service providers, which mandate adherence to high standards for human rights, non-discrimination, prohibiting forced/child labour, and environmental responsibility.

Additionally, our largest subsidiary, BFL (contributing to over 50% of our revenue), has now implemented a comprehensive Supplier's code of conduct that extends to its value chain partners.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes.

BFS and Group companies have zero tolerance towards unethical business practices and ensure adherence to relevant principles including conflict of interest.

The Company has a separate code of conduct (CoC) for Directors and Senior Management which provides that 'Directors and Senior Management shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment.'

This CoC also requires them to not to engage in any material business relationship or activity, that conflicts with their duties towards the Company. A declaration affirming this CoC by the Directors and Senior Management is taken annually.

Further, a declaration is signed by the Directors during their appointments/reappointments, as an undertaking to the code of conduct and as disclosure of all possible conflicts of interest and related activities.

The Chairman & Managing Director of Bajaj Finserv Ltd. also declares in the Annual Report annually that all the board members and senior managerial personnel have affirmed compliance with the code of conduct.

In addition to the above, the BFS group CoEPC covers potential areas where conflict of interest may be encountered. It also provides specific guidelines on avoiding and dealing with conflicts of interest and the requirement to disclose potential conflicts of interest by employees.

These policies, codes and charters are available on Company's website (https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes).

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY2026	FY2025	Details of improvements in environmental and social impacts
R&D	NA	NA	Please refer the below note
Capex	NA	NA	

BFS group is engaged in financial services business. A large part of the capital expenditure incurred by the BFS group companies involves adoption of systems and processes that leverage Information technology, digitalisation including development of AI solutions across our group companies.

Accordingly, investments were made by way of addition to capital assets in the form of IT infrastructure like equipment, software, communication networks and specialized AI computing to give impetus to the Company's digital initiatives. The share of investments in R&D and capex on account of information technology and Artificial Intelligence was 70% (67% in FY2025) of total addition to fixed assets by the Company.

The Group, through a dedicated 250+ member team across domains, is investing in AI based solutions to transform our companies to FinAI + InsurAI through four core dimensions:

Enterprise AI: An end-to-end AI portfolio spread across Voice AI, Text AI, Vision AI, Content AI, Tech AI, and Business Intelligence AI designed to enable human-like voice and text conversations, data extraction from images and documents, on-demand content creation, accelerated software development and testing and intelligent, conversational enterprise analytics powered by autonomous agents.

Consumer AI: The use of AI to power everyday products and experiences that make the consumers' life simpler, more personalised and transformational.

Agentic AI: Autonomous, intelligent agents that go beyond predefined workflows and rule-based automation. These agents are designed to reason, plan, adapt and collaborate across systems and processes. This enables a shift from process-centric automation to goal-oriented autonomy.

Data AI: Scalable data intelligence platform by transforming unstructured data into structured form. Models equipped to generate behavioural insights from digital and voice signals, building custom models for credit and insurance risk, personalisation and propensity scoring.

Demonstrating this impact, at a group level we are running over 300+ AI projects the benefits of which will start accruing in the coming quarters at scale. In terms of the current years outcomes, BFL's conversational AI bots facilitated over ₹6,371 crore in loan disbursals. Additionally, AI-driven processing of 52 million voice logs enabled ₹697 crore in annual disbursals, improving product delivery while supporting paperless, environment-friendly processes. Further, using Gen AI, Bajaj Finserv Health has built capabilities for healthcare ecosystem like fraud and abuse identification, automated claims management, document digitisation and more. These services are not only used in daily claim processing by us but also offered as service to clients. The FinAI/InsurAI era has begun for each of your enterprises and will rapidly intensify in the future.

Moreover, the Group continues to invest in EVs (Electric Vehicles) and rooftop solar plants, EV charging stations with other potential solutions aimed at reducing its environmental carbon footprint. On the other hand, it continues to scale up environment friendly businesses such as lending for and insuring EVs, Solar equipment, etc. for enhancing the environmental impact.

2. a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)

b) If yes, what percentage of inputs were sourced sustainably?

No.

The BFS group companies provide financial products and services. As such, they neither have a sizeable consumption of any raw material nor produce any tangible goods. Their activities are limited to providing financial solutions to serve the needs of the people. However, wherever feasible, the Group tries to incorporate sustainable sourcing in its operations. It nurtures a culture of conservation of resources and encourages innovations that aid in reducing the dependence on natural resources. We have initiated programmes of green purchases across the Group companies for the consumables we procure such as paper (printing paper), cleaning material, etc.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The BFS group does not have any products or services that create hazardous waste.

Given the nature of our business, BFS group companies have limited scope to use recycled material as processed inputs. However, we do use recycled tissue papers at some of the corporate offices.

BFS group companies disposes e-waste (limited to old laptops, desktops, etc.) through registered vendors and have collected certificates of disposal from them. During the year, e-waste of 8.98 metric tonnes has been treated in a scientific and eco-friendly manner by certified vendors for safe disposal.

Further, as part of continuous effort for waste management and recycling, at our head office we have initiated an organic waste converter machine which recycled organic waste and produced approximately 3.25 metric tonnes of compost.

The BFS group has taken multiple initiatives for minimising usage of single-use plastic across all our businesses. The single-use plastic water bottles, have been replaced with reusable water jars and glasses, across our offices.

In terms of business offerings too, our General Insurance Company (Bajaj General) has launched a product called Eco Assure, which, instead of replacing parts, focuses on repairing and reusing the same. The product is designed to encourage policyholders to adopt greener habits and reduce their carbon footprint. By opting for the Eco Assure, a customer not only protects the vehicle but also contributes to a healthier planet.

4. Whether extended producer responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the extended producer responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No

Given the nature of our operations, the extended producer responsibility (EPR) is not applicable to our businesses.

Leadership Indicators

1. Has the entity conducted life cycle perspective/assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NA Given the nature of the BFS group's business operations, we don't offer any products or services that qualify for life cycle perspective or assessments (LCA).					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action taken
NA However, no other risks have been identified beyond those in Q.26 of 'section A – General Disclosures' above.		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

	Recycled or re-used input material to total material	
Indicate input material	FY2026	FY2025
	Nil	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY2026			FY2025		
	Re-Used	Recycled	Safely disposed	Re-Used	Recycled	Safely disposed
Plastics (including packaging)	-	-	1.77	-	-	-
E-waste	-	3.85	8.98	7.34	53.26	8.34
Hazardous waste	-	-	-	NA	NA	0.25
Other waste (battery waste)	-	82.29	18.84	19.03	87.57	6.24
Other waste (bio medical waste)	NA	NA	1.52	NA	NA	0.03
Other waste (non – hazardous)*	-	-	148.68	-	-	31.1

*Note: The increase in other waste (Non - hazardous) is due to primarily due to implementation of enhanced tracking and monitoring mechanisms for dry and wet waste across our operations.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	NA

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees:

		% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities*	
Category	Total (A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	98,261	98,261	100%	98,261	100%	NA	NA	98,261	100%	98,261	100%
Female	15,471	15,471	100%	15,471	100%	15,471	100%	NA	NA	15,471	100%
Other	-	-	NA	-	NA	-	NA	-	NA	-	NA
Total	**113,732**	**113,732**	**100%**	**113,732**	**100%**	**15,471**	**100%**	**98,261**	**100%**	**113,732**	**100%**
Other than permanent employees**											
Male	96,321	76,498	79%	77,904	81%	NA	NA	NA	NA	Nil	Nil
Female	26,336	8,961	34%	9,333	35%	9,333	35%	NA	NA	Nil	Nil
Other	1	1	100%	1	100%	NA	NA	NA	NA	Nil	Nil
Total	**122,658**	**85,460**	**70%**	**87,238**	**71%**	**9,333**	**35%**	**NA**	**NA**	**Nil**	**Nil**

* Wherever required under regulations, day care facilities are provided

** Being fixed term employees

b. Details of measures for the well-being of workers:

		% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
Category	Total (A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Others	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Others	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA - Bajaj Finserv group does not have any workers across its locations.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY2026	FY2025
Cost incurred on well-being measures as a % of total revenue of the Company	0.12%	0.11%

2. Details of retirement benefits, for Current FY and Previous Financial Year

	FY2026			FY2025		
Benefits*	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI	100%	NA	Yes	100%	NA	Yes
NPS	100%	NA	Yes	100%	NA	Yes
Super Annuation	100%	NA	Yes	100%	NA	Yes

* These benefits are provided to all the employees who are eligible and have opted for the said retirement benefits.

NA - Bajaj Finserv group does not have any workers across its locations.

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

As a principle, the Company, through its 'Employee Charter and Human Rights statement,' prohibits discrimination against any person with a disability in any matter related to employment as per the Rights of Person with Disabilities Act, 2016 and the Transgender persons (Protection of Rights) Act 2019.

The above policy is available on our website (https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes)

Some of the corporate offices of the Group companies have ramps for easy movement and wheelchair-accessible restrooms for differently abled people. All new corporate office setups address the said requirement.

Our largest subsidiary i.e. BFL (constituting 63% of Group's workforce), has targeted to hire 200+ persons with disabilities (PwD) to foster an inclusive work environment.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company, through its 'Employee Charter and Human Rights statement,' prohibits discrimination against any person with a disability in any matter related to employment as per the Rights of Person with Disabilities Act, 2016, and Transgender persons (Protection of Rights) Act 2019.

As enshrined in the 'Responsible and Sustainable Business Conduct Policy,' the Company provides remuneration and equal opportunities at the time of recruitment as well as during employment, irrespective of age, sex, colour, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/Aids) or any other status of individuals, thereby presenting an opportunity to excel and grow best suited to the individual's suitability and ability to perform the related work.

The above policies are available on our website (https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes).

The Company endeavours to ensure a safe and secure work environment, so that employees can deliver their best without inhibition. The Company has put in place a robust grievance redressal process for investigation of employee concerns and has instituted a 'CoEPC' that clearly delineates employee responsibilities and acceptable employee conduct. Together, these constitute the foundation for promoting a diverse and inclusive culture at the workplace.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	100%	79%	NA	NA
Female	95%	64%	NA	NA
Total	**100%**	**78%**	**NA**	**NA**

NA - Bajaj Finserv group does not have any workers across its locations.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Yes.
Other than Permanent Employees	The BFS group fosters a fair, open, and transparent culture where employees can freely express their views. The Group transparently communicates its policies and practices, including Company plans, compensation, performance metrics, performance pay structures/calculations, career development, and compliance. BFS group ensures employees can work without fear of prejudice, gender discrimination, or harassment, and maintains a zero-tolerance policy for any non-compliance with these principles. A formal grievance mechanism is available for employees to confidentially and anonymously report or raise concerns without fear of retaliation. Additionally, the 'CoEPC,' Whistle Blower Policy, 'Prevention of Sexual Harassment,' and other policies/ charters detailed in the annexures provide explicit means for consultation on ethical issues. The above policies are available on our website (https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes). Employees are encouraged to register any grievance they may have against any employee, agent, partner, and customer or report any breach of the code of conduct or any of the Company's policies at a given e-mail address/internal portal of the respective companies. Similarly for grievances pertaining to sexual harassment, employees may also write to relevant given e-mail address/internal portal of the Company. Any cases falling under the purview of the Whistleblower Policy or Senior Management escalations are handled as per the Whistleblower Policy, which enables employees to freely communicate their concerns on illegal or unethical practices to the Chair of the Audit Committee.

NA - Bajaj Finserv group does not have any workers across its locations.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY2026			FY2025		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or union (B)	% (B/A)	Total employees/ workers in respective Category (C)	No. of employees/ workers in respective category, who are part of association (s) or union (D)	% (D/C)
Total permanent employees	The Company does not have any employee trade unions and is not a party to any collective bargaining agreements, although it allows all employees to exercise their lawful right to 'freedom of association.'					
Male						
Female						
Total permanent workers*	NA					
Male						
Female						

NA - Bajaj Finserv group does not have any workers across its locations.

8. Details of training given to employees and workers:

Category	FY2026					FY2025				
		On health and safety measures		On skill upgradation			On health and safety measures		On skill upgradation	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	98,261	73,325	75%	92,049	94%	90,904	64,618	71%	84,818	93%
Female	15,471	6,385	41%	13,427	87%	13,764	5,069	37%	12,277	89%
Other	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**113,732**	**79,710**	**70%**	**105,476**	**93%**	**104,668**	**69,687**	**67%**	**97,095**	**93%**
Workers*										
Male	NA									
Female										
Other										
Total										

NA - Bajaj Finserv group does not have any workers across its locations

For health and safety, the BFS group trains its employees on safety protocols by conducting periodic training sessions on fire safety and evacuation drills. During the year, fire audits and drills were conducted

as part of safety measures across all offices. Periodic awareness programmes are carried out through e-mails, posters/banners (physical and digital) and other modes of internal communication.

The Environment, Health, and Safety (EHS) manual has been implemented across the country in all offices. During the year, a total of 44 offices across our subsidiaries, including our head office in Pune, achieved ISO 14001:2015 and ISO 45001:2018 certifications.

9. Details of performance and career development reviews of employees:

	FY2026*			FY2025*		
Category	**Total (A)***	**No.(B)**	**% (B/A)**	**Total (C)***	**No.(D)**	**% (D/C)**
Employees						
Male	84,817	84,817	100%	67,847	67,847	100%
Female	12,479	12,479	100%	7,124	7,124	100%
Other						
Total	**97,296**	**97,296**	**100%**	**74,971**	**74,971**	**100%**
Workers						
Male						
Female			NA			
Other						
Total						

*Performance appraisal was conducted during the year for all the eligible employees as per policy

NA - Bajaj Finserv group does not have any workers across its locations.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes. Through our Environment, Health, and Safety Manual, BFS group is committed to providing a safe and healthy workplace to all its employees by minimising the risk of accidents, injury and exposure to health risks.

We have implemented EHS policy across all our Group companies and have received ISO 14001:2015 and ISO 45001:2018 certifications for 44 of our offices across India. Further, the EHS Management System (EHSMS) and EHS manual have been implemented across the country in all offices.

BFS group also trains its employees on safety protocols by conducting periodic trainings on fire safety and evacuation drills. Periodical awareness programmes on health and safety related aspects are carried out through E-mails, posters/banners (physical and digital) and other modes of internal communication.

Physical and mental wellbeing of the employees is at the core of BFS group's human resource practices. Various campaigns and collaterals were released across group companies to spread awareness among the employees on the pandemic precautions and safety compliances.

The EHS manual is available on (https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes).

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

BFS group provides financial services and does not undertake any manufacturing activity and hence, the applicability of certain occupational hazards and risk is limited.

The ISO 45001:2018 Occupational Health and Safety (OH&S) certification of 44 of our offices across India, ensures a structured approach to identifying work-related hazards, assessing both routine and non-routine risks, and fostering a culture of continual improvement in occupational health and safety practices.

Additionally, BFS group has designed and adopted EHS manuals and procedures to cover environmental aspects and health and safety risks that the facility/property can control and directly manage. Furthermore, for entities that the Group does not directly control or manage but can reasonably be

expected to influence, an Environment, Health, and Safety (EHS) manual has been developed and shared with EHS leaders and champions. This is intended to promote knowledge sharing and raise awareness through effective dissemination. The EHS manual has been implemented across all offices of BFS group nationwide.

There are no product risks but there are those related to the provision of services like ergonomics in workplace as well as those associated with the operation of utilities, indoor air quality, lift/elevator safety, fire safety procedures, personnel protective equipment, signages, etc.

Further, our risk assessment also periodically covers incidents that have been noted and immediate steps are taken to mitigate the associated risks.

During the year, no such instances have been noted which necessitated further action. The applicable processes have been briefly described in 'a' above.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

No. Not Applicable. The Company does not have any workers.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes. BFS group has insured its employees under group term insurance, health insurance and accidental insurance policies.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY2026	FY2025
Lost time injury frequency rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
No. of fatalities	Employees	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil

NA: BFS group is engaged in financial services business which do not require services of workers.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

Our standard health and safety measures across our offices include:

a. Safety trainings: Employees are provided comprehensive safety training to educate them about potential fire hazards and ensuring use of safety equipment during emergency. First-aid trainings sessions are also undertaken to reduce and prevent workplace injuries.

b. Periodic checks by infra personnel: Periodic inspections of the workplace are carried out to identify and address any safety hazards.

c. Safety equipment: The premises have appropriate safety equipment and the same are tested frequently. These include fire alarm system, portable fire extinguishers, sprinklers, fire hydrants, smoke mask, wheelchairs, and staircase evacuation chairs.

d. Emergency plans: Clear procedures including fire drills and evacuation plans have been established for responding to emergencies in all large offices.

e. Compliance with regulation: We ensure compliance with relevant health and safety regulations and standards set by regulatory authorities.

f. Communication: On an ongoing basis, e-mail communications and advisories are circulated to maintain a healthy workplace environment. Especially during periods of heightened illnesses in certain geographies

g. Health programmes such as free medical check-ups, wellness sessions, etc. are undertaken to promote physical and mental health among employees.

13. Number of complaints on the following made by employees and workers:

	FY2026			FY2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health and safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices Working conditions	No assessment has been done by statutory authorities or third parties, while the Companies have been in compliance with all applicable laws. BFS group strives to maintain a safe, hygienic, and humane workplace environment, upholding the dignity of its employees. Across the Group, several offices are periodically assessed internally through surveys, audits, visits, and other methods to evaluate various aspects of health and safety measures and related working conditions, as highlighted in point 12 above. Furthermore, as part of the implementation of the EHS management system at our head office in Pune, an external assessment of health and safety practices and working conditions was conducted, against which ISO 14001:2015 and ISO 45001:2018 certifications were achieved. The EHS manual has been implemented across all BFS group offices nationwide.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health and safety practices and working conditions.

During FY2026, BFS group did not necessitate any significant corrective actions related to above parameters. We treat every safety incident with the utmost care, and our process ensures that each one involves:

a. Identifying the root cause of the incident.

b. Implementing measures to mitigate any immediate risks arising from the incident.

c. Implementing corrective actions to prevent the recurrence of similar incidents.

d. Reviewing and updating safety procedures, protocols, and training to enhance prevention and response measures.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N)? (B) Workers (Y/N).

Employees: Yes. the Group companies extend various support and compensatory package in the event of death of permanent employees. Each company within the Group has its own support programmes, some of which include full month's pay with recovery waivers, iCare fund release (a pool created to benefit employees and their relatives in times of health/death related exigencies), group term life insurance assured amounts, group medical cover, personal accident cover (if applicable i.e. death due to accident) and all retiral benefits (such as gratuity, PF, EDLI, etc).

In the event of an employees death, gratuity is paid regardless of their tenure, calculated from their joining date until the age of 60.

An opportunity of employment is also extended to the spouse or eligible child of the deceased employee.

Additionally, in case of death, all stock options immediately vest in the employee's successors, in line with the Company's employee stock option scheme.

Workers: NA

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

BFS group strives to influence its partners in the value chain to participate in responsible and sustainable business conduct. There are multiple measures to ensure that statutory dues have been deducted and deposited by them, which include contractual commitments, obtaining evidence of payment, review/audit of value chain partners, seeking confirmations of compliance, etc., depending on the nature of products/ services rendered. There have been no statutory defaults during the year.

3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2026	FY2025	FY2026	FY2025
Employees	Nil	Nil	Nil	Nil
Workers	NA	NA	NA	NA

NA - Bajaj Finserv group does not have any workers across its locations.

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes. The BFS group invests significant time and resources in the training and development of its employees, helping them stay ahead of latest trends and technology. With such trainings, most employees are skilled and tend to be employable upon retirement/termination.

As such, on a case-to-case basis and depending upon technical skillsets of retired employees, the Group also retains some of its employees as consultants post-retirement.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	BFS group expects and influences all its value chain partners to follow extant regulations, including health and safety practices and working conditions. These requirements are duly incorporated in the contracts with the Value chain partners, including compliance with labour laws. The Group, through its material subsidiaries, undertakes assessments and risk evaluations for the value chain partners to the extent applicable. Most large, outsourced partners are regulatorily assessed annually.
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.

In absence of any significant risks/concerns, no need for corrective action plan has been necessitated.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

BFS group identifies key stakeholders as individuals or groups who are concerned with, interested in, or impacted by the activities of the businesses, and vice versa, both now and in the future.

Based on this definition, the Group's key stakeholders include:

- Customers
- Employees
- Shareholders and investors
- Government and regulators
- Value chain partners including distributors and suppliers
- The impacted society.

Recognizing the impact of our policies, decisions, products, services, and operations on various stakeholders, the BFS group engages with them in accordance with established policies, practices, and processes. The BFS group is committed to resolving the differences in a just, fair, equitable, and consistent manner, and implementing corrective measures when warranted. Furthermore, the Group actively engages with relevant stakeholders to continuously enhance sustainable and responsible business practices.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable and marginalized Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder and investor	No	Multiple channels including – • Quarterly investors' presentations and calls • Press releases • Disclosures on stock exchanges • Participation in investor conferences • Investors' grievance cell • Social media • Website • E-mails/letters, etc.	Frequent and need based – minimum quarterly	To inform about the current performance, major developments/ initiatives and other relevant updates regarding the Company's future plans.
Customer*	Yes, for some parts of our customer segments	Multiple channels including: • Customer satisfaction surveys • Customer feedback • Regular interaction with customers • Customer helpline • Customer grievance cell • Social media channels • Newspapers • E-mail/SMS • Website/App • Through our value chain partners.	Frequent and need based	To provide servicing throughout the lifecycle of the customer and address queries/ grievances raised by the customers.

Stakeholder group	Whether identified as vulnerable and marginalized Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and regulators	No	Multiple channels including: • Regulatory filings • Compliance statements • Meetings • Audits, inspections, reviews, etc • Letters • E-mails	Periodic and need based	To provide recommendations or feedback on draft policies and make representations on various subjects before the regulators and associations for advancement and improvement of financial services industry in India. To provide appropriate response to queries raised. Seek necessary approvals.
Value chain partner	No	Multiple channels including: • In-person meetings • E-mails • Performance discussions/reviews • Trainings/awareness programmes • Policies and processes • Audits • Periodical meets/conferences	Frequent and need based	To enhance the access and understanding of relevant financial products and services of the Company and the Group. To provide update on ESG initiatives and disclosures.
Employees	No	Multiple channels – physical and digital including regular surveys	Daily	To create a thriving, safe and inclusive workplace for its employees and provide merit-based opportunities for professional development and growth. To inform employees on key developments within the Company. To involve employees in decision making and aligning them to the shared purpose of the Company's business strategy determined through the process of annual operating plan (AOP) and long-range strategy (LRS).

Stakeholder group	Whether identified as vulnerable and marginalized Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Society	Yes	Multiple channels including: • Media and press releases • Annual reports • CSR initiatives	Frequent and need based	To promote social welfare activities for inclusive growth, fair and equitable development, and well-being of society through our business functioning. To educate them about the offerings of the Company especially in areas where we work towards financial upliftment through: • Health and life protection • Loans and insurance to MSMEs • MFI lending and protection • Enhancing protection and lending in rural parts of the country • Participating in government schemes for financial upliftment such as PM-JAY (Health), PMSBY (accident and disability), PMJJBY (life insurance), PMFBY (crop insurance).

*Communication through material subsidiaries.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

BFS group ensures transparent communication and access to relevant information about their decisions that impact relevant stakeholders, to the extent considered necessary and permitted by regulations. This is done while keeping in mind the need to protect confidential competitive plans and information.

Stakeholder engagement is an ongoing process integrated into the Group's business activities. The Board of Directors is regularly updated on key developments arising from these engagements and provides strategic guidance and input on related matters.

Through various committees, both the Board and Key Managerial Personnel (KMP) receive regular updates on stakeholder feedback, enabling informed decision-making and alignment with stakeholder expectations. These include, but are not limited to:

- The Risk Management Committee of the Board
- The Corporate Social Responsibility Committee of the Board
- The Board approved ESG Committee
- The Stakeholder Relationship Committee for our listed companies

- The Policyholders Protection Committee for our insurance subsidiaries
- The Board Nominations and Remunerations Committee
- The Customer Service Committee of the Board for our lending companies

The engagement is driven by the responsible business functions, with senior executives also participating based on the need of the engagement.

Similarly, in the area of corporate social responsibility (CSR), our teams engage regularly at the grassroots level to promote sustainable outcomes that address societal needs and contribute to inclusive development and nation building.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Continuous engagement with stakeholders helps in aligning expectations, thereby enabling the Group to better serve its stakeholders. Company personnel interact with various stakeholders to understand the evolution and relevance of ESG topics, their impact, and expectations from the Group. Based on such interactions, the Group has, enhanced its reporting on business responsibility and has started certain new initiatives over the last few years. The Group acknowledges that ESG is a continually evolving domain and places significant value on ongoing stakeholder dialogue as part of its learning and adaptation process.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

In FY2024, Bajaj group companies came together to commit ₹5,000 crore over five years towards social impact programmes, with the goal of impacting 20 million individuals. This commitment is currently driving a wide range of ongoing initiatives, primarily focused on youth skilling for employment, income generation, and entrepreneurship. Efforts are also actively expanding to child specific programmes in education, health, and protection, along with inclusion for persons with disabilities.

BFS group companies through their CSR policies have taken up various initiatives and activities for the benefit of different segments of the society, with focus on the marginalised, poor, needy, deprived, under-privileged and differently abled persons. Refer the CSR section in our Annual report to understand our efforts towards the same.

These concerns are also addressed by integrating our day-to-day business of lending and protection with certain social outcomes such as enhanced savings, protection, access to loans, etc. Few examples of business integration with the objective of social upliftment include:

- Health and life protection products being sold by the Company across the strata of the society
- Loans and insurance to MSMEs
- MFI lending and protection
- Enhancing protection and lending in rural parts of the country
- Participating in government schemes for financial upliftment such as PM-JAY (health), PMSBY (accident and disability), PMJJBY (life insurance), PMFBY (crop insurance).

Principle 5: Businesses should respect and promote human rights.

Essential Indicator

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY2026 Total (A)	FY2026 No. of employees/ workers covered (B)	FY2026 % (B/A)	FY2025 Total (C)	FY2025 No. of employees/ workers covered (D)	FY2025 % (D/C)
Employees						
Permanent	113,732	108,216	95%	104,668	92,259	88%
Other than permanent	122,658	82,487	67%	111,142	Nil	Nil
Workers						
Permanent	NA					
Other than permanent						

NA - Bajaj Finserv group does not have any workers across its locations.

Note: Our commitment to employees' rights is articulated in the Employee Charter – Human Rights Statement of each respective company. This document outlines both the rights employees can expect from the Company (employee rights) and the responsibilities and conduct expected of them in the course of their duties (employee responsibilities). It also lays down the principles of equal opportunity and non-discrimination, anti-corruption and bribery, prohibition of forced and child labour, transparency, safe healthful and harassment-free workplace, amongst others. BFS group companies use various mediums to create awareness of ESG initiatives (including human rights) for its employees through use of social media as well as internal communication channels such as information on the Company intranet, HR bulletins, video snippets, etc.

The above policy is available on our website (https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes).

We don't directly train non-permanent employees on our Company's human rights policies. Instead, we ensure human rights compliance through our contracts with outsourcing service providers. These contracts explicitly require service providers to warrant they will, at all times, respect human rights and avoid abuses (e.g., discrimination, child/forced labour) for all personnel involved in their services. This ensures human rights standards are upheld where non-permanent staff operate. Additionally our contractual obligation staff outsourcing providers ensures that all personnel involved in performing services under the agreement comply with applicable laws and any guidelines, policies, or codes prescribed by us.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY2026 Total (A)	FY2026 Equal to minimum wage No. (B)	FY2026 Equal to minimum wage % (B/A)	FY2026 More than minimum wage No. (C)	FY2026 More than minimum wage % (C/A)	FY2025 Total (D)	FY2025 Equal to minimum wage No. (E)	FY2025 Equal to minimum wage % (E/D)	FY2025 More than minimum wage No. (F)	FY2025 More than minimum wage % (F/D)
Permanent Employees										
Male	98,261	-	-	98,261	100%	90,904	-	-	90,904	100%
Female	15,471	-	-	15,471	100%	13,764	-	-	13,764	100%
Other	-	NA	NA	NA	NA	NA	NA	NA	NA	NA

Category	FY2026 Total (A)	FY2026 Equal to minimum wage No. (B)	FY2026 Equal to minimum wage % (B/A)	FY2026 More than minimum wage No. (C)	FY2026 More than minimum wage % (C/A)	FY2025 Total (D)	FY2025 Equal to minimum wage No. (E)	FY2025 Equal to minimum wage % (E/D)	FY2025 More than minimum wage No. (F)	FY2025 More than minimum wage % (F/D)
Other than Permanent Employees										
Male	96,321	-	-	96,321	100%	80,374	20,886	26%	59,488	74%
Female	26,336	-	-	26,336	100%	30,768	1,736	6%	29,032	94%
Other	1	-	-	1	100%	-	NA	NA	NA	NA
Permanent workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA - Bajaj Finserv group does not have any workers across its locations.

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category (₹ In Crore)	Number	Median remuneration/ salary/wages of respective category (₹ In Crore)
Board of Directors (BoD)*	8	0.58	1	0.64
Key Managerial Personnel	1	8.73	1	0.83
Employees other than BoD and KMP	112,929	0.07	17,068	0.05
Workers	NA	NA	NA	NA

* All the non-executive directors are entitled to the same sitting fees and commissions. Difference in remuneration arise because of the number of meetings attended as per their membership of different committees.

Notes:

1. The Chairman & Managing Director of the Company falls under two categories i.e., KMP and Board. His remuneration is considered under the Board category.
2. Since we have one male and one female Key Managerial Personnel (KMP) and one female director, we've reported their individual salaries for the specified period. A median calculation is not applicable in such cases.

   NA - Bajaj Finserv group does not have any workers across its locations.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY2026	FY2025
Gross wages paid to females as % of total wages	10.16%	10.10%

4. Do you have a focal point (individual/committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Head of HR at each respective entity is responsible for overseeing and addressing any issues arising from actual or potential human rights impacts caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues?

While the BFS group aims to prevent situations that lead to employee grievances, it has a well-defined grievance redressal mechanism to address such instances effectively. A formal grievance redressal mechanism is accessible to all employees, enabling them to report or raise concerns confidentially and anonymously, without fear of retaliation. Employees may submit their concerns on the designated e-mail addresses or directly to the designated ethics officer. In case involving the senior management, grievances can be escalated to the Audit Committee Chair.

The Group considers respect for human rights a fundamental core value and is committed to support, protect, and promote these rights to ensure fair and ethical business and employment practices. We believe that every workplace should be free from violence, harassment, intimidation, and any other unsafe or disruptive conditions - whether arising from external or internal sources. Accordingly, the BFS group strives to provide reasonable safeguards for employees at the workplace, while respecting their privacy and dignity.

The Group maintains zero tolerance towards all forms of slavery, coerced labour, child labour, human trafficking, violence, or physical, sexual, psychological, or verbal abuse. As a matter of policy, BFS group does not employ or engage with any individual, agent or vendor against their free will.

Each company within the Group has a designated ethics officer responsible for addressing entity specific concerns. Employees are expected to promptly report any violations of this code to their manager or the appropriate ethics officer.

To address human rights concerns, the Group has several policies in place, including the whistleblower policy, prevention of sexual harassment, code of ethics and personal conduct, charters for fair and responsible workplace, disciplinary actions and grievance redressal policy and the Employee Charter and Human Rights Statements.

All these documents are accessible on our website: https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes.

6. Number of Complaints on the following made by employees and workers:

	FY2026			FY2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	47	11	The pending cases as on 31 March 2026 will be subsequently resolved as per respective Company's policy and the defined turnaround time.	48	10	The pending cases as on 31 March 2025 have been subsequently resolved as per respective Company's policy and the defined turnaround time.
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced labour/ involuntary labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY2026	FY2025
Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	47	48
Complaints on POSH as a % of female employees/workers	0.30%	0.37%
Complaints on POSH upheld	24	28

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases?

A formal grievance mechanism is available to all employees to report or raise their concerns confidentially and anonymously, without fear of retaliation. There is a mechanism to consult on ethical issues through the explicit means provided by the Code of Ethics and Professional Conduct (CoEPC), Employee Charter, Disciplinary Action Committee reviews, Whistleblower, and vigil mechanism policies.

The Company ensures:

a. Concerns can be expressed or reported without any fear of retaliation.

b. Confidentiality of the identity of involved parties.

c. Privacy during review meetings.

d. Option to complainant to change the current location of posting and/or availment of leave during the period of investigation.

The BFS group strictly prohibits retaliation against any employee who, in good faith, reports suspected or potential violations of the Company's Code of Ethics and Professional Conduct (CoEPC), including issues related to discrimination and harassment. It is the responsibility of every employee to report any known or suspected CoEPC violations. At BFS group, raising a concern honestly and in good faith—even if it is ultimately unfounded—will never be grounds for retaliation.

BFS ethics officers are committed to ensuring that all CoEPC investigations are conducted fairly, confidentially, and without adverse consequences for employees who report concerns in good faith. Additionally, BFS prohibits retaliation against individuals who use any of the Company's complaint reporting mechanisms in good faith, or who file, testify, assist, or participate in investigations conducted by government enforcement agencies.

The policies/codes referred to are all accessible on our website:

https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. The Company has included ESG specific clauses which covers the general human rights parameters in the business agreements and vendor contracts.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The Group follows all the relevant laws as applicable, and offices are normally visited by authorities for routine checks.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at question 10 above?

Based on its ongoing reviews of human resource practices, BFS group did not find any significant risk/concerns in the above areas during the year under review and accordingly no corrective actions were warranted.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

There have been no significant human rights grievances/complaints warranting modification/introduction of business processes.

2. Details of the scope and coverage of any human rights due diligence conducted.

Not applicable. However, internal audit covers the human resources related processes including grievance management process.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

As a principle, the Company, through its Employee Charter and Human Rights Statement prohibits discrimination against any person with disability in any employment-related matters in accordance with the Rights of Person with Disabilities Act, 2016 and Transgender persons (Protection of Rights) Act 2019.

The Group recognises the needs of differently abled persons, and several corporate offices of the Group companies are equipped with ramps for ease of movement and wheelchair-accessible restrooms to support accessibility and inclusion.

The policies/codes referred to are all accessible on our website:

https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes

4. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Refer note below
Discrimination at workplace	
Child labour	
Forced labour/involuntary labour	
Wages	
Others – please specify	

Note: BFS group expects all its value chain partners to follow extant regulations, including health and safety practices and working conditions.

The Group through its material subsidiaries undertakes assessments and risk evaluations for the value chain partners to the extent applicable.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at question 4 above.

No corrective actions pertaining to question 4 was necessitated by the Group during the year under review.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicator

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

Parameter	Unit of measurement	FY2026	FY2025
From renewable sources			
Total electricity consumption (A)	Gigajoules	1,361	1,170
Total fuel consumption (B)	Gigajoules	-	-
Energy consumption through other sources (C)	Gigajoules	-	-
Total energy consumption from renewable sources (A+B+C)	Gigajoules	1,361	1,170
From non-renewable sources			
Total electricity consumption (D)	Gigajoules	259,338	243,154
Total fuel consumption (E)	Gigajoules	97,566	85,870
Energy consumption through other sources (F)	Gigajoules	-	-
Total energy consumption from non-renewable sources (D+E+F)	Gigajoules	356,904	329,024
Total energy consumed (A+B+C+D+E+F)	Gigajoules	358,265	330,194
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	Per crore of consolidated total revenue from operations	2.34	2.43
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	Per crore of consolidated total revenue from operations adjusted for PPP	47.62	50.29
Energy intensity in terms of physical output		NA	NA
Energy intensity (optional) - the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. SGS India Pvt. Ltd.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve and trade (PAT) scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water.

Parameter	FY2026	FY2025
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater/desalinated Water	-	-
(v)Others	-	-
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	**-**	**-**
Total volume of water consumption (in kilolitres) *#	**1,231,644**	**1,127,409**
Water intensity per rupee of turnover (Total water consumption/turnover)	8.18	8.42
Water intensity per rupee of turnover adjusted for purchasing power parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	166.42	174.05
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

* The water consumption is based on the Central Ground Water Authority (CGWA) estimated for water consumption which determines the water availability is at 45 litres per head per working day for offices.

The intensity is based on average workforce in permanent employees and working days.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. SGS India Pvt. Ltd.

4. Provide the following details related to water discharged*

Parameter	FY2026	FY2025
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**-**	**-**

* Given the nature of business operations of the BFS group, water discharge is not being monitored and therefore not Reported

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for zero liquid discharge? If yes, provide details of its coverage and implementation.

Given the nature of its business, this is not applicable.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY2026	FY2025
NOx	Not applicable		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others - please specify			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (scope 1 and scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY2026	FY2025
Total scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	9,398	8,966
Total scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	51,644	49,491
Total scope 1 and scope 2 emissions intensity per rupee of turnover (Total scope 1 and scope 2 GHG emissions/turnover)	Per crore of consolidated total revenue from operations	0.41	0.44
Total scope 1 and scope 2 emission intensity per rupee of turnover adjusted for purchasing power parity (PPP) (Total scope 1 and scope 2 GHG emissions/Revenue from operations adjusted for PPP)	Per crore rupee of turnover adjusted purchasing power parity	8.25	9.02
Total scope 1 and scope 2 emission intensity in terms of physical output		NA	NA
Total scope 1 and scope 2 emission intensity (optional)- the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. SGS India Pvt. Ltd.

8. Does the entity have any project related to reducing green house gas emission? If yes, then provide details.

The Company's core operations are limited exclusively to the management of 138 wind turbines in Maharashtra, with an installed capacity of 65.2 MW. In FY2026, our wind turbines generated **90.44 million units** of electricity—exceeding the total consumption of the BFS group and ensuring the Group remains a net generator of renewable power.

The Group has undertaken various projects on environmental sustainability, such as ecological restoration, waste management and clean energy projects.

Key projects include:

- The Company has installed rooftop solar plants with an installed capacity of 757 KW generated 0.32 million units in FY2026.
- The Group also has planted more than 2 lakh tree saplings during the year.
- The Group has also undertaken a decarbonisation study during the year using an external consultant and has planned for undertaking projects towards decarbonisation during the coming year. Accordingly, the following projects have/are being undertaken:
  - Improvised cook stove project has been undertaken across all material subsidiaries to minimise de-forestation and carbon footprint (CO_2e emission reduction) in the environment while preventing the women in rural areas from the ill effects of the smoke generated by traditional cook stoves.
  - Feasibility study for a mega-forest development project in Satara, Maharashtra is underway. This will ensure environmental conservation and biodiversity enhancement. Alternately we will plant over 2 lakh tree saplings in FY2027.
  - The company is planning repowering of its wind turbines with a combination of wind turbines and solar plants to captively consume renewal energy within its proposed campus being developed at Pune.
- Basis the above the Company plans to be carbon neutral in scope 1 and scope 2 emissions by FY2032.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY2026 (in metric tonnes)	FY2025 (in metric tonnes)
Total waste generated (in metric tonnes)		
Plastic waste (A)	1.77	-
E-waste (B)	12.83	68.94
Bio-medical waste (C)	1.53	0.03
Construction and demolition waste (D)	-	-
Battery waste (E)	101.13	112.84
Radioactive waste (F)	NA	-
Other hazardous waste. Please specify, if any (G) DG Set Oil	NA	0.25
Other non-hazardous waste generated (H). Please specify if any (break-up by composition i.e., by materials relevant to the sector)	148.68	31.10
Total (A+B+C+D+E+F+G+H)	**265.94**	**213.16**
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.0018	0.0016
Waste intensity per rupee of turnover adjusted for purchasing power parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP	0.04	0.03
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) - the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	86.14	140.83
(ii) Re-used	NA	26.37
(iii) Other recovery operations	6.38	45.93
Total	**92.52**	**213.15**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.003	0.03
(ii) Landfilling	-	-
(iii) Other disposal operations (safe disposal)	173.41	-
Total	**173.42**	**0.03**

*Note: The increase in other disposal operations (safe disposal) is primarily due to implementation of enhanced tracking and monitoring mechanisms for dry and wet waste across our operations.

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, SGS India Pvt. Ltd.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Given the nature of the business, there is no usage of hazardous and toxic chemicals within BFS group companies.

However, the Group has a robust process in place for handling all types of waste generated. The waste is handed over to authorised agencies in compliance with various national and local waste management regulations.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. No	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
			No

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant web link
			NA		

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. no.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control Boards or by courts	Corrective action taken if any
Based on the nature of business, the Group is following applicable environmental norms as per the required guidelines in India for necessary compliance.				

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY2026	FY2025
Water withdrawal by source (in kilolitres)		
(i) Surface water	Given the nature of business, the same is not relevant	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater/desalinated water		
(v) Others		
Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)		
Total volume of water consumption (in kiloliters)	Given the nature of business, the same is not relevant	
Water intensity per rupee of turnover (Total water consumption/revenue from operations in crore)		

Parameter	FY2026	FY2025
Water intensity per rupee of turnover adjusted for purchasing power parity (PPP) (Total water consumption/revenue from operations in crore adjusted for PPP)	Given the nature of business, the same is not relevant	
Water intensity in terms of physical output (Total water consumption/ average FTE)		
Water intensity (optional) (Total water consumption/consolidated total loan portfolio in crore)		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Please provide details of total scope 3 emissions and its intensity, in the following format:

Parameter	Unit	FY2026	FY2025
Total scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	139,901	35,338
Total scope 3 emissions per rupee of turnover	Per crore of consolidated total income	0.93	0.26
Total scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO_2 equivalent per crore of consolidated total loan portfolio	NA	NA

Notes:

1. In FY2026, our scope 3 emissions increased due to expanded reporting boundaries, including the addition of capital goods and employee commuting, along with the inclusion of personal car usage under business travel.
2. Scope 3 intensity stands at 0.29 tCO_2e per crore of consolidated total revenue from operations excluding capital goods and Employee Commuting, and increases to 0.93 tCO_2e per crore upon their inclusion.

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, SGS India Pvt. Ltd.

3. With respect to the ecologically sensitive areas reported at question 10 of essential indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. no.	Initiative undertaken	Details of the initiative (web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Setup of organic waste composter at BFS HO	An organic waste converter is being used to process organic waste collected from the premises as part of waste to wealth initiative. This process results in nutrient-rich compost, providing a circular and self-sufficient solution.	Our facility generated approximately 3.25 metric tonnes of nutrient-rich compost for FY2026. The compost is used in gardening area of Bajaj Finserv head office premise, promoting sustainable practices for available green spaces around the building.

Sr. no.	Initiative undertaken	Details of the initiative (web-link, if any, may be provided along-with summary)	Outcome of the initiative
2.	Digitization initiatives across BFS group business functions	BFS group companies are adopting systems and processes that leverage Information technology and digitalisation including development of AI solutions across our group companies. The Group, through a dedicated 250+ member team across domains, is investing in AI based solutions to transform our companies to FinAI + InsurAI through four core dimensions: Enterprise AI (operational automation), Consumer AI (personalization), Agentic AI (autonomous reasoning), and Data AI (risk modeling). The Group is currently executing **300+ AI projects** with significant outcomes.	BFL facilitated ₹5,520 crore in disbursals via conversational AI and ₹697 crore through voice-log processing, while Bajaj Finserv Health leveraged Gen AI for automated claims and fraud detection. These initiatives have also driven environmental impact, saving over 720 crore sheets of paper, saving around 8.6 lakh trees in three years.
3.	Setup of rooftop solar panels	BFS group material entities (BFL, Bajaj General and Bajaj Life) have steadfastly setup rooftop solar panels across its selected branches generating clean energy.	As on FY2026, the Group companies have generated 0.32 million units with installed capacity of 757 KW.
4.	E-waste management	The BFS group has empaneled pollution control Board registered vendors for disposing the e-waste and battery waste.	In FY2026, 27.82 metric tonnes of e-waste and battery waste was safely disposed by BFS group.
5.	Set up of rainwater harvesting facility	An active rainwater harvesting facility has been set up at BFS head office to store and reuse the water for the facility management and green spaces of the office.	Throughout the season, the collected water was reused in maintaining green spaces on the office premises.

5. Does the entity have a business continuity and disaster management plan?

Yes. All material subsidiaries have a business continuity plan (BCP) that is compliant with applicable regulatory requirements. The BCP includes disaster recovery procedures to quickly recover from an emergency. It envisages disruptive events, their probability, and their impact on business operations, which are assessed through business impact analysis to counter threats and challenges pertaining to information security, cyber security, and fraud. This is aimed at eliminating or minimising any potential disruption to critical business operations.

All material Group companies are compliant with the following:

- ISO 27001:2013 Information Security Management System
- ISO 22301:2012 Business Continuity Management System

Additionally, annual BCP drills are conducted to ensure effectiveness of the BCP considering the current nature of business processes, infrastructure, personnel, and other relevant factors.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Given the nature of the business, there has been no significant adverse impact to the environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Currently, we do not assess environmental impacts of our value-chain partners. However, we encourage our value-chain partners to proactively align their business operations to environmental best-practices.

8. How many green credits have been generated or procured:

a. By the listed entity - Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners'- Not assessed.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

   b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

Sr. no	Name of the trade and industry chambers associations	Company name	Reach of trade and industry chambers/associations (State/National)
1	Confederation of Indian Industry	BFS, Bajaj General, Bajaj Life	International
2	World Economic Forum	BFS	International
3	General Insurance Council	Bajaj General	National
4	Indo German Chamber of Commerce		International
5	Council for Insurance Ombudsmen	Bajaj General, Bajaj Life	National
6	Insurance Information Bureau of India	Bajaj Life	National
7	Life Insurance Council	Bajaj Life	National
8	Internet and Mobile Association of India	BFSD	National

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
No corrective action was necessitated by the Group during the year under review		

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

Sr. no.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/no)	Frequency of review by board (annually/half yearly/quarterly/others – please specify)	Web link, if available
Please refer the note below					

BFS group, as a market leader in financial services maintains regular engagement with the government agencies and regulators and is committed to providing timely and accurate information, suggestions, recommendations, feedback on draft policies, etc., as, and when required. It keenly participates in putting forward views on setting new industry standards or regulatory developments pertaining to the financial services industry. While making recommendations, in line with our policy, we attempt to balance the interest of various stakeholders. The senior executives of across the BFS group engage with RBI, SEBI, IRDAI and other regulators on a periodic basis or as per the requirement. This enables us to understand our areas of focus and concerns.

BFS is a member of the World Economic Forum and Confederation of Indian Industries (CII), through which it actively engages in policy advocacy. BFS and its subsidiaries are members of various trade and industry chambers, associations, councils, and such other collective platforms ('forums'). We proactively contribute to the discussions and resolutions within the scope of these forums. Majority of the senior executives are regularly engaged in public policy advocacy on a routine basis through several committees/forums of IRDAI, CII, SEBI, RBI.

Senior executives across BFS group hold regulatory and advocacy positions such as – BFS:

Mr. Sanjiv Bajaj, the Chairman & Managing Director of Bajaj Finserv Ltd., holds several prestigious positions such as memberships of the International Advisory Council of the Brookings Institute, USA, J.P. Morgan Asia Pacific Council and the International Advisory Board of the Global Finance & Technology Network (GFTN).

He is the co-chair for India Skills Accelerators – a Ministry of Skill Development and Entrepreneurship (MSDE) initiative, in partnership with the World Economic Forum.

He also chairs India@100 Foundation, CII's non-profit initiative that champions next generation reforms shaping India's vision for inclusive economic growth, nurturing innovation, strengthening India's cultural influence and ensuring sustainable progress.

Mr. S Sreenivasan, the President – Insurance and Special projects, was a member of the SEBI's Industry Standards Forum (ISF) on SEBI (Listing Obligations and Disclosure Requirements) regulations.

Mr. Ramandeep Singh Sahni, the Chief Financial Officer, was a member of the SEBI's Industry Standards Forum (ISF) on minimum information to be provided for review of the Audit Committee and the shareholders for approval of related party transactions and also a member of the CII Working Group on ESG.

Bajaj Life:

Insurance Information Bureau of India: As a Governing Council member of the Insurance Information Bureau of India (IIB), Mr. Tarun Chugh, the MD, and CEO of Bajaj Life, actively helps shape the IIB's strategy. His participation reflects a strong commitment to building a secure and robust insurance ecosystem through collaborative efforts focused on fraud prevention, data-driven decisions, and enhanced value for customers and the industry.

Risk Based Capital Calibration (IRDAI): Avdhesh Gupta, Appointed Actuary, was a key member of the Working Group constituted by IRDAI for risk based capital calibration. His responsibilities included calibrating critical parameters such as lapses, mortality, and longevity, ensuring the derivation of Indian industry-specific factors for RBC computation. This directly influenced the accuracy and relevance of the capital adequacy framework for insurers in India.

Ind AS 117 Implementation (Institute of Actuaries of India): Avdhesh Gupta also contributed his expertise as a member of the Working Group for Ind AS 117 by the Institute of Actuaries of India. His role involved advising the Institute on technical and academic developments related to Ind AS 117, contributing to the creation of Actuarial Practice Standards and guidance notes, and addressing matters concerning the actuarial profession's application of Ind AS 117 to Indian insurers. This participation is vital in ensuring a smooth and effective transition to the new accounting standards within the insurance sector.

Investment Regulatory Framework (IRDAI): Mr. Farid, Chief Risk Officer, served as a member of the Investment Consultative Committee formed by IRDAI for a period of two years starting in February 2023. The committee's objective was to continuously monitor financial markets, review investment regulations in the insurance sector, and advise IRDAI on economic and financial market developments, as well as risk management. Mr. Farid's contributions were instrumental in providing critical inputs on the introduction of equity derivatives and amendments to the existing investment regulations, alongside offering valuable perspectives on fixed income instruments and alternative investment funds. This active involvement directly shaped the regulatory framework governing investments for insurance companies.

Bajaj General:

General Insurance Council: Dr. Tapan Singhel, MD and CEO, as Chairman of the General Insurance Council, led the Indian Insurance Sector towards a revolutionary transition, transforming the Council into an open, transparent, and influential industry powerhouse. This shift ensured the GI Council's indispensable involvement in all industry projects and initiatives, with formal recognition from IRDAI.

Bima Sugam: Dr. Tapan Singhel as one of the first Directors of Bima Sugam, played an instrumental role in the development and launch of Bima Sugam, an exclusive marketplace for insurance. His contributions included advising on recruitment and guiding the project's transformative journey.

Bima Vistaar and Bima Vahak: Bajaj General actively participated in the development of Bima Vistaar and Bima Vahak, initiatives aimed at increasing insurance penetration in rural areas. The contribution was through Dr. Tapan Singhel's membership in the Information Technology Committee.

'Insurance for all' Vision Meet: Bajaj General collaborated with IIM Kozhikode to convene an industry-level event, bringing together key stakeholders to address ground-level issues and develop practical solutions for achieving 'Insurance for All' by 2047.

Health Insurance Initiatives: Bajaj General spearheaded initiatives to benefit policyholders, including the Common Empanelment Project and efforts to standardize medical treatment costs.

Self-Regulatory Organization (SRO): The GI Council, under Tapan's guidance, was formally recognised as an SRO, granting it important responsibilities and powers in regulating the insurance sector.

Uninsured Motor Vehicles: Bajaj General actively represented the issue of uninsured vehicles, leading to enhanced penalties for driving without mandatory third-party insurance.

PFRDA Contributions: Dr. Tapan Singhel as a member of PFRDA, played a key role in reviewing and enhancing PFRDA regulations, focusing on cost reduction and ease of doing business.

Insurance Advisory Committee: Dr. Tapan Singhel as a member of the Insurance Advisory Committee, represented the interests of the general insurance industry, influencing the approval and introduction of notable regulations.

CII National Committee on Insurance and Pensions: As Chairman, Dr. Tapan Singhel ensured ongoing focus on critical areas of the insurance sector, resulting in a detailed report on 'Insurance for All.'

Indian Institute of Insurance and Risk Management (IIRM): Dr. Tapan Singhel as a Board member of IIRM, influenced policy decisions to expand insurance awareness through new courses and professional qualifications.

IFSCA and Niti Aayog Committees: Dr. Singhel was inducted into committees working on benchmarking regulations and designing health insurance products for underserved populations.

Principle 8: Businesses should promote inclusive growth and equitable development.

Essential Indicator

1. Details of social impact assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
During the year there were no projects which required social impact assessment as per applicable laws.					

2. Provide information on project(s) for which ongoing rehabilitation and resettlement (R&R) is being undertaken by your entity, in the following format.

Sr. no.	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
				NA		

3. Describe the mechanisms to receive and redress grievances of the community.

Local community can share their concerns at bfscommunity.grievance@bajajfinserv.in. All submissions received through this e-mail are reviewed and handled by the relevant departments in compliance with applicable laws and regulations.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY2026	FY2025
Directly sourced from MSMEs/small producers	6%	6%
Directly from within India	99%	96%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost.

Location	FY2026	FY2025
Rural	0.26%	0.22%
Semi-urban	1.31%	1.18%
Urban	19.43%	18.53%
Metropolitan	79.00%	80.07%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the social impact assessments (Reference: question 1 of essential indicators above):

Details of negative social impact identified	Corrective action taken
NA	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by Government bodies:

Sr. no.	State	Aspirational District	Amount spent (In ₹)
1	Andhra Pradesh	Visakhapatnam	315,500
2	Andhra Pradesh	Vizianagaram	3,864,826
3	Assam	Udalguri	14,531,367
4	Bihar	Araria	711,297
5	Bihar	Aurangabad	591,971
6	Bihar	Banka	2,243,897
7	Bihar	Begusarai	826,895
8	Bihar	Gaya	4,213,707
9	Bihar	Katihar	657,228
10	Bihar	Khagaria	529,511
11	Bihar	Purnia	702,907
12	Jammu & Kashmir	Kupwara	2,681,658
13	Jharkhand	Bokaro	420,215
14	Jharkhand	Chatra	416,000
15	Jharkhand	Dumka	560,000
16	Jharkhand	Garhwa	580,000
17	Jharkhand	Giridih	560,000
18	Jharkhand	Godda	380,000
19	Jharkhand	Gumla	600,000
20	Jharkhand	Khunti	760,000
21	Jharkhand	Latehar	1,040,000
22	Jharkhand	Pakur	797,065
23	Jharkhand	Palamu	240,000
24	Jharkhand	Ramgarh	1,100,000
25	Jharkhand	Ranchi	360,264
26	Jharkhand	Simdega	1,580,000
27	Karnataka	Raichur	3,677,592
28	Madhya Pradesh	Barwani	4,068,455
29	Maharashtra	Gadchiroli	16,402,992
30	Maharashtra	Nandurbar	10,317,408
31	Maharashtra	Osmanabad	294,581
32	Maharashtra	Washim	922,116
33	Nagaland	Kiphire	24,960
34	Odisha	Dhenkanal	3,506,200
35	Odisha	Gajapati	5,451,651
36	Odisha	Kalahandi	4,451,792
37	Odisha	Rayagada	4,401,109
38	Rajasthan	Jaisalmer	1,363,145
39	Rajasthan	Karauli	1,388,626
40	Rajasthan	Sirohi	3,309,353
41	Uttar Pradesh	Bahraich	3,541,766
42	Uttar Pradesh	Siddharthnagar	518,040
		Total	**104,904,094**

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

(b) From which marginalised/vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Sr. no.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
		NA		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
No corrective actions pertaining to above mentioned parameters was necessitated by BFS group during the year under review		

6. Details of beneficiaries of CSR Projects:

Sr. no.	CSR project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Youth - Skilling for employment	174,965	
2	Youth - Skilling for enterprise/Self-employment	131,555	
3	Youth - PWD - skilling	26,204	
4	Youth - Healthcare-skilling	2,982	
5	Youth - Artisan-skilling	5,900	
6	Child - Education	7,013,359	
7	Child - Health	67,356	100%
8	Child - Physical and intellectual disabilities	433,582	
9	Child - Prevention of mortality	387,350	
10	Child - Protection	83,403	
11	Youth - Livelihood initiatives	45,164	
12	Others	985,786	
	Total	**9,357,606**	

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Timely and appropriate customer grievance redressal is imperative. In fact, we aim to reduce grievances by learning from our experiences through root cause analysis. The Group's dealings with its customers are professional, fair, and transparent. BFS group has a robust customer/policy holders services governance framework and same are enumerated under the section of customer centricity.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Transparency and fairness in dealings with customers is followed across the Group. None of the products withhold any relevant information needed by the customers to make informed decisions.
Safe and responsible usage	
Recycling and/or safe disposals	

3. Number of consumer complaints in respect of the following:

	FY2026			FY2025		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	None	Nil	Nil	None
Advertising						
Cyber- security						
Restrictive trade practices						
Unfair trade practices						
Others*	27,764	9	7 pending complaints have been resolved by 29 April 2025	12,985	7	The pending cases as on 31 March 2025 have been subsequently resolved as per respective Company's policy and the defined turnaround time.

*Note: In lieu of 'Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026', issued on 14 January 2026, the definition of complaint has been modified to also include alleged deficiency in service on the part of NBFC as a complaint. Thus, the previous year's details are not comparable.

4. Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	NA	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, each of the material subsidiaries in the Group have adopted an information security framework to establish, implement, monitor, and constantly improve its information security posture. We focus on privacy of customer information and data security.

The material subsidiaries of the Company are compliant with ISO 27001:2013 Information Security Management System. They also comply with the applicable regulatory framework and guidelines (viz. RBI's master direction – information technology framework for the NBFC Sector, IRDAI's Guidelines on Information and cyber security for insurers, etc.). In case of material subsidiaries, IT Security related projects and operations are reviewed by a committee, under oversight of Board of respective companies. These committees meet at least on a half-yearly frequency. Dedicated teams manage cyber security programme and operations for digital initiatives. For more details refer Information security, cyber security, and fraud controls of the ESG report or the risk framework as details in the Annual reports under section of other disclosures for Bajaj Finserv Ltd. and the material companies.

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

No penalties/regulatory action has been levied or taken on the above-mentioned parameters.

7. Provide the following information relating to data breaches:

a Number of instances of data breaches - Nil

b. Percentage of data breaches involving personally identifiable information of customers – Nil

c. Impact, if any, of the data breaches – Not applicable

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

BFS group companies envisage to be an omnipresent financial services provider Company that enabling its existing and new customer to engage, transact and be serviced online to offline and vice versa.

Information relating to various financial services provided by the BFS group is available on the respective Company's website, Apps, etc.

In addition, the Group companies actively use various social media and digital platforms to disseminate information on its products suite. Website navigation to the other companies is available from Bajaj Finserv Homepage (Link: Bajaj Finserv: Loans, Cards, Insurance, Investments, Payments and more)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

As a responsible corporate citizen, it is imperative to not just do business with customers, but also educate them and make them more aware of what could be good or bad for them, frauds, addressing their questions on financial products, etc. Each Group Company has a mechanism to inform customers on usage of products offered. Continuous and contextual communication across the customer lifecycle through - press releases, yearly customer engagements, Company website and blogs, social media campaigns, use of video content, on- ground activities, participation in insurance awareness programmes, Product awareness campaigns, webinars, feature based audio-visual content for ease of understanding, etc. have helped us educate and create awareness amongst our customers and society at large.

Our group companies regularly conduct contextual customer awareness campaigns through social media, notifications on mobile apps, e-mails, whatsapp, and SMS which may be event based, say during natural calamities, geographical widespread illness, branch closure, etc. The insurance companies issue a Key feature document/customer information sheet to every customer.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Tech-led seamless customer experiences are the hallmark of our businesses. Each business is unique in its approach to enhancing customer experience, but they share core objectives: simplifying processes, ensuring ease of use, and providing quick, appropriate responses. The importance of information security, cyber security, and fraud controls is paramount in this technological age. Robust controls in these areas are integral to our IT framework, preventing disruptions and protecting customer data.

In compliance with IRDAI regulations, our insurance subsidiaries provide a two-month advance notice in newspapers and online before re-allocating or closing a branch office. All material subsidiaries have business continuity strategies and frameworks that meet regulatory requirements. These plans anticipate disruptive events, assess their probability and impact through business impact analysis, and are regularly evaluated to address information security, cyber security, and fraud threats. Customer communication is an integral part of this process.

The BFS group's material companies comply with:

- ISO 22301:2012 Business Continuity Management System
- ISO 27001:2013 Information Security Management System

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, Transparency and fairness in dealings with customers is followed across the BFS group. None of the products withhold any relevant information needed by the customers to make informed decisions. The BFS group companies through their charters and policies, communicate the customer rights, Company commitments, grievance redressal mechanism and ombudsman scheme, as applicable. This emphasises our commitment to fair practices by maintaining transparency in products and services offered.

Yes. The material subsidiaries carry out various surveys on regular basis for continuous listening to customers and driving continuous transformation to provide them a frictionless experience

Independent Assurance Statement

Independent Assurance Statement to Bajaj Finserv Ltd. on its BRSR Report for FY 2025-26

The Board of Directors,

Bajaj Finserv Ltd.

6th Floor, Bajaj Finserv Corporate office,
off Pune-Ahmednagar Road,
Viman Nagar, Pune – 411014

Nature of the Assurance

SGS India Pvt. Ltd. (hereinafter referred to as 'SGS India') was engaged by Bajaj Finserv Ltd. (the 'Company' or 'BFS') to conduct an independent assurance of the Company's Business Responsibility and Sustainability Reporting (BRSR) (the 'Report') for the reporting period of 1 April 2025, to 31 March 2026. SGS India has conducted a reasonable level of assurance for the BRSR core indicators and a limited level of assurance for the remaining BRSR parameters, including essential and leadership indicators and all disclosures made thereunder. This assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410.

Reporting Framework

The Report has been prepared following

1. BRSR core and non-core framework for assurance and ESG disclosures for value chain (Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026), dated 30 January 2026 circular.
2. Greenhouse gas protocol standard: A Corporate Accounting and Reporting Standard.

Intended Users of this Assurance Statement

This assurance statement is provided with the intention of informing all Bajaj Finserv Ltd. internal and external stakeholders.

Responsibilities

The information in the report and its presentation is the responsibility of the Management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the Management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

Assurance Standard

SGS has conducted a reasonable level of assurance for BRSR core parameters under 9 ESG Attributes, and a limited level of assurance for the remaining BRSR parameters, including all essential indicators as specified under BRSR standards and amendments made as on date. This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (revised) and ISAE 3410 (Assurance Engagements other than Audits or Reviews of Historical Financial Information).

Our evidence-gathering procedures were standard but obtain a 'Reasonable' level of assurance, which is a high level of assurance in accordance with ISAE 3000(revised) standard but is not absolute certainty. It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the report is fairly stated and is free from material misstatements.

Statement of Independence and Competence

The SGS group of companies is the world leader in inspection, testing, and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social, and ethical auditing and training; and environmental, social, and sustainability report assurance. SGS India affirms our independence from Bajaj Finserv Ltd., being free from bias and conflicts of interest with the organization, its subsidiaries, and stakeholders.

The assurance team was assembled based on their knowledge, experience, and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification, and GHG validation lead auditors, and experience on the SRA assurance.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of BRSR indicators (KPIs) within the report for the period 1 April 2025, to 31 March 2026. The reporting scope and boundaries include Bajaj Finserv Ltd., 13 subsidiaries offices spread across the different states of India.

1. Bajaj Life Insurance Ltd. (Bajaj Life)
2. Bajaj General Insurance Ltd. (Bajaj General)
3. Bajaj Finance Ltd. (BFL)
4. Bajaj Finserv Direct Ltd. (BFSD)
5. Bajaj Housing Finance Ltd. (BHFL)
6. Bajaj Financial Securities Ltd. (BFSL)
7. Bajaj Finserv Ventures Ltd. (BFSV)
8. Bajaj Alternative Investment Management Ltd. (Bajaj Alts)
9. Bajaj Finserv Asset Management Ltd. (BFS AMC)
10. Bajaj Finserv Health Ltd. (BFHL)
11. Vidal Healthcare Services Pvt. Ltd. (VIDAL)
12. Bajaj Financial Distributor Ltd. (BFDL)
13. Bajaj Staffing Solutions Ltd. (BSSL)

Assurance Methodology

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of their comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core, and non-core indicators, and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the head office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIs.

Limitations

SGS India did not come across any limitation to the agreed scope of the assurance engagement. SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources, and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the Company. Our opinion on financial indicators is based on the third-party financial reports audited by the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data reviews outside the operational sites as mentioned in the reporting boundary.

- Validation of any data and information other than those presented in 'Findings and Conclusions.'
- The assurance engagement considers an uncertainty of ±5% based on the materiality threshold for assumption/ estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to intellectual property rights and other competitive issues.
- Mapping of the report with reporting frameworks other than those mentioned in the reporting criteria above.

Findings and Conclusions

BRSR Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report, on the core indicators (Annexure A), is complete, accurate, reliable, has been fairly stated in all material respects, and is prepared in line with the BRSR requirements.

BRSR Non-Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the data reported (Annexure B) in the BRSR report are not prepared, in all material respects, in accordance with the reporting criteria.

For and on behalf of SGS India Pvt. Ltd.

Kalpesh Thombare
Technical Reviewer and National Manager – ESG & Sustainability Services, SGS India.

26 June 2026.

Namrata Kamble
Lead Verifier – ESG & Sustainability Services, SGS India
Team Member – Chirag Bafna, Tushar Girigosavi

26 June 2026.

Annexure A

The BRSR Core indicators that were subject to verification under this assurance engagement are detailed below:

Sr. no.	Attribute	Parameter	Unit of measures	Verified value
1	Green house gas (GHG) footprint greenhouse gas emissions may be measured in accordance with the greenhouse gas protocol: A Corporate Accounting and Reporting Standard*	Total scope 1 emissions	MT of CO_2e	9,398.24
		Total scope 2 emissions	MT of CO_2e	51,643.43
		Total scope 1 and scope 2 emission	MT CO_2e/ Revenue from operations ₹ In Crore adjusted to PPP	61,041.66
		intensity per rupee of turnover adjusted for purchasing power parity (PPP)	Operations ₹ In Crore adjusted to PPP	8.25
2	Water footprint	Total water consumption	KL	1,231,644
		Water consumption intensity	KL / Revenue from operations ₹ In Crore adjusted for PPP	8.18
		Water discharge by destination and levels of Treatment	KL	NA
3	Energy footprint	Total energy consumed	Giga Joules (GJ)	3,58,266
		% of energy consumed from renewable sources	In % terms	0.38%
		Energy intensity	GJ/ Revenue from operations ₹ In Crore adjusted for PPP	47.62
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	MT	1.77
		E-waste (B)	MT	12.83
		Bio-medical waste (C)	MT	1.53
		Construction and demolition waste (D)	MT	NA
		Battery waste (E)	MT	101.13
		Radioactive waste (F)	MT	NA
		Other hazardous waste. Please specify, if any. (G)	MT	NA
		Other non-hazardous waste generated (H). Please specify, if any.	MT	148.68
		Total waste generated ((A+B + C + D + E + F + G + H)	MT	265.94
		Waste intensity per rupee of turnover adjusted for purchasing power parity (PPP)	MT / Revenue from operations ₹ In Crore adjusted for PPP	0.04
		Total waste recovered through recycling, re-using or other recovery operations		
		(i) Recycled	MT	86.14
		(ii) Re-used	MT	0.00
		(iii) Other recovery		6.38
		Total	MT	92.52
		Total waste disposed of nature of disposal method		
		(i) Incineration	MT	0.003
		(ii) Landfilling	MT	-
		(iii) Safe disposal	MT	173.41
		Total	MT	173.42

Sr. no.	Attribute	Parameter	Unit of measures	Verified value
5	Enhancing employee wellbeing and safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the Company	In % terms	0.12%
		Details of safety-related incidents for employees and workers (including contract-workforce e.g. workers in the Company's construction sites)	1. Number of permanent disabilities	-
			2. Lost time injury frequency rate (LTIFR) (per one million-person hours worked)	-
			3. No. of fatalities	-
6	Enabling gender diversity in business	Gross wages paid to females as % of wages paid	In % terms	10.16%
		Complaints on POSH	Total complaints on sexual harassment (POSH) reported	47
			Complaints on POSH as a % of female employees / workers	0.30%
			Complaints on POSH upheld	24
7	Enabling inclusive development	Input material sourced from following sources as % of total purchases –and from within India	Directly sourced from MSMEs/ small producers (In % terms – As % of total purchases by value)	6%
		Job creation in smaller towns – wages paid to persons employed in smaller towns (permanent or non-permanent / on contract) as % of total wage cost	Rural	0.26%
			Semi-urban	1.31%
			Urban	19.43%
			Metropolitan	79.00%
8	Fairness in engaging with customers and suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	Nil
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	11
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	Purchases from trading houses as % of total purchases	NA
			Number of trading houses where purchases are made from	NA
			Purchases from top 10 trading houses as % of total purchases from trading houses.	NA
			Sales to dealers / distributors as % of total sales	NA
			Number of dealers /distributors to whom sales are made	NA
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA
			Share of RPTs (as respective %age) in -	
			Purchases	2.58%
			Sales	0.10%
			Loans & advances	0.05%
			Investments	0.21%

*Note: Values are consolidated at the Group level and do not represent individual-level data.

Annexure B

The BRSR (Core and Non-Core) indicators that were subject to verification under this assurance engagement are detailed below:

	Limited		Reasonable
Principles	**Essential indicators**	**Leadership indicators**	**Core indicators**
Section A	General disclosures		
Section B	Management and process disclosures		
Section C			
Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.	1,2,3,4,5,6,7	1,2	8,9
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.	1,2,3,4	1,2,3,4,5	-
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.	1(a)(b),2,3,4,5,6,7,8,9,10, 12,13,14,15	1,2,3,4,5,6	1(c),11
Principle 4: Businesses should respect the interests of and be responsive to all their stakeholders.	1,2	1,2,3	-
Principle 5: Businesses should respect and promote human rights.	1,2,3(a),4,5,6,8,9,10,11	1,2,3,4,5	3(b),7
Principle 6: Businesses should respect and make efforts to protect and restore the environment.	2,5,6,8,10,11,12,13	1,2,3,4,5,6,7	1,3,4,7,9
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	1(a)(b),2	1	-
Principle 8: Businesses should promote inclusive growth and equitable development.	1,2,3	1,2,3,4,5,6	4,5
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	1,2,3,4,5,6	1,2,3,4	7

GHG Assurance Statement

Bajaj Finserv Ltd.
6th Floor, Bajaj Finserv Corporate office,
off Pune-Ahmednagar Road,
Viman Nagar, Pune – 411014

SGS India Pvt. Ltd. (hereinafter referred to as SGS India) was contracted by Bajaj Finserv Ltd. (the 'Company' or 'BFS') to conduct an independent assurance of its annual Greenhouse Gas (GHG) inventory for scope 1, scope 2, and scope 3 pertaining to the reporting period of 1 April 2025 to 31 March 2026. The Company has developed its GHG inventory in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and ISO 14064-1 standard. SGS India has conducted reasonable level assurance for Scope 1 and scope 2 and limited level assurance for scope 3 data. This assurance engagement was conducted in accordance with the 'International Standard on Assurance Engagements (ISAE) 3410'.

SGS India verified the following parameters given in the Table below:

Scope 1, Scope 2, and Scope 3 Data

	Actual emission (tCo_2e)		
Locations	**Scope 1**	**Scope 2**	**Scope 3**
Bajaj Life Insurance Ltd. (Bajaj Life)	1,248.87	7,076.03	20,416.14
Bajaj General Insurance Ltd. (Bajaj General)	1,001.45	4,801.92	12,206.12
Bajaj Finance Ltd. (BFL)	6,234.00	34,755.03	97,983.78
Bajaj Finserv Direct Ltd. (BFSD)	228.09	501.99	652.33
Bajaj Housing Finance Ltd. (BHFL)	374.82	2,072.08	3,781.01
Bajaj Financial Securities Ltd. (BFSL)	56.83	942.82	913.77
Bajaj Finserv Ventures Ltd. (BFSV)	NA	NA	NA
Bajaj Alternative Investment Management Ltd. (Bajaj Alts)	NA	NA	NA
Bajaj Finserv Asset Management Ltd. (BFS AMC)	43.03	492.43	1,606.79
Bajaj Finserv Health Ltd. (BFHL)	154.70	348.72	577.88
Vidal Healthcare Services Pvt. Ltd. (VIDAL)	6.66	536.34	1207.20
Bajaj Financial Distributor Ltd. (BFDL)	NA	NA	NA
Bajaj Staffing Solutions Ltd. (BSSL)	NA	NA	NA
Bajaj Finserv Ltd. (BFS)	49.79	116.07	556.06
Total	**9,398.24**	**51,643.43**	**139,901.08**

Verification statement no: BA_ESG_7119872_GHG_V1

Statement date: 26 June 2026.

This statement is issued, on behalf of client, by SGS India ('SGS') under its general conditions for ESG assurance services. A full copy of this statement may be consulted at SGS India. This statement does not relieve client from compliance with any regulations that applied to it. Stipulations to the contrary are not binding on SGS and therefore SGS shall have no responsibility vis-à-vis parties other than its client.

This statement is not valid without the full verification scope, objectives, criteria and findings available on the statement.

Independent Assurance Statement

Independent Assurance Statement to Bajaj Finserv Ltd. on its GHG Inventory for the FY 2025-26

The Board of Directors,

Bajaj Finserv Ltd.
6th Floor, Bajaj Finserv Corporate office,
off Pune-Ahmednagar Road,
Viman Nagar, Pune – 411014

Nature of the Assurance

SGS India Pvt. Ltd. (hereinafter referred to as SGS India) was contracted by Bajaj Finserv Ltd. (the 'Company') to conduct an independent assurance of its annual Greenhouse Gas (GHG) inventory for scope 1, scope 2 and scope 3 pertaining to the reporting period of 1 April 2025 to 31 March 2026. The Company has developed its GHG inventory in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and ISO 14064-1 standard. SGS India has conducted reasonable level assurance for scope 1, and scope 2, and limited level assurance for scope 3 data. This assurance engagement was conducted in accordance with the 'International Standard on Assurance Engagements (ISAE) 3410'.

Intended Users of this Assurance Statement

This assurance statement is provided with the intention of informing all Bajaj Finserv Ltd.'s Stakeholders.

Responsibilities

The information in the report and its presentation is the responsibility of the Management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, calculation, and statements within the defined scope of verification, aiming to inform the Management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific purpose, and it is not intended for use in interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope. The Company holds the responsibility for preparing and ensuring the fair representation of the verification scope.

Assurance Standard

SGS India has conducted reasonable level assurance for scope 1 & scope 2, and limited level assurance for scope 3 data. This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3410. Our evidence-gathering procedures were designed to obtain a 'Reasonable level of assurance', which involves the underlying assumption that the control environment and controls are reliable.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Bajaj Finserv Ltd., being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG verification and GHG validation lead auditors and experience on the SRA assurance.

Scope of Assurance

The assurance exercise included the evaluation of quality, accuracy, and reliability of the GHG inventory on scope 1, scope 2 and scope 3 data for the period 1 April 2025 to 31 March 2026. The reporting scope and boundaries include Bajaj Finserv Ltd., 13 subsidiaries offices spread across the different states of India and this is aligned with the GHG inventory consolidation approach.

1. Bajaj Life Insurance Ltd. (Bajaj Life)
2. Bajaj General Insurance Ltd. (Bajaj General)
3. Bajaj Finance Ltd. (BFL)
4. Bajaj Finserv Direct Ltd. (BFSD)
5. Bajaj Housing Finance Ltd. (BHFL)
6. Bajaj Financial Securities Ltd. (BFSL)
7. Bajaj Finserv Ventures Ltd. (BFSV)
8. Bajaj Alternative Investment Management Ltd. (Bajaj Alts)
9. Bajaj Finserv Asset Management Ltd. (BFS AMC)
10. Bajaj Finserv Health Ltd. (BFHL)
11. Vidal Healthcare Services Pvt. Ltd. (VIDAL)
12. Bajaj Financial Distributor Ltd. (BFDL)
13. Bajaj Staffing Solutions Ltd. (BSSL)

Assurance Methodology

The assurance comprised a combination of pre-assurance research, interaction with the key personnel engaged in the process of developing the Company's GHG inventory, on-site visits, and remote desk review & verification of data. Specifically, SGS India executed the following activities:

- Interaction with key personnel from the head office and selected manufacturing locations to understand and review the current processes in place for developing the Company's GHG inventory.
- Assessment of internal control mechanism to ensure the reliability and accuracy of emission data.
- Review of the data management system used for collection and consolidation of emission data.
- Review of consistency of data/information within the GHG inventory and between the inventory and source.
- Evaluation of the appropriateness of the quantification methods used to arrive at scope 1, scope 2, and scope 3 emissions with respect to the specific requirements of the GHG Protocol.
- Assurance of emission data on a sample basis, including conversion factors and emissions factors.

Limitations

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data review outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in 'Findings and Conclusion.'
- The assurance engagement considers an uncertainty of ±3% based on materiality threshold for assumption/ estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to intellectual property rights and other competitive issues.
- Strategy and other related linkages expressed in the report.

- Mapping of the report with reporting frameworks other than those mentioned in reporting criteria above, SGS India verified data on a sample basis; the responsibility for the authenticity of data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Findings and Conclusions

Scope 1, Scope 2 and Scope 3 inventory:

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the information presented by the Company in its GHG inventory report is not prepared, in all material respects, in accordance with the reporting criteria.

SGS India verified the following parameters given in the table below:

Scope 1, Scope 2 and Scope 3 Data:

	Scope 3
Scope 1: Direct carbon emissions from owned/controlled operations- Unit-tCO_2Eq	
a. Direct emissions from stationary combustion	103.49
b. Direct emissions from mobile combustion	6,179.58
c. Fugitive direct emissions	3,115.16
Scope 1 Total emission	9,398.24
Scope 2: Indirect carbon emissions- unit-tCO_2Eq	Scope 2: Indirect carbon emissions- Unit-tCO2Eq
a. Indirect emissions from purchased/acquired electricity	51,643.43
Scope 2 Total Emission	51,643.43
Scope 3: Indirect carbon emissions- unit-tCO_2Eq	Scope 3: Indirect carbon emissions- Unit-tCO2Eq
Category 1: Purchased goods and services	1,271.61
Category 2: Capital goods	15,020.73
Category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)	11,587.34
Category 5: Waste generated in operations	110.58
Category 6: Business travel	29,970.07
Category 7: Employee commute	81,940.75
Scope 3 Total emission	139,901.08

For and on behalf of SGS India Pvt. Ltd.

Kalpesh Thombare,
Technical Reviewer and National Manager –
ESG & Sustainability Services, SGS India.

26 June 2026.

Namrata Kamble
Lead Verifier – ESG & Sustainability Services, SGS India
Team Member – Tushar Girigosavi, Chirag Bafna

26 June 2026.

Annexure 1: Codes and Policies

The following are the codes and policies which are accessible through our Company website with Link: https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes.

The mapping of the NGRBC principles to the respective policies/codes of the Company is as follows:

Sr. no.	Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Responsible and sustainable business conduct policy	●	●	●	●	●	●	●	●	●
2	Code of Ethics and Personal Conduct (COEPC)	●		●						
3	Employee Charter and Human Rights Statement	●		●	●	●				●
4	Prevention of sexual harassment at workplace policy (POSH)	●		●		●				
5	Disciplinary action and grievance redressal policy (DAP)	●		●		●				
6	Whistle blower policy	●		●		●				
7	Policy on materiality of and dealing with related party transactions	●		●		●				
8	Corporate social responsibility policy (CSR)	●			●				●	
9	Code of conduct for directors and senior management	●								
10	Code of practices and procedures for fair disclosure of unpublished price sensitive information (UPSI)	●								●
11	Policy on determination of materiality for disclosure of events or information	●								
12	Policy for determining 'material' subsidiaries	●								
13	Performance evaluation criteria for Board, Committees of Board, Chairperson and Directors	●								
14	Remuneration policy	●								
15	Cyber security policy	●								●
16	Information security policy	●								●
17	Know your customer (KYC) policy	●								●
18	Anti-money laundering policy	●								
19	Intragroup investment policy	●								
20	Environment health and safety policy		●	●						
21	BFS group EHS manual		●	●						
22	Familiarisation programme for independent directors	●								
23	Employee Charter and Human Rights Statement	●		●	●	●				●
24	Model code of conduct for ethical business practices	●								
25	Charter on fair and responsible workplace guidelines for collaborative employee relations			●		●				
26	Charter on fair and responsible workplace guidelines for contract labour			●		●			●	
27	Bajaj Finserv Ltd. employee stock option scheme			●						
28	Dividend policy	●								
29	Archival policy	●								

Annexure 2: Mapping United Nations Sustainable Development Goals (UNSDG)

We have mapped our initiatives under the BRSR principles to the United Nations Sustainable Development Goals

Principle 1:

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Principle 2 :

Businesses should provide goods and services in a manner that is sustainable and safe.

Principle 3 :

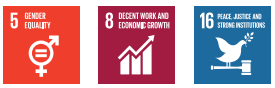
Businesses should respect and promote the well-being of all employees, including those in their value chains.

Principle 4 :

Businesses should respect the interests of and be responsive to all its stakeholders.

Principle 5 :

Businesses should respect and promote human rights.



Principle 6 :

Businesses should respect and make efforts to protect and restore the environment.

Principle 7 :

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Principle 8 :

Businesses should promote inclusive growth and equitable development.

Principle 9 :

Businesses should engage with and provide value to their consumers in a responsible manner.

BAJAJ GENERAL

CARINGLY YOURS

LIFE IS UNPREDICTABLE, KEEP YOURSELF PREPARED

FASTEST RESPONSE | QUICK CLAIM SETTLEMENT

HEALTH

An invitation to good health

MOTOR

Your journey, protected at every turn

TRAVEL

Fly higher without worries

CYBER

Protecting you against evolving cyber threats

HOME

Because every home deserves protection

PET

Give your furry friend the care they give you

Contact your Bajaj General Care Advisor | **1800 209 0144** | **bajajgeneralinsurance.com**

To download the **Bajaj General App,** scan this QR code

Available on

Bajaj General Insurance Limited *(Formerly known as Bajaj Allianz General Insurance Co. Ltd.), Bajaj Insurance House, Airport Road, Yerawada, Pune - 411006. IRDAI Reg No.: 113. | CIN: U66010PN2000PLC015329 | For more details on risk factors and Terms and Conditions, please read the sales brochure before concluding a sale. | BGI-O-0524/12-01-2026*

BAJAJ TECH.AI

AI-Powered Solutions

Engineered for Business Outcomes

Accelerating AI-powered Transformation

BAJAJ TECH.AI

BAJAJ ALTS

A New Chapter in
ALTERNATIVE INVESTING

Institutional-grade alternatives, built on a century of trust.

At Bajaj Alts, we focus on building enduring wealth through carefully curated alternative strategies.

Discover more

Disclaimer: Investments in securities market are subject to market risks. Read all scheme related documents carefully before investing. This shall not be construed as an offer, advertisement or a solicitation to offer. Bajaj Alternate Investment Management Limited | SEBI PMS Registration Number: INP000009904.
Website: bajajalts.in

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report on the Consolidated Financial Statements

To The Members of **Bajaj Finserv Ltd.**

Opinion

1. We have audited the accompanying consolidated financial statements of Bajaj Finserv Ltd. ('the Holding Company' or 'the Parent' or 'the Company') and its subsidiaries (the parent and its subsidiaries together referred to as 'the Group') and its associates, which comprise the consolidated Balance Sheet as at 31 March 2026 and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information ('the consolidated financial statements').

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2026, and its consolidated profit and other comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit reports of the other auditors referred to in the 'Other matters' paragraph below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

The joint auditors of Bajaj Finance Ltd. (a subsidiary of the Holding Company), vide their audit report dated 29 April 2026, have expressed an unmodified opinion on the financial statements. Based on consideration of their report, the following key audit matters have been included by us on as is where is basis as under:

Sr. No.	Key audit matter	How the matter was addressed in our audit
1	**Assessment of impairment loss allowance based on expected credit loss ('ECL') on Loans** As at 31 March 2026, the outstanding balances of loans granted by the Company aggregated to ₹ 376,792.12 crore and the associated impairment loss allowance recognised in the books aggregated to ₹ 9,566.16 crore. The impairment loss allowance is determined in accordance with the expected credit loss ('ECL') model specified under Ind AS 109 'Financial Instruments' and involves exercise of judgment by the Management in estimating the expected losses using components of ECL such as probability of default ('PD'), loss given default ('LGD') and exposure at default (expected balance at default together with expected drawdown from committed lines) ('EAD'), staging of loans, etc. Quantitative factors like days past due, behaviour of the loan portfolio, historical losses incurred on defaults, macro-economic data points and recovery post default, and qualitative factors like nature of the underlying loan, deterioration in credit quality, correlation of macro-economic variables to determine expected losses, probability weights applied to reflect future economic conditions and related Reserve Bank of India ('RBI') guidelines, to the extent applicable, etc. are also taken into account in the ECL computation. In view of the significant management judgment around determination of impairment loss and the complexity of the ECL model, we determined this to be a key audit matter.	The procedures performed by the auditors, as reported by them, included the following: • Understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the Company's Management over the: i. assumptions used in the calculation of ECL and its various aspects such as the determination of PD, LGD, EAD, staging of loans, etc.; ii. completeness and accuracy of source data used by the Management in the ECL computation; iii. approval of changes to ECL methodology and models through the Company's governance framework; and iv. computation of ECL. • Assessed the Company's accounting policy in respect of loans and related ECL provisioning for compliance with Ind AS 109 'Financial Instruments'; • With the assistance of auditors' experts, verified the appropriateness of the methodology and models used by the Company and assessed reasonableness of the assumptions used within the computation process to determine the impairment loss allowance as per the requirements of Ind AS 109 'Financial Instruments' and ECL policy of the Company; • Tested, on a sample basis, the completeness and accuracy of the source data used; • Recomputed the impairment loss allowance for a sample of loans spread across the portfolios, to check the arithmetical accuracy and compliance with the ECL methodology approved by the Board of Directors of the Company; • Evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the financial statements.

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

Sr. No.	Key audit matter	How the matter was addressed in our audit
2	**Information technology ('IT') systems and controls impacting financial reporting** The IT environment of the Company is complex and involves a large number of independent and interdependent IT systems used in the operations of the Company for processing and recording a large volume of transactions. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Company. Further, the Company migrated its loan book from its legacy loan management system (LMS) to another LMS during the year. The Company also upgraded its general ledger application during the year and migrated its data to the newer version. Appropriate IT general controls and IT application controls are required to ensure that such IT systems are able to process the data as required, completely, accurately, and consistently for reliable financial reporting. We have identified key IT systems ('in-scope' IT systems) which have an impact on the financial reporting process and the related controls testing as a key audit matter because of the complexity of the IT systems and high level of dependency on these systems for processing of financial transactions and their impact on the financial reporting process.	The procedures performed by the auditors, as reported by them, included the following: • Involved our technology specialists to obtain an understanding of the IT environment, IT applications and related infrastructure and to assess the controls relevant to financial reporting. • Evaluated the design and tested the operating effectiveness of relevant IT general controls over the 'in-scope' IT systems and IT dependencies identified as relevant for our audit of the financial statements and financial reporting process of the Company. • On such 'in-scope' IT systems, tested key IT general controls with respect to the following domains: i. Program change management, which includes that program changes are moved to the production environment as per defined procedures and relevant segregation of environment is ensured; ii. User access management, which includes user access provisioning, de-provisioning, access review, password management, sensitive access rights and segregation of duties to ensure that privilege access to applications, operating systems and databases in the production environment were granted only to authorised personnel; iii. Program development, which includes controls over IT application development or implementation and related infrastructure, data migration from one LMS to another LMS; and from legacy to newer version of its general ledger application; iv. IT operations, which includes job scheduling, monitoring, data backup and recovery; v. Performed procedures to assess the completeness and accuracy of data migrated from the legacy LMS to the new LMS; and from legacy to newer version of its general ledger application. • Evaluated the design and tested the operating effectiveness of relevant key IT dependencies within the key business processes, which included testing automated controls, automated calculations/ accounting procedures, interfaces, segregation of duties and system generated reports, as applicable. • Communicated with the Management and those charged with governance and tested a combination of compensating controls, remediated controls and/ or performed alternative audit procedures, where necessary.

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

The joint auditors of Bajaj Finance Ltd. (a subsidiary of the Holding Company), vide their audit report dated 29 April 2026, have expressed an unmodified opinion on the financial statements. They have reported certain key audit matters in respect of Bajaj Housing Finance Ltd., a step-down subsidiary of the Holding Company. Based on consideration of their report, the following key audit matters have been included by us on as is where is basis as under:

Sr. No.	Key audit matter	How the matter was addressed in our audit
1	**Allowances for expected credit loss (ECL)** Allowances for expected credit losses ('ECL'): as at 31 March 2026, the carrying value of loan assets aggregated ₹ 123,745.05 crore (net of allowance for expected credit loss ₹ 730.00 crore) constituting approximately 97% of the Company's total assets. Significant judgment is used in classifying these loan assets and applying appropriate measurement principles. ECL on loan assets is a critical estimate involving greater level of management judgment. As part of our risk assessment, we determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the standalone financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets; • Basis used for estimating probabilities of default ('PD'), loss given default ('LGD') and exposure at default ('EAD') at product level with past trends; • Judgments used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and • Adjustments to model driven ECL results to address emerging trends.	The procedures performed by the auditors, as reported by them, included the following: We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ('ECL Model') that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures. Additionally, we have confirmed that adjustments to the output of the ECL Model are consistent with the documented rationale and basis for such adjustments and that the amount of adjustments have been approved by the Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others: Testing the design and operating effectiveness of the following: • Completeness and accuracy of the EAD and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied; • Completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; • Accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL model; and Test of details on a sample basis in respect of the following: • Accuracy and completeness of the input data such as period of default and other related information used in estimating the PD; • The mathematical accuracy of the ECL computation by using the same input data as used by the Company. • Completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed. • Evaluating the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL model to ensure that the adjustment was in conformity with the overlay amount approved by the Audit Committee of the Company.

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

Sr. No.	Key audit matter	How the matter was addressed in our audit
2	**Information technology (IT) systems and controls impacting financial controls** The Company's key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated. Amongst its multiple IT systems, we scoped in systems that are key for overall financial reporting. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. We have identified 'IT systems and controls' as a key audit matter considering the high level of automation, multiple systems being used by Management and the complexity of the IT architecture and its impact on overall financial reporting process.	The procedures performed by the auditors, as reported by them, included the following: Key IT audit procedures performed included the following, but not limited to: • For testing the IT general controls, application controls and IT dependent manual controls, we involved IT specialists as part of the audit. • Obtained a comprehensive understanding of IT applications landscape implemented at the Company. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people, process and technology. • Key IT audit procedures includes testing design and operating effectiveness of key controls operating over user access management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production environment are compliant to the defined procedures and segregation of environment is ensured), computer operations (which includes testing of key controls pertaining to backup, incident management and data centre security), System interface controls. This included testing that requests for access to systems were appropriately logged, reviewed, and authorised. • In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested using various techniques such as inquiry, review of documentation/ record/reports, observation, and re-performance.

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

The joint auditors of Bajaj Finance Ltd. (a subsidiary of the Holding Company), vide their audit report dated 29 April 2026, have expressed an unmodified opinion on the financial statements. They have reported certain key audit matters in respect of Bajaj Financial Securities Ltd., a step-down subsidiary of the Holding Company. Based on consideration of their report, the following key audit matters have been included by us on as is where is basis as under:

Sr. No.	Key audit matter	How the matter was addressed in our audit
1	**IT systems and controls** Financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, hence we identified IT systems and controls over financial reporting as a key audit matter for the Company. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.	The procedures performed by the auditors, as reported by them, included the following: • We performed the following procedures on the IT infrastructure and applications relevant to financial reporting: • We involved our IT specialists for assessment of the IT systems and controls over financial reporting; • Understood general IT controls over key financial accounting and reporting systems (referred to as 'in-scope systems') which covered access controls, program/system changes, program development and computer operations; • Tested the design and operating effectiveness of the Company's IT access control over the information system that are important to financial reporting. • Carried the test of controls with respect to the IT general controls. This included testing that requests for access to systems were appropriately reviewed and authorised. • Tested the Company's periodic review of access rights. Carried test of controls with respect to changes to systems for appropriate approval and authorisation.

Other information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the consolidated financial statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditors' report.

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

7. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of management and those charged with governance for the consolidated financial statements

9. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows of the Group including its associates is in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

10. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

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

13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

13.4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

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

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

13.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other matter

17. The following other matter paragraph has been included in the audit report of Bajaj Life Insurance Ltd. (formerly known as Bajaj Allianz Life Insurance Company Ltd.) ('Bajaj Life'), a subsidiary of the Holding Company, issued by the joint statutory auditor of Bajaj Life vide their audit report dated 24 April 2026:

    a. The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists. The actuarial valuation of these liabilities has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with the IRDAI;

    b. Other adjustments and judgments, for the purpose of consolidation confirmed by the Appointed Actuary in accordance with Indian Accounting Standard 104 - Insurance Contracts are as under:

        i. Assessment of contractual liabilities based on classification of contracts into insurance contracts and investment contracts;

        ii. Valuation and classification of deferred acquisition cost and deferred origination fees, if any;

        iii. Grossing up and classification of the reinsurance assets and policy liabilities; and

        iv. Liability adequacy test as at the reporting dates.

    Auditors of Bajaj Life have relied upon the Appointed Actuary's certificate and management's representation in this regard for forming our opinion on the aforesaid mentioned items.

18. The actuarial valuation of liabilities in respect of claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER') included under claims outstanding and premium deficiency reserve ('PDR') of Bajaj General Insurance Ltd. (formerly known as Bajaj Allianz General Insurance Company Ltd.) ('Bajaj General') is the responsibility of the Bajaj General's Appointed Actuary.
The actuarial valuation of these liabilities as at 31 March 2026 has been duly certified by the Appointed Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 'Insurance Contracts', Ind AS 109 'Financial Instruments', guideline and norms, issued by IRDAI and Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming opinion.

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

19. The consolidated financial statements include the audited financial statements of eight subsidiaries whose financial statements reflect total assets of ₹ 699,881.04 crore (before consolidation adjustments) as at 31 March 2026, total revenue of ₹ 116,433.56 crore (before consolidation adjustments), total net profit of ₹ 19,120.70 crore (before consolidation adjustments) for the year ended 31 March 2026, and net cash outflow of ₹ 818.44 crore (before consolidation adjustments) as at year ended 31 March 2026, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 16.46 crore for the year ended 31 March 2026, in respect of two associates as considered in the consolidated financial statements. These financial statements have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these subsidiaries and associates have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

20. The consolidated financial statements include the financial statements of a step-down subsidiary incorporated outside India, whose financial statements reflect total assets of ₹ 10.25 crore (before consolidation adjustments) as at 31 March 2026, total revenue of ₹ 0.09 crore (before consolidation adjustments), total net loss of ₹ 0.11 crore (before consolidation adjustments) for the year ended 31 March 2026, and net cash inflow of ₹ 10.16 crore (before consolidation adjustments) as at year ended 31 March 2026, as considered in the consolidated financial statement. The financial statements of this step-down subsidiary have been prepared in accordance with accounting principles generally accepted in its host country and which have been audited by other independent auditors under generally accepted auditing standards applicable in the host country. The Management of the step-down subsidiary has converted such financial statements from accounting principles generally accepted in its host country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Management of the step-down subsidiary. Our opinion in so far as it relates to the balances and affairs of such step-down subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the Management of the step-down subsidiary and audited by us.

21. The consolidated financial statements include the consolidated financial information of a step-down subsidiary whose financial reflect total assets of ₹ 54.65 crore (before consolidation adjustments) as at 31 March 2026, total revenue of ₹ 30.44 crore (before consolidation adjustments), total net loss of ₹ 2.11 crore (before consolidation adjustments) for the year ended 31 March 2026 of its subsidiary incorporated outside India which are management certified. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this step-down subsidiary incorporated outside India is based solely on such certified financial information given to the independent auditor of the step-down subsidiary. In our opinion and according to the information and explanations given to us by the Board of Directors, this financial information is not material to the Group.

22. Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on other legal and regulatory requirements

23. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries and associates as were audited by other auditors, as noted in the 'other matters' paragraph, we report, to the extent applicable, that:

23.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

23.2. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

23.3. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

Statement of Cash Flow dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

23.4. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act read with the relevant rules thereunder.

23.5. On the basis of the written representations received from the directors of the Holding Company, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the group companies and its associate companies incorporated in India are disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act.

23.6. With respect to the adequacy of internal financial controls with reference to the consolidated financial statements of the Holding Company, its subsidiary companies and associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

23.7. In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and associate companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and associate companies incorporated in India to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company; its subsidiary companies and associate companies incorporated in India is not in excess of the limit laid down under section 197 of the Act.

24. With respect to the other matters to be included in the Auditors' Report in accordance with rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries and associates, as noted in the 'other matters' paragraph:

24.1. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group and its associates – Refer note 42A to the consolidated financial statements.

24.2. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer note 5 and note 46(13) to the consolidated financial statements in respect of such items as it relates to the Group and its associates.

24.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and/or its subsidiary companies and associate companies incorporated in India during the year ended 31 March 2026.

24.4. The respective Managements of the Holding Company, its subsidiaries and associates incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associates to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and associates ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

24.5. The respective Managements of the Holding Company, its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively, to best of their knowledge and belief, that no funds have been received by the Holding Company or any of such subsidiaries and associates from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associates shall, whether, directly or indirectly, lend or invest in other persons or entities

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

identified in any manner whatsoever by or on behalf of the Funding Parties ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

24.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us and those performed by auditors of the subsidiaries and associates incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representation under sub clause (i) and (ii) of rule 11(e), as provided under paragraph 24.4 and 24.5 above, contain any material misstatement.

24.7. In our opinion and according to the information and explanations given to us, the dividend declared and paid during the year by the Holding Company is in compliance with section 123 of the Act.

24.8. Based on our examination which included test checks and that performed by respective auditors of the subsidiaries and associates which are the companies incorporated in India whose financial statements have been audited under the Act, the Holding Company, subsidiaries and associates have used an accounting software for maintaining its books of account which has a feature of recording audit trail facility (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries and associates did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Holding Company and above referred subsidiaries and associates as per the statutory requirements for record retention.

25. With respect to the matters specified in paragraphs 3 (xxi) and 4 of the Companies (Auditors' Report) Order, 2020 ('CARO') issued by Central Government in terms of section 143(11) of the Act, to be included in Auditors' report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and based on our consideration of CARO reports issued by respective auditors of the companies included in consolidated financial statements, we report that there are no material qualifications or adverse remarks in these CARO reports.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494
UDIN: 26033494GDIZQA7481

Pune : 30 April 2026

Annexure A to the Independent Auditors' Report

Annexure 'A' to the Independent Auditors' Report on the Consolidated Financial Statements of Bajaj Finserv Ltd. for the year ended 31 March 2026

(Referred to in paragraph '23.6' under 'Report on other legal and regulatory requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

Opinion

1. In conjunction with our audit of the consolidated financial statements of Bajaj Finserv Ltd. as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to the consolidated financial statements of Bajaj Finserv Ltd. ('the Holding Company'), its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

2. In our opinion, the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for internal financial controls

3. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' responsibility

4. Our responsibility is to express an opinion on the Holding Company, its subsidiaries and its associates, which are companies incorporated in India, internal financial controls with reference to the consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of internal financial controls with reference to the consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'other matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements.

Annexure A to the Independent Auditors' Report (Contd.)

Meaning of internal financial controls with reference to the consolidated financial statements

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

Inherent limitations of internal financial controls with reference to the consolidated financial statements

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

Other matters

9. Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the consolidated financial statements in so far as it relates to eight subsidiary companies and two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associates incorporated in India.

10. The auditors of Bajaj Life Insurance Ltd. (formerly known as Bajaj Allianz Life Insurance Company Ltd.) ('Bajaj Life'), vide their report on the internal financial controls with reference to the aforesaid consolidated financial statements under clause (i) of sub-section 3 of section 143 of the Act dated 24 April 2026, have report that:

    a. The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists. The actuarial valuation of these liabilities has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with the IRDAI;

    b. Other adjustments and judgments, for the purpose of consolidation confirmed by the Appointed Actuary in accordance with Indian Accounting Standard 104 - Insurance Contracts are as under:

        i. Assessment of contractual liabilities based on classification of contracts into insurance contracts and investment contracts;

        ii. Valuation and classification of deferred acquisition cost and deferred origination fees, if any;

        iii. Grossing up and classification of the reinsurance assets and policy liabilities; and

        iv. Liability adequacy test as at the reporting dates.

    Our opinion on the consolidated financial statements is not modified in respect of this matter.

11. The actuarial valuation of liabilities in respect of claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER') included under claims outstanding and premium deficiency reserve ('PDR') of Bajaj General Insurance Ltd. (formerly known as Bajaj Allianz General Insurance

Annexure A to the Independent Auditors' Report (Contd.)

Company Ltd.) ('Bajaj General') is the responsibility of the Bajaj General's Appointed Actuary. The actuarial valuation of these liabilities as at 31 March 2026 has been duly certified by the Appointed Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 'Insurance Contracts', Ind AS 109 'Financial Instruments', guideline and norms, issued by IRDAI and Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming opinion.

Our opinion on the consolidated financial statements is not modified in respect of the above matter.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494
UDIN: 26033494GDIZQA7481

Pune : 30 April 2026

Consolidated Balance Sheet

(₹ In Crore)

Particulars	Note No.	As at 31 March 2026	2025
ASSETS			
Financial assets			
Cash and cash equivalents	3	3,598.59	5,762.45
Bank balances other than cash and cash equivalents	4	14,019.45	9,974.35
Derivative financial instruments	5	2,418.38	1,032.52
Trade receivables	6	9,332.08	8,319.35
Loans	7	500,015.97	408,490.77
Investment in joint venture and associates	8	416.80	400.33
Shareholders' investments	9A	47,883.10	53,556.05
Policyholders' investments	9B	146,113.64	136,173.40
Other financial assets	10	23,093.53	17,930.33
		746,891.54	**641,639.55**
Non-financial assets			
Current tax assets (net)		424.20	682.31
Deferred tax assets (net)	11A	2,051.08	1,201.54
Investment properties	12	28.40	29.06
Property, plant and equipment	13A	2,862.66	2,782.87
Right-of-use assets	13B	1,500.97	1,374.02
Capital work-in-progress	46(18)	250.31	122.95
Intangible assets under development	46(19)	71.00	191.08
Goodwill on consolidation		802.84	802.84
Other intangible assets	14	1,534.20	1,308.34
Other non-financial assets	15	2,080.34	2,097.05
		11,606.00	**10,592.06**
Total		**758,497.54**	**652,231.61**

Consolidated Balance Sheet (Contd.)

(₹ In Crore)

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables	16		
Total outstanding dues of micro enterprises and small enterprises		29.03	31.81
Total outstanding dues of creditors other than micro enterprises and small enterprises		9,023.09	7,933.04
Other payables	17		
Total outstanding dues of micro enterprises and small enterprises		0.33	0.42
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,440.86	2,595.13
Derivative financial instruments	5	1,557.94	76.03
Debt securities	18	186,264.24	147,740.18
Borrowings (other than debt securities)	19	170,642.53	132,102.99
Deposits	20	68,535.45	71,403.13
Subordinated liabilities	21	2,805.31	3,103.54
Insurance contracts liabilities		147,817.93	134,678.68
Investment contracts liabilities		13,336.99	12,943.26
Lease liabilities	22	1,666.43	1,504.81
Other financial liabilities	23	4,200.79	2,632.59
		608,320.92	**516,745.61**
Non-financial liabilities			
Current tax liabilities (net)		628.82	460.87
Deferred tax liabilities (net)	11B	2.80	712.51
Provisions	24	1,018.30	676.66
Other non-financial liabilities	25	7,561.42	5,201.73
		9,211.34	**7,051.77**
EQUITY			
Equity share capital	26	159.87	159.60
Other equity	27	77,754.66	72,235.71
Non-controlling interest		63,050.75	56,038.92
		140,965.28	**128,434.23**
Total		**758,497.54**	**652,231.61**

Summary of material accounting policies followed by the Group 2

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

As per our report of even date

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Pune: 30 April 2026

On behalf of the Board of Directors

Ramandeep Singh Sahni
Chief Financial Officer

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Uma Shende
Company Secretary

Dr. Naushad Forbes
Chairman-Audit Committee
DIN: 00630825
Place: Lausanne

Consolidated Statement of Profit and Loss

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2026	2025
Revenue from operations			
Interest income	28	79,955.95	67,449.06
Dividend income		218.63	174.50
Rental income		2.07	3.95
Fees and commission income	29	6,797.78	5,449.17
Net gain/(loss) on fair value changes	30	(1,824.08)	2,160.35
Sale of services	31	1,013.17	959.33
Premium and other operating income from insurance business		63,134.10	55,462.08
Others	32	1,206.15	1,284.81
Total revenue from operations		**150,503.77**	**132,943.25**
Other income	33	26.61	1.07
Total income		**150,530.38**	**132,944.32**
Expenses			
Employee benefits expenses	34	14,122.17	12,069.62
Finance costs	35	28,231.78	24,309.70
Fees and commission expense	36	10,732.35	8,715.66
Impairment on financial instruments	37	9,479.99	7,069.78
Claims incurred pertaining to insurance business	46(18)	26,731.23	24,671.38
Reinsurance ceded	46(19)	13,126.59	11,874.58
Net change in insurance/investment contract liabilities		12,027.11	12,401.80
Depreciation, amortisation and impairment	38	1,291.36	1,170.32
Other expenses	39	7,541.62	6,931.26
Total expenses		**123,284.20**	**109,214.10**
Profit before exceptional item and tax		**27,246.18**	**23,730.22**
Exceptional item			
Impact of new labour codes	39(A)	379.49	-
Share of profit/(loss) of joint venture/associates		16.46	17.99
Profit before tax		**26,883.15**	**23,748.21**
Tax expense			
Current tax		7,844.21	6,722.88
Tax credit pertaining to earlier years		(69.77)	(338.29)
Deferred tax		(560.76)	(194.02)
Total tax expense	40	7,213.68	6,190.57
Profit after tax		**19,669.47**	**17,557.64**
Profit attributable to non-controlling interests		9,868.50	8,685.33
Profit for the year		**9,800.97**	**8,872.31**

Consolidated Statement of Profit and Loss (Contd.)

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2026	2025
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gain/(loss) of defined benefit plans		33.16	(44.51)
Tax impacts on above		(5.76)	9.46
Changes in fair value of equity instruments carried at FVTOCI		(311.05)	94.33
Tax impacts on above		83.68	(22.92)
Items that will be reclassified to profit or loss			
Changes in fair value of debt securities carried at FVTOCI		(3,326.67)	1,386.48
Tax impacts on above		630.82	(275.06)
Derivative instruments in cash flow hedge relationship		(1,558.37)	304.93
Tax impacts on above		196.52	(31.97)
Cost of hedging reserve		14.84	5.99
Tax impacts on above		7.72	(1.44)
Change in foreign currency translation reserve		0.22	-
Other comprehensive income for the year (net of tax)		**(4,234.89)**	**1,425.29**
Total comprehensive income for the year		**15,434.58**	**18,982.93**
Profit attributable to			
Owners of the Company		9,800.97	8,872.31
Non-controlling interests		9,868.50	8,685.33
Total comprehensive income attributable to			
Owners of the Company		6,665.78	9,955.40
Non-controlling interests		8,768.80	9,027.53
Basic Earnings per share (in ₹)	41	61.3	55.6
Diluted Earnings per share (in ₹)	41	61.0	55.0
(Nominal value per share ₹ 1)			

Summary of material accounting policies followed by the Group 2

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

As per our report of even date

On behalf of the Board of Directors

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Ramandeep Singh Sahni
Chief Financial Officer

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Uma Shende
Company Secretary

Dr. Naushad Forbes
Chairman-Audit Committee
DIN: 00630825

Pune: 30 April 2026

Place: Lausanne

Consolidated Statement of Changes in Equity

A Equity share capital

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2026	2025
At the beginning of the year		159.60	159.41
Changes in equity share capital during the year		0.27	0.19
At the end of the year	26	**159.87**	**159.60**

Consolidated Statement of Changes in Equity (Contd.)

B Other equity

(₹ In Crore)

Particulars	Note No.	Reserves and surplus								Other comprehensive income		Total attributable to equity holders of the parent	Total non-controlling interest	Total
		Securities premium	General reserve	Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	Reserve fund in terms of section 29C of the National Housing Bank Act, 1987	Infrastructure reserve in terms of section 36 (1) (viii) of the Income-tax Act, 1961	Share based payments reserve	Treasury shares	Retained earnings	Equity instruments through other comprehensive income	Debt and Hedge instruments through other comprehensive income			
Balance as at 1 April 2024	27	14,399.65	2,090.69	5,198.99	225.26	274.51	613.07	(104.31)	36,205.27	534.83	731.25	60,169.23	43,447.21	103,616.44
Profit for the year		-	-	-	-	-	-	-	8,872.31	-	-	8,872.31	8,685.33	17,557.64
Other comprehensive income (net of tax)		-	-	-	-	-	-	-	(21.46)	82.41	1,022.14	1,083.09	342.20	1,425.29
Total comprehensive income for the year ended 31 March 2025		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8,850.85**	**82.41**	**1,022.14**	**9,955.40**	**9,027.53**	**18,982.93**
Issue of equity share capital		(575.51)	-	-	-	-	-	-	-	-	-	(575.51)	577.75	2.24
Share issue expenses		(0.06)	-	-	-	-	-	-	-	-	-	(0.06)	(0.06)	(0.12)
Received on allotment of shares to Trust for employees pursuant to ESOP scheme		288.60	-	-	-	-	-	-	-	-	-	288.60	173.75	462.35
Transfer to Reserve fund in terms of section 45IC(1) of the Reserve Bank of India Act, 1934 and section 29C of the National Housing Bank Act, 1987		-	-	1,713.86	68.13	-	-	-	(1,781.99)	-	-	-	-	-
Transfer to Infrastructure reserve in terms of section 36(1) (viii) of the Income-tax Act, 1961		-	-	-	-	154.17	-	-	(154.17)	-	-	-	-	-
Reclassification of gain on sale of FVTOCI equity instruments (net of tax impacts)		-	-	-	-	-	-	-	518.43	(518.43)	-	-	-	-
Final dividend, declared and paid during the year		-	-	-	-	-	-	-	(159.67)	-	-	(159.67)	(1,384.57)	(1,544.24)
Recognition of share based payments to employees		-	-	-	-	-	361.63	-	-	-	-	361.63	124.16	485.79
Transfer on exercise of option		(2.24)	-	-	-	-	(142.07)	-	2.24	-	-	(142.07)	(74.37)	(216.44)
Realisation from treasury shares held by ESOP trust		-	-	-	-	-	-	40.40	-	-	-	40.40	(1.10)	39.30
Exercise of options by employees pursuant to ESOP scheme		139.83	-	-	-	-	-	-	-	-	-	139.83	-	139.83
Transfer on cancellation of stock options		-	15.56	-	-	-	(15.56)	-	-	-	-	-	1.10	1.10
Adjustment for change of ownership interest in subsidiary without loss of control		-	-	-	-	-	-	-	2,061.35	-	-	2,061.35	1,949.84	4,011.19
Adjustment of dividend to ESOP Trust		-	-	-	-	-	-	-	(0.90)	-	-	(0.90)	0.94	0.04
Adjustment because of change in shareholding in subsidiary		13.03	0.38	4.96	0.21	0.26	0.34	-	28.86	0.01	(0.77)	47.28	(47.28)	-
Non-controlling interests of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	2,244.02	2,244.02
		14,263.30	2,106.63	6,917.81	293.60	428.94	817.41	(63.91)	45,570.27	98.82	1,752.62	72,185.51	56,038.92	128,224.43
Add: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2024		139.89	-	-	-	-	-	-	-	-	-	139.89	-	139.89
Less: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2025		89.69	-	-	-	-	-	-	-	-	-	89.69	-	89.69
Balance as at 31 March 2025	27	**14,313.50**	**2,106.63**	**6,917.81**	**293.60**	**428.94**	**817.41**	**(63.91)**	**45,570.27**	**98.82**	**1,752.62**	**72,235.71**	**56,038.92**	**128,274.63**

Consolidated Statement of Changes in Equity (Contd.)

(₹ In Crore)

Particulars	Note No.	Reserves and surplus								Other comprehensive income		Total attributable to equity holders of the parent	Total non-controlling interest	Total
		Securities premium	General reserve	Reserve fund in terms of section 45-IC (1) of the Reserve Bank of India Act, 1934	Reserve fund in terms of section 29C of the National Housing Bank Act, 1987	Infrastructure reserve in terms of section 36 (1) (viii) of the Income-tax Act, 1961	Share based payments reserve	Treasury shares	Retained earnings	Equity instruments through other comprehensive income	Debt and Hedge instruments through other comprehensive income			
Balance as at 31 March 2025	27	**14,313.50**	**2,106.63**	**6,917.81**	**293.60**	**428.94**	**817.41**	**(63.91)**	**45,570.27**	**98.82**	**1,752.62**	**72,235.71**	**56,038.92**	**128,274.63**
Profit for the year		-	-	-	-	-	-	-	9,800.97	-	-	9,800.97	9,868.50	19,669.47
Other comprehensive income (net of tax)		-	-	-	-	-	-	-	13.53	(159.86)	(2,988.86)	(3,135.19)	(1,099.70)	(4,234.89)
Total comprehensive income for the year ended 31 March 2026		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9,814.50**	**(159.86)**	**(2,988.86)**	**6,665.78**	**8,768.80**	**15,434.58**
Issue of equity share capital		2.81	-	-	-	-	-	-	-	-	-	2.81	-	2.81
Share issue expenses		(1.78)	-	-	-	-	-	-	-	-	-	(1.78)	(1.69)	(3.47)
Received on allotment of shares to Trust for employees pursuant to ESOP scheme		601.14	-	-	-	-	-	-	-	-	-	601.14	169.70	770.84
Transfer to Reserve fund in terms of section 45IC(1) of the Reserve Bank of India Act, 1934 and section 29C of the National Housing Bank Act,1987		-	-	1,828.02	78.04	-	-	-	(1,906.06)	-	-	-	-	-
Transfer to Infrastructure reserve in terms of section 36(1)(viii) of the Income-tax Act, 1961		-	-	-	-	184.75	-	-	(184.75)	-	-	-	-	-
Reclassification of gain on sale of FVTOCI equity instruments (net of tax impacts)		-	-	-	-	-	-	-	244.38	(244.38)	-	-	-	-
Final dividend, declared and paid during the year		-	-	-	-	-	-	-	(159.78)	-	-	(159.78)	(1,691.63)	(1,851.41)
Recognition of share based payments to employees		-	-	-	-	-	279.00	-	-	-	-	279.00	124.55	403.55
Transfer on exercise of option		(2.81)	-	-	-	-	(194.48)	-	2.81	-	-	(194.48)	(88.41)	(282.89)
Realisation from treasury shares held by ESOP trust		-	-	-	-	-	-	51.97	-	-	-	51.97	(2.29)	49.68
Exercise of options by employees pursuant to ESOP scheme		191.67	-	-	-	-	-	-	-	-	-	191.67	-	191.67
Transfer on cancellation of stock options		-	25.90	-	-	-	(25.90)	-	-	-	-	-	2.29	2.29
Adjustment for change of ownership interest in subsidiary without loss of control		-	-	-	-	-	-	-	(390.84)	-	-	(390.84)	(1,859.19)	(2,250.03)
Adjustment of dividend to ESOP Trust		-	-	-	-	-	-	-	19.64	-	-	19.64	1.74	21.38
Adjustment because of change in shareholding in subsidiary		21.50	(0.54)	(9.18)	(10.76)	(0.54)	(2.43)	-	697.43	31.72	40.70	767.90	(767.90)	-
Change in foreign currency translation reserve		-	-	-	-	-	-	-	0.36	-	-	0.36	0.04	0.40
Amount transferred to capital redemption reserve upon buy back of equity shares		-	-	-	-	-	-	-	(6.05)	-	6.05	-	-	-
Amount utilised for Buy-back of equity shares		-	-	-	-	-	-	-	(2,151.39)	-	-	(2,151.39)	(630.70)	(2,782.09)
Non- Controlling interests of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	2,986.52	2,986.52
		15,126.03	**2,131.99**	**8,736.65**	**360.88**	**613.15**	**873.60**	**(11.94)**	**51,550.52**	**(273.70)**	**(1,189.49)**	**77,917.71**	**63,050.75**	**140,968.46**
Add: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2025		89.69	-	-	-	-	-	-	-	-	-	89.69	-	89.69
Less: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2026		252.74	-	-	-	-	-	-	-	-	-	252.74	-	252.74
Balance as at 31 March 2026	27	**14,962.98**	**2,131.99**	**8,736.65**	**360.88**	**613.15**	**873.60**	**(11.94)**	**51,550.52**	**(273.70)**	**(1,189.49)**	**77,754.66**	**63,050.75**	**140,805.41**

Summary of material accounting policies followed by the Group 2

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

As per our report of even date

On behalf of the Board of Directors

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Ramandeep Singh Sahni
Chief Financial Officer

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Uma Shende
Company Secretary

Dr. Naushad Forbes
Chairman-Audit Committee
DIN: 00630825

Pune: 30 April 2026

Place: Lausanne

Consolidated Statement of Cash Flows

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
I. Operating activities		
Profit before tax	26,883.15	23,748.21
Adjustments for		
Interest income	(79,955.95)	(67,449.06)
Dividend income	(218.63)	(174.50)
Rental income	(2.07)	(3.95)
Unwinding of discount on security deposit	(2.07)	(1.05)
Realised gain on sale of investment	(450.04)	(242.34)
Depreciation and amortisation	1,291.36	1,170.32
Share of (profit)/loss of joint venture/associates	(16.46)	(17.99)
Impairment on financial instruments	9,479.99	7,069.78
Net (gain)/loss on disposal of property, plant and equipment	16.49	29.40
Finance costs	28,231.78	24,309.70
Share based payment to employees	631.79	545.61
Net gain/(loss) on financial instruments at fair value through profit or loss	1,824.08	(2,160.35)
Interest from loans (other than financing activity)	(95.32)	(72.04)
Remeasurement gain/(loss) on defined benefit plans	0.66	(0.87)
Service fees for management of assigned portfolio of loans	(15.71)	(27.13)
Provision for doubtful debts	3.65	3.88
Income on derecognised (assigned) loans	(465.46)	(552.04)
Interest received on income tax refund	(25.66)	-
Cash inflow from servicing and interest spread on assigned loans	51.39	59.31
Cash inflow from interest on investments	2,947.54	2,313.47
Cash inflow from interest on loans under financing activity	70,393.75	58,185.94
Cash outflow towards finance cost	(25,946.79)	(22,420.31)
Cash from operation before working capital changes	34,561.47	24,313.99
Working capital changes		
(Increase)/decrease in bank balances other than cash and cash equivalents	(4,124.26)	(3,095.95)
(Increase)/decrease in trade receivables	(1,298.52)	(2,378.28)
(Increase)/decrease in loans	(102,868.10)	(89,191.40)
(Increase)/decrease in investments classified as FVTPL	6,212.53	(1,429.16)
(Increase)/decrease in other financial assets	1,010.93	981.80
(Increase)/decrease in other non-financial assets	16.05	(321.80)
(Increase)/decrease re-insurance assets	(2,031.20)	(3,034.96)
(Increase)/decrease in derivative financial instrument (net)	105.12	56.54
Increase/(decrease) in trade payables	1,174.11	116.65
Increase/(decrease) in other payables	885.39	1,713.54
Increase/(decrease) in other financial liabilities	1,564.63	846.10
Increase/(decrease) in provisions	338.76	91.68
Increase/(decrease) in other non-financial liabilities	1,995.10	1,007.39
Increase/(decrease) insurance contract liabilities	14,548.71	15,215.07
Income tax paid (net of refunds)	(7,392.13)	(6,641.63)
Net cash flows from/(used in) operating activities	**(55,301.41)**	**(61,750.42)**

Consolidated Statement of Cash Flows (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
II. Investing activities		
Purchase of property, plant and equipment	(1,014.29)	(1,323.22)
Sale proceeds of property, plant and equipment	130.61	148.26
Purchase of intangible assets	(433.89)	(540.35)
Purchase of investments measured at amortised cost	(177,937.84)	(177,450.35)
Proceeds from investments measured at amortised cost	164,219.95	167,170.38
Expenses related to investments	(5.94)	(5.58)
Purchase of investments measured at FVTOCI	(45,186.17)	(32,173.92)
Proceeds from sale of investments measured at FVTOCI	42,979.26	30,320.83
Purchase of investments measured at FVTPL	(2,067.07)	(1,308.55)
Proceeds from sale of investments measured at FVTPL	838.42	1,044.53
Purchase of equity investments designated at FVTOCI	(308.14)	(35.00)
Loan against policies	(574.98)	(339.16)
Repayment of loan received	203.02	183.75
Rent/interest/dividend received	7,582.67	6,560.13
Fixed deposits placed during the year	(2,443.93)	(1,811.06)
Fixed deposits matured during the year	2,283.42	1,767.19
Payment for acquisition of business net of cash	(951.94)	(234.82)
(Investment in)/realisation from treasury shares by ESOP trust	51.97	40.40
Net cash flows from/(used in) investing activities	**(12,634.87)**	**(7,986.54)**

Consolidated Statement of Cash Flows (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
III. Financing activities		
Issue of equity share capital (including securities premium)	698.19	515.10
Proceeds from dilution of stake in subsidiary (net of IPO expenses)	1,380.22	6,097.67
Share issue expenses	(3.47)	(0.12)
Dividends paid	(1,847.69)	(1,541.71)
Deposits received, net	(3,761.08)	10,527.22
Short term borrowing availed (net)	11,884.04	8,786.81
Long term borrowing availed	113,336.67	84,967.14
Long term borrowing repaid	(52,123.84)	(39,124.45)
Payment for buyback of equity shares	(2,510.92)	-
Payment of lease liability	(441.80)	(399.18)
Net cash flow from financing activities	**66,610.32**	**69,828.48**
Net change in cash and cash equivalents	**(1,325.96)**	**91.52**
Cash and cash equivalents at the beginning of the year	8,616.20	8,524.68
Cash and cash equivalents at year end*	7,290.24	8,616.20

*** Cash and cash equivalents at year end**

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Cash and cash equivalents as per note 3	3,598.59	5,762.45
Other short-term liquid investment	3,691.65	2,853.75
	7,290.24	**8,616.20**

Summary of material accounting policies followed by the Group 2

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

As per our report of even date

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Pune: 30 April 2026

On behalf of the Board of Directors

Ramandeep Singh Sahni
Chief Financial Officer

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Uma Shende
Company Secretary

Dr. Naushad Forbes
Chairman-Audit Committee
DIN: 00630825
Place: Lausanne

Notes to consolidated financial statements for the year ended 31 March 2026

1A Background of the Group

Bajaj Finserv Ltd. (the 'Holding Company', 'BFS') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Holding Company and its subsidiaries and associates (together known as 'the Group') is primarily engaged in the business of promoting a broad range of financial services such as financing, insurance, investments, healthcare, technology services, digital healthcare platforms, stockbroking etc. and includes distribution using digital platforms. The businesses of the Group are carried out through its investments in subsidiaries and associates. The Group is also engaged in the business of generating power through wind turbines, a renewable source of energy. The Holding Company's registered office is at Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Pune, Maharashtra, India. Its shares are listed on two recognised stock exchanges in India.

As per Reserve Bank of India (Core Investment Companies) Directions, 2025, the Holding Company is termed as an unregistered core investment company (CIC). As an unregistered CIC, the Group must invest at least 90% of its net assets in group companies, of which at least 60% must be through equity investments.

The consolidated financial statements of Bajaj Finserv Ltd. were subject to review and recommendation for adoption by Audit Committee and approval of Board. On 30 April 2026, Board of the Holding Company approved and recommended the consolidated financial statements of Bajaj Finserv Ltd. for consideration and adoption by the shareholders in its annual general meeting.

The consolidated financial statements of Bajaj Finserv Ltd. include financial statements of the following subsidiaries and associates of Bajaj Finserv Ltd., consolidated in accordance with Indian Accounting Standard ('Ind AS') 110 'Consolidated Financial Statements' and Ind AS 28 'Investments in Associates. The consolidated financial statements comprise financial statements of Bajaj Finserv Ltd., its subsidiaries and associates for the year ended 31 March 2026.

Name of the Company	Country of incorporation	% Shareholding of Bajaj Finserv Ltd.	Consolidated as
Bajaj General Insurance Ltd. (formerly known as Bajaj Allianz General Insurance Company Ltd.) (Bajaj General)@	India	77.33%	Subsidiary
Bajaj Life Insurance Ltd. (Formerly known as Bajaj Allianz Life Insurance Company Ltd.) (Bajaj Life)@	India	77.33%	Subsidiary
Bajaj Finance Ltd.* (BFL)	India	51.32%	Subsidiary
Bajaj Finserv Direct Ltd.# (BFSD)	India	80.10%	Subsidiary
Bajaj Finserv Health Ltd.^ (BFHL)	India	100%	Subsidiary
Bajaj Finserv Ventures Ltd. (BFSV)	India	100%	Subsidiary
Bajaj Finserv Mutual Fund Trustee Ltd.	India	100%	Subsidiary
Bajaj Finserv Asset Management Ltd. (AMC)	India	100%	Subsidiary
Bajaj AIF Trustee Ltd.	India	100%	Subsidiary
Bajaj Alternate Investment Management Ltd. (Alts)	India	100%	Subsidiary
Bajaj Financial Distributors Ltd.** (Formerly known as Bajaj Allianz Financial Distributors Ltd.) (BFDL)	India	100%	Subsidiary

@ (a) On 8 January 2026 (transaction date), Bajaj Finserv Ltd. (BFS) along with its Promoter Group entities, namely Bajaj Holdings & Investment Ltd. and Jamnalal Sons Pvt. Ltd., completed the acquisition of 23% equity stake held by Allianz SE in the two insurance subsidiaries, namely Bajaj General Insurance Ltd. (formerly known as Bajaj Allianz General Insurance Company Ltd.) and Bajaj Life Insurance Ltd. (formerly known as Bajaj Allianz Life Insurance Company Ltd.).

Consequent to this transaction:

- BFS acquired 1.01 % equity stake for an amount aggregating to ₹ 939.44 crore. Pursuant to this, BFS held 75.01 % equity stake in each of Bajaj General Insurance Ltd. and Bajaj Life Insurance Ltd.
- The existing joint venture agreements between BFS and Allianz SE were terminated.

(b) Subsequently, on 12 March 2026 (transaction date), pursuant to the Buyback offer, Allianz SE tendered its entire remaining equity stake of 3% each in the insurance subsidiaries. Pursuant to the completion of the buyback:

- Allianz SE fully exited both Bajaj General Insurance Ltd. and Bajaj Life Insurance Ltd.
- BFS equity stake in each subsidiary has consequently increased from 75.01 % to 77.33%.

(c) The acquisition is accounted in the financials from the respective transaction date.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

*The consolidated financial statements of Bajaj Finance Ltd. (BFL, a subsidiary of the Holding Company) includes 86.70% interest in Bajaj Housing Finance Ltd (BHFL) and 100% interest in Bajaj Financial Securities Ltd. which have been accounted as subsidiaries. The consolidated financial results of BFL also include the share of its interest in Snapwork Technologies Pvt. Ltd. and Pennant Technologies Pvt. Ltd. which have been accounted as associates.

The remaining 19.90% shareholding is held by Bajaj Finance Ltd.

The consolidated financial statements of Bajaj Finserv Direct Ltd. includes 100% interest in Bajaj Technology Services Inc. as a subsidiary.

^The consolidated financial statements of Bajaj Finserv Health Ltd. include 100% interest in Vidal Healthcare Services Pvt. Ltd. as a subsidiary. It also includes Vidal Health Insurance TPA Pvt. Ltd., VH Medcare Pvt. Ltd. and VH International LLC as 100% step-down subsidiaries.

** On 16 January 2026 (transaction date), BFS completed the acquisition of 50% equity stake in Bajaj Financial Distributors Ltd. (BFDL) (formerly known as Bajaj Allianz Financial Distributors Ltd.) held by Allianz SE for ₹ 12.50 crore. Consequently, the joint venture agreement between BFS and Allianz SE was terminated, and BFDL has become a wholly owned subsidiary of BFS.

Bajaj Staffing Solutions Ltd. (formerly known as Bajaj Allianz Staffing Solutions Ltd.), wholly owned subsidiary of BFDL, has become an indirect wholly owned subsidiary of BFS.

2A Basis of preparation

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

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The consolidated financial statements are presented in Indian Rupee (INR), which is also the Group's functional currency, and all values are rounded off to the nearest crore (₹ 0,000,000) with two decimals as permitted by Schedule III to the Act, except where otherwise indicated.

The financial statements of the two insurance companies have been adjusted for giving effects of Ind AS (notified under section 133 of the Companies Act, 2013); (the special purpose Ind AS Financial Statements) and hence, would vary from those prepared by those companies for statutory purposes under the Insurance Act, 1938 and IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 along with various other circulars and notifications issued by the IRDAI.

However, no adjustments have been made to the financial statements of the two insurance subsidiaries on account of diverse accounting policies to the extent they are specific to insurance companies as and are required by regulations which are in contrast to that of Bajaj Finserv Ltd. and hence not practicable to do so. Also, differences in accounting policies followed by the other entities consolidated have been reviewed and adjustments have been made, only if these differences are material and significant.

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

2B Presentation of financial statements

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

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

2C Basis of consolidation

i. Business combinations

The Group accounts for its business combinations under acquisition method of accounting as per the guidance of Ind AS 103 Business combination. Acquisition related costs are recognised in consolidated Statement of Profit and Loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values except certain assets and liabilities which will be carried at cost at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in the equity of subsidiaries.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit and loss or OCI, as appropriate.

ii. Subsidiaries

Subsidiaries are entities controlled by the Holding Company. The Holding Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The consolidated financial statements of the Holding Company and its subsidiaries

2C Basis of consolidation (Contd.)

have been combined on a line-by-line basis by grouping together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

iii. Investment in associates (Equity accounted)

The Group's interests in equity-accounted investees comprise interests in associates.

Interests in associates are accounted for using the equity method, after initially being recognised at the cost in the consolidated Balance Sheet. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from equity accounted investees are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Profit or loss and each component of OCI are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests.

At each reporting date, the Group assess whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group determines the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit/loss of an associate' in the consolidated Statement of Profit and Loss.

iv. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Subsequently, NCI are adjusted for the NCI's share of the profit or loss and other comprehensive income of the subsidiary. When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest; and (ii) the carrying amount of the assets (including goodwill) and liabilities of the subsidiary, and any non-controlling interests.

v. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in consolidated Statement of Profit and Loss.

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

2D Material accounting policies followed by the Group

1. Use of estimates

The preparation of the Group's financial statements requires Management to make use of estimates, judgments and assumptions. These estimate, judgments and assumptions affect the application of accounting policies, the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities as at the reporting date and the reported amount of revenues and expenses during the year. Accounting estimates could change from period to period. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from the Management's estimates and judgments. Revisions to accounting estimates are recognised prospectively. Accounting estimates and judgments are used in various line items in the financial statements for example:

- Business model assessment
- Fair value of financial instruments
- Impairment of financial and non-financial assets
- Fair value of employee stock options
- Post employment benefits
- Valuation of insurance and investment contract liabilities
- Provisions and contingent liabilities

2. Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from Contracts with Customers'. The Group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. The Group recognises revenue at transaction price net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

i. Retail financing, investment and other services

a. Interest income

The Group recognises interest income using effective interest rate (EIR) method as per Ind AS 109 'Financial Instruments' on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVTOCI). The Group recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

The Group recognise delayed payment interest (penal interest and the like) for delay in repayments or non-payment of contractual cashflows and income on credit impaired loan assets on realisation.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is presented under interest income on investment.

Interest rebate for the timely payment of interest by borrowers is recognised once the full interest amount is received on time, adhering to the terms of the respective contract, and is netted against the corresponding interest income.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2D Material accounting policies followed by the Group (Contd.)

b. Fees and commission income

The Group recognises

- service and administration charges on completion of contracted service;
- bounce charges on realisation;
- fees on value added services and products on delivery of services and products to the customer;
- distribution income on completion of distribution of third-party products and services; and
- income on loan foreclosure and prepayment at point in time when the event is concluded.

c. Income on derecognised (assigned) loans

In direct assignment transactions, the Group recognises the excess interest spread (EIS) as the difference between the interest on the assigned loan portfolio and the rate agreed with the assignee. The Group records the discounted value of expected cash flow of the future EIS, entered with the assignee, upfront in the consolidated Statement of Profit and Loss. Any subsequent changes in the fair value of future EIS are recognised in the period in which it occurs. The embedded interest component in the future EIS is recognised as interest income in line with Ind AS 109 'Financial instruments'.

d. Net gain on fair value changes

The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVTOCI). The Group recognises gains/(losses) on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVTOCI equity instruments on net basis.

e. Windpower income

Income from windpower generation is recognised on acceptance of units generated by customer and after giving allowance for wheeling and transmission losses over time if any. Simultaneously, relevant entitlements for generating green energy are recognised to the extent the ultimate collection is reasonably certain.

f. Software services

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

g. Income from distribution of financial products

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

h. Income from manpower supply services

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

2D Material accounting policies followed by the Group (Contd.)

i. Asset management services and trusteeship fees

The Group generates its revenue by providing asset management services and trusteeship service to Bajaj Finserv Mutual Fund. The management fees are recognised on an accrual basis. The maximum amount of management fee that can be charged is subject to applicable SEBI regulations.

Trusteeship fee is recognised on accrual basis at specified rates agreed with the relevant schemes within the limits specified under the deed of trust and is applied on the daily net assets of each scheme of Bajaj Finserv Mutual Fund.

j. Health prime rider (HPR) and service revenue

Health prime rider is a comprehensive offering in the health ecosystem which is issued by one of the group insurance company and comprises benefits such as OPD, laboratory benefit, loyalty card, access to HealthRx mobile app and website. Pursuant to the terms of arrangement with the insurance company the Group's performance obligation is to be obliged over the policy period for the services rendered, the revenue and contract liability emanating from the said arrangement are recognised over the period of policy contract.

ii. General insurance

a. Gross premium

Premium (net of goods and service tax), including reinstatement premium on direct business and reinsurance accepted, is recorded as income at the commencement of risk and is recognised over the contract period or the period of risk, whichever is appropriate, on a gross basis and for instalment cases, it is recognised on instalment due dates.

In the case of long-term motor insurance policies, premium is recognised on a yearly basis as mandated by IRDAI. Any subsequent revisions to premium, as and when occur, are recognised in the year over the remaining period of risk or contract period, as applicable.

Adjustments to premium income arising on cancellation of policies are recognised in the period in which they are cancelled.

Crop and Government Health insurance premium under government schemes are recognised in accordance with contractual obligations where there is reasonable certainty of its ultimate collectability.

b. Premium on reinsurance ceded

Reinsurance premium in respect of proportional reinsurance is ceded at the commencement of the risk over the contract period or the period of risk. Non-proportional reinsurance premium is recognised when incurred and due. Any subsequent revisions to, refunds or cancellations of premiums are recognised in the period in which they occur.

The Group cedes insurance risk in the normal course of business for all of its businesses. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Gains or losses on buying reinsurance are recognised in the consolidated Statement of Profit and Loss immediately at the date of purchase. Ceded reinsurance arrangements do not relieve the Group from its obligations to policyholders.

c. Premium received in advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the consolidated balance sheet date.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2D Material accounting policies followed by the Group (Contd.)

d. Reinsurance accepted

Reinsurance inward acceptances are accounted for based on reinsurance slips accepted from the ceding insurers. The Group also assumes reinsurance risk in the normal course of business for insurance contracts where applicable. Premiums and claims on reinsurance are recognised as revenue or expenses in the same manner as they would be if the reinsurance contracts were considered as direct insurance contracts, taking into account the product classification of the reinsured business. Reinsurance liabilities represent balances due to insurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract.

Premiums and claims are presented on a gross basis for both ceded and assumed reinsurance.

Reinsurance assets or liabilities are derecognised when the contractual rights are extinguished or expire or when the contract is transferred to another party.

Reinsurance contracts that do not transfer significant insurance risk are accounted for directly through the statement of financial position. These are deposit assets or financial liabilities that are recognised based on the consideration paid or received less any explicit identified premiums or fees to be retained by the reinsured.

Amounts received/receivable from the reinsurers and co-insurers, under the terms of the reinsurance and co-insurance arrangements respectively, are recognised together with the recognition of the claim under recoveries from reinsurers- claims.

e. Commission income on reinsurance

Commission received on reinsurance ceded is recognised as income in the period in which reinsurance premium is ceded. Profit commission under re-insurance treaties, wherever applicable, is recognised in the period of final determination of the profits and as confirmed by the reinsurer.

iii. Life insurance

a. Gross premium

Premium is recognised on insurance contract and investment contracts with discretionary participation features (DPF) as income when due from policyholders. On unit linked policies, premium is recognised as income when associated units are created. In case of Variable Insurance Products (VIPs), premium income is recognised on the date when policy account value is credited. Premium on lapsed policies is recognised as income when such policies are reinstated. Top up premiums paid by unit linked policyholders' are considered as single premium and recognised as income when the associated units are created.

Income from unit-linked policies, which includes fund management charges, policy administration charges, mortality charges and other charges, if any, are recovered from the unit linked funds in accordance with terms and conditions of policies issued and are recognised when due.

Reinsurance premium ceded is accounted in accordance with the terms and conditions of the relevant treaties with the reinsurer.

iv. General

a. Dividend income

Dividends are recognised in the consolidated Statement of Profit and Loss only when the right to receive the income is established.

b. Rent and other income

Rental income is accounted on a straight-line basis over the lease terms on operating leases. Other income is recognised at transaction price net of variable consideration as per agreed terms of contracts.

2D Material accounting policies followed by the Group (Contd.)

3. Property, plant and equipment, intangible assets, amortisation and depreciation

a. Property, plant and equipment (PPE)

The Group had elected to continue with carrying value of all PPE as the deemed cost of PPE i.e. historical cost. PPE are stated at acquisition or construction cost less accumulated depreciation and impairment losses, if any. Land is carried at cost of acquisition. PPE not ready for the intended use on the date of consolidated Balance Sheet are disclosed as 'Capital work-in-progress'. Land is carried at cost.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. All other repair and maintenance costs are recognised in the consolidated Statement of Profit and Loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the consolidated Statement of Profit and Loss.

b. Depreciation

Depreciation on PPE is provided on straight-line method using the rates arrived at based on the useful lives as specified in the Schedule II except for the class of assets listed below where the useful life is determined by the Management through assessment of the Companies Act, 2013. Leasehold improvements are depreciated over the period of lease terms.

Nature of assets	Useful life as per Schedule II	Useful life adopted by the Group
Vehicles (in use by specified employees)	8 years	4 to 8 years
Mobile phones/tablets	3 years	2 to 3 years
Computers-end use machines	3 years	2 to 6 years
Office equipment*	5 years	2 to 8 years

*Sound box - Useful life adopted by the Group: 2 to 5 years

EDC machine – Useful life adopted by the Group: 4 to 6 years

c. Impairment of non-financial assets

An assessment is done at each balance sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit (CGU) is made. Where the carrying value of the asset/CGU exceeds the recoverable amount, the carrying value is written down to the recoverable.

d. Intangible assets and amortisation thereof

The Group recognises intangible assets, representing software, licenses etc. initially at cost and subsequently carries at cost less accumulated amortisation and accumulated impairment, if any. The Group recognises internally generated intangible assets when it is certain that the future economic benefit attributable to the use of such intangible assets are probable to flow to the Group, commercial feasibility of the project is demonstrated and the expenditure incurred for development of such intangible assets can be measured reliably. The cost of an internally generated intangible

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2D Material accounting policies followed by the Group (Contd.)

asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the Group. The Group amortises intangible assets including those internally generated using the straight-line method over a period of 2 to 15 years, which is the Management's estimate of its useful life.

4. Investment properties

Investment properties are property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Any gain or loss on disposal of an investment properties are recognised in consolidated Statement of Profit and Loss.

The Group depreciates the investment properties over a period of 60 years on a straight-line basis which is in line with the indicative useful life of relevant type of building mentioned in Part C of Schedule II to the Act.

5. Financial instruments

All financial instruments are recognised on the date when the Group becomes party to the contractual provisions of the financial instruments along with the certainty of ultimate collection in case of financial assets.

i. Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity.

ii. Initial recognition

Financial assets are initially recognised on the trade date measured at their fair value. Except for financial assets recorded at fair value through profit or loss account, transaction costs are added to this amount. However, trade receivables that do not contain a significant financing component are measured at transaction price.

iii. Classification

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms. The categories include the following:

- Amortised cost – Debt instruments
- Fair value through other comprehensive income (FVTOCI) – Debt instruments
- Fair value through other comprehensive income (FVTOCI) – Equity instruments
- Fair value through profit or loss account (FVTPL)

1. Financial asset at amortised cost

Financial assets are held at amortised cost if both of the following conditions are met:

- The instruments are held within a business model of collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding

2D Material accounting policies followed by the Group (Contd.)

The details of these conditions are outlined below:

a. Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held such that it best reflects the way the business is managed and is consistent with information provided to management. The information considered includes:

- The objectives for the portfolio, in particular, management's strategy of focusing on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

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

b. Assessment of solely payments of principal and interest (SPPI test)

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

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

2. Financial assets at FVTOCI

Financial assets are measured at FVTOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset meet the SPPI test.

On initial recognition of equity instruments that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (FVTOCI – equity investment). This election is made on an investment-by-investment basis.

3. Financial assets at FVTPL

Any financial asset, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified to be measured at FVTPL. In addition, the Group may also elect to classify a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as Designated FVTPL. However, such election is done only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2D Material accounting policies followed by the Group (Contd.)

iv. Subsequent measurement

1. Financial assets at amortised cost

After initial measurement, financial assets classified as at amortised cost are measured using the effective interest rate (EIR) method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. Expected credit losses (ECLs) are recognised in the consolidated Statement of Profit or Loss when such financial assets are impaired.

2. Financial assets at FVTOCI – Debt instruments

FVTOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income is recognised in consolidated Statement of Profit or Loss in the same manner as for financial assets measured at amortised cost.
On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to consolidated Statement of Profit or Loss.

3. Financial assets at FVTOCI – Equity instruments

The Group has certain investments as equity instruments for which it has elected to present subsequent changes in the fair value in other comprehensive income. All fair value changes of these equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, on sale of investments. Equity instruments at FVTOCI are not subject to an impairment assessment.

4. Financial assets at FVTPL

Financial assets at FVTPL are recorded in the consolidated Balance Sheet at fair value. Changes in fair value are recorded in consolidated Statement of Profit and Loss. Interest and dividend earned on these assets are recorded in consolidated Statement of Profit and Loss.

v. Reclassification

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. The Group did not reclassify any of its financial assets or liabilities in current period.

vi. Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) the Group has transferred substantially all the risks and rewards of the asset; or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the assets. The difference between carrying amount and consideration would go to consolidated Statement of Profit and Loss or OCI, as applicable

The Group transfers its financial assets through the partial assignment route and accordingly derecognises the transferred portion as it neither has any continuing involvement in the same nor does it retain any control. If the Group retains the right to service the financial asset, it recognises either a service asset or a service liability for that servicing contract. A service liability in respect of a service is recognised if the present value of fee to be received is not expected to compensate the Group adequately for performing the service. If the present value of fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

2D Material accounting policies followed by the Group (Contd.)

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in consolidated Statement of Profit and Loss.

Financial assets subsequently measured at amortised cost are generally held for collection of contractual cashflow. The Group on looking at economic viability of certain portfolios measured at amortised cost may enter into immaterial and infrequent transaction for sale of portfolios which doesn't affect the business model of the Group.

Write-off

Financial assets are written off when the Group has no reasonable expectation of recovery or expected recovery is not significant basis experience. Where the amount to be written off is greater than the accumulated loss allowance, the difference is recorded as an expense in the period of write off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures. Any recoveries made from written off assets are netted off from impairment on financial instrument in the consolidated Statement of Profit and Loss.

vii. Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECL) for all financial assets not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due as per contract and all the cash flows that the Group expects to receive, discounted at the appropriate effective interest rate. ECL are measured in a three-stage approach on financial assets measured at amortised cost and FVTOCI. The assets migrate through the following three stages based on an assessment of qualitative and quantitative considerations:

Stage 1 - 12-month ECL: For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, ECL are provided for credit losses that result from default events that are possible within the next 12-months (12-month ECL).

Stage 2 - Lifetime ECL (not credit impaired): For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Interest income is accrued using the effective interest rate on the gross carrying amount.

Stage 3 - Lifetime ECL (credit impaired): Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the issuer of security.
- A breach of contract such as default or past due event.
- Issuer of security may enter bankruptcy or financial reorganisation.
- Disappearance of an active market for a security because of financial difficulties.
- Downgrade of rating of the security.

ECL are a probability weighted estimate of credit losses measured by, determining the probability of default ('PD') and loss given default ('LGD'). For financial assets, PD has been computed by using a ratings-based matrix. The loss allowance has been measured using ECL except for financial assets which are:

- Government securities and other securities backed by GOI Securities,
- Any receivable from stock exchanges like BSE/NSE since the exchanges guarantees settlement.

The ECL for debt instruments measured at FVTOCI do not reduce the carrying amount of these financial assets in the consolidated Balance Sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI with a corresponding charge to consolidated Statement of Profit and Loss. The accumulated gain

2D Material accounting policies followed by the Group (Contd.)

recognised in OCI is recycled to the consolidated Statement of Profit and Loss upon derecognition of the assets.

Treatment of the different stages of financial assets and the methodology of determination of ECL

(a) Credit impaired (stage 3)

The Group classifies a financial asset as credit impaired (stage 3) when one or more events indicate impairment in the recoverability of future cash flows. The assessment is based on relevant objective evidence, including the following:

- Contractual payments of principal and/or interest are overdue for more than 90 days.
- Where any loan account of a customer is stage 3, all other loan accounts of the same customer are classified as stage 3 and remain so until overdues across all accounts are fully cleared.
- Where any loan account of a customer has been written off or settled under a one time compromise settlement, all other active loan accounts of such customer are classified as stage 3 for 12 months from the date of such event. Thereafter, such accounts are upgraded to stage 1 only upon clearance of all arrears of principal and interest.
- Restructured loans, involving modification of contractual terms due to financial distress of the borrower, are classified as stage 3. Restructuring does not result in derecognition of the financial asset. Such loans are upgraded to stage 1 only if:
  - The restructured loan is not in default until repayment of at least 10% of the principal outstanding or completion of 12 months, whichever is later; and
  - No other loan account of the same customer is in default during this period.
- Loan accounts where a one time compromise settlement is offered or where recovery is pursued through repossession of security involving waiver of interest and/or principal are classified as stage 3.
- Loan is otherwise considered to be in default based on the Group's internal credit risk assessment or other objective evidence indicating unlikelihood of timely repayment.

(b) Significant increase in credit risk (stage 2)

Bajaj Finance Ltd. and one of its subsidiary viz. Bajaj Financial Securities Ltd. considers loan accounts which are overdue for more than 1 day but up to 90 days as on the reporting date, whereas another subsidiary Bajaj Housing Finance Ltd. considers loan accounts which are overdue for more than 30 days but up to 90 days as on the reporting date, as an indication of significant increase in credit risk. Additionally, for mortgage loans, the Group recognises stage 2 based on other indicators such as frequent delays in payments beyond due dates.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, location (urban/rural) and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioural trends of default across the identified homogenous portfolios. These past trends factor in the customer behavioural trends. The assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

(c) Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial assets in stage 1. The Group has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using behavioural analysis and other performance indicators, determined statistically.

2D Material accounting policies followed by the Group (Contd.)

(d) Measurement of ECL

The Group calculates ECL based on discounted present value of probability weighted scenarios to measure the expected cash shortfall. Cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

It incorporates all information that is relevant including past events, current conditions and current profile of customers. Additionally, forecasts of future macro situations and economic conditions are considered as part of forward economic guidance (FEG) model. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a high correlation to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors. In addition, the estimation of ECL takes into account the time value of money.

The Group has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR.

- Determination of PD is covered above for each stages of ECL.
- EAD represents the expected balance at default, taking into account the repayment of principal and interest from the consolidated Balance Sheet date to the date of default together with any expected drawdowns of committed facilities.
- LGD represents expected losses on the EAD in the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Group recalibrates above components of its ECL model on annual basis by using the available incremental and recent information, except where this information does not represent the future outcome. Further, the Group assesses changes to its statistical techniques for a granular estimation of ECL.

(e) Classification of ECL

ECL for financial assets measured at amortised cost is recognised in the consolidated Statement of Profit and Loss. For financial assets measured at FVTOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the Balance Sheet. Impairment loss pertaining to credit risk on such assets is reclassified immediately to the consolidated Statement of Profit and Loss.

viii. Financial liabilities

Initial recognition and subsequent measurement

Financial liabilities are initially measured at fair value.

Financial liabilities are subsequently measured as financial liabilities at fair value through profit or loss or amortised cost, as appropriate. Financial liabilities are measured at fair value through profit or loss when they are held for trading.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated Statement of Profit and Loss. Gains or losses on liabilities at FVTPL are recognised in the consolidated Statement of Profit and Loss.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired through repayments or waivers.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2D Material accounting policies followed by the Group (Contd.)

ix. Derivative financial instruments

Interest rate derivative contracts for hedging of highly probable forecast transactions on insurance contracts and investment cash flows in life, pension and annuity business, are accounted for in the manner specified in accordance with Ind AS 109.

The Group enters into derivative financial instruments such as foreign exchange forward contracts, interest rate swap (IRS) and cross currency interest rate swaps (CCIRS) to manage its exposure to interest rate risk and foreign exchange rate risk. Derivative contracts are initially recognised at fair value on the date of entering into contract and are subsequently remeasured to their fair value at each consolidated balance sheet date. The resulting gains/losses are recognised in the consolidated Statement of Profit and Loss immediately unless the derivative is designated and is effective as a hedging instrument. For hedging instrument, the timing of the recognition in the consolidated Statement of Profit and Loss depends on the nature of the hedge relationship.

Further the Group enters into forward rate agreement ('FRA') and bond forward agreement ('BFA') as interest rate derivate instruments to hedge interest rate risk (thereby fixing the price of the underlying security) on highly probable forecasted cash flows.

Hedge accounting

The Group makes use of derivative instruments to manage exposures to interest rate risk and foreign currency risk. In order to manage particular risks, the Group applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Group would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedge

Hedges that meet the criteria for hedge accounting and qualify as cash flow hedges are accounted as follows:

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately as finance cost in the consolidated Statement of Profit and Loss.

When the hedged cash flow affects the consolidated Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the consolidated Statement of Profit and Loss.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the consolidated Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the consolidated Statement of Profit and Loss.

2D Material accounting policies followed by the Group (Contd.)

Fair value hedge

Fair value hedges hedge the exposure to changes in the fair value of a recognised liability, or an identified portion of such liability, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the consolidated Statement of Profit and Loss in finance costs. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the Balance Sheet and is also recognised in the consolidated Statement of Profit and Loss in finance cost.

The Group classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationship is fixed rate debt issued. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Group discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the consolidated Statement of Profit and Loss.

x. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

6. Expenses

i. Retail financing, investment and other services

a. Finance cost

Borrowing costs on financial liabilities are recognised using the EIR method as per Ind AS 109 'Financial Instruments'.

b. Fees and commission expense

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

ii. General insurance

a. Acquisition cost

Acquisition costs, defined as costs that vary with, and are primarily related to, the acquisition of new and renewal insurance contracts viz., commission, policy issue expenses etc., are expensed in the year in which they are incurred.

In case of long-term motor insurance policies, commission is expensed at the applicable rates on the first year of risk commencement.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2D Material accounting policies followed by the Group (Contd.)

b. Reserve for unexpired risk

Reserve for unexpired risk represents that part of the net premium (i.e., premium, net of reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Group under contractual obligations on contract period basis or risk period basis, whichever is appropriate, subject to a minimum of 100% in case of Marine Hull business and in case of other line of business based on net premium written on all unexpired policies at consolidated balance sheet by applying 1/365th method on the unexpired period of respective policies.

c. Gross incurred claims

Claims are recognised as and when reported. Claims incurred comprises claims paid and includes survey fees, legal expenses and other costs directly attributable to claims.

Claims paid (net of recoveries including salvage retained by the insured and includes interest paid towards claims) are charged to the consolidated Statement of Profit and Loss when approved for payment. Where salvage is retained by the Group, the recoveries from sale of salvage are recognised at the time of sale.

iii. Life insurance

a. Acquisition cost

Acquisition costs are costs that vary with and are primarily related to acquisition of new and renewal insurance contracts. Acquisition cost mainly consist of commission, medical costs, stamp duty and other related expenses. These costs are expensed out in the year in which they are incurred.

b. Benefits paid

Benefits paid comprise of policy benefits and claim settlement costs.

Death claims, including claims arising from riders are accounted for on receipt of intimation. Survival, maturity and annuity benefits are accounted when due as per the terms of the contract with the policyholder. Maturity claims under unit linked policies are accounted on due basis when the associated units are cancelled. Withdrawals and surrenders under non-linked policies are accounted on the receipt of intimation. Withdrawals and surrenders under unit-linked policies are accounted for on receipt of intimation when the associated units are cancelled. Surrender charges recovered, if any, are netted off against the claim expense incurred. Amount payable on discontinued policies are accounted for on expiry of lock-in-period of these policies.

Reinsurance recoveries are accounted for in the same period as the related claims and are presented separately from the claim expense incurred. Repudiated claims disputed before judicial authorities are provided for based on the best judgment of the Management considering the facts and evidence in respect of each such claim.

Amounts paid under investment contracts other than those with a discretionary participating feature are recorded as reductions of the investment contract liabilities.

7. Product classification for insurance companies

i. General insurance

Insurance contracts are those contracts where the Group (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire.

2D Material accounting policies followed by the Group (Contd.)

ii. Life insurance

Ind AS 104 requires Financial Instruments (investment contracts) to be separated from insurance contracts. The Group bifurcates contracts into insurance contracts and investment contracts basis recommendations of IRDAI working committee report dated 29 December 2016.

Insurance contracts are those contracts where the insurer has accepted significant insurance risk. The Group determines whether it has significant insurance risk, by comparing benefits paid on the occurrence of an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. Investment contracts are those contracts that transfer significant financial risk and no significant insurance risk.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire. Investment contracts can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

Insurance and investment contracts are further classified as being either with or without discretionary participating feature (DPF).

8. Taxes

i. Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

ii. Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date by the Group and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

9. Leases

The Group follows Ind AS 116 'Leases' for all long term and material lease contracts.

Where the Group is the lessee

Measurement of lease liability

At the time of initial recognition, the Group measures lease liability as present value of all lease payments over primary period of lease discounted using the Group's incremental cost of borrowing of similar tenure

2D Material accounting policies followed by the Group (Contd.)

and directly attributable costs. Subsequently, the lease liability is increased by interest on lease liability, reduced by lease payments made and remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

Measurement of Right-of-use assets

At the time of initial recognition, the Group measures 'Right-of-use assets' as present value of all lease payments over primary period of lease discounted using the Group's incremental cost of borrowing of similar tenure. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any re-measurement of the lease liability specified in Ind AS 116 'Leases'. Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Group recognises the lease payments associated with these leases as an expense over the lease term.

Modification of lease

Modification of lease due to change in scope or consideration or lease term requires remeasurement of lease liability.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Where the Group is the lessor

The Group has leased vehicles and transferred substantially all the associated risks and rewards incidental to ownership. Consequently, these leases are categorised as finance leases.

Assets leased out under finance leases are recorded as finance lease receivables, equivalent to the net investment in the lease. The net investment is calculated by discounting the gross lease investment at the interest rate implicit in the lease. The principal portion of lease payments decreases the net investment in the lease, while interest portion is recorded in the consolidated Statement of Profit or Loss under interest income throughout the lease term. This recognition is based on a consistent periodic rate of return on the Group's net investment in the lease.

10. Employee benefits expenses

i. Short-term employee benefits and defined contribution plan

Liabilities for salaries, including non-monetary benefits and accumulating leave balance in respect of employees' services up to the end of the reporting period, are recognised as liabilities (and expensed), and are measured at the amounts expected to be paid when the liabilities are settled.

The Group also recognises a liability and records an expense for bonuses (including performance-linked bonuses) where contractually obliged or where there is a past practice that has created a constructive obligation.

The Group has made contribution to superannuation fund, provident fund and pension scheme as per the scheme of the Group or to Government authority.

ii. Defined benefits plans (Gratuity obligation)

The liability or asset recognised in the consolidated Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The calculation includes assumptions with regard to discount rate, salary escalation rate, attrition rate and mortality rate. Management determines these assumptions in consultation with the plan's actuaries and past trend.

2D Material accounting policies followed by the Group (Contd.)

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

Payment for present liability of future payment of gratuity is being made to approved gratuity fund viz, Life Insurance Corporation of India (LIC) and Bajaj Life Insurance Ltd. (Bajaj Life) (Formerly known as Bajaj Allianz Life Insurance Company Ltd.). However, any deficits in plan assets managed by LIC and Bajaj Life as compared to actuarial liability determined by an appointed actuary are recognised as a liability.

iii. Compensated absences

Compensated absences entitlements are recognised as a liability, in the calendar year of rendering of service, as per the rules of the Group. As accumulated leave can be availed and/or encashed at any time during the tenure of employment the liability is recognised on the basis of an independent actuarial valuation. The compensated absences is calculated annually by actuaries using the projected unit credit method.

iv. Employee stock option scheme

The Group enters into equity settled share-based payment arrangement with its employees as compensation for the provision of their services. The Group carries out fair value cost assessment of employee stock options on the grant date using Black & Scholes model. The cost towards employees of the Group is recognised as employee benefits expenses and that pertaining to employees of subsidiaries are recovered from subsidiaries, over the period in which the service conditions are fulfilled. The cumulative expense/recharge recognised at each reporting date until the vesting date reflects the extent to which the vesting period has not expired and the Group's best estimate of the number of equity instruments that will ultimately vest. No expense is recognised for grants that do not ultimately vest because of non-fulfillment of service conditions.

v. Treasury shares

The Group has created an employee benefit trust (EBT) for providing share based payment to its employees. When the Group uses EBT as a vehicle for distributing shares to employees under the employee stock option scheme. The Group treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. No gain/(loss) is recognised in the consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued or sold, is recognised in capital reserve. Share options exercised during the reporting period are settled with treasury shares.

11. Provisions and contingent liabilities

The Group creates a provision when there is present legal obligation as a result of a past event/(s) that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. Provisions determined based on the best estimate to settle the obligation on the reporting date and when the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash-flows. These estimates are reviewed at each consolidated balance sheet date and adjusted to reflect current best estimates.

A contingent liability is a possible obligation that arises from past event(s) whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. It also includes a present obligation that is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Accordingly, the Group does not recognise a contingent liability but discloses the existence of a contingent liability. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2D Material accounting policies followed by the Group (Contd.)

12. Contract liabilities and contract assets for insurance companies

i. General insurance

a. Insurance contract liabilities

Insurance contract liabilities include the provision for outstanding claims, the provision for unearned premium and the provision for premium deficiency. The provision for outstanding claims is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and a reduction for the expected value of salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims. Therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money. No provision for equalisation or catastrophe reserves is recognised. The liabilities are de-recognised when the obligation to pay a claim expires, is discharged or is cancelled.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognised when contracts are entered into and premiums are charged and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Group reviews its unexpired risk and a liability adequacy test is performed to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant nonlife insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related deferred acquisition costs) is inadequate, the deficiency is recognised in the consolidated Statement of Profit and Loss by setting up a provision for premium deficiency.

b. Net change in insurance contract liabilities

Net change in insurance contract liabilities comprises of change in the outstanding provision of claims and estimated liability for claims incurred but not reported ('IBNR') and claims incurred but not enough reported ('IBNER').

Provision is made for estimated value of outstanding claims at the balance sheet date net of reinsurance, salvage and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid against each claim, as anticipated and estimated by the Management in light of past experience and subsequently modified for changes, as appropriate.

c. IBNR and IBNER (Claims incurred but not reported and claims incurred but not enough reported)

Incurred but not reported (IBNR) reserve is a provision for all claims that have occurred prior to the end of the current accounting period but have not been reported to the Group. The IBNR reserve also includes provision for claims incurred but not enough reported (IBNER). The said liability is determined by Appointed Actuary based on actuarial principles. The actuarial estimate is derived in accordance with relevant IRDAI regulations and guidance note 21 issued by the Institute of Actuaries of India. The Appointed Actuary has certified that the methodology and assumptions used to estimate the liability are appropriate and in accordance with guidelines and norms issued by the Institute of Actuaries of India in concurrence with the IRDAI regulations.

2D Material accounting policies followed by the Group (Contd.)

d. Insurance receivables

Insurance receivables are recognised at transaction price. After initial recognition, insurance receivables are measured at amortised cost. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the consolidated Statement of Profit and Loss.

Insurance receivables are derecognised when the derecognition criteria for financial assets, have been met.

ii. Life insurance

a. Insurance contract liabilities

Insurance contract provisions have been computed using a gross premium valuation method, as prescribed under the Insurance Regulatory and Development Authority of India (Assets, Liabilities, and Solvency Margin of Life Insurance Business) Regulations, 2016.
Derivatives embedded in an insurance contract are not separated if the embedded derivative itself qualifies for recognition as an insurance contract. In this case the entire contract is measured as described above.

b. Investment contract liabilities

Investment contracts are classified between contracts with and without discretionary participating feature (DPF). The accounting policies for investment contract liabilities with DPF are the same as those for life insurance contract liabilities. Investment contract liabilities without DPF are recognised when contracts are entered into, and premiums are charged.

Investment contract liabilities other than unit-linked business are recorded at amortised cost. The measurement of investment contracts without discretionary participation features is carried out in accordance with Ind AS 109 to reflect the deposit nature of the arrangement, with premiums and claims reflected as deposits and withdrawals and reflected in the consolidated Balance Sheet.

c. Fund for future appropriation (FFA)

Fund for future appropriation in the participating segment includes the amount of unappropriated profits held based on the recommendations of the appointed actuary. Transfers to and from the fund reflect the excess or deficit of income over expenses respectively and appropriations in each accounting period arising in Bajaj Life's Policyholders' Fund. Any allocation of bonus to the participating policyholders would also give rise to a transfer to consolidated Statement of Profit and Loss in the required proportion.

FFA in the Unit-linked segment includes the amount of the discontinuance charge deducted from the discontinued policies that are not expected to revive during the revival period. This charge is held in FFA until the exit of the policy due to expiry of revival period or due to death of the life assured or expiry of the lock-in period, as applicable.

All FFA at the end of the reporting period are held within insurance contract liabilities.

13. Fair value measurement

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

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

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2D Material accounting policies followed by the Group (Contd.)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level 1, Level 2 and Level 3 based on the lowest level input that is significant to the fair value measurement as a whole.

2E Recent accounting pronouncements

Ind AS 117: Insurance Contracts

Ministry of Corporate Affairs ('MCA') on 12 August 2024 has notified Ind AS 117 'Insurance Contracts' to replace existing Ind AS 104 'Insurance Contracts'. Further notification dated 28 September 2024, allowed insurer to provide its financial statement as per Ind AS 104 for the purposes of consolidated financial statements by its parent till IRDAI notifies Ind AS 117.

IRDAI vide Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) (Amendment) Regulations, 2026 dated 30 March 2026 has notified applicability of Ind AS including Ind AS 117 with effect from 1 April 2026.

Under para 6A of Chapter II of IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, an application seeking one year forbearance from preparing financial statements under Ind AS has been made.

Ind AS 117 establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts, reinsurance contracts held and investment contracts with discretionary participating features. It requires to identify the group of insurance contracts having similar risks and managed together, with further division to year of issue. Insurance contracts liabilities are measured at their current fulfillment values using measurement models, depending on the nature of the contracts. Profit from insurance contracts is recognised in line with the service provided to the policyholder in the period. If a group of contracts is expected to be onerous (i.e., loss-making) over the remaining coverage period, the Group recognises the loss immediately.

For General Insurance:

The Group has initiated preparations for transition to Ind AS and has undertaken a preliminary assessment of its impact on financial statements, systems, processes, and actuarial and reporting frameworks. Considering the complexity and scale of the Group's operations, and in line with the options provided by IRDAI, the Group believes it would be appropriate to seek regulatory forbearance, subject to Board approval, to enable a calibrated and operationally robust transition to Ind AS.

Subject to approval by the Board and the Insurance Regulatory and Development Authority of India (IRDAI), the Group continues to account for its insurance contracts in accordance with IND AS 104 – Insurance Contracts.

For Life Insurance:

Transitioning to Ind AS 117 involves determining CSM at the transition date. It requires CSM to be calculated as if the standard had applied retrospectively. However, if this is not practical, the Group is required to choose either a modified retrospective approach or to determine the CSM by reference to the fair value of the liabilities at the transition date. The Group is in the process of evaluating the impact of Ind AS 117 on the consolidated Statement of Profit and Loss, the consolidated Balance Sheet, the consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement.

In accordance with the aforesaid regulation notified on 30 March 2026, profit recognised under proposed Ind AS framework shall be treated as accounting profit. The existing accounting framework will continue to govern the distribution of surplus to participating policyholders and shareholders. Consequently, any additional profit/(loss) recognised under proposed Ind AS framework will be transferred to undistributable surplus.

2E Recent accounting pronouncements (Contd.)

Other pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2026, MCA has notified following amendments to the existing standards applicable to the Group.

In May 2025, MCA notified amendments to

a. Ind AS 21 - The effects of changes in foreign exchange rates, w.e.f. 1 April 2025

The amendment specifies how an entity should determine the exchange rate when foreign currency cannot be obtained within a reasonable time and prescribes related disclosures. The Group has assessed the impact of this amendment and concluded that it has no material impact on the consolidated financial statements.

In August 2025, MCA notified amendments to

b. Ind AS 1 - Presentation of financial statements, applicable w.e.f. 1 April 2025

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.

c. Ind AS 7 - Statement of cash flows, applicable w.e.f. 1 April 2025

The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its consolidated financial statements.

d. Ind AS 107 - financial instruments: Disclosures, applicable w.e.f. 1 April 2025

Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its consolidated financial statements.

e. Ind AS 12 - Income taxes, applicable w.e.f. 1 April 2025

International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its consolidated financial statements.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

3 Cash and cash equivalents

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Balances with banks	3,150.68	4,079.47
Cash on hand	14.98	56.87
Cash equivalents		
Cheques, drafts on hand	236.30	229.81
Deposits with original maturity for less than three months	196.63	1,396.30
	3,598.59	5,762.45

4 Bank balances other than cash and cash equivalents

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Earmarked balances with bank (against fixed deposit maturities and unclaimed dividend)	140.16	18.37
Deposits with original maturity for more than three months*	13,672.52	9,816.91
Escrow account balance	206.77	139.07
	14,019.45	9,974.35

*For BFL, it includes:

i. ₹ 2,117.12 crore (Previous year ₹ 1,969.01 crore) pledged towards floating charge in favour of trustees representing the public deposit holders of the Company towards maintenance of liquid assets as prescribed by RBI Act, 1934;

ii. ₹ 7,355.89 crore (Previous year ₹ 4,226.65 crore) lien marked to banks against overdraft facilities;

iii. ₹ 1,722.40 crore (Previous year ₹ 328.19 crore) fixed deposit under lien with stock exchanges for margin requirement;

iv. ₹ 496.11 crore (Previous year ₹ 489.88 crore) deposits with bank for bank guarantee;

v. ₹ 100.87 crore (Previous year ₹ 19.88 crore) pledged as lien on securitisation borrowing;

vi. ₹ 27.99 crore (Previous year ₹ 1.57 crore) deposits with exchange for trade; and

vii. ₹ 0.27 crore (Previous year ₹ 0.25 crore) deposits with the Pension Fund Regulatory & Development Authority.

5 Derivative financial instruments

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Fair value assets		
Cash flow hedge - Cross currency interest rate swaps [Notional amount - ₹ 16,032.12 crore (Previous year - ₹ 14,447.29 crore)]	2,053.03	198.91
Cash flow hedge - Forward rate contracts [Notional amount - ₹ 6,759.91 crore (Previous year - ₹ 24,410.66 crore)]	358.65	785.02
Fair value hedge - Interest rate swaps [Notional amount - NIL (Previous year - ₹ 2,350.00 crore)]	-	41.22
Fair value hedge - Futures [Notional amount - ₹ 292.64 crore (Previous year - ₹ 262.40 crore)]	6.70	0.02
Fair value hedge - Option purchased [Notional amount - NIL (Previous year - ₹ 588.71 crore)]	-	7.35
	2,418.38	1,032.52
Fair value liabilities		
Cash flow hedge - Cross currency interest rate swaps [Notional amount - NIL (Previous year - ₹ 14,447.29 crore)]	-	22.58
Cash flow hedge - Forward rate contracts [Notional amount - ₹ 28,649.13 crore (Previous year - ₹ 4,037.01 crore)]	1,496.36	38.90
Cash flow hedge - Coupon only swap [Notional amount - NIL (Previous year - ₹ 643.74 crore)]	-	2.95
Fair value hedge - Interest rate swaps [Notional amount - ₹ 3500.00 crore (Previous year - NIL)]	61.58	-
Fair value hedge - Futures [Notional amount - NIL (Previous year - ₹ 262.40 crore)]	-	0.45
Fair value hedge - Option sold (written) [Notional amount - NIL (Previous year - ₹ 270.03 crore)]	-	11.15
	1,557.94	76.03

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

6 Trade receivables

(Unsecured, considered good)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Interest subsidy receivables	1,184.43	922.70
Outstanding premiums	2,452.27	2,986.79
Due from entity carrying insurance business	3,901.06	2,496.47
Fees, commission and others	667.71	873.33
Others	1,229.77	1,127.12
	9,435.24	8,406.41
Less: Impairment loss allowance	103.16	87.06
	9,332.08	8,319.35

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

Trade receivables are non-interest bearing.

Trade receivables ageing schedule

(₹ In Crore)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	More than 2 years	Total
31 March 2026						
Undisputed trade receivables — considered good	2,424.47	4,844.21	439.33	228.01	1,298.20	9,234.21
Undisputed trade receivables – credit impaired	-	7.02	20.08	2.80	62.80	92.70
Unbilled dues	108.33	-	-	-	-	108.33
31 March 2025						
Undisputed trade receivables — considered good	1,814.46	4,429.70	608.71	642.08	678.19	8,173.14
Undisputed trade receivables – credit impaired	1.84	7.79	20.84	6.62	46.20	83.29
Unbilled dues	135.80	14.18	-	-	-	149.98

Reconciliation of impairment loss allowance on trade receivables

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Impairment loss allowance as at beginning of the year	87.06	46.73
Net increase/(decrease) during the year	16.10	40.33
Impairment loss allowance as at the end of the year	103.16	87.06

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

7 Loans

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Loans under financing activity [See note 46(5)]	498,727.97	407,609.59
Unsecured, considered good		
Loan against policies (at amortised cost)	1,290.43	882.69
Less: Impairment loss allowance	2.43	1.51
	500,015.97	408,490.77

8 Investment in joint venture and associates

(₹ In Crore)

Particulars	At Cost
As at 31 March 2026	
Equity instruments	
Associates	416.80
Total – gross	416.80
Less: Impairment loss allowance	-
Total	416.80
As at 31 March 2025	
Equity instruments	
Joint venture and associate	400.33
Total – gross	400.33
Less: Impairment loss allowance	-
Total	400.33

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

9A Shareholders' investments

(₹ In Crore)

Particulars	At amortised cost	At fair value through other comprehensive income	At fair value through profit and loss	At fair value designated at fair value through profit and loss	Total
As at 31 March 2026					
Government and trust securities*[1&3]	88.09	32,352.29	78.38	-	32,518.76
Debt securities[1]	59.86	4,659.44	1.00	-	4,720.30
Fixed deposits	667.68	-	-	-	667.68
Mutual funds[2]	-	-	540.35	9.22	549.57
Equity instruments[4]	-	1,423.87	2,798.70	-	4,222.57
Certificate of deposit	1,490.06	1,933.23	-	-	3,423.29
TREPs (Tri-party repo)	401.91	-	-	-	401.91
Commercial paper	-	1,379.43	-	-	1,379.43
Total – gross	2,707.60	41,748.26	3,418.43	9.22	47,883.51
Less: Impairment loss allowance	0.36	0.05	-	-	0.41
Total – Net	2,707.24	41,748.21	3,418.43	9.22	47,883.10
As at 31 March 2025					
Government and trust securities*[1&3]	194.63	31,235.30	1,245.48	-	32,675.41
Debt securities[1]	523.81	4,980.99	-	-	5,504.80
Fixed deposits	1,208.36	-	-	-	1,208.36
Mutual funds[2]	-	-	5,431.98	-	5,431.98
Equity instruments[4]	-	1,799.69	2,003.95	-	3,803.64
Certificate of deposit	606.67	2,744.43	-	-	3,351.10
TREPs (Tri-party repo)	655.18	-	-	-	655.18
Commercial paper	-	926.38	-	-	926.38
Total – gross	3,188.65	41,686.79	8,681.41	-	53,556.85
Less: Impairment loss allowance	0.79	0.01	-	-	0.80
Total – Net	3,187.86	41,686.78	8,681.41	-	53,556.05

All investments in 9A above are within India

* includes investments in approved securities as per RBI Act.

1. For BFL:

   Includes carrying value of

   (i) ₹ 4,397.51 crore (Previous year ₹ 4,651.84 crore) pledged towards floating charge in favour of trustees representing the public deposit holders of BFL towards maintenance of liquid assets as prescribed by RBI Act, 1934,

   (ii) ₹ 6,272.06 crore (Previous year ₹ 3,930.77 crore) utilised for repurchase agreement borrowing (Repo) transaction,

   (iii) ₹ 10,125.02 crore (Previous year ₹ 13,270.90 crore) pledged for triparty repo dealing and settlement (TREPs), and

   (iv) ₹ 272.78 crore (Previous Year ₹ 199.31 crore) kept as margin for securities segment with Clearing Corporation of India Ltd. (CCIL).

   For Bajaj Life:

   (i) Include securities placed with CCIL towards margin requirement/default fund for settlement of trades in the securities and Tri-party repo (TREPs) segment amounted ₹ 543.03 crore (Previous year ₹ 470.11 crore)

   (ii) Bajaj Life designated Government and debt securities pertaining to participating policyholders' and certain non par group funds as FVTPL in order to eliminate the accounting mismatch. The maximum exposure to credit risk amounts to ₹ 33,717.23 crore (Previous year ₹ 33,250.71 crore).

9A Shareholders' investments (Contd.)

For Bajaj General:

(i) Bajaj General has not entered into any credit derivative to mitigate above credit risk.
Bajaj General received income of ₹ 2,169 crore (Previous year ₹ 1,974 crore) from its FVTOCI securities.
Over the course of the year, Bajaj General also sold FVTOCI debt instruments with a principal value of ₹ 19,975 crore (Previous year ₹ 21,334 crore). Additionally, out of the Company's FVTOCI debt portfolio, instruments with a principal of ₹ 57,382 crore (Previous year ₹ 42,140 crore) matured.

2. For BFL:

Includes carrying value of

(i) ₹ Nil (Previous year ₹ Nil) under lien with Indian Clearing Corporation Ltd. for margin requirement.

(ii) ₹ 5.92 crore (Previous year ₹ 5.57 crore) pledged in favour of National Securities Depository Ltd. (NDSL) as money margin.

3. For BFL:

includes ₹ NIL (Previous year ₹ 25.22 crore) pledged for TREPs and ₹ 24.86 crore (Previous Year ₹ Nil) kept as margin for securities segment with CCIL.

4. For BFL:

Includes carrying value of ₹ 242.31 crore (Previous year ₹ 0.01 crore) pledged in favour of ICCL for margin requirement.

9B Policyholders' investments

(₹ In Crore)

Particulars	At amortised cost	At fair value through other comprehensive income	At fair value through profit and loss	At fair value designated at fair value through profit and loss	Total
As at 31 March 2026					
Government and trust securities	-	29,667.10	6,054.76	18,142.86	53,864.72
Debt securities	-	18,496.82	5,538.46	15,574.37	39,609.65
Fixed deposits	938.00	-	-	-	938.00
Mutual funds	-	-	-	-	-
Equity instruments	-	1,893.59	47,483.54	-	49,377.13
TREPs (Tri-party repo)	2,324.84	-	-	-	2,324.84
Total – gross	3,262.84	50,057.51	59,076.76	33,717.23	146,114.34
Less: Impairment loss allowance	0.02	0.68	-	-	0.70
Total – Net	3,262.82	50,056.83	59,076.76	33,717.23	146,113.64
As at 31 March 2025					
Government and trust securities	-	27,990.02	6,048.31	19,075.91	53,114.24
Debt securities	-	13,908.51	3,877.91	14,174.80	31,961.22
Fixed deposits	652.27	-	-	-	652.27
Mutual funds	-	-	242.40	-	242.40
Equity instruments	-	1,936.49	46,187.86	-	48,124.35
TREPs (Tri-party repo)	2,079.19	-	-	-	2,079.19
Total – gross	2,731.46	43,835.02	56,356.48	33,250.71	136,173.67
Less: Impairment loss allowance	0.02	0.25	-	-	0.27
Total – Net	2,731.44	43,834.77	56,356.48	33,250.71	136,173.40

All investments in 9B above are within India

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

10 Other financial assets

(Unsecured, considered good, unless stated otherwise)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Deposits with original maturity for more than twelve months	47.45	-
Reinsurance assets	16,450.98	14,419.79
Interest accrued on investments	3.99	5.13
Credit receivable for windpower generated	0.93	1.12
Security deposits	363.39	427.27
Advances receivable in cash or kind	891.89	163.52
Receivable from brokers and counter parties	530.35	650.27
Margin with exchanges	47.42	164.26
Margin money receivable	1,054.57	9.42
Credit cover under Government guarantee schemes	2,676.54	1,108.74
Receivable from debt management agencies	214.55	216.72
Interest only strips	677.77	474.58
Others	139.05	295.85
	23,098.88	17,936.67
Less: Impairment loss allowance	5.35	6.34
	23,093.53	17,930.33
Change in reinsurance assets		
At the beginning of the period	14,419.79	11,384.83
Add/(Less)		
Premium	1,320.89	1,588.49
Unwinding of the discount/interest credited	24.72	32.17
Insurance liabilities released	950.56	1,677.05
Others	(264.98)	(262.75)
	16,450.98	14,419.79

Reconciliation of impairment loss allowance on other financial assets

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Impairment loss allowance as at beginning of the year	6.34	3.59
Net increase/(decrease) during the year	(0.99)	2.75
Impairment loss allowance as at the end of the year	5.35	6.34

11A Deferred tax assets (net)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Deferred tax liabilities		
On account of timing difference in		
Property, plant and equipment	65.23	39.67
Changes in fair value of FVTOCI debt securities - OCI	39.76	39.01
Other temporary differences	702.45	353.86
Gross deferred tax liabilities	807.44	432.54
Deferred tax assets		
On account of timing difference in		
Property, plant and equipment	4.22	3.34
Disallowance under section 43B of the Income Tax Act, 1961	234.67	134.02
Impairment of financial instruments	1,529.13	1,158.10
Changes in fair value of FVTOCI hedge reserve	6.28	31.56
Changes in fair value of FVTOCI equity instruments	547.11	18.58
Other temporary differences	537.11	288.48
Gross deferred tax assets	2,858.52	1,634.08
Deferred tax assets (net)	2,051.08	1,201.54

11B Deferred tax liabilities (net)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Deferred tax liabilities		
On account of timing difference in		
Property, plant and equipment	5.24	33.76
Amortisation of premium/discount on acquisition of debt securities	0.03	0.08
Changes in fair value of investments	1.85	720.02
Other temporary differences	2.00	155.22
Gross deferred tax liabilities	9.12	909.08
Deferred tax assets		
On account of timing difference in		
Provision for compensated absences	1.18	24.44
Defined benefit plan provisions - OCI	5.14	3.98
Amortisation of premium/discount on acquisition of debt securities	-	0.01
Changes in fair value of insurance contract liability	-	168.14
Gross deferred tax assets	6.32	196.57
Deferred tax liabilities (net)	2.80	712.51

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

11B Deferred tax liabilities (net) (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Changes in deferred tax recorded in the consolidated Statement of Profit and Loss		
Deferred tax relates to the following		
Property, plant and equipment	(4.14)	9.84
Impairment of financial instruments	(9.24)	5.35
Disallowance under section 43B of the Income Tax Act, 1961	(86.02)	(25.85)
Financial instruments measured at EIR	(373.30)	(171.26)
Changes in fair value of investments	(282.88)	(251.15)
Changes in fair value of insurance contract liability	369.75	90.49
Other temporary differences	(174.93)	148.56
	(560.76)	(194.02)
Changes in deferred tax recorded in other comprehensive income		
Deferred tax relates to the following		
Changes in fair value of FVTOCI debt securities	-	(152.02)
Changes in fair value of investments	984.14	(197.14)
Defined benefit plan provisions	(7.72)	(0.79)
Cash flow hedge reserve	(63.44)	28.02
	912.98	(321.93)

12 Investment properties

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Gross carrying amount		
Opening balance	37.45	37.86
Transfer from/to property, plant and equipment	-	(0.41)
Closing balance	37.45	37.45
Accumulated depreciation		
Opening balance	8.39	7.73
Depreciation charge	0.66	0.66
Closing balance	9.05	8.39
Net carrying amount	28.40	29.06

Fair value

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Investment properties	130.09	127.38

Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties.
Investment properties leased out by BFL are cancellable leases. The market rate for sale/purchase of such premises are representative of fair values. Group's investment properties are at a location where active market is available for similar kind of properties. Hence, fair value is ascertained on the basis of market rates prevailing for similar properties in those location determined by an independent registered valuer and consequently classified as a level 2 valuation.

13A Property, plant and equipment

Current year

(₹ In Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2025	Additions	Deductions/ adjustments	As at 31 March 2026	As at 1 April 2025	Deductions/ adjustments	For the year	As at 31 March 2026	As at 31 March 2026
Land freehold	674.53	-	-	674.53	-	-	-	-	674.53
Buildings	773.80	4.56	-	778.36	179.79	-	12.62	192.41	585.95
Leasehold improvements	379.03	42.82	11.78	410.07	268.93	9.74	30.50	289.69	120.38
Information technology equipment	1,043.06	274.23	162.20	1,155.09	523.83	129.41	207.42	601.84	553.25
Electric installations	2.56	0.49	0.52	2.53	1.03	0.21	0.36	1.18	1.35
Office equipment	445.88	80.31	34.60	491.59	263.74	19.97	68.19	311.96	179.63
Furniture and fixtures	482.20	64.98	16.82	530.36	236.84	13.02	56.93	280.75	249.61
Electric fittings	1.53	0.63	-	2.16	1.07	-	0.15	1.22	0.94
Vehicles	640.81	206.06	92.88	753.99	199.49	48.93	120.60	271.16	482.83
Wind energy generators	283.72	-	-	283.72	269.53	-	-	269.53	14.19
Total	4,727.12	674.08	318.80	5,082.40	1,944.25	221.28	496.77	2,219.74	2,862.66

Previous year

(₹ In Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2024	Additions	Deductions/ adjustments	As at 31 March 2025	As at 1 April 2024	Deductions/ adjustments	For the year	As at 31 March 2025	As at 31 March 2025
Land freehold	674.48	0.05	-	674.53	-	-	-	-	674.53
Buildings	794.15	1.94	22.29	773.80	190.10	22.66	12.35	179.79	594.01
Leasehold improvements	345.46	48.99	15.42	379.03	249.49	15.25	34.69	268.93	110.10
Information technology equipment	977.84	286.11	220.89	1,043.06	520.96	190.91	193.78	523.83	519.23
Electric installations	2.05	0.51	-	2.56	0.70	-	0.33	1.03	1.53
Office equipment	352.15	114.74	21.01	445.88	219.08	18.98	63.64	263.74	182.14
Furniture and fixtures	456.29	86.38	60.47	482.20	241.59	56.29	51.54	236.84	245.36
Electric fittings	2.64	0.04	1.15	1.53	2.13	1.14	0.08	1.07	0.46
Vehicles	463.79	237.89	60.87	640.81	130.17	30.25	99.57	199.49	441.32
Wind energy generators	283.72	-	-	283.72	269.53	-	-	269.53	14.19
Total	4,352.57	776.65	402.10	4,727.12	1,823.75	335.48	455.98	1,944.25	2,782.87

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

13B Right-of-use assets

Current year

(₹ In Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2025	Additions	Deductions/ adjustments	As at 31 March 2026	As at 1 April 2025	Deductions/ adjustments	For the year	As at 31 March 2026	As at 31 March 2026
Right-of-use assets	2,331.66	544.36	146.74	2,729.28	957.64	108.95	379.62	1,228.31	1,500.97

Previous year

(₹ In Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2024	Additions	Deductions/ adjustments	As at 31 March 2025	As at 1 April 2024	Deductions/ adjustments	For the year	As at 31 March 2025	As at 31 March 2025
Right-of-use assets	1,937.46	525.80	131.60	2,331.66	721.16	121.18	357.66	957.64	1,374.02

14 Other intangible assets

Current year

(₹ In Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2025	Additions	Deductions/ adjustments	As at 31 March 2026	As at 1 April 2025	Deductions/ adjustments	For the year	As at 31 March 2026	As at 31 March 2026
Computer softwares	2,335.63	645.75	54.49	2,926.89	1,027.29	48.92	414.32	1,392.69	1,534.20

Previous year

(₹ In Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2024	Additions	Deductions / adjustments	As at 31 March 2025	As at 1 April 2024	Deductions/ adjustments	For the year	As at 31 March 2025	As at 31 March 2025
Computer softwares	1,819.32	699.87	183.56	2,335.63	828.57	157.30	356.02	1,027.29	1,308.34

15 Other non-financial assets

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Capital advances	799.85	605.52
Indirect tax credits receivable	764.99	828.55
Others*	515.50	662.98
	2,080.34	2,097.05

* Impairment loss allowance recognised on other non financial assets is ₹ Nil (Previous year: ₹ Nil).

16 Trade payables

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Total outstanding dues of micro enterprises and small enterprises#	29.03	31.81
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Sundry creditors and dues to policyholders	3,813.26	2,976.45
Balances due to agents and other intermediaries	1,102.89	1,424.21
Balances due to other insurers	4,106.94	3,532.38
	9,023.09	7,933.04

Trade payables ageing schedule

(₹ In Crore)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2026						
MSME	8.44	20.59	-	-	-	29.03
Unbilled	2,165.83	-	-	-	-	2,165.83
Others	221.86	5,659.79	498.44	449.43	27.74	6,857.26
Disputed dues – other than MSME	-	-	-	-	-	-
31 March 2025						
MSME	8.42	23.39	-	-	-	31.81
Unbilled	1,319.48	-	-	-	-	1,319.48
Others	238.05	5,868.90	467.09	26.83	12.69	6,613.56
Disputed dues – other than MSME	-	-	-	-	-	-

Based on and to the extent of the information received by the Group from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as per section 22 of MSMED Act 2006 at the year-end are furnished below:

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	1.24	2.22
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	82.93	36.65
Interest paid to suppliers under MSMED Act (section 16)	0.80	0.42
Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act (since paid)	-	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

17 Other payables

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Total outstanding dues of micro enterprises and small enterprises	0.33	0.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,440.86	2,595.13

18 Debt securities

(₹ In Crore)

Particulars	As at 31 March 2026	2025
In India		
A. At amortised cost		
(I) Secured		
Redeemable non-convertible debentures [See note 46(6)]		
Secured and fully paid*	143,486.81	111,385.07
	143,486.81	111,385.07
(II) Unsecured		
Privately placed fully paid redeemable non-convertible debentures [See note 46(6)]	8,060.00	6,253.19
Privately placed partly paid redeemable non-convertible debentures [See note 46(6)]	1,491.33	2,641.49
Borrowings by issue of commercial papers [See note 46(6)]	33,226.10	27,460.43
	42,777.43	36,355.11
	186,264.24	147,740.18
B. Out of above		
In India	186,264.24	147,740.18
Outside India	-	-
	186,264.24	147,740.18

*All the secured non-convertible debentures of BFL and one of its subsidiary viz. BHFL including those issued during year ended 31 March 2026 are fully secured by hypothecation of book debts/loan receivables to the extent as stated in the respective information memorandum. Additionally, BFL had mortgaged one of its offices in Chennai on pari passu charge against specific secured NCDs issued till November 2020. BFL and one of its subsidiary viz. BHFL has, at all times, for the secured non-convertible debentures. maintained sufficient asset cover as stated in the respective information memorandum towards the principal amount, interest accrued thereon and such other sums as mentioned therein.

-As a part of Interest rate risk management, BHFL has entered into INR interest rate swaps of a notional amount of ₹ 3,500 crore (Previous year ₹ 500 crore). The total outstanding as on 31 March 2026 is ₹ 3,500 crore (Previous year ₹ 2,350 crore).

19 Borrowings (other than debt securities)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
A. In India		
At amortised cost		
Term Loan [See note 46(7)]		
(i) from banks	97,333.65	78,311.25
(ii) from Development Financial Institutions	8,280.91	6,533.36
(iii) from other National Housing Bank (NHB)#	10,340.88	8,372.40
Cash credit/overdraft facility	5,791.97	3,783.79
Working capital demand loan [See note 46(7)]	4,272.67	2,368.32
Triparty repo dealing and settlement (TREPs) against Government securities by the Group [See note 46(7)]	8,636.93	11,676.78
Repurchase agreement borrowings (Repo) [See note 46(7)]	6,350.75	3,929.78
Securitisation liabilities* [See note 46(7)]	6,767.80	1,753.68
	147,775.56	116,729.36
B. Outside India		
External commercial borrowing (ECB)** [See note 46(7)]	22,866.97	15,373.63
	22,866.97	15,373.63
	170,642.53	132,102.99
C. Out of above		
Secured against hypothecation of assets under finance, book debts and other receivables	169,241.45	130,653.46
Unsecured	1,401.08	1,449.53
	170,642.53	132,102.99

#All the outstanding refinancing from NHB are secured by hypothecation of specific loans/book debts to the extent of 1.05 and 1.10 times of outstanding amount as per respective sanctioned terms. BHFL has availed refinance facility from NHB of ₹ 3,789.34 crore during the year ended 31 March 2026 (Previous Year: ₹ 2,893.75 crore) against eligible individual housing loans under various refinance schemes.

*Represents associated liabilities in respect of securitisation transactions. The outstanding value is proceeds received from the trust which is net of investment in pass-through certificates by the Group. The Group has provided additional external credit enhancement to the trust by way of cash collateral.

**External commercial borrowing is denominated in foreign currency and secured against book debts.

-The Group has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof under the RBI guidelines on wilful defaulters.

20 Deposits

(Unsecured)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
At amortised cost		
Public deposits [See note 46(8)]*	39,379.73	41,792.22
From others [See note 46(8)]	29,155.72	29,610.91
	68,535.45	71,403.13

*as defined in Master direction - Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

21 Subordinated liabilities

(₹ In Crore)

Particulars	As at 31 March 2026	2025
In India		
At amortised cost		
Privately placed subordinated (Tier II) redeemable non-convertible debentures (Unsecured) [See note 46(9)]	2,805.31	3,103.54
	2,805.31	3,103.54

22 Lease liabilities

(₹ In Crore)

Particulars	As at 31 March 2026	2025
At amortised cost		
At the beginning of the year	1,504.81	1,333.79
Add: Interest on lease liabilities	123.92	113.42
Additions/(Deletions)	37.70	57.60
	1,666.43	1,504.81

23 Other financial liabilities

(₹ In Crore)

Particulars	As at 31 March 2026	2025
At amortised cost		
Unclaimed dividend*	7.09	5.17
Directors' remuneration and commission payable	35.26	26.72
Employee benefits payable	124.49	146.72
Security deposits	183.08	167.20
Others^	3,850.87	2,286.78
	4,200.79	2,632.59

*There are no undisputed amounts which were due and remained unpaid to Investor Education and Protection Fund as at the close of the year.

^ For BFL; Others includes amounts pertaining to sale of customers securities, ICD and deposits under process, FLDG advance etc.

24 Provisions

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Provision for employee benefits [See note 45]		
Provision for gratuity	672.78	428.98
Provision for compensated absences	141.21	87.33
Provision for long-term incentive plan	50.37	79.41
Others	153.94	80.94
	1,018.30	676.66

25 Other non-financial liabilities

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Taxes and duties payable	1,424.45	1,035.07
Solatium fund	30.44	22.07
Premiums received in advance	4,373.58	2,583.09
Unallocated premium	1,394.84	1,345.88
Other payables	338.11	215.62
	7,561.42	5,201.73

26 Equity share capital

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Authorised		
2,000,000,000 equity shares of ₹ 1 each	200.00	200.00
Issued, subscribed and fully paid-up shares		
1,600,549,988 (31 March 2025: 1,596,662,097) equity shares of ₹ 1 each	160.05	159.67
Less: 1,816,620 (31 March 2025: 655,219) equity shares of ₹ 1 each held in Trust for employees under ESOP scheme*	0.18	0.07
	159.87	159.60

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Nos.	₹ In Crore	Nos.	₹ In Crore
Equity shares				
At the beginning of the year (excluding shares held in ESOP Trust)	1,596,662,097	159.67	1,595,488,813	159.55
Add: Issued during the year to Trust for employees under ESOP scheme*	3,887,891	0.38	1,173,284	0.12
	1,600,549,988	160.05	1,596,662,097	159.67
Less: Equity shares held in trust for employees under ESOP scheme*	1,816,620	0.18	655,219	0.07
Outstanding at the end of the year (excluding shares held in ESOP Trust)	1,598,733,368	159.87	1,596,006,878	159.60

* On 7 May 2025, the Allotment Committee allotted 1,151,123 equity shares of face value of ₹ 1 each to Bajaj Finserv ESOP Trust under Bajaj Finserv Ltd. Employee Stock Option Scheme. The shares were listed on BSE Ltd. and National Stock Exchange of India Ltd. w.e.f. 13 May 2025.

Further, on 17 February 2026, the Allotment Committee allotted 2,736,768 equity shares of face value of ₹ 1 each to Bajaj Finserv ESOP Trust under Bajaj Finserv Ltd. Employee Stock Option Scheme. The shares were listed on BSE Ltd. and National Stock Exchange of India Ltd. w.e.f. 24 February 2026.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

26 Equity share capital (Contd.)

b. Terms/rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The interim dividend declared (if any) by the Board of Directors and the final dividend proposed by the Board of Directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	As at 31 March 2026		As at 31 March 2025	
Particulars	**Nos.**	**% holding**	**Nos.**	**% holding**
Equity shares of ₹ 1 each fully paid				
Bajaj Holdings & Investment Ltd.	612,742,140	38.28%	623,142,140	39.03%
Jamnalal Sons Pvt. Ltd.	136,700,840	8.54%	154,900,840	9.70%

d. Shares reserved for issue at a subsequent date

137,980 equity shares of ₹ 1 each (31 March 2025: 137,980 equity shares of ₹ 1 each) offered by way of right in an earlier year, have been held in abeyance pending adjudication of title and subscription thereafter.

e. Details of promoter shareholding

See note 16(e) of standalone financial statements

27 Other equity

a. Reserves and surplus

(₹ In Crore)

	As at 31 March	
Particulars	**2026**	**2025**
Securities premium		
Balance as at the beginning of the year	14,403.19	14,539.54
Add/(Less): Adjustment because of change in shareholding in subsidiary	21.50	13.03
Add/(Less): Received during the year	-	(577.75)
Add: On issue of shares to Trust for employees pursuant to ESOP scheme	601.14	288.60
Less: Share issue expenses	1.78	0.06
Add: On exercise of options by employees pursuant to ESOP scheme	191.67	139.83
	15,215.72	14,403.19
Less: Premium on equity shares held in trust for employees under the ESOP scheme	252.74	89.69
Balance as at the end of the year	14,962.98	14,313.50
General reserve		
Balance as at the beginning of the year	2,106.63	2,090.69
Add/(Less): Adjustment because of change in shareholding in subsidiary	(0.54)	0.38
Add: Transfer on cancellation of stock options	25.90	15.56
Balance as at the end of the year	2,131.99	2,106.63

27 Other equity (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Share based payments reserve		
Balance as at the beginning of the year	817.41	613.07
Add/(Less): Adjustment because of change in shareholding in subsidiary	(2.43)	0.34
Add: Charge for the year	279.00	361.63
Less: Transfer on exercise of option	194.48	142.07
Less: Transfer on cancellation of stock options	25.90	15.56
Balance as at the end of the year	873.60	817.41
Treasury shares		
Balance as at the beginning of the year	(63.91)	(104.31)
Add: Movement during the year	51.97	40.40
Balance as at the end of the year	(11.94)	(63.91)
Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934		
Balance as at the beginning of the year	6,917.81	5,198.99
Add/(Less): Adjustment because of change in shareholding in subsidiary	(9.18)	4.96
Add: Transferred from surplus the consolidated Statement of Profit and Loss	1,828.02	1,713.86
Balance as at the end of the year	8,736.65	6,917.81
Reserve fund in terms of section 29C of the National Housing Bank Act, 1987		
Balance as at the beginning of the year	293.60	225.26
Add/(Less): Adjustment because of change in shareholding in subsidiary	(10.76)	0.21
Add: Transferred from surplus in the consolidated Statement of Profit and Loss	78.04	68.13
Balance as at the end of the year	360.88	293.60
Infrastructure reserve in terms of section 36(1)(viii) of the Income-tax Act, 1961		
Balance as at the beginning of the year	428.94	274.51
Add/(Less): Adjustment because of change in shareholding in subsidiary	(0.54)	0.26
Add: Transferred from surplus in the consolidated Statement of Profit and Loss	184.75	154.17
Balance as at the end of the year	613.15	428.94
Retained earnings		
Balance as at the beginning of the year	45,570.27	36,205.27
Add/(Less): Adjustment because of change in shareholding in subsidiary	697.43	28.86
Add: Transfer on exercise of stock options	2.81	2.24
Profit for the year	9,800.97	8,872.31
Items of other comprehensive income recognised directly in retained earnings		
Actuarial gain/(loss) of defined benefit plans	13.53	(21.46)
Adjustment for change of ownership interest in subsidiary without loss of control	(390.84)	2,061.35
Reclassification of gain on sale of FVTOCI equity instruments (net of tax impacts)	244.38	518.43
Change in foreign currency translation reserve	0.36	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

27 Other equity (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Less: Appropriations		
Final dividend, declared and paid during the year	159.78	159.67
Transfer to Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	1,828.02	1,713.86
Transfer to Reserve fund in terms of section 29C of the National Housing Bank Act, 1987	78.04	68.13
Transfer to Infrastructure reserve in terms of section 36(1)(viii) of the Income-tax Act, 1961	184.75	154.17
Adjustment of dividend to ESOP Trust	(19.64)	0.90
Amount transferred to capital redemption reserve upon buy back of equity shares	6.05	-
Amount utilised for Buy-back of equity shares	2,151.39	-
Total appropriations	4,388.39	2,096.73
Balance as at the end of the year	51,550.52	45,570.27
Capital Redemption reserve		
Balance as at the beginning of the year	-	-
Add/(Less): Adjustment because of change in shareholding in subsidiary	-	-
Add/(Less): Amount transferred to capital redemption reserve upon buy back of equity shares	6.05	-
Balance as at the end of the year	6.05	-
Other reserves		
Debt instruments through other comprehensive income		
Balance as at the beginning of the year	1,046.77	249.55
Add/(Less): Adjustment because of change in shareholding in subsidiary	5.14	(0.87)
Add/(Less): Changes in fair value of FVTOCI debt securities	(1,936.86)	798.09
Balance as at the end of the year	(884.95)	1,046.77
Equity instruments through other comprehensive income		
Balance as at the beginning of the year	98.82	534.83
Add/(Less): Adjustment because of change in shareholding in subsidiary	31.72	0.01
Add/(Less): Changes in fair value of FVTOCI equity securities	(159.86)	82.41
Less: Reclassification of gain on sale of FVTOCI equity instruments (net of tax impacts)	(244.38)	(518.43)
Balance as at the end of the year	(273.70)	98.82
Hedge instruments through other comprehensive income		
Balance as at the beginning of the year	703.53	481.72
Add/(Less): Adjustment because of change in shareholding in subsidiary	33.96	-
Add/(Less): Changes in fair value of FVTOCI hedge instruments	(1,061.44)	221.81
Balance as at the end of the year	(323.95)	703.53
Cost of hedging reserve through other comprehensive income		
Balance as at the beginning of the year	2.34	-
Add/(Less): Adjustment because of change in shareholding in subsidiary	-	-
Add/(Less): Changes in fair value of Cost of hedging reserve	11.58	2.34
Balance as at the end of the year	13.92	2.34

27 Other equity (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Change in foreign currency translation reserve		
Balance as at the beginning of the year	-	-
Add/(Less): Adjustment because of change in shareholding in subsidiary	-	-
Add/(Less): Change in foreign currency translation reserve	(0.54)	-
Balance as at the end of the year	(0.54)	-
	77,754.66	72,235.71

b. Shares reserved for issue under Employee Stock Option Plan

See note 17(b) of standalone financial statements

c. Nature and purpose of reserve

Securities premium

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

General reserve

General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.

Share based payments reserve

Share based payments reserve is created as required by Ind AS 102 'Share Based Payments' on the employee stock option scheme operated by the Group.

Treasury shares

The reserve for shares of the Holding Company held by the BFS ESOP Trust (ESOP Trust). Holding Company has issued employees stock option scheme for its employees. The equity shares of the Holding Company have been purchased and held by ESOP Trust. Trust to transfer such shares to employees at the time of exercise of option by employees.

Reserve fund in terms of section 45IC(1) of the Reserve Bank of India Act, 1934

Reserve fund is created as per the terms of section 45IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

Reserve fund in terms of section 29C of the National Housing Bank Act, 1987

Reserve fund is created as per the terms of section 29C of the National Housing Bank Act, 1987 as a statutory reserve.

Infrastructure reserve in terms of section 36(1)(viii)of the Income-tax Act, 1961

Infrastructure reserve is created to avail the deduction as per the provisions of section 36(1)(viii) of the Income Tax Act, 1961 on profits derived from the business of providing long-term finance for construction or purchase of houses in India for residential purposes and for development of infrastructure facility in India.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

27 Other equity (Contd.)

Retained earnings

Retained earnings represents the surplus in profit and loss account that the Holding Company has earned till date, less any transfers to general reserve, special reserve, dividends or other distributions paid to shareholders, reclassification of gain/(loss) on sale of FVTOCI equity instruments and balance of remeasurement of net defined benefit plans. Retained earnings is a free reserve.

Debt instruments through other comprehensive income

The Group recognises changes in the fair value of debt instruments held with a dual business objective of collect and sell in other comprehensive income. These changes are accumulated in the FVTOCI debt instruments reserve. The Group transfers amounts from this reserve to profit or loss when the debt instrument is sold. Any impairment loss on such instruments is reclassified immediately to the consolidated Statement of Profit and Loss.

Equity instruments through other comprehensive income

The Group has elected to recognise changes in the fair value of certain instruments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity instruments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Hedge instruments through other comprehensive income

It represents the cumulative gain/(loss) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

Cost of hedging reserve through other comprehensive income

The Group has elected to exclude the forward element and designate only the change in spot element of the forward contract as the hedging instrument in the cash flow hedge for foreign currency risk. Since the forward element of the forward contract is separated, the change in fair value of such excluded portion is accounted as cost of hedging. Since the forward contract (hedge instrument) is fully aligned with the foreign currency liability (hedged item), the entire portion of forward element is considered as the 'aligned' component and accumulated in a separate component of equity as 'cost of hedging reserve'.

28 Interest income

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Interest income on		
Loans (at amortised cost)*	68,024.61	52,584.52
Loans (at FVTOCI)	1,895.72	5,939.36
Investments (at amortised cost)	373.89	428.46
Investments (at FVTPL)	2,497.98	2,357.71
Investments (at FVTOCI)	6,097.94	5,180.95
Others	1,065.81	958.06
	79,955.95	67,449.06

*Includes ₹ 17.18 crore (Previous year ₹ 1.34 crore) of interest income from finance lease.

29 Fees and commission income

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Service and administration charges	2,757.92	2,134.84
Fees on value added services and products	942.71	1,004.37
Foreclosure income	730.21	510.57
Distribution income	2,305.40	1,766.53
Asset management services	61.09	32.53
Trusteeship fee	0.45	0.33
	6,797.78	5,449.17

30 Net gain/(loss) on fair value changes

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Net gain/(loss) on financial instruments at FVTPL		
Debt instruments at FVTPL	203.41	403.66
Equity investments at FVTPL	(2,084.50)	1,534.12
Profit on sale on investments	(0.45)	52.73
Others		
Gain/(loss) on sale of debt instrument at amortised cost	1.07	(0.02)
Gain/(loss) on sale of debt FVTOCI instruments	56.39	169.86
	(1,824.08)	2,160.35
Fair value changes		
Realised	1,823.82	3,320.85
Unrealised	(3,647.90)	(1,160.50)
	(1,824.08)	2,160.35

31 Sale of services

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Income from power generation (within India)	23.97	22.28
Service income	970.85	831.29
Service fees for management of assigned portfolio of loans	18.35	105.76
	1,013.17	959.33

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

32 Others

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Marketing, branding and allied services	471.04	490.97
Income on derecognised (assigned) loans	465.46	552.04
Miscellaneous charges and receipts*	269.65	241.80
	1,206.15	1,284.81

* BFL has received a government grant relating to Payment Infrastructure Development Fund (PIDF) scheme of ₹ 2 crore in current year (Previous year ₹ 1.21 crore). The same is an income grant and is presented on a gross basis (i.e. without netting it from the related expenses) as permitted under 'Ind AS 20 - Accounting for government grants and disclosure of government assistance'. BFL does not have any unfulfilled conditions relating to the grant recognised.

33 Other income

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Business support service	0.71	1.07
Surplus on sale of property, plant and equipment	0.06	-
Interest on income-tax refund	25.84	-
	26.61	1.07

34 Employee benefits expenses

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Salaries, wages and bonus to employees	12,762.43	10,874.79
Contribution to provident and other funds	594.01	524.38
Share based payments to employees	631.79	545.61
Staff welfare expenses	133.94	124.84
	14,122.17	12,069.62

35 Finance costs

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
On financial liabilities measured at amortised cost		
Interest on deposits	5,538.87	5,147.48
Interest on borrowings other than debt securities	9,236.19	8,727.26
Interest on debt securities	13,035.94	9,998.08
Interest on subordinated liabilities	245.33	277.69
Interest on lease liabilities	123.92	113.42
Other interest expenses	51.53	45.77
	28,231.78	24,309.70

36 Fees and commission expense

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Commission and incentives	120.96	107.44
Recovery costs	2,571.58	1,973.59
Commission, operating and other expenses pertaining to insurance business	6,924.39	6,030.53
Others	1,115.42	604.10
	10,732.35	8,715.66

37 Impairment on financial instruments

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Expected credit losses		
on loans measured at amortised cost	10,116.03	7,863.87
on loans measured at FVTOCI	73.50	44.62
on recoveries against written-off financial assets*	(797.06)	(714.90)
on net realisation on sale of written-off loans*	(2.59)	(162.90)
on other financial assets measured at amortised cost	100.90	73.98
on other financial assets measured at FVTOCI	(10.79)	(34.89)
	9,479.99	7,069.78

*BFL has changed presentation of recoveries against written-off financial assets and net realisation on sale of written off loans from 'other operating income' to 'impairment of financial instruments'. These recoveries are related to impairment of financial instrument and accordingly the revised presentation provides more meaningful representation. This change led to a reduction in 'other operating income' and 'impairment of financial instruments'.

38 Depreciation, amortisation and impairment

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Depreciation on property, plant and equipment	496.77	455.98
Depreciation on investment properties	0.65	0.66
Amount amortised/written off of intangible asset	414.32	356.02
Depreciation on right-of-use assets	379.62	357.66
	1,291.36	1,170.32

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

39 Other expenses

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Rent	148.99	128.33
Repairs and maintenance - building & others	325.37	345.06
Repairs and maintenance - windpower	9.24	8.91
Energy generation expenses	0.15	0.29
Rates and taxes	566.80	124.36
Insurance	22.38	16.84
Payment to auditor	8.08	6.82
Directors' fees and travelling expenses	27.30	22.04
Commission to non-executive directors	3.06	2.85
Loss on sale/disposal of property, plant and equipment	19.30	36.34
Advertisement and publicity	1,226.43	1,352.10
Travelling (including foreign travel) expenses	693.75	674.46
Business support service expenses	4.60	12.44
Expenditure towards Corporate Social Responsibility (CSR) activities	431.64	342.18
Legal and professional charges	239.09	285.11
Communication expenses	317.14	266.13
Outsourcing/back office expenses	727.97	951.56
Marketing and support services	343.98	307.45
Bank charges	309.16	277.62
Information technology expenses	1,409.70	1,172.10
Miscellaneous expenses*	707.49	598.27
	7,541.62	6,931.26

* For BFL - Includes donation of ₹ NIL (Previous year ₹ 25 crore) made to political parties

Payments to auditor

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
As auditor		
Audit fee	5.15	4.79
Tax audit fee	0.40	0.38
Limited review	0.55	0.50
Other services (certification fees and other matters)	1.25	0.67
Reimbursement of expenses	0.73	0.48
	8.08	6.82

39(A) Exceptional item

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Impact of New Labour Codes*	379.49	-

*On 21 November 2025, the Government of India has notified four new Labour Codes by consolidating 29 existing labour laws. These changes have resulted in an estimated increase in the past service cost of gratuity by ₹ 379.49 crore. Considering that the impact arising out of an enactment of the new legislation is a non-recurring event, the Group has presented this one-time charge under 'Exceptional item'. The Group continues to monitor the finalisation of Central and State Rules and clarifications from the Government on the New Labour Codes and would provide appropriate accounting effect on the basis of such developments, as needed.

40 Tax expense

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Tax expense		
Current tax		
Current tax on profits for the year	7,844.21	6,722.88
Adjustments for current tax of prior periods*	(69.77)	(338.29)
Total current tax expense	7,774.44	6,384.59
Deferred tax		
Decrease/(increase) in deferred tax assets	(454.89)	6.31
(Decrease)/increase in deferred tax liabilities	(105.87)	(200.33)
Total deferred tax expense/(benefit)	(560.76)	(194.02)
Tax expense	7,213.68	6,190.57

*For BFL:
During the current year and previous year, the Group has received refunds and re-assessed its tax position based on favourable orders of various courts and tribunals. Accordingly, the Group has reversed tax expense for earlier years and reduced the current year's tax provision.

41 Earnings Per Share (EPS)

Particulars	For the year ended 31 March 2026	2025
Profit for the year (₹ In Crore)	9,800.97	8,872.31
Weighted average number of shares outstanding during the year (Nos)	1,598,007,102	1,595,488,813
Weighted average number of shares outstanding during the year (Nos) - Diluted	1,607,548,503	1,611,651,382
Earnings per share (Basic) ₹	61.3	55.6
Earnings per share (Diluted) ₹	61.0	55.0
Face value per share ₹	1.0	1.0

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

42A Contingent liabilities

(₹ In Crore)

Particulars		As at 31 March 2026	2025
a.	Claims against Group not acknowledged as debts	161.63	147.22
b.	Income-tax matters under dispute		
	Appeal by the Group	197.61	93.93
	Appeal by the Department	-	-
c.	ESI matters under appeal	5.20	5.14
d.	PF matters under appeal	186.47	110.76
e.	VAT matters under appeal	6.03	6.03
f.	Service tax matters under appeal		
	On interest subsidy	2,552.20	2,422.92
	On interest collected upfront [Refer footnote (ii) below]	936.22	874.79
	On others	739.23	724.42
g.	Claims, under policies, not acknowledged as debts*		
	Death repudiation cases pending	146.26	122.45
	Cases pending against servicing failure	13.87	10.74
h.	Other matters	-	75.71
i.	Guarantees given by or on behalf of the Group	158.46	52.08
j.	Statutory demands/liabilities under GST and PF	359.96	365.77
k.	Matter under litigation, crop insurance claims	41.80	-
		5,504.94	5,011.96

*Pertains to litigations pending with various consumer forums/courts.

i) The Group is of the opinion that the above demands are not tenable and expects to succeed in its appeals/defence.

ii) The Commissioner, Service Tax Commissionerate Pune, through an order dated 31 March 2017, has confirmed the demand of service tax of ₹ 644.65 crore and penalties of ₹ 198.95 crore from BFL in relation to the interest subsidy received by BFL from manufacturers and dealers during the period starting from 1 April 2010 till 30 September 2016. The Commissioner has also demanded payment of interest on the demand of service tax confirmed until the date BFL pays the service tax demanded, which as at 31 March 2026 amounted to ₹ 1,174.32 crore. In accordance with legal advice, BFL filed an appeal on 6 July 2017 with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai disputing the demands. BFL, in line with the opinion obtained from a senior legal counsel, is of view that the said demands are not tenable.

In addition, the Principal Commissioner, Central GST and Central Excise, Commissionerate Pune-I, through order dated 3 February 2021, has confirmed the demand of service tax of ₹ 217.22 crore and penalty thereon of ₹ 21.72 crore from BFL in relation to the interest subsidy received by BFL from manufacturers and dealers during the period starting from 1 October 2016 till 30 June 2017. The Principal Commissioner has also demanded payment of interest on the demand of service tax confirmed until the date BFL pays the service tax demanded, which as at 31 March 2026 amounted to ₹ 295.34 crore. In accordance with legal advice, BFL filed an appeal on 14 June 2021 with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai against the said demand. BFL, in line with the opinion obtained from a senior legal counsel, is of view that the said demands are not tenable.

iii) The Joint Commissioner, Central Tax, Pune-II Commissionerate, through an order dated 21 January 2025, has confirmed the demand of GST of ₹ 341.29 crore and penalty of ₹ 341.29 crore from BFL in relation to interest collected upfront by BFL from its customers during the period starting from 1 July 2017 till 31 March 2024, alleging that the of interest collected upfront is in the nature of fees/charges.

42A Contingent liabilities (Contd.)

The Joint Commissioner has also demanded payment of interest on the demand of GST confirmed until the date BFL pays the GST liability demanded, which as at 31 March 2026 amounted to ₹ 253.64 crore. In accordance with legal advice, BFL has filed an appeal on 23 April 2025 before the office of the Commissioner (Appeals), Pune disputing the demand. BFL, in line with the opinion obtained from a senior legal counsel, is of view that the said demands are not tenable.

iv) The Commissioner, Central Excise and CGST, Pune -I, Commissionerate, through an order dated 15 November 2021, has confirmed the demand of service tax of ₹ 188.37 crore and penalty of ₹ 188.37 crore from BFL alleging short reversal of Cenvat credit with respect to investment activity undertaken by BFL, in accordance with rule 6(3)(i) Cenvat Credit Rules, 2004 during the period starting from 1 October 2014 till 30 June 2017. In addition, the Commissioner has demanded payment of interest on the demand of service tax confirmed until the date BFL pays the service tax demanded, which as at 31 March 2026 amounted to ₹ 281.83 crore. In accordance with legal advice, BFL filed an appeal on 17 February 2022 with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT) Mumbai disputing the demands. BFL, in line with the opinion obtained from a legal counsel, is of view that the said demands are not tenable.

v) It is not practicable for BFL to estimate the timings of the cash flows, if any, in respect of the above pending resolution of the respective proceedings.

vi) In Bajaj General, ₹ 20.11 crore being amount pertaining to service tax refund applications rejected by the assessing officer which are now in appeal before Commissioner (Appeals). Bajaj General is in conformity with various legal and judicial pronouncements/opinions and believes its position is tenable under the respective regulations. Also, Bajaj General has received an order from Directorate General of GST Intelligence (the 'DGGI') confirming the demand amounting to ₹ 44.04 crore (excluding interest and penalty) in respect of alleged incorrect availment of Input Tax Credit ('ITC') on certain marketing expenses incurred by Bajaj General. Based on the assessment of prevailing laws, ITC availed is in compliance with the provisions of applicable laws. Accordingly, an appeal against the order has been filed and the matter is being contested on merits and relevant provisions.

vii) Bajaj General has received an order passed under section 7A of Employees Provident Fund & Miscellaneous Provisions Act, 1952 for the period from September 2014 to August 2019 from Regional Provident Fund Commissioner, Pune claiming provident fund contribution amounting to ₹ 44.45 crore (and interest of ₹ 31.26 crore) related to certain allowances paid to employees but not considered as part of basic wages. Based on the legal advice received, Bajaj General has contested the order by filling an appeal. Accordingly, the said order has been assessed by Bajaj General as contingent liability.

viii) With respect to Income Tax, Bajaj General has received an order from income tax department for various assessment years disallowing certain expenses alleging that these are ineligible expenses and have disallowed total amount of ₹ 76.96.crore (Previous year ₹ 50.48.crore). Based on Bajaj General's assessment of prevailing laws, deduction of expenses is in compliance with the provisions of applicable laws. Bajaj General strongly believes that they maintain appropriate documentation and will be able to provide necessary documents to the department. Accordingly, the matter has been assessed as remote and an appeal against the orders have been filed and the matter is being contested on merits and relevant provisions.

ix) During previous year 31 March 2025, Bajaj Life had received a demand order amounting to ₹ 191.44 crore (including penalty of ₹ 143.58 crore) in respect of availment of certain input tax credit ('ITC') by Bajaj Life. Based on the legal advice received, Bajaj Life believes that ITC availed is in compliance with the provisions of applicable laws, accordingly the appeal has been filed against the said demand order and the matter is being contested. Accordingly, the said demand order continues to be assessed by Bajaj Life as contingent liability as at 31 March 2026.

x) During previous year ended 31 March 2025, Bajaj Life had received an order passed under section 7A of Employees Provident Fund & Miscellaneous Provisions Act, 1952 for the period from September 2014 to August 2019 from Regional Provident Fund Commissioner, Pune claiming provident fund contribution amounting to ₹ 63.76 crore (and interest of ₹ 57.29 crore) related to certain allowances paid to employees

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

42A Contingent liabilities (Contd.)

but not considered as part of basic wages. Based on the legal advice received, Bajaj Life has challenged impugned order before the Appellate Authority and granted stay. Accordingly, the said Order continues to be assessed by Bajaj Life as contingent liability as at 31 March 2026.

xi) Guarantees given by Bajaj General is backed by the Fixed deposits of ₹ 96.00 crore held with Canara bank marked lien.

xii) Guarantee has been given by Vidal Healthcare Services Private Ltd. to wholly owned subsidiary (Vidal Health Insurance TPA Private Ltd.) on behalf of loans taken from Ratnakar Bank (RBL) amounting to ₹ 37 crore.

xiii) During the FY 2014-15, the Income Tax Authorities passed an order U/s 143(3) of the Income Tax Act, 1961 and raised demand of ₹ 0.31 crore for A. Y. 2011-12 by disallowing certain expenses. Vidal Health Insurance TPA Private Ltd. has filed an appeal against the said order before the Commissioner of Income Tax (Appeals) ('CIT(A)'). The appeal was dismissed by CIT (A) in February 2018. Vidal Health Insurance TPA Private Ltd. has filed an appeal before Income Tax Appellate Tribunal against the order of CIT(A). Income Tax Appellate Tribunal in February 2020 passed the order partially allowing the appeal on certain matters and with a direction to Assessing Officer for deletion of disallowance after verification for the other matter under appeal.

xiv) During the FY 2014-15, the Income Tax Authorities passed an order U/s 143(3) of the Income Tax Act, 1961 and raised demand of ₹ 0.86 crore for A. Y. 2012-13 by disallowing certain expenses. Vidal Health Insurance TPA Private Ltd. has filed an appeal against the said order before the Commissioner of Income Tax (Appeals) ('CIT(A)'). The appeal was dismissed by CIT(A) in February 2018. Vidal Health Insurance TPA Private Ltd. has filed an appeal before Income Tax Appellate Tribunal against the order of CIT(A). Income Tax Appellate Tribunal in February 2020 passed the order partially allowing the appeal on certain matters and with a direction to Assessing Officer for deletion of disallowance after verification for the other matter under appeal.

xv) During the FY 2011-12, the Income Tax Authorities passed an order U/s 143(3) of the Income Tax Act, 1961 and raised demand of ₹ 0.33 crore for A. Y. 2009-10 by disallowing certain expenses. Vidal Health Insurance TPA Private Ltd. has filed an appeal against the said order before the Commissioner of Income Tax (Appeals) ('CIT(A)'). CIT(A) passed an exparte order in June 2018. Vidal Health Insurance TPA Private Ltd. filed an appeal before the Income Tax Appellate Tribunal against the order of the CIT. In October 2018,Income Tax Appellate Tribunal has set aside the said order of CIT(A) and restored before CIT(A) on adjudication on merits.

xvi) During the FY 2016-17, the Income Tax Authorities passed an order U/s 143(3) of the Income Tax Act, 1961 and raised demand of ₹ 0.88 crore for A. Y. 2014-15 by disallowing certain expenses. Vidal Health Insurance TPA Private Ltd. has filed an appeal against the said order before the Commissioner of Income Tax (Appeals) ('CIT(A)'). The appeal was dismissed by CIT(A) in January 2018. Vidal Health Insurance TPA Private Ltd. has filed an appeal before Income Tax Appellate Tribunal against the order of CIT(A). Income Tax Appellate Tribunal in February 2020 passed the order partially allowing the appeal on certain matters and with a direction to Assessing Officer for deletion of disallowance after verification for the other matter under appeal.

xvii) During the FY 2015-16, the Income Tax Authorities passed an order U/s 143(3) of the Income Tax Act, 1961 and raised demand of ₹ 2.06 crore for A. Y. 2013-14 by disallowing certain expenses. Vidal Health Insurance TPA Private Ltd. has filed an appeal against the said order before the Commissioner of Income Tax (Appeals) ('CIT(A)'). The appeal was dismissed by CIT(A) in February, 2018. Vidal Health Insurance TPA Private Ltd. has filed an appeal before Income Tax Appellate Tribunal against the order of CIT(A). Income Tax Appellate Tribunal in February 2020 passed the order partially allowing the appeal on certain matters and with a direction to Assessing Officer for deletion of disallowance after verification for the other matter under appeal.

xviii) During the FY 2019-20, the Income Tax Authorities raised a demand for ₹ 0.49 crore towards interest on tax demand of ₹ 2.06 crore which is under Appeal for AY 2013-14 and adjusted the same out of refund due for AY 2017-18.

42A Contingent liabilities (Contd.)

xix) During the FY 2021-22,the Income Tax Authorities have passed order u/s 147 read with section 144B of the Act for AY 2014-15 raising a demand of ₹ 2.40 crore along with a notice for penalty proceedings. Vidal Health Insurance TPA Private Ltd. has filed an Appeal before the Commissioner of Income tax (Appeals) and has applied for a stay of demand. During the FY 2022-23, an amount of ₹ 0.51 crore has been recovered towards the same.

xx) During the FY 2022-23, the Income Tax Authorities passed an order U/s 143(3) of the Income Tax Act, 1961 and adjusted additional tax of ₹ 1.14 crore out of refund due for A. Y. 2021-22 arising out of certain additions to income. Vidal Health Insurance TPA Private Ltd. has filed an appeal against the said order before the Commissioner of Income Tax (Appeals).

xxi) Vidal Health Insurance TPA Private Ltd. has filed appeal with ITAT on certain disallowances to the extent of ₹ 0.42 crore for the A.Y. 2018-19. The case is pending before Income Tax Appellate Tribunal for final disposal.

xxii) ESIC has demanded a sum of ₹ 0.06 crore from Vidal Health Insurance TPA Private Ltd., towards non payment of ESI Contribution of the employees of Noida Branch for the period 1 March 2014 to 30 April 2018. Vidal Health Insurance TPA Private Ltd. contends that as the contribution is paid under a different branch code and is only a technical error. Vidal Health Insurance TPA Private Ltd. has since filed an appeal before the Appellate Authority, Noida, after paying 25% of the demand and is confident of deletion of the demand.

42B Capital and other commitments

	As at 31 March	
Particulars	**2026**	**2025**
Capital commitments, net of capital advances	290.27	190.99
Commitments made for investments	292.33	208.72
Other commitments towards partially disbursed/un-encashed loans/future CSR spend	36,994.64	6,014.17
	37,577.24	6,413.88

i) Bajaj Life holds investments with commitments outstanding partly-paid up investments. As at 31 March 2026 were ₹ 70 crore (as at 31 March 2025: ₹ 389.74 crore) and other assets as at 31 March 2026 were ₹ 44.18 crore (as at 31 March 2025: ₹ 57.81 crore).

ii) Bajaj Life made a commitments for Alternative Investment Fund (AIF) investments. It is ₹ 260.51 crore as at 31 March 2026 (as at 31 March 2025: ₹ 152.67 crore) (net of amount already paid).

iii) Bajaj General made a commitments and outstanding for acquisition of fixed assets amounting to ₹ 51.50 crore (Previous year ₹ 34.36 crore) and outstanding for loans and investment ₹ Nil (Previous year ₹. Nil).

iv) Bajaj General made a commitment for Alternative Investment Fund (AIF) investments. It is ₹ 27.84 crore (Previous year ₹ 56.05 crore) as at 31 March 2026.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

43 Segment information

Segment information is based on the consolidated financial statements.

Segment wise revenue, results and capital employed for the period ended 31 March 2026

(a) Primary Segment: Business Segment

(₹ In Crore)

Particulars	Life insurance	General insurance	Windmill	Retail financing	Investments and others	Consolidated
Revenue						
External sales and other income	33,789.85	34,414.88	23.97	81,006.10	1,295.58	150,530.38
Inter segment sales and other income	420.22	235.01	-	983.40	2,323.89	3,962.52
Total revenue	34,210.07	34,649.89	23.97	81,989.50	3,619.47	154,492.90
Segment result	196.87	1,974.85	12.50	25,601.49	(902.56)	26,883.15
Tax expense	-	-	-	-	-	7,213.68
Non-controlling interest	-	-	-	-	-	9,868.50
Net profit	196.87	1,974.85	12.50	25,601.49	(902.56)	9,800.97
Segment assets	134,490.68	59,490.83	32.80	558,381.59	3,996.16	756,392.06
Unallocated corporate assets	-	-	-	-	-	54.40
Total assets	134,490.68	59,490.83	32.80	558,381.59	3,996.16	756,446.46
Segment liabilities	131,390.44	49,045.76	0.69	7,830.23	944.55	189,211.67
Unallocated corporate liabilities	-	-	-	-	-	70.26
Total liabilities	131,390.44	49,045.76	0.69	7,830.23	944.55	189,281.93
Capital employed	3,100.24	10,445.07	32.11	550,551.36	3,051.61	567,164.53

Business segments of the consolidated group have been identified as distinguishable components that are engaged in a group of related product or services and that are subject to risks and returns different from other business segments. Accordingly Life Insurance, General Insurance, Windmill, Retail financing and Investments and others have been identified as the business segments.

(b) All the companies included in above reporting operate within India. Hence geographic segment is not applicable.

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

(a) Primary Segment: Business Segment

(₹ In Crore)

Particulars	Life insurance	General insurance	Windmill	Retail financing	Investments and others	Consolidated
Revenue						
External sales and other income	31,621.61	31,824.46	22.28	68,162.26	1,313.71	132,944.32
Inter segment sales and other income	517.33	209.74	-	684.72	2,692.17	4,103.96
Total revenue	32,138.94	32,034.20	22.28	68,846.98	4,005.88	137,048.28
Segment result	165.08	2,130.38	13.78	22,249.47	(810.50)	23,748.21
Tax expense	-	-	-	-	-	6,190.57
Non-controlling interest	-	-	-	-	-	8,685.33
Net profit	165.08	2,130.38	13.78	22,249.47	(810.50)	8,872.31
Segment assets	128,373.36	54,690.81	33.18	465,084.55	2,796.33	650,978.23
Unallocated corporate assets	-	-	-	-	-	51.84
Total assets	128,373.36	54,690.81	33.18	465,084.55	2,796.33	651,030.07
Segment liabilities	119,465.50	42,538.79	1.13	5,873.05	792.60	168,671.07
Unallocated corporate liabilities	-	-	-	-	-	63.96
Total liabilities	119,465.50	42,538.79	1.13	5,873.05	792.60	168,735.03
Capital employed	8,907.86	12,152.02	32.05	459,211.50	2,003.73	482,295.04

Business segments of the consolidated group have been identified as distinguishable components that are engaged in a group of related product or services and that are subject to risks and returns different from other business segments. Accordingly Life Insurance, General Insurance, Windmill, Retail financing and Investments and others have been identified as the business segments.

(b) All the companies included in above reporting operate within India. Hence geographic segment is not applicable.

44 Disclosure of transactions with related parties as required by Ind AS 24

(₹ In Crore)

	Name of related party and nature of relationship	Nature of transaction	FY 2025-26 Transaction value	FY 2025-26 Outstanding amounts carried in the balance sheet	FY 2024-25 Transaction value	FY 2024-25 Outstanding amounts carried in the balance sheet
A.	Since consolidated financial statements present information about the holding and its subsidiaries as a single reporting enterprise, it is unnecessary to disclose intra - group transactions.					
B.	**Investing parties**					
	Bajaj Holdings & Investment Ltd. (investing party - holds 38.28 % shares of Bajaj Finserv Ltd.)	Contribution to equity (612,742,140 shares of ₹ 1 each (Previous year 623,142,140 shares of ₹ 1 each)	-	(61.27)	-	(62.31)
		Dividend paid	61.27	-	62.31	-
		Investment purchase	75.39	-	-	-
		Business support services received	23.50	0.63	23.70	0.63
		Business support services rendered	0.81	-	0.83	-
		Other payments	2.52	-	2.24	-
		Insurance premium received by Bajaj General/ Bajaj Life	1.68	-	1.36	-
		Unallocated premium	(0.24)	-	-	(1.70)
		Billable expenses reimbursement received	0.05	-	-	-
		Billable expenses reimbursed on behalf	5.01	*	4.27	-
		Security deposit	4.13	0.23	-	0.70
		Repayment of security deposit received	0.70	-	-	-
		Commission income	3.35	-	-	-
		Rent paid	0.26	-	1.99	-
		Rent received	1.71	-	1.86	-
	Bajaj Financial Distributors Ltd. (formerly known as 'Bajaj Allianz Financial Distributors Ltd.') (100% owned subsidiary of Bajaj Finserv Ltd. from 16 Jan 2026)	Contribution to equity (2,400,000 shares of ₹ 10 each)	-	13.70	-	1.20
		Services received	6.86	-	3.70	-
		Insurance premium received by Bajaj General/ Bajaj Life	0.01	-	0.08	-
		Insurance commission paid by Bajaj General/ Bajaj Life	0.49	-	2.03	-
		Unallocated premium	-	(0.05)	-	(0.09)
		Rental service	0.04	-	-	-
		Security deposits received	0.01	0.01	-	-
	Bajaj Staffing Solutions Ltd. (formerly known as 'Bajaj Allianz Staffing Solutions Ltd.') (100% owned subsidiary of Bajaj Financial Distributors Ltd.)	Insurance premium received by Bajaj General/ Bajaj Life	1.33	-	2.60	-
		Unallocated premium	-	(0.21)	-	(0.14)
		Manpower supply charges	157.23	-	184.84	-
		Business support services received	4.67	-	3.79	-
		Other receipts	0.16	-	0.14	-
		Security deposits received	-	(0.07)	0.02	(0.07)
C.	**Individuals controlling voting power/exercising significant influence and their relatives**					
	Rajiv Bajaj	Sitting fees	0.11	-	0.14	-
		Commission	0.42	(0.40)	0.49	(0.46)
		Dividend	0.01	-	-	-
	Shefali Bajaj	Deposit paid	0.27	0.68	-	0.41
		Billable expenses reimbursement received	0.01	-	-	-
		Rent paid	1.91	-	0.52	-
	Sanjiv Bajaj (Chairman & Managing Director) (Also key management personnel)	Short-term employee benefits (including commission)	55.62	(38.73)	42.15	(28.77)
		Post-employment benefits	2.84	-	2.41	-
		Deposit paid	-	2.16	1.08	2.16
		Rent paid	2.20	-	1.51	-
		Sitting fees	0.46	-	0.53	-
	Siddhant Bajaj	Remuneration	0.10	-	-	-
	Sanjali Bajaj	Remuneration	0.20	-	0.05	-
		Rent paid	1.36	-	-	-
		Revenue expenses reimbursement received	0.01	-	-	-
		Security deposit paid	0.27	0.27	-	-

* The amount is below the rounding off norm adopted by the Group.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

44 Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ In Crore)

	Name of related party and nature of relationship	Nature of transaction	FY 2025-26 Transaction value	FY 2025-26 Outstanding amounts carried in the balance sheet	FY 2024-25 Transaction value	FY 2024-25 Outstanding amounts carried in the balance sheet
	Dr. Naushad Forbes	Sitting fees	0.28	-	0.46	-
		Commission	1.09	(1.03)	1.62	(1.52)
	Manish Kejriwal	Sitting fees	0.10	-	0.10	-
		Commission	0.30	(0.30)	0.30	(0.30)
	Anami Roy	Sitting fees	0.94	-	0.79	(0.01)
		Commission	2.46	(2.27)	2.37	(2.20)
	Radhika Haribhakti	Sitting fees	0.52	-	0.36	(0.01)
		Commission	1.51	(1.41)	1.24	(1.16)
	Dr. Arindam Kumar Bhattacharya	Sitting fees	0.40	-	0.45	-
		Commission	1.26	(1.13)	1.18	(1.06)
		Loan given	0.02	-	-	-
		Loan repayment received	0.02	-	-	-
	Pramit Jhaveri	Sitting fees	0.46	-	0.49	-
		Commission	1.92	(1.78)	1.79	(1.66)
	Sanjiv Nandan Sahai	Sitting fees	0.14	-	0.02	-
		Commission	0.42	(0.42)	0.06	(0.06)
	Rajeev Jain	Remuneration	28.87	(20.73)	21.41	(7.08)
		Sitting fees	0.39	-	0.33	-
		Commission	0.73	(0.67)	0.66	(0.59)
		Share-based payment	42.60	-	39.06	-
		Equity shares issued pursuant to stock option scheme	-	-	40.52	-
		Asset purchase	-	-	0.50	-
		Dividend paid	0.95	-	0.61	-
		Cashback given (Previous year transaction value ₹ 666)	-	-	-	-
		Fastag fee received (Previous year transaction value ₹ 200)	-	-	-	-
	Archana Jain (Spouse of Rajeev Jain, Vice Chairman and Managing Director of BFL)	Assets Purchases	-	-	0.31	-
D	**Other entities/persons**					
	Bajaj Auto Ltd.	Business support services received	32.93	-	31.31	-
		Insurance premium received by Bajaj General/ Bajaj Life	41.49	-	40.75	-
		Insurance claims paid by Bajaj General/Bajaj Life	2.88	-	0.25	-
		Security deposit paid	-	0.24	-	0.24
		Unallocated premium	-	(5.47)	-	(12.35)
		Dividend income	2.63	-	1.00	-
		Investments held	-	109.77	-	98.49
		Finance lease given	15.86	21.17	8.76	8.29
		Finance lease repayment received	4.36	-	0.78	-
		Interest income on finance lease	1.37	-	0.31	-
		Advance given towards lease related transactions	3.10	3.98	1.95	1.77
		Receipt of repayment towards advance given	0.90	-	0.18	-
		Lease management charges received	0.22	-	0.04	-
		Revenue expenses reimbursement paid	0.01	-	0.03	-
		Rent and maintenance expenses	1.82	-	1.76	-
		Inter-corporate deposit accepted	745.00	(745.00)	480.00	(280.00)
		Inter-corporate deposit repaid	280.00	-	700.00	-
		Interest accrued on Inter-corporate deposits	31.35	(22.30)	29.77	(13.84)

* The amount is below the rounding off norm adopted by the Group.

44 Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ In Crore)

Name of related party and nature of relationship	Nature of transaction	FY 2025-26 Transaction value	FY 2025-26 Outstanding amounts carried in the balance sheet	FY 2024-25 Transaction value	FY 2024-25 Outstanding amounts carried in the balance sheet
Bajaj Electricals Ltd.	Interest subsidy	3.48	0.80	2.31	0.62
	Insurance claims paid by Bajaj General/Bajaj Life	77.04	-	74.37	-
	Insurance premium received by Bajaj General/ Bajaj Life	66.45	-	80.06	-
	Unallocated premium	-	(13.02)	-	12.45
	Inter-corporate deposit accepted	285.00	(285.00)	198.00	(183.00)
	Inter-corporate deposit repaid	183.00	-	75.00	-
	Advances	13.27	4.97	-	-
	Interest accrued on Inter-corporate deposits	9.56	(5.39)	13.06	(10.22)
Bajaj Auto Holdings Ltd.	Contribution to equity (2,090,050 shares of ₹1 each)	-	(0.21)	-	(0.21)
	Dividend paid	0.21	-	0.21	-
Hind Musafir Agency Ltd.	Services received	90.83	(1.82)	95.97	0.05
	Insurance premium received by Bajaj General/ Bajaj Life	0.06	(0.33)	0.05	(1.22)
Bajaj Auto Technology Ltd. (formerly Chetak Technology Ltd.)	Insurance premium received by Bajaj General/ Bajaj Life	0.87	-	(0.12)	-
	Inter-Corporate deposits accepted	296.80	(296.80)	243.50	(223.50)
	Inter-Corporate deposits repaid	223.50	-	20.00	-
	Interest accrued on inter-corporate deposits	17.68	(7.12)	8.06	(6.80)
	Finance lease given	1.55	1.81	0.40	0.39
	Finance lease repayment received	0.21	-	0.03	-
	Interest income on finance lease	0.08	-	0.01	-
	Advance given towards lease related transactions	0.45	0.49	0.10	0.09
	Receipt of repayment towards advance given	0.05	-	0.01	-
	Lease management charges received	0.01	-	*	-
	Unallocated premium	-	(0.75)	-	(0.36)
Bajaj Auto Credit Ltd. (formerly Bajaj Auto Consumer Finance Ltd.)	Insurance premium received by Bajaj General/ Bajaj Life	4.25	-	2.07	-
	Insurance commission paid by Bajaj General/ Bajaj Life	56.31	-	0.64	-
	Unallocated premium	-	(1.93)	-	(3.99)
	Agents balances	-	(7.87)	-	-
	Asset sales	1.49	-	2.55	(0.11)
	Business support charges received	0.93	-	-	-
	Business support charges paid	4.67	-	-	-
	Fair value of ESOP received	4.10	-	-	-
	Finance lease given	0.57	0.77	0.34	0.34
	Finance lease repayment received	0.18	-	*	-
	Interest income on finance lease	0.04	-	*	-
	Advance given towards lease related transactions	0.11	0.15	0.08	0.08
	Receipt of repayment towards advance given	0.03	-	*	-
	Lease management charges received	*	-	*	-
	Income from distribution of third party products	0.02	-	0.03	-
	Revenue from software services	0.37	-	0.38	0.12
Mukand Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	6.29	-	6.16	-
	Insurance claims paid by Bajaj General/Bajaj Life	0.96	-	0.80	-
	Rent and other expenses paid	0.25	1.15	0.25	0.12
	Unallocated premium	-	(0.16)	-	(0.04)
Snapwork Technologies Pvt. Ltd.	Investment in equity shares	-	28.49	-	28.49
	Investment in compulsorily convertible preference shares (Deemed equity)	-	64.25	-	64.25
	Information technology design and development charges	30.14	-	20.02	-
	Support charges	0.28	-	0.24	-
	Business support services received	-	-	0.04	-

* The amount is below the rounding off norm adopted by the Group.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

44 Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ In Crore)

Name of related party and nature of relationship	Nature of transaction	FY 2025-26		FY 2024-25	
		Transaction value	Outstanding amounts carried in the balance sheet	Transaction value	Outstanding amounts carried in the balance sheet
Pennant Technologies Pvt. Ltd.	Investment in equity shares	-	113.75	-	113.75
	Investment in compulsorily convertible preference shares (Deemed equity)	-	153.72	-	153.72
	Information technology design and development charges	-	-	35.79	(11.84)
	Annual maintenance charges paid	-	-	5.82	-
	Inter-corporate deposits accepted	42.91	(42.91)	40.00	(40.00)
	Inter-corporate deposits paid	40.00	-	-	-
	Interest accrued on Inter-corporate deposits	3.06	(1.46)	1.80	(1.62)
	Information technology design and development charges paid	31.34	-	-	-
	Annual maintenance charges paid	7.04	-	-	-
	Finance lease given	0.85	0.93	0.26	0.26
	Finance lease repayment received	0.26	-	-	-
	Interest income on finance lease	0.07	-	*	-
	Receipt of repayment towards advance given	0.02	-	*	-
	Lease management and other charges received	0.02	-	*	-
	Advance given towards lease related transactions	0.09	0.13	0.06	0.06
Hindustan Housing Co. Ltd.	Contribution to equity (80,000 shares of ₹ 1 each)	-	(0.01)	-	(0.01)
	Dividend paid	0.01	-	0.01	-
	Insurance premium received by Bajaj General/ Bajaj Life	*	-	*	-
	Unallocated premium	-	-	-	-
Hercules Investment Ltd. (formerly Hercules Hoists Ltd.)	Contribution to equity (1,105,630 shares of ₹ 1 each)	-	(0.11)	-	(0.11)
	Dividend paid	0.11	-	0.11	-
	Insurance premium received by Bajaj General/ Bajaj Life	*	-	0.82	-
	Unallocated premium	-	*	-	*
Indef Manufacturing Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	0.92	-	0.01	-
	Unallocated premium	-	(0.11)	-	(0.15)
Bajel Projects Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	1.17	-	0.04	-
	Inter-corporate deposits accepted	-	-	20.00	-
	Interest accrued on Inter-corporate deposits	-	-	20.00	-
	Inter-corporate deposits repaid	-	-	0.61	-
	Loan given	146.00	-	203.00	21.00
	Loan repayment received	167.00	-	182.00	-
	Interest income on loan given	1.03	-	6.45	0.66
	Processing fees received	0.20	-	0.22	-
Bajaj Trading Co.	Insurance premium received by Bajaj General/ Bajaj Life	-	-	0.01	-
	Unallocated premium	-	-	-	*
Mukand Sumi Special Steel Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	1.44	-	1.25	-
	Insurance claims paid by Bajaj General/Bajaj Life	0.06	-	0.13	-
	Unallocated premium	-	(0.84)	-	(0.69)
Maharashtra Scooters Ltd.	Non-convertible debentures issued	-	(200.00)	-	(200.00)
	Secured non-convertible debentures redemption	-	-	75.00	-
	Interest on non-convertible debentures issued	17.86	-	4.90	-
	Contribution to equity of BFL (190,261,600 shares of ₹ 1 each, adjusted for split and bonus, Previous year 18,974,660 shares of ₹ 2 each)	-	(19.03)	-	(3.79)
	Contribution to equity (37,932,400 shares of ₹ 1 each)	-	(3.79)	-	(3.79)
	Dividend paid	110.05	-	72.10	-
	Business support services rendered	0.17	-	0.24	-
	Rent received	*	-	*	-
	Insurance premium received by Bajaj General/ Bajaj Life	-	-	0.07	-
	Unallocated premium	-	(0.01)	-	(0.01)

* The amount is below the rounding off norm adopted by the Group.

44 Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ In Crore)

Name of related party and nature of relationship	Nature of transaction	FY 2025-26 Transaction value	FY 2025-26 Outstanding amounts carried in the balance sheet	FY 2024-25 Transaction value	FY 2024-25 Outstanding amounts carried in the balance sheet
Indian School of Business	Training expenses	-	-	1.76	-
Allianz SE	Revenue expenses reimbursement received	-	-	2.42	2.42
Sanjali Family Trust	Rent paid	-	-	0.49	-
	Security deposit paid	-	-	(0.14)	-
	Revenue expenses reimbursement paid	-	-	0.07	-
Jamnalal Sons Pvt. Ltd.	Security deposit	-	0.14	-	0.14
	Rent and other expenses	0.33	-	0.28	-
	Contribution to equity	-	(0.13)	-	(0.03)
	Revenue expenses reimbursement received	-	-	0.05	-
	Dividend paid	0.71	-	0.46	-
	Insurance premium received by Bajaj General/ Bajaj Life	0.74	-	0.70	-
	Unallocated premium	-	(0.05)	-	(0.03)
Bajaj Auto Ltd. Provident Fund	Unsecured non convertible debentures issued	-	(15.00)	-	(25.00)
	Unsecured non convertible debentures redemption	10.00	-	11.00	-
	Interest paid on non convertible debentures	2.22	-	3.32	-
	Provident fund contribution (Employer's share)	-	-	-	-
Bajaj Auto Employees Superannuation Fund	Superannuation contribution	1.21	-	1.21	-
Bajaj Auto Employees Group Gratuity Fund	Gratuity contribution	71.43	-	16.00	-
Bajaj Auto Senior staff Group Gratuity Fund	Gratuity contribution	15.49	-	11.50	-
Bajaj Electricals Ltd. Employees Provident Fund	Interest paid on non-convertible debentures	0.13	-	-	-
	Unsecured non-convertible debentures redemption	1.50	-	-	-
RDR Ventures LLP	Insurance premium received by Bajaj General/ Bajaj Life	*	-	*	-
	Unallocated premium	-	-	-	-
Hospet Steels Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	0.13	-	0.15	-
	Unallocated premium	-	-	-	-
Hind Lamps Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	*	-	*	-
	Unallocated premium	-	*	-	*
Mukand Sumi Metal Processing Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	-	-	0.01	-
	Unallocated premium	-	*	-	*
Emerald Acres Pvt. Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	-	-	0.01	-
	Unallocated premium	-	-	-	*
Mukand Heavy Engineering Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	0.21	-	0.14	-
	Unallocated premium	-	*	-	-
Aryan Nayan Realty LLP	Insurance premium received by Bajaj General/ Bajaj Life	0.01	-	0.01	-
Bachhraj And Company Pvt Ltd.	Insurance premium received by Bajaj General/ Bajaj Life	*	-	*	-
KTM Sport Motorcycle India Pvt. Ltd.	Insurance premium	0.02	-	-	-
	Unallocated premium	-	0.03	-	-
Bajaj Integrated Health System Pvt. Ltd. (formerly Bajaj Vitality Pvt. Ltd.)	Revenue from software services	1.45	0.56	-	-
	Other reimbursement	0.02	-	-	-

* The amount is below the rounding off norm adopted by the Group.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

44 Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ In Crore)

Name of related party and nature of relationship	Nature of transaction	FY 2025-26 Transaction value	FY 2025-26 Outstanding amounts carried in the balance sheet	FY 2024-25 Transaction value	FY 2024-25 Outstanding amounts carried in the balance sheet
Bachhraj Factories Pvt. Ltd.	Contribution to equity of BFL (720,000 shares of ₹ 1 each, adjusted for split and bonus, Previous year: 72,000 shares of ₹ 2 each)	-	(0.07)	-	(0.01)
	Dividend paid	0.40	-	0.26	-
	Insurance premium received by Bajaj General/ Bajaj Life	*	-	*	-
Bajaj Sevashram Pvt. Ltd.	Contribution to equity of BFL (3,085,000 shares of ₹ 1 each, adjusted for split and bonus, Previous year: 308,500 shares of ₹ 2 each)	-	(0.31)	-	(0.06)
	Dividend paid	1.73	-	1.11	-
Baroda Industries Pvt. Ltd.	Contribution to equity of BFL (1,176,000 shares of ₹ 1 each, adjusted for split and bonus, Previous year: 117,600 shares of ₹ 2 each)	-	(0.12)	-	(0.02)
	Dividend paid	0.66	-	0.42	-
	Insurance premium	*	-	-	-

* The amount is below the rounding off norm adopted by the Group.

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

45 Employee benefit plans

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

Funded schemes

Gratuity

The Group provides for gratuity payments to employees. The gratuity benefit payable to the employees of the Group is in line with provisions of 'The Code on Social Security, 2020' and the Group's gratuity scheme, whichever is higher. The gratuity plan is a funded plan and the Group makes contributions to approved gratuity fund.

(₹ In Crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Amount recognised in consolidated Balance Sheet		
Present value of funded defined benefit obligation	1,375.03	941.63
Fair value of plan assets	702.95	513.27
Net funded obligation*	672.08	428.80
Present value of unfunded defined benefit obligation	0.70	0.18
Net funded assets*	-	(0.44)

* Entities having net asset or net obligation are consolidated for net asset or net obligation, respectively and shown in above disclosure.

(₹ In Crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Expense recognised in the consolidated Statement of Profit and Loss		
Current service cost	201.88	128.27
Past service cost	262.29	(0.43)
Interest on net defined benefit liability/(asset)	35.40	20.34
Total expense charged to consolidated Statement of Profit and Loss	499.57	148.18

45 Employee benefit plans (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Amount recorded as Other Comprehensive Income		
Opening amount recognised in OCI outside consolidated Statement of Profit and Loss	292.39	248.22
Remeasurements during the period due to		
Changes in financial assumptions	(42.00)	33.44
Changes in demographic assumptions	(77.14)	11.72
Experience adjustments	73.79	2.02
Actual return on plan assets less interest on plan assets	14.06	(2.96)
Adjustment to recognise the effect of asset ceiling	-	(0.05)
Closing amount recognised in OCI outside consolidated Statement of Profit and Loss	261.10	292.39

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Movement in benefit obligation		
Opening of defined benefit obligation	941.81	741.39
Addition due to business combination	-	6.15
Current service cost	201.88	128.27
Past service cost	262.29	(0.43)
Interest on defined benefit obligation	69.07	52.75
Remeasurements due to		
Actuarial loss/(gain) arising from change in financial assumptions	(42.00)	33.40
Actuarial loss/(gain) arising from change in demographic assumptions	(77.01)	7.41
Actuarial loss/(gain) arising on account of experience changes	73.65	6.34
Benefits paid	(52.14)	(29.99)
Liabilities assumed/(settled)	(1.82)	(3.48)
Closing of defined benefit obligation	1,375.73	941.81
Movement in plan assets		
Opening fair value of plan assets	513.27	435.26
Addition due to business combinations	-	3.57
Employer contributions	225.28	73.62
Interest on plan assets	33.68	30.75
Remeasurements due to		
Actual return on plan assets less interest on plan assets	(14.05)	2.96
Benefits paid	(54.14)	(29.40)
Assets acquired/(settled)*	(1.09)	(3.49)
Closing fair value of plan assets	702.95	513.27

* On account of intra group transfer

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

45 Employee benefit plans (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Disaggregation of assets		
Category of assets		
Insurer managed funds	702.95	513.27

Particulars	As at 31 March 2026	As at 31 March 2025
Principal actuarial assumptions (expressed as weighted averages)		
Discount rate (p.a.)		
Bajaj Finserv Ltd.	7.10%	6.75%
Bajaj General Insurance Ltd.	6.60%	6.60%
Bajaj Life Insurance Ltd.	6.60%	6.55%
Bajaj Finance Ltd.	7.15%	6.85%
Bajaj Finserv Direct Ltd.	7.10%	6.75%
Bajaj Finserv Health Ltd.	6.65% ~ 6.75%	6.75% ~ 6.81%
Bajaj Finserv Asset Management Ltd.	7.10%	6.75%
Bajaj Finserv Ventures Ltd.	7.65%	6.75%
Bajaj Alternate Investment Management Ltd.	7.10%	-
Salary escalation rate (p.a.)		
Bajaj Finserv Ltd.	10.00%	10.00%
Bajaj General Insurance Ltd.	11.00%	9.50%
Bajaj Life Insurance Ltd.	4% ~ 8%	8.00%
Bajaj Finance Ltd.	9.50%	11.00%
Bajaj Finserv Direct Ltd.	11.25%	11.25%
Bajaj Finserv Health Ltd.	6% ~ 8%	7% ~ 8%
Bajaj Finserv Asset Management Ltd.	10.00%	10.00%
Bajaj Finserv Ventures Ltd.	10.00%	10.00%
Bajaj Alternate Investment Management Ltd.	10.00%	-

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

Unfunded schemes

(₹ In Crore)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Compensated absences	Long-term incentive plan	Compensated absences	Long-term incentive plan
Present value of unfunded obligations	141.21	50.37	87.33	79.41
Discount rate (p.a.)	6.65% ~ 7.65%		6.55% ~ 6.78%	
Salary escalation rate (p.a.)	4.00% ~ 11.00%		7.50% ~ 11.25%	

45 Employee benefit plans (Contd.)

Amount recognised in the consolidated Statement of Profit and Loss

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Defined contribution plans		
Provident fund paid to Government authorities	464.35	332.17
Superannuation paid to trust	18.20	1.44
Pension fund paid to Government authorities	2.50	15.84
Others	13.25	11.58
Defined Benefit plans		
Gratuity	498.70	148.18
Others	-	-
Total	997.00	509.21

46 Other disclosures

1. Capital

BFL actively manages its capital base to cover risks inherent to its business and meets the capital adequacy requirement of RBI and NHB. The adequacy of the BFL's capital is monitored using, among other measures, the regulations issued by RBI and NHB.

Bajaj General and Bajaj Life maintain an actively managed capital base to cover risks inherent in their respective businesses and meeting the solvency ratio required by IRDAI. The adequacy of Bajaj General and Bajaj Life's capital is monitored using, among the other measures, the regulation issued by IRDAI.

The cash surpluses are currently invested in equity shares, mutual funds, debt instruments and money market instruments depending upon the economic conditions and is in line with guidelines set out by IRDAI.

Safety of capital is of prime importance to ensure availability of the capital operations. Investment objective is to provide safety and adequate return on the surplus funds.

No changes were made in the objective, policies and processes of capital management during the year. Both Bajaj General and Bajaj Life do not have any borrowings and do not borrow funds.

a) Capital management (BFL)

Objective

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

Planning

BFL's assessment of capital requirement is aligned to the mandatory regulatory capital and its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and market.

BFL monitors its capital to risk-weighted assets ratio (CRAR) on a monthly basis through its assets liability management committee (ALCO).

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

1. Capital (Contd.)

BFL endeavours to maintain its CRAR higher than the mandated regulatory norm. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

BFL's dividend distribution policy states that, subject to profits and other financial parameters as per applicable legal provisions, the Board shall endeavour to maintain a dividend payout in the range of 15% to 25% of profits after tax on standalone financials, to the extent possible.

Further, BFL supports funding needs of its wholly owned subsidiaries, associates and other investee companies by way of capital infusion and loans. Similarly, BFL also makes investment in other companies for operating and strategic reasons. These investments are funded by BFL through its equity share capital and other equity which inter alia includes retained profits.

2. Regulatory capital

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Bajaj Finance Ltd.		
Tier I capital	95,751.27	82,233.86
Tier II capital	4,091.48	3,284.64
Total capital (Tier I + Tier II)	99,842.75	85,518.50
Risk weighted assets	463,323.41	389,981.09
Tier I CRAR	20.67%	21.09%
Tier II CRAR	0.88%	0.84%
Total CRAR (Tier I + Tier II)	21.55%	21.93%

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Bajaj Housing Finance Ltd.		
Tier I capital	21,994.67	19,456.12
Tier II capital	444.93	367.09
Total capital (Tier I + Tier II)	22,439.60	19,823.21
Risk weighted assets	99,906.32	70,188.39
Tier I CRAR	22.01%	27.72%
Tier II CRAR	0.45%	0.52%
Total CRAR (Tier I + Tier II)	22.46%	28.24%

46 Other disclosures (Contd.)

3. Quantitative disclosures

a. Quantitative disclosures of fair value measurement hierarchy for assets (BFL)

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value on a recurring basis as at 31 March 2026

(₹ In Crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held under FVTPL	31 March 2026	725.39	-	-	725.39
Equity instrument designated under FVTOCI (Unquoted)	31 March 2026	-	-	770.37	770.37
Equity instrument designated under FVTOCI (Quoted)	31 March 2026	160.56	-	-	160.56
Other investments designated under FVTOCI	31 March 2026	25,117.98	3,312.66	-	28,430.64
Loans designated under FVTOCI	31 March 2026	-	-	25,757.95	25,757.95
Derivative financial instruments (net)	31 March 2026	6.70	2,323.58	-	2,330.28
Total		26,010.63	5,636.24	26,528.32	58,175.19

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value on a recurring basis as at 31 March 2025

(₹ In Crore)

Particulars	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Investments held under FVTPL	31 March 2025	6,786.68	-	-	6,786.68
Equity instrument designated under FVTOCI (Unquoted)	31 March 2025	-	-	424.62	424.62
Equity instrument designated under FVTOCI (Quoted)	31 March 2025	316.99	-	-	316.99
Other investments designated under FVTOCI	31 March 2025	22,448.25	3,883.64	-	26,331.89
Loans designated under FVTOCI	31 March 2025	-	-	68,579.27	68,579.27
Derivative financial instruments (net)	31 March 2025	(4.23)	217.66	-	213.43
Total		29,547.69	4,101.30	69,003.89	102,652.88

- BFL does not carry any financial asset and liability which it fair values on a non recurring basis.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

3. Quantitative disclosures (Contd.)

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 financial assets

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Opening balance	424.62	699.22
Acquisitions during the year	308.14	35.00
Disposals during the year	-	-
Fair value gain/(loss) recognised in profit or loss	-	-
Transfer from level 3 to level 1	-	(296.89)
Gain/(loss) recognised in other comprehensive income	37.61	(12.71)
Closing balance	770.37	424.62

Sensitivity analysis of significant unobservable input on the fair value of equity instrument classified under FVTOCI

(₹ In Crore)

Particulars	Sensitivity to fair value as at 31 March 2026	
	1% increase	1% decrease
Discounting rate	(86.09)	100.09
Cash flows	53.98	(46.74)

(₹ In Crore)

Particulars	Sensitivity to fair value as at 31 March 2025	
	1% increase	1% decrease
Discounting rate	(28.51)	33.06
Cash flows	15.02	(13.10)

b. Fair value of financial instruments measured at amortised cost as at 31 March 2026

(₹ In Crore)

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial assets					
Loans	473,185.59	-	-	473,297.00	473,297.00
Investments	87.74	-	-	88.20	88.20
Total financial assets	473,273.33	-	-	473,385.20	473,385.20
Financial liabilities					
Debt securities	193,131.90	-	193,126.25	-	193,126.25
Borrowings (other than debt securities)	170,642.53	-	-	170,649.21	170,649.21
Deposits	68,532.75	-	-	69,565.31	69,565.31
Subordinated liabilities	2,805.31	-	2,812.64	-	2,812.64
Total financial liabilities	435,112.49	-	195,938.89	240,214.52	436,153.41

46 Other disclosures (Contd.)

3. Quantitative disclosures (Contd.)

Fair value of financial instruments measured at amortised cost as at 31 March 2025

(₹ In Crore)

Particulars	Carrying value	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial assets					
Loans	339,264.87	-	-	339,609.13	339,609.13
Investments	193.85	-	-	194.64	194.64
Total financial assets	339,458.72	-	-	339,803.77	339,803.77
Financial liabilities					
Debt securities	154,639.73	-	156,579.65	-	156,579.65
Borrowings (other than debt securities)	132,102.25	-	-	132,091.38	132,091.38
Deposits	71,403.13	-	-	71,718.46	71,718.46
Subordinated liabilities	3,103.54	-	3,140.92	-	3,140.92
Total financial liabilities	361,248.65	-	159,720.57	203,809.84	363,530.41

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

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

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

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

This note describes the fair value measurement of both financial and non-financial instruments.

Valuation framework (BFL)

BFL has an internal fair value assessment team which assesses the fair values of assets qualifying for fair valuation.

BFL's valuation framework includes:

- Benchmarking prices against observable market prices or other independent sources;
- Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.
- Use of fair values as determined by the derivative counter parties.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are reviewed and validated by various units of the BFL including risk, treasury and finance. BFL has an established procedure governing valuation which ensures fair values are in compliance with accounting standards.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

3. Quantitative disclosures (Contd.)

Valuation methodologies adopted

Fair value of financial instruments, other than those which are subsequently measured at amortised cost, have been arrived at as under:

- Fair values of investments held under FVTPL have been determined under level 1 using quoted market prices of the underlying instruments;
- Fair values of investments in unquoted equity instruments designated under FVTOCI have been measured under level 3 at fair value based on a discounted cash flow model;
- Fair values of investment in quoted equity and other instruments designated under FVTOCI have been determined under level 1 using quoted market prices of the underlying instruments;
- Fair value of loans held under a business model that is achieved by both collecting contractual cash flows and partially selling the loans through partial assignment to willing buyers and which contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are designated under FVTOCI. The fair value of these loans have been determined under level 3.
- Derivative financial instrument i.e. cross currency interest rate swap (CCIRS) held for the purpose of hedging foreign currency denominated external commercial borrowings (ECB) are accounted as a cash flow hedge. Fair value of CCIRS has been determined under level 2 using discounted cash flow method by deriving future forward rates from published zero coupon yield curve. All future cashflows for both the paying and receiving legs in the swap contract are discounted to present value using these forward rates to arrive at the fair value as at reporting date.
- BFL has also hedged some of its foreign currency exposure under external commercial borrowings (ECB) using currency forward contracts. Fair value of forward contracts have been determined under level 2 wherein forward rate effective for the reporting date for the value date of the derivative contract basis USD INR FWD onshore curve from Bloomberg has been considered. Net effective position of contracted forward rate and the derived forward rate for the reporting rate has been considered as the fair valuation.

Fair values of financial instruments which are subsequently measured at amortised cost have been computed using discounted cash flow models based on contractual cash flows using latest yields.
In case of cash and cash equivalents, bank balances, trade receivables, short term loans, floating rate loans, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities, carrying value are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values.

46 Other disclosures (Contd.)

3. Quantitative disclosures (Contd.)

c. Quantitative disclosures of fair value measurement hierarchy for assets (Bajaj Life)

(₹ In Crore)

Particulars	Carrying amount					Fair value hierarchy		
	Through P&L	Designated at P&L	Through OCI	Amortised cost	Total	Level 1	Level 2	Level 3
As at 31 March 2026								
Financial assets								
Financial assets measured at fair value								
Investments								
Government securities	6,054.76	18,142.86	25,985.96	-	50,183.58	50,183.58	-	-
Debt securities	5,538.46	15,574.37	10,705.37	-	31,818.20	-	31,818.20	-
Equity instruments	46,620.66	-	386.85	-	47,007.51	46,492.97	-	514.54
Others (AT1, mutual fund)	-	-	-	-	-	-	-	-
Financial assets not measured at fair value#								
Investments								
Fixed deposits- long term	-	-	-	1,407.12	1,407.12			
TREPs (Tri-party repo)	-	-	-	2,726.75	2,726.75			
Cash and cash equivalents	-	-	-	757.62	757.62			
Bank balances other than cash and cash equivalents	-	-	-	0.43	0.43		N/A	
Trade receivables	-	-	-	974.27	974.27			
Loans	-	-	-	1,288.00	1,288.00			
Reinsurance assets	-	-	-	323.33	323.33			
Other financial assets	-	-	-	1,680.17	1,680.17			
Derivative financial instruments	26.52	-	-	-	26.52	-	26.52	-
Total financial assets	58,240.40	33,717.23	37,078.18	9,157.69	138,193.50	96,676.55	31,844.72	514.54
Financial liabilities#								
Trade payables	-	-	-	3,036.01	3,036.01			
Deposits	-	-	-	2.70	2.70		N/A	
Lease obligation	-	-	-	206.35	206.35			
Derivative financial instruments	1,496.36	-	-	-	1,496.36	-	1,496.36	-
Total financial liabilities	1,496.36	-	-	3,245.06	4,741.42	-	1,496.36	-

#Bajaj Life has not disclosed the fair value for financials instruments such as cash and cash equivalents, trade receivables, policy loans, other financial assets, trade payables because their carrying amounts are reasonable approximation of fair value.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

3. Quantitative disclosures (Contd.)

c. Quantitative disclosures of fair value measurement hierarchy for assets (Bajaj Life) (Contd.)

(₹ In Crore)

	Carrying amount					Fair value hierarchy		
Particulars	**Through P&L**	**Designated at P&L**	**Through OCI**	**Amortised cost**	**Total**	**Level 1**	**Level 2**	**Level 3**
As at 31 March 2025								
Financial assets								
Financial assets measured at fair value								
Investments								
Government securities	6,048.31	19,075.91	21,729.44	-	46,853.66	46,853.66	-	-
Debt securities	3,877.91	14,174.80	11,428.13	-	29,480.84	-	29,480.84	-
Equity instruments	45,874.22	-	571.74	-	46,445.96	46,189.99	-	255.97
Others (AT1, mutual fund)	-	-	-	-	-	-	-	-
Financial assets not measured at fair value#								
Investments								
Fixed deposits -long term	-	-	-	1,710.43	1,710.43			
TREPs (Tri-party repo)	-	-	-	2,734.37	2,734.37			
Cash and cash equivalents	-	-	-	661.77	661.77			
Bank balances other than cash and cash equivalents	-	-	-	0.40	0.40		N/A	
Trade receivables	-	-	-	845.65	845.65			
Loans	-	-	-	881.18	881.18			
Reinsurance assets	-	-	-	412.04	412.04			
Other financial assets	-	-	-	867.22	867.22			
Derivative financial instruments	781.96	-	-	-	781.96	-	781.96	-
Total financial assets	56,582.40	33,250.71	33,729.31	8,113.06	131,675.48	93,043.65	30,262.80	255.97
Financial liabilities#								
Trade payables	-	-	-	3,230.86	3,230.86			
Deposits	-	-	-	4.82	4.82		N/A	
Lease obligation	-	-	-	181.87	181.87			
Derivative financial instruments	38.90	-	-	-	38.90	-	38.90	-
Total financial liabilities	38.90	-	-	3,417.55	3,456.45	-	38.90	-

#Bajaj Life has not disclosed the fair value for financials instruments such as cash and cash equivalents, trade receivables, policy loans, other financial assets, trade payables because their carrying amounts are reasonable approximation of fair value.

Valuation techniques used to determine fair value

Level 1

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

Level 2

This level of hierarchy includes financial instruments, measured using inputs other than quoted prices included within level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

46 Other disclosures (Contd.)

3. Quantitative disclosures (Contd.)

c. Quantitative disclosures of fair value measurement hierarchy for assets (Bajaj Life) (Contd.)

Level 3

This level of hierarchy includes financial assets measured using inputs that are not based on observable market data (unobservable inputs). This level of hierarchy includes unlisted equity instruments.

Movements in Level 3 financial instruments

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets

(₹ In Crore)

	As at 31 March	
Particulars	**2026**	**2025**
Opening balance	255.96	197.87
Purchase/(Sale)	232.60	66.25
Net change in fair value (unrealised)	25.97	(8.16)
Closing balance	514.53	255.96

Valuation inputs and relationships to fair value

The change by 5% in the significant unobservable input used in level 3 valuation measurement will not change the fair value significantly.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

Particulars	**Significant unobservable inputs**	**As at 31 March 2026**	**As at 31 March 2025**	**Sensitivity**	
				Favourable	**Unfavourable**
Unquoted equity shares	P/B multiple of peers	73.93	8.43	A positive change in a significant unobservable inputs by 5% will not change the fair value significantly.	An adverse change in a significant unobservable inputs by 10% will not change the fair value significantly.
Alternate investment fund(AIF)	Net asset value of investment	440.61	247.55	Favourable change in the net asset value by 5% will increase the carrying fair value by ₹ 22.03 crore	Favourable change in the net asset value by 5% will decrease the carrying fair value by ₹ (22.03) crore
Total		514.54	255.98		

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

3. Quantitative disclosures (Contd.)

d. Quantitative disclosures of fair value measurement hierarchy for assets (Bajaj General)

(₹ In Crore)

Particulars	Carrying amount				Fair value		
	Through P&L	Through OCI	Amortised cost	Total	Level 1	Level 2	Level 3
As at 31 March 2026							
Investments							
Financial assets measured at fair value							
Government debt securities	-	10,915.45	-	10,915.45	10,915.45	-	-
Debt securities	-	18,318.46	-	18,318.46	18,318.46	-	-
Equity instruments	3,405.32	2,302.27	-	5,707.59	5,702.59	5.00	-
Fixed deposits	-	-	198.52	198.52	198.52	-	-
Mutual Fund	-	-	-	-	-	-	-
Financial assets not measured at fair value#							
Cash and cash equivalents	-	-	813.27	813.27	-	-	-
Bank balances other than cash and cash equivalents	-	-	122.77	122.77	-	-	-
Trade receivables	-	-	6,295.64	6,295.64	-	-	-
Other financial assets	-	-	648.14	648.14	-	-	-
Total financial assets	3,405.32	31,536.18	8,078.34	43,019.84	35,135.02	5.00	-
Financial liabilities#							
Trade payables							
a) Total outstanding dues of MSME	-	-	19.62	19.62	-	-	-
b) Other payables	-	-	5,156.39	5,156.39	-	-	-
Other financial liabilities	-	-	2,473.51	2,473.51	-	-	-
Lease contract liability	-	-	95.09	95.09	-	-	-
Total financial liabilities	-	-	7,744.61	7,744.61	-	-	-

(₹ In Crore)

Particulars	Carrying amount				Fair value		
	Through P&L	Through OCI	Amortised cost	Total	Level 1	Level 2	Level 3
As at 31 March 2025							
Investments							
Financial assets measured at fair value							
Government debt securities	-	15,047.63	-	15,047.63	15,047.63	-	-
Debt securities	-	12,846.46	-	12,846.46	12,846.46	-	-
Equity instruments	2,040.34	2,766.41	-	4,806.75	4,801.75	5.00	-
Fixed deposits	-	-	150.17	150.17	150.17	-	-
Mutual Fund	242.39	-	-	242.39	242.39	-	-
Financial assets not measured at fair value#							
Cash and cash equivalents	-	-	1,375.98	1,375.98	-	-	-
Bank balances other than cash and cash equivalents	-	-	10.05	10.05	-	-	-
Trade receivables	-	-	5,432.97	5,432.97	-	-	-
Other financial assets	-	-	265.80	265.80	-	-	-
Total financial assets	2,282.73	30,660.50	7,234.97	40,178.20	33,088.40	5.00	-
Financial liabilities#							
Trade payables							
a) Total outstanding dues of MSME	-	-	22.63	22.63	-	-	-
b) Other payables	-	-	4,508.86	4,508.86	-	-	-
Other financial liabilities	-	-	1,557.11	1,557.11	-	-	-
Lease Contract Liability	-	-	96.21	96.21	-	-	-
Total financial liabilities	-	-	6,184.81	6,184.81	-	-	-

#Bajaj General has not disclosed the fair value for financials instruments such as cash and cash equivalents, trade receivables, policy loans, other financial assets, trade payables because their carrying amounts are reasonable approximation of fair value.

46 Other disclosures (Contd.)

3. Quantitative disclosures (Contd.)

d. Quantitative disclosures of fair value measurement hierarchy for assets (Bajaj General) (Contd.)

Level 1

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

Level 2

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

Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation Techniques used to determine fair value (Level 3)

In case of level 3 security valuation - Bajaj General is performing periodic valuation process of the holding security based on the following conditions;

1. Financial result, 2. Market position and 3. Comparison with similar companies.

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 assets and liabilities does not have a significant impact in its value.

4. Financial risk management and other disclosures

A. Bajaj Finance Ltd.

A summary of the major risks arising from financial instrument which are faced by Bajaj Finance Ltd. (BFL), its measurement, monitoring and management are described as under:

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Liquidity risk	Liquidity risk arises from mismatches in the timing of cash flows. Funding risk arises from: • inability to raise incremental borrowings and deposits to fund business requirement or for repayment obligations • when long term assets cannot be funded at the expected term resulting in cashflow mismatches; • Amidst volatile market conditions impacting sourcing of funds from banks and money markets	Board constituted Risk Management Committee (RMC) and Asset Liability Committee (ALCO)	Liquidity and funding risk is: • measured by - identification of gaps in the structural and dynamic liquidity. - assessment of incremental borrowings required for servicing the repayment obligation, BFL's business plan and prevailing market conditions. - liquidity coverage ratio (LCR) in accordance with guidelines issued by RBI and board approved liquidity risk framework. • monitored by - assessment of the gap between maturity of its assets and liabilities - a constant calibration of sources of funds in line with current and emerging market conditions in banking and money markets. - periodic reviews by ALCO of liquidity position, LCR and stress tests assuming varied 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained by BFL. • managed by BFL's treasury team under liquidity risk management framework through various means like HQLA, liquidity buffers, sourcing of long-term funds, positive asset liability mismatch, keeping strong pipeline of sanctions from banks and contingency funding plan (CFP) to counter extreme liquidity situation under the guidance of ALCO and Board.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

Nature of risk	Arising from	Executive governance structure	Measurement, monitoring and management of risk
Market risk	Market risk arises from fluctuation in the fair value of future cash flow of financial instruments due to changes in the market variables such as interest rates, foreign exchange rates and equity prices.	Board constituted RMC and ALCO	Market risk for BFL encompasses exposures to fair value movement in equity investments, changes in exchange rates, interest rate risks on investment portfolios as well as the floating rate assets and liabilities with differing maturity profiles. • measured by using changes in prices, and parameters like Value at Risk ('VaR'), PV01 (price value of a basis point), modified duration and other measures to determine movements in the portfolios and impact on net interest income. • monitored by assessment of key parameters like fluctuation in the equity and bond price, interest rate sensitivities and market value of equity (MVE) analysis for probable interest rate movements on both fixed and floating assets and liabilities. BFL has a market risk management module which is integrated with it's treasury system; and • managed by BFL's treasury team under the guidance of ALCO and Investment Committee and in accordance with Board approved investment and market risk policy.
Credit risk	Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to BFL.	Board constituted RMC and Chief Risk Officer (CRO)	Credit risk is: • measured as the amount at risk due to repayment default by customers or counterparties to BFL. Various metrics such as instalment default rate, overdue position, restructuring, resolution plans, debt management efficiency, credit bureau information, contribution of stage 2 and stage 3 assets etc. are used as leading indicators to assess credit risk. • monitored by RMC and CRO through review of level of credit exposure, portfolio monitoring, contribution of repeat customers, bureau data, concentration risk of geography, customer and sectoral exposure; and assessment of any major change in the business environment including economic, political as well as natural calamity/pandemic. Internal capital adequacy assessment process (ICAAP) Committee reviews the outcome of scenario based stress testing exercise based on a 'Credit Risk Scenario Model' encompassing the macroeconomic scenario-based stress testing. • managed by a robust control framework by the risk and debt management unit. This is achieved by continuously aligning credit and debt management policies and resourcing, obtaining external data from credit bureaus and review of portfolios and delinquencies by senior and middle management team comprising of risk, analytics, debt management and risk containment along with business. The same is periodically reviewed by the Board constituted RMC.

(a) Liquidity risk

BFL's ALCO monitors asset liability mismatches to ensure that there are no imbalances or excessive concentration on either side of the balance sheet.

BFL maintains a judicious mix of borrowings from banks, money markets, external commercial borrowings (ECBs), securitisation, public and other deposits and focuses on diversification of its sources of borrowings with an emphasis on longer tenor borrowings. This strategy of balancing varied sources of funds and long tenor borrowings along with liquidity buffer framework has aided BFL maintain a healthy asset liability position and interest rate during the financial year 31 March 2026 (FY2026). The overall borrowings including debt securities, deposits and Subordinated liabilities stood at ₹ 435,112.49 crore as of 31 March 2026 (previous year ₹ 361,248.65 crore). The weighted average cost of borrowing was 7.54% for FY2026 (previous year 7.97%).

BFL continuously monitors liquidity in the market; and as a part of its liquidity risk framework maintains a liquidity buffer through an active investment desk to reduce this risk. BFL endeavours to maintain an average liquidity buffer of 4% to 6% of its overall net borrowings under various market scenarios.

RBI has issued guidelines on liquidity risk framework for NBFCs, covering various aspects of liquidity risk management such as granular level classification of buckets in structural liquidity statement, tolerance limits thereupon, and liquidity risk management tools and principles. BFL has a Board approved liquidity risk management framework which covers liquidity risk management policy, strategies and practices, liquidity

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

coverage ratio (LCR), stress testing, collateral management for derivative exposure, contingency funding plan, maturity profiling, liquidity risk measurement – stock approach, currency risk, interest rate risk and liquidity risk monitoring framework.

BFL and one of its subsidiary viz. BHFL exceeds the regulatory requirement of LCR which mandates maintaining prescribed coverage of expected net cash outflows for a stressed scenario in the form of high quality liquid assets (HQLA). As of 31 March 2026, BFL and BHFL maintained a LCR of 128.38% and 152.52% respectively. Both are well above the RBI's stipulated norm of 100%.

BFL has a Board approved contingency funding plan (CFP) to respond quickly to any anticipated or actual stressed market conditions. The primary goal of the CFP is to provide a framework of action plan for contingency funding when BFL experiences a reduction to its liquidity position, either from causes unique to BFL or systemic events limiting its ability to maintain normal operations and service to customers. The CFP defines the framework to assess, measure, monitor, and respond to potential contingency funding needs. CFP also clearly lays down the specific contingency funding sources, conditions related to the use of these sources and when they would be used. Roles and responsibilities of the crisis management team (CMT) constituted under the CFP have been identified to facilitate the effective execution of CFP in a contingency event.

The table below summarises the maturity profile of the undiscounted contractual cashflow of the BFL's financial liabilities

As at 31 March 2026

(₹ In Crore)

Particulars	Up to 1 month	Over 1 month to 3 months	Over 3 month to 1 year	Over 1 year to 5 years	Over 5 years	Total
Debt securities	8,239.92	25,983.97	21,443.81	116,905.81	75,909.21	248,482.72
Borrowings (other than debt securities)	25,243.45	11,352.77	40,912.15	105,322.43	5,687.37	188,518.17
Deposits	3,039.35	7,440.82	26,463.59	38,546.06	-	75,489.82
Subordinated debts	-	48.90	2,238.52	648.90	-	2,936.32
Trade payables	1,319.19	493.63	291.71	-	-	2,104.53
Other payables	837.30	6.07	309.50	20.93	-	1,173.80
Other financial liabilities	1,130.26	85.44	666.88	862.33	383.69	3,128.60
Total	39,809.47	45,411.60	92,326.16	262,306.46	81,980.27	521,833.96

As at 31 March 2025

(₹ In Crore)

Particulars	Up to 1 month	Over 1 month to 3 months	Over 3 month to 1 year	Over 1 year to 5 years	Over 5 years	Total
Debt securities	7,075.92	19,109.95	33,336.49	80,061.44	63,018.72	202,602.52
Borrowings (other than debt securities)	21,089.55	7,555.54	25,121.33	93,811.85	2,688.39	150,266.66
Deposits	2,662.71	5,307.47	24,522.51	48,169.82	-	80,662.51
Subordinated debts	-	48.90	494.61	2,936.32	-	3,479.83
Trade payables	1,497.59	265.69	114.77	-	-	1,878.05
Other payables	692.68	-	238.22	-	-	930.90
Other financial liabilities	517.79	104.19	511.82	803.81	280.82	2,218.43
Total	33,536.24	32,391.74	84,339.75	225,783.24	65,987.93	442,038.90

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

The table below shows contractual maturity profile of carrying value of assets and liabilities

(₹ In Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	1,896.90	-	1,896.90	3,642.46	-	3,642.46
Bank balances other than cash and cash equivalents	13,120.72	737.70	13,858.42	9,805.65	95.43	9,901.08
Derivative financial instruments	987.08	1,404.78	2,391.86	7.37	243.19	250.56
Trade receivables	1,839.20	68.88	1,908.08	1,791.55	121.56	1,913.11
Loans	160,263.51	338,680.03	498,943.54	126,435.77	281,408.37	407,844.14
Investments	22,726.14	7,851.66	30,577.80	27,012.79	7,428.05	34,440.84
Other financial assets	3,596.81	703.60	4,300.41	1,980.14	464.85	2,444.99
Non-financial assets						
Current tax assets (net)	-	229.59	229.59	-	480.77	480.77
Deferred tax assets (net)	-	1,560.07	1,560.07	-	1,141.20	1,141.20
Property, plant and equipment	-	2,851.06	2,851.06	-	2,688.89	2,688.89
Capital work-in-progress	-	61.83	61.83	-	26.74	26.74
Intangible assets under development	-	57.58	57.58	-	14.55	14.55
Goodwill	-	3.27	3.27	-	3.27	3.27
Other intangible assets	-	1,092.23	1,092.23	-	1,088.01	1,088.01
Other non-financial assets	133.43	86.29	219.72	205.72	40.50	246.22
Total	204,563.79	355,388.57	559,952.36	170,881.45	295,245.38	466,126.83
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	61.58	61.58	37.13	-	37.13
Trade payables	2,104.53	-	2,104.53	1,878.04	-	1,878.04
Other payables	1,152.87	20.93	1,173.80	930.91	-	930.91
Debt securities	49,534.96	143,596.94	193,131.90	53,916.54	100,723.19	154,639.73
Borrowings (other than debt securities)	69,993.95	100,648.58	170,642.53	46,900.60	85,201.65	132,102.25
Deposits	34,242.26	34,290.49	68,532.75	29,606.41	41,796.72	71,403.13
Subordinate liabilities	2,206.00	599.31	2,805.31	448.44	2,655.10	3,103.54
Other financial liabilities						
Lease liabilities	260.17	994.48	1,254.65	228.69	892.50	1,121.19
Others	1,539.36	2.15	1,541.51	827.01	-	827.01
Non-financial liabilities						
Current tax liabilities (net)	260.24	-	260.24	100.63	-	100.63
Provisions	51.75	697.19	748.94	27.81	486.47	514.28
Other non-financial liabilities	697.51	11.57	709.08	501.40	30.70	532.10
Total	162,043.60	280,923.22	442,966.82	135,403.61	231,786.33	367,189.94

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

(b) Market risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates, equity prices and credit spreads on investment and borrowings.

(i) Interest rate risk

On assets and liabilities

For floating rate assets and liabilities sensitivity analysis is prepared, assuming the amount outstanding at the end of the reporting period was outstanding for the whole year. The following table demonstrate the sensitivity to a reasonably possible change in interest rate on that portion of loans and borrowings affected. With all other variable held constant, BFL's profit before tax is affected through the impact on floating rate financial assets and liabilities, as follows:

Sensitivity analysis as at 31 March 2026

(₹ In Crore)

Particulars	Outstanding principal	Impact in Statement of Profit and Loss	
		1% interest increase	1% interest decrease
Loans	209,167.87	2,091.68	(2,091.68)
Debt securities	5,000.45	(50.00)	50.00
Borrowings (other than debt securities)	116,164.68	(1,161.65)	1,161.65

Sensitivity analysis as at 31 March 2025

(₹ In Crore)

Particulars	Outstanding principal	Impact in Statement of Profit and Loss	
		1% interest increase	1% interest decrease
Loans	168,005.42	1,680.05	(1,680.05)
Debt securities	1,597.35	(15.97)	15.97
Borrowings (other than debt securities)	92,094.02	(920.94)	920.94

(ii) Price risk

BFL's quoted equity instruments, mutual funds and InVIT carry a risk of change in prices. To manage its price risk arising from investments in equity securities, BFL periodically monitors the sectors it has invested in, performance of the investee companies and measures mark-to-market gain/(loss).

Sensitivity analysis as at 31 March 2026

(₹ In Crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			10% increase	10% decrease
Investment in equity shares (quoted)	403.92	403.92	40.39	(40.39)

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

(₹ In Crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			1% increase	1% decrease
Investment in FVTOCI - Debt instruments	25,117.98	25,117.98	251.18	(251.18)
Investment at FVTPL - Other than equity shares	482.03	482.03	4.82	(4.82)

Sensitivity analysis as at 31 March 2025

(₹ In Crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			10% increase	10% decrease
Investment in equity shares (quoted)	573.87	573.87	57.39	(57.39)

(₹ In Crore)

Particulars	Carrying value	Fair value	Impact in Statement of Profit and Loss	
			1% increase	1% decrease
Investment in FVTOCI - Debt instruments	22,448.25	22,448.25	224.48	(224.48)
Investment at FVTPL - Other than equity shares	6,529.80	6,529.80	65.30	(65.30)

(iii) Foreign currency risk

BFL is exposed to foreign currency fluctuation risk for its external commercial borrowing (ECB). BFL's borrowings in foreign currency are governed by extant RBI guidelines and Board approved policies. As a matter of prudence, BFL hedges the entire ECB exposure for the full tenure as per its Board approved interest rate and currency risk hedging policy.

BFL evaluates its fully hedged cost for raising ECB. BFL manages its currency risks by entering into over the counter (OTC) derivatives contracts such as cross currency swaps and forwards as hedge positions and the same are being governed through the Board approved 'Interest rate and currency risk hedging policy'. These derivative contracts are entered with counterparties (banks) with strong credit rating to ensure that the effect of credit risk does not dominate the changes that result from the established economic relationship.

BFL's exposure of foreign currency risk at the end of the reporting period expressed in INR are as follows

Particulars	As at 31 March 2026	As at 31 March 2025
	USD	USD
Hedged		
ECB (USD 2,415 million, previous year USD 1,800 million)	(20,599.60)	(15,091.03)
Derivative financial instrument*	20,599.60	15,091.03
Unhedged	-	-

*represents the notional amount of the derivative financial instrument

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

Foreign currency sensitivity impact on profit after tax and OCI

The sensitivity to changes in exchange rates arises mainly from foreign-currency-denominated financial instruments and derivative financial instruments, such as forward exchange contracts and currency swaps, which are designated as cash flow hedges. The resulting impact of movements in exchange rates on these instruments is recognised in Other Comprehensive Income (OCI). For the purpose of sensitivity analysis, BFL has assumed a uniform increase and decrease of +/-5% against the relevant foreign currencies to determine the impact on OCI.

(₹ In Crore)

	Impact on profit after tax		Impact on OCI	
Particulars	**31 March 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**
USD sensitivity				
INR/USD - increase by 5%	-	-	1,164.52	789.13
INR/USD - decrease by 5%	-	-	(1,164.52)	(789.13)

Interest rate sensitivity impact on profit after tax and OCI

The sensitivity to changes in interest rates arises from derivative financial instruments, such as forward exchange contracts and currency swaps, which are designated as cash flow hedges. The impact of interest rate movements on these instruments is recognised in Other Comprehensive Income (OCI). For the purpose of sensitivity analysis, BFL has considered a uniform increase and decrease of +/-1% in the relevant interest rates to assess the impact on OCI.

(₹ In Crore)

	Impact on profit after tax		Impact on OCI	
Particulars	**31 March 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**
Interest rate - increase by 1%	-	-	260.95	282.01
Interest rate - decrease by 1%	-	-	(268.96)	(290.77)

Hedging policy

BFL's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. BFL enters into hedge relationships where the critical terms of the hedging instrument matches with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed. The hedge ratio established remains at 1:1 for the hedge relationship as the underlying risks and notional amount of the hedging instrument are identical to that of the hedged items.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

Impact of hedge on the Balance Sheet

As at 31 March 2026

(₹ In Crore)

Particulars	Notional amount	Carrying amount of derivative asset	Carrying amount of derivative liability
CCIRS	16,032.12	2,053.03	-
Coupon only swaps	4,567.48	40.36	-
Forward contract		291.77	-
Interest rate swap	3,500.00	-	61.58
Future and Options	292.64	6.70	-

As at 31 March 2025

(₹ In Crore)

Particulars	Notional amount	Carrying amount of derivative asset	Carrying amount of derivative liability
CCIRS	14,447.29	201.97	25.53
Coupon only swaps	643.74	-	2.95
Forward contract		3.06	-
Interest rate swap	2,350.00	41.22	-
Future and Options	1,121.14	7.37	11.60

Movement in cash flow hedge reserve and cost of hedging reserve

(₹ In Crore)

Particulars	As at 31 March 2026	As at 31 March 2025
Movement in cash flow hedge reserve		
Balance at the beginning of the year	(96.53)	(8.87)
Changes in the fair value during the year	286.30	(117.14)
Deferred tax related to above (net)	(72.06)	29.48
Balance at the end of the year	117.71	(96.53)
Movement in cost of hedging reserve		
Balance at the beginning of the year	4.55	-
Changes in the fair value during the year	(30.68)	5.74
Amortisation of time value	45.52	0.25
Deferred tax related to above (net)	7.72	(1.44)
Balance at the end of the year	27.11	4.55

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

(c) Credit risk

Credit risk is the risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations to BFL. BFL has a diversified lending model spread across secured and unsecured products. BFL assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

BFL classifies its financial assets in three stages having the following characteristics:

- stage 1: which are not credit impaired as on date and without significant increase in credit risk since initial recognition on which a 12-month allowance for ECL is recognised;
- stage 2: a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised; and
- stage 3: objective evidence of impairment, and therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Computation of impairment on financial instruments

BFL calculates impairment on financial instruments as per ECL approach prescribed under Ind AS 109 'Financial instruments'. ECL uses three main components: PD (Probability of Default), LGD (loss given default) and EAD (exposure at default) along with an adjustment considering forward macroeconomic conditions.

BFL recalibrates components of its ECL model periodically by; (1) incorporating the available incremental and recent information, except where such information does not represent the future outcome, and (2) assessing changes to its statistical techniques for a granular estimation of ECL. Accordingly, during the year, BFL has recalibrated various components of its ECL model and used them in redevelopment of the model. The changes to ECL model and its implementation are approved by Board and its committee.

During the year, to enhance balance sheet resilience and further strengthen its ECL framework, BFL introduced LGD flooring across various businesses. LGD flooring has been introduced as a more conservative and prudent approach to provisioning and it will continue the same over the medium term period.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

The table below summarises the approach adopted by BFL for various components of ECL viz. PD, EAD and LGD across major product lines using empirical data where relevant:

Lending verticals	Nature of businesses	PD			EAD	LGD
		Stage 1	Stage 2	Stage 3		
Urban sales finance	Financing for products such as consumer electronics, furniture, digital products, e-commerce purchases and retail spends	Use of statistical automatic interaction detector tools to identify PDs across a homogenous set of customers and empirical default rates.	Empirical performance across different DPD (Days Past Due) ranges	100%	Ascertained based on past trends of proportion of outstanding balance at time of default to the opening outstanding balance of the analysis period, except stage 3 where EAD is 100%.	LGD is ascertained using past trends of recoveries for each set of portfolios and discounted using a reasonable approximation of the original effective rates of interest or flooring applied by BFL, whichever is higher
Two and three wheeler finance	Two and three wheeler financing					
Urban B2C	Personal loans to salaried and self employed individuals					
MSME lending	Unsecured and secured loans to SME's, self employed customers and professionals.					
Rural sales finance	Financing for products such as consumer electronics, furniture, digital products, e-commerce purchases and retail spends					
Rural B2C	Personal loans to salaried, self employed customers, professionals					
Gold loans	Loans with underlying security as gold					Based on Management judgment
Open market two and three wheeler finance	Open market two and three wheeler financing					Based on captive two and three wheeler finance portfolio, or flooring applied by BFL, whichever is higher
Used car loans	Used car financing					Based on captive two and three wheeler finance portfolio, or flooring applied by BFL, whichever is higher
Mortgages	Home loans, loans against property, developer finance and lease rental discounting	Use of statistical automatic interaction detector tools to identify PDs across a homogenous set of customers and empirical default rates and management evaluation/ judgment for wholesale loans.				Based on Management judgment
Tractor/commercial vehicle finance	Financing for the purchase of tractor/commercial vehicle	Basis industry benchmark		100%	100%	Based on Management judgment
Micro financing	Loans provided under micro finance					
New car financing	New car loans	Use of empirical default rates for stage 1 and proxy from used car finance for stage 2			Use of empirical information for stage 1 and proxy for stage 2	Based on captive two and three wheeler finance portfolio, or flooring applied by BFL, whichever is higher
Loans against securities	Loans against shares, mutual funds, deposits and insurance policies	Based on Management judgment				
Commercial lending	Lending to auto component manufacturers, light engineering industry, financial institutions, specialty chemical, pharma, packaging and other mid-market companies.	Basis external credit rating			100%	Based on Management judgment

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio

As at 31 March 2026

(₹ In Crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross carrying value	309,567.59	1,831.24	2,177.56	189,791.29	2,934.78	2,941.23
Allowance for ECL	1,172.54	495.27	1,052.16	3,915.89	1,659.77	2,004.52
ECL coverage ratio	0.38%	27.05%	48.32%	2.06%	56.56%	68.15%

As at 31 March 2025

(₹ In Crore)

Particulars	Secured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross carrying value	244,817.82	2,344.08	1,944.84	160,640.02	3,059.84	2,019.90
Allowance for ECL	865.45	495.06	950.80	2,237.98	1,253.61	1,179.46
ECL coverage ratio	0.35%	21.12%	48.89%	1.39%	40.97%	58.39%

Collateral valuation

BFL offers loans to customers across various lending verticals as articulated above. These loans includes both unsecured loans and loans secured by collateral. Although collateral is an important risk mitigant of credit risk, BFL's practice is to lend on the basis of assessment of the customer's ability to repay rather than placing primary reliance on collateral. Based on the nature of product and BFL's assessment of the customer's credit risk, a loan may be offered with suitable collateral. Depending on its form, collateral can have a significant financial effect in mitigating BFL's credit risk.

The main types of collateral across various products obtained are as follows

Product group	Nature of securities
Urban sales finance	Hypothecation of underlying products financed e.g. consumer durable, furniture, digital products etc.
Two and three wheeler finance	Hypothecation of underlying two and three wheeler
Car loans	Hypothecation of underlying cars
Rural sales finance	Hypothecation of underlying products financed e.g. consumer durable, furniture and digital products etc.
Gold loans	Pledge of gold jewellery.
MSME lending (Secured)	Hypothecation of underlying equipments e.g. tractors, medical equipment etc.
Mortgages	Equitable mortgage/hypothecation of residential and commercial properties, rental of collateral and cash flow of collateral.
Loans against securities	Pledge of equity shares and mutual funds and lien on deposits and insurance policies.
Commercial lending	Plant and machinery, book debts etc.
Tractor and commercial vehicle loans	Hypothecation of underlying vehicle

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

BFL periodically monitors the market value of collateral and evaluates its exposure and loan to value metrics for high risk customers. BFL exercises its right of repossession across all secured products and primarily in its two wheeler and three wheeler financing business. It also resorts to invoking its right under the SARFAESI Act and other judicial remedies available against its mortgages and commercial lending business. The repossessed assets are either sold through auction or released to delinquent customers in case they come forward to settle their dues. For its loan against securities business, BFL recoups shortfall in value of securities through part recall of loans or additional securities from the customer, or sale of underlying securities. BFL does not record repossessed assets on its balance sheet as non-current assets held for sale.

Guarantee cover taken on loans

BFL takes guarantee cover for certain qualifying portfolios under Credit Guarantee Fund Scheme for NBFCs (CGS-II) from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) governed by the SIDBI and Credit Guarantee Fund for Micro Units (CGMFU) governed by National Credit Guarantee Trustee Company Ltd. (NCGTC). Further, BFL had granted loans under RBI's Emergency Credit Line Guarantee Scheme (ECLGS) to qualifying customers.

Analysis of concentration risk

BFL focuses on granulation of loans portfolios by expanding its geographic reach to reduce geographic concentrations while continually calibrating its product mix across all categories of lending portfolio.

ECL sensitivity analysis to forward economic conditions and management overlay

Allowance for impairment on financial instruments recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability-weighted basis, based on the economic scenarios described below. The recognition and measurement of expected credit losses ('ECL') involves the use of estimation. It is necessary to formulate multiple forward-looking economic forecasts and its impact as an integral part of ECL model.

The ECL model and its input variables are recalibrated periodically using available incremental and recent information. It is possible that internal estimates of PD and LGD rates used in the ECL model may not always capture all the characteristics of the market and the external environment as at the reporting date. To reflect this, qualitative adjustments or overlays are made as temporary adjustments to reflect the emerging risks reasonably.

Methodology

BFL has adopted the use of three scenarios, representative of its view of forecasted economic conditions, required to calculate unbiased estimation of forward looking economic adjustment to its ECL.
They represent a most likely outcome i.e. central scenario and two less likely outer scenarios referred to as the downside and upside scenarios. BFL has assigned a 10% probability to the two outer scenarios, while the central scenario has been assigned an 80% probability. On 8 April 2026, the MPC (Monetary Policy Committee of the RBI) opined that the intensity and the duration of the (West Asia) conflict and the resultant damage to the energy and other infrastructure add risk to the inflation and growth outlooks. However, the fundamentals of the Indian economy are on a stronger footing, providing it with greater resilience to withstand shocks now than in the past.

Additionally, BFL reviewed the appropriateness of the Forward-looking Economic Guidance (FEG) assumptions used for expected credit loss (ECL) assessment under Ind AS 109 by evaluating alternative scenario weightings of 75:15:10 and 80:15:5 for the central, downside and upside scenarios, respectively. In determining the most appropriate scenario, BFL considered (a) the RBI Governor's statement dated 8 April 2026 reaffirming the resilience of the Indian economy and supporting macroeconomic indicators,

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

(b) proactive measures undertaken by the Government of India to mitigate inflationary pressures by containing retail fuel price increases, including the reduction in special excise duties on petrol by ₹ 10 per litre and diesel, and (c) the stability of BFL's business operations, EMI default rates and collection efficiencies since the onset of the West Asia conflict.

Based on the above assessment, the scenario weights of 80:10:10 for the central, downside and upside scenarios, respectively, are considered appropriate for an unbiased estimation of the impact of macroeconomic factors on ECL. The key scenario assumptions incorporate external economic forecasts and management estimates to ensure objectivity and balance in the measurement of credit risk. BFL will continue to closely monitor macroeconomic conditions, geopolitical developments and portfolio performance, and will revise scenario weights and ECL provisions, as necessary, in response to emerging trends and uncertainties.

BFL uses multiple economic factors and tests their correlations with past observed default rates witnessed for building its forward economic guidance (FEG) model. During the current year, BFL evaluated various macro factors such as GDP growth rates, growth of bank credit, wholesale price index (WPI), consumer price index (CPI), unemployment rate, crude oil prices and policy interest rates. etc.

Real GDP (year on year rate), unemployment rate (year on year rate with lag effect) and inflation reflected higher and acceptable correlation with past observed default rates and basis their linkage with respective companies business, two of these variables with high correlation were considered by respective companies as appropriate. Unemployment has a direct relation with the income levels and so with the growth of the economy from an expenditure side. GDP has a direct relation with the overall income levels and with the broader growth of the economy from both income and output side. Accordingly, both these macro-variables directly and indirectly impact the economy. These factors were assigned appropriate weights to measure ECL in forecast economic conditions.

For unemployment, BFL has relied on data published by a leading business information provider tracking Indian economic indicators. In FY2026, unemployment rate over the quarters has been oscillating around 6.3-7.7%. For the central scenario, it has considered the current unemployment level based on a quarterly average of 6.7% and assumed a gradual normalisation towards a long term average of 5.2% by end of FY2027. Under the downside scenario, unemployment is assumed to peak at 11.5%, followed by a mean reversion trend, normalising to approximately 7.4%. In the upside scenario, factoring in improving employment trends and industrial recovery indicated by various surveys and studies, unemployment is assumed to improve to a best case level of 3.3% by June–September 2027, before reverting to the long term average of 7.4%.

For real GDP growth, BFL has based its assumptions on projections published by the Reserve Bank of India (RBI). With real GDP growth at 7.3% year on year in Q4 FY2026, it has adopted the RBI's projected growth rate of 6.9% year on year as the central scenario, with growth moderating to 6.3% over a three year horizon. In the downside scenario, considering ongoing uncertainties such as geopolitical developments and tariff related risks, GDP growth is assumed to decline to 3.3% in Q2 FY2027, aligned with the lowest pre covid levels, before normalising to around 6.3% within the following two years. In contrast, the upside scenario assumes an optimistic growth rate of 10.3% in Q2 FY2027, consistent with the highest pre covid levels, with growth averaging back to 6.3% over the subsequent two years.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

A. Bajaj Finance Ltd. (Contd.)

ECL sensitivity to future economic conditions

ECL coverage of financial instruments under forecast economic conditions

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Gross carrying amount of loans	509,243.69	414,826.50
Reported ECL on loans	10,300.15	6,982.36
Reported ECL coverage	2.02%	1.68%
Base ECL without macroeconomic provisions	10,165.95	6,915.36
ECL amounts for alternate scenario		
Central scenario (80%)	10,247.50	6,993.11
Downside scenario (10%)	11,524.38	7,550.98
Upside scenario (10%)	9,497.21	6,327.88
Reported ECL	10,300.16	6,982.36
Macroeconomic provisions	134.21	67.00
ECL coverage ratios by scenario		
Central scenario (80%)	2.01%	1.69%
Downside scenario (10%)	2.26%	1.82%
Upside scenario (10%)	1.86%	1.53%

B. Bajaj General Insurance Ltd. (Bajaj General)

(Formerly known as Bajaj Allianz General Insurance Co. Ltd.)

a. Risk management framework

Bajaj General sees enterprise risk management (ERM) as a means of value optimisation. This is achieved through a better understanding of the balance between risk and return in the implementation and achievement of entity's objectives. Enterprise risk management framework of Bajaj General covers all risk categories independent of the assessment methodology: quantifiable, and non-quantifiable risks. The ERM largely encompasses the following

(i) Risk mitigation and risk culture

It is the Bajaj General's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Bajaj General manages risk as culture which encompasses across the organisation. Our rewards programs across the organisation ensure the sufficient weightage is given to both top line and bottom line hence ensuring a well-balanced and ideal risk reward structure.

Bajaj General's risk management framework essentially operates at two levels which includes

(i) Risk operations and monitoring which further includes a. Risk identification, b. Risk assessment and control, c. Risk treatment and management action plan and d. Monitoring and reviewing; e. Recording and reporting; f. Communication and consult and

(ii) Risk controls and compliance which includes a. Standard operating procedures, b. Internal audit, c. External audits and d. Periodic risk management review.

(ii) Risk identification and assessment and reporting systems

Bajaj General's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the possible financial impact and likelihood of occurrence. The measurement framework includes (i) Risk categorisation, (ii) Setting risk appetite, (iii) Setting risk limits and lastly (iv) Assigning risk ratings including identification of residual risk, if any. The rating of risks makes use of probability derived from historical

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

B. Bajaj General Insurance Ltd. (Bajaj General) (Contd.)

experience, adjusted to reflect the economic environment. Bajaj General has established limits for monitoring and controlling the risks.

The Reporting systems include (i) Top risk assessment, (ii) Risk control self assessments (RCSAs) and (iii) Committee presentations.

(iii) Governance structure

The ERM governance structure includes (i) Board Risk Management Committee, (ii) Supervisory Level – Executive Risk Committee (ERC) and Governance and Controls Committee (GCC) and (iii) Functional Risk Owners.

b. Non–life insurance contracts and insurance risk

Bajaj General issues the following main types of general insurance contracts: fire, marine and miscellaneous segments including motor, health, liabilities, engineering, crop etc. Risks under non–life insurance policies usually cover twelve months duration. Coverages provided to policyholders are not guaranteed as renewable.

For general insurance contracts, the most significant risks arise from

(a) Inadequacy of premiums collected for risks underwritten,

(b) Accepting or poor risks with high probability of heavy losses ignoring prudent underwriting guidelines,

(c) Failure to settle claims of policyholders (inadequacy of reserves),

(d) Credit default of investment instruments or by reinsurer,

(e) Higher expenses,

(f) Operational frauds.

These risk exposures are mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is improved by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography.

Robust underwriting and reinsurance guidelines prevent any over-exposure to a single loss event and exposure to claim payments for perils that were never intended to be insured. Bajaj General maintains a very effective multi-layer reinsurance program which seeks to optimize the retention of risk at each policy level as well as at the level of lines of business. The limits under the treaties are set based on accumulation of risks by location and category, after considering the exposure based on Probable Maximum Loss, where applicable, and the expected frequency of claim events. Any catastrophe risk is mitigated by a separate non-proportional reinsurance treaty, which limits Bajaj General's exposure to any single covered event. The reinsurers chosen are most highly rated and rated few notches above the regulatory mandate. Detailed reserving guidelines are in place and the adequacy of reserves is tested from time to time and monitored by the Reserving Committee. Bajaj General wide effective fraud detection and prevention mechanisms and proactive deterrence methodologies are in place. Periodical employee training and awareness campaigns are being organised across the organisation.

Sensitivities of claim liabilities

The non–life insurance claim liabilities are sensitive to the key assumptions in the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

B. Bajaj General Insurance Ltd. (Bajaj General) (Contd.)

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non–linear.

(₹ In Crore)

Particulars	Change in assumptions	Increase/ (decrease) on gross liabilities	Increase/ (decrease) on net liabilities	Increase/ (decrease) on profit before tax	Increase/ (decrease) on equity
31 March 2026					
Average claim cost or number of claims	+ 10%	1,501.00	690.67	(690.67)	(516.84)
Average claim cost and number of claims	+ 5%	1,538.52	707.93	(707.93)	(529.76)
Average claim cost or number of claims	-10%	(1,501.00)	(690.67)	690.67	516.84
Average claim cost and number of claims	-5%	(1,463.47)	(673.40)	673.40	503.92

c. Liquidity risk and asset liability management (ALM)

ALM risk is the risk of a negative impact on the entity's net asset value and the risk of entity's inability to meet financial obligations when they fall due. This can arise due to a duration mismatch of assets and liabilities, corresponding different interest rate sensitivities between assets and liabilities, an unfavourable development of interest rates and the lack of liquid assets. Liquidity risk is defined as the risk that Bajaj General will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that Bajaj General might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stressed circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to Bajaj General on acceptable terms.

These risks are mitigated by, asset liability matching methodology that develops optimal asset portfolio maturity structures to ensure cash flows are sufficient to meet liabilities. ALM and liquidity risk is monitored on a regular basis to ensure sufficient liquidity is maintained to meet short-term obligations by timing the cash inflows and outflows through cash flow matching and by maintaining a minimum mix of liquid assets.

Bajaj General also maintains the highest level of solvency in the Industry at 302% as against the regulatory norm of 150%.

The table below summarises the expected utilisation or settlement of assets and liabilities.

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

B. Bajaj General Insurance Ltd. (Bajaj General) (Contd.)

31 March 2026

(₹ In Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial assets						
Cash and cash equivalents	813.27	-	-	-	-	813.27
Bank balances other than cash and cash equivalents	-	-	120.79	1.98	-	122.77
Trade receivables	-	-	6,295.64	-	-	6,295.64
Investments	5,906.10	332.10	906.23	12,991.85	15,003.74	35,140.02
Other financial assets	-	648.14	-	-	-	648.14
Total	6,719.37	980.24	7,322.66	12,993.83	15,003.74	43,019.84
Financial liabilities						
Trade payables						
a) Total outstanding dues of MSME	-	19.62	-	-	-	19.62
b) Other payables	-	5,156.39	-	-	-	5,156.39
Other financial liabilities	-	2,473.51	-	-	-	2,473.51
Lease contract liabilities	-	6.07	16.33	52.80	19.89	95.09
Total	-	7,655.59	16.33	52.80	19.89	7,744.61

31 March 2025

(₹ In Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial assets						
Cash and cash equivalents	1,382.40	-	-	-	-	1,382.40
Bank balances other than cash and cash equivalents	-	-	10.05	-	-	10.05
Trade receivables	-	-	5,213.53	-	-	5,213.53
Investments	5,199.32	13.70	130.28	10,702.52	17,047.59	33,093.41
Other financial assets	-	478.81	-	-	-	478.81
Total	6,581.72	492.51	5,353.86	10,702.52	17,047.59	40,178.20
Financial liabilities						
Trade payables						
a) Total outstanding dues of MSME	-	22.63	-	-	-	22.63
b) Other payables	-	4,508.86	-	-	-	4,508.86
Other financial liabilities	-	1,557.11	-	-	-	1,557.11
Lease contract liabilities	-	6.07	17.41	57.66	15.06	96.20
Total	-	6,094.67	17.41	57.66	15.06	6,184.80

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

B. Bajaj General Insurance Ltd. (Bajaj General) (Contd.)

Maturity analysis

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

(₹ In Crore)

Particulars	As on 31 March 2026			As on 31 March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	813.27	-	813.27	1,382.40	-	1,382.40
Bank balances other than cash and cash equivalents	120.79	1.98	122.77	10.05	-	10.05
Trade receivables	6,295.64	-	6,295.64	5,213.54	-	5,213.54
Investments	7,144.42	27,995.59	35,140.01	5,343.29	27,750.11	33,093.40
Other financial assets	648.14	-	648.14	478.81	-	478.81
Non financial assets						
Current tax assets (net)	-	88.37	88.37	-	85.24	85.24
Deferred tax assets (net)	214.73	-	214.73	-	-	-
Property, plant and equipment	-	405.42	405.42	-	402.21	402.21
Capital work in progress	-	106.47	106.47	-	64.37	64.37
Intangible assets (other than goodwill)	-	51.09	51.09	-	49.68	49.68
Other non financial assets	716.11	6.28	722.39	746.00	6.28	752.28
Reinsurance assets	8,611.74	7,515.91	16,127.65	8,049.19	5,958.56	14,007.75
Right-of-use asset	21.70	58.25	79.95	22.26	58.18	80.44
Total	24,586.54	36,229.36	60,815.90	21,245.54	34,374.63	55,620.17
Liabilities						
Financial liabilities						
Trade payables						
a) Total outstanding dues of MSME	19.62	-	19.62	22.63	-	22.63
b) Other payables	5,156.39	-	5,156.39	4,508.86	-	4,508.86
Other financial liabilities	2,473.51	-	2,473.51	1,557.11	-	1,557.11
Lease contract liabilities	22.40	72.68	95.09	23.48	72.73	96.21
Insurance contract liabilities	15,130.89	20,296.86	35,427.75	13,815.63	18,642.65	32,458.28
Non financial liabilities						
Provisions	41.77	-	41.77	23.63	-	23.63
Deferred tax liabilities (net)	-	-	-	-	259.53	259.53
Other non financial liabilities	3,464.41	2,421.82	5,886.23	3,404.34	515.93	3,920.27
Total	26,308.99	22,791.37	49,100.36	23,355.68	19,490.84	42,846.52
Net	(1,722.46)	13,437.99	11,715.54	(2,110.14)	14,883.79	12,773.65

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

B. Bajaj General Insurance Ltd. (Bajaj General) (Contd.)

d. Credit risk

Credit risk is the risk that Bajaj General will incur a loss because its counterparties fail to discharge their contractual obligations. This comprises of risk of loss arising due to default by counter parties and investment instrument issue Bajaj General's credit risk exposure mainly arises from its investments in financial instruments. Concentrations of credit risk are managed by setting limits on asset class, investee company, investee company group and industry exposure. Norms include those prescribed under the investment regulations and those set as internal limits based on the risk appetite of Bajaj General. Bajaj General monitors changes in credit risk by tracking published external credit ratings.

For any insurance company, the biggest counterparty is a reinsurer. Bajaj General has bought reinsurance protection form reinsurers with good credit rating (A- and above). Higher the credit rating lower is risk of default. Moreover, risks are passed to multiple reinsures in order to avoid accumulation of risk.

The following table presents and analysis of credit quality of financial assets at amortised cost and FVTOCI.

(₹ In Crore)

	As at 31 March 2026			As at 31 March 2025		
Ratings	**Amortised cost**	**FVTOCI**	**Total**	**Amortised cost**	**FVTOCI**	**Total**
A-	-	-	-	-	-	-
A	-	-	-	-	76.67	76.67
A+	-	-	-	-	-	-
A1+	-	313.03	313.03	-	-	-
AA	-	6.86	6.86	-	34.11	34.11
AA(SO)	-	-	-	-	23.57	23.57
AA-	-	128.04	128.04	-	51.55	51.55
AA+	-	1,654.32	1,654.32	-	690.85	690.85
AAA	198.52	17,716.02	17,914.54	150.17	12,626.95	12,777.12
AAA(SO)	-	-	-	-	-	-
BBB+	-	-	-	-	-	-
BBB	-	-	-	-	-	-
D	-	-	-	-	-	-
Equity	-	2,302.25	2,302.25	-	2,766.41	2,766.41
Sovereign	-	9,416.38	9,416.38	-	14,390.66	14,390.66
Unrated	-	-	-	-	-	-
Total	198.52	31,536.90	31,735.42	150.17	30,660.77	30,810.94
ECL (12 months and life time)	-	(0.72)	(0.72)	-	(0.27)	(0.27)
Net carrying amount	198.52	31,536.18	31,734.70	150.17	30,660.50	30,810.67

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

B. Bajaj General Insurance Ltd. (Bajaj General) (Contd.)

Following table indicates whether financial assets carried at amortised cost or FVTOCI were subject to a 12-months credit loss (ECL) and lifetime ECL.

(₹ In Crore)

	As at 31 March 2026			As at 31 March 2025		
Ratings	**Amortised cost**	**FVTOCI**	**Total**	**Amortised cost**	**FVTOCI**	**Total**
Opening balance	-	0.26	0.26	-	0.08	0.08
Changes during the current period	-	-	-	-	-	-
Loss allowance at 12-month ECL	-	0.45	0.45	-	0.18	0.18
Loss allowance at lifetime ECL	-	-	-	-	-	-
For credit impaired instruments	-	-	-	-	-	-
For not credit impaired instruments	-	-	-	-	-	-
Closing balance	-	0.71	0.71	-	0.26	0.26

e. Market risk

Market risk arises from unfavourable movement in interest rates, currency rates and equity and property prices. Bajaj General has very limited exposure to equity and foreign currency. Majority of Bajaj General's investments comprise of fixed interest securities. The assets and liabilities of Bajaj General are well matched based on duration to address the interest rate risk.

f. Operational risk

This comprises of risk of loss due to losses arising from failure of internal systems, process and personnel or external events. Bajaj General has identified various risks under this category and has put in place appropriate controls and disaster recovery plans to mitigate or minimize the risk.

C. Bajaj Life Insurance Ltd. (Bajaj Life)

(Formerly known as Bajaj Allianz Life Insurance Co. Ltd.)

a. Risk management framework

Effective risk management is based on a common understanding of risks, clear organisational structures and comprehensively defined risk management processes. There is a defined risk governance framework in place to address the risk management objectives of Bajaj Life. The risk governance structure of Bajaj Life consists of the Board constituted Risk Management Committee (RMC) and supervisory level Executive Risk Management Committee (ERMC).

There are then the various lines of defense which include the first line of defense as heads of each department which act as a self-defense mechanism through the internal financial control and compliance certification framework. Risk management units like enterprise risk management, operational risk management, fraud prevention unit and legal and compliance team. act as second line of defense, followed by internal auditors who perform independent assessments which act as the third line of defense.

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

C. Bajaj Life Insurance Ltd. (Bajaj Life) (Contd.)

b. Credit risk

Credit risk is the risk that Bajaj Life will incur a loss because its counterparties fail to discharge their contractual obligations. The carrying amount of financial assets represent maximum credit risk exposure. Bajaj Life's credit risk exposure mainly arises from its investments in financial instruments.

Concentrations of credit risk are managed by setting limits on exposure to asset classes, investee companies, investee company groups and industries. Norms include those prescribed under the Investment Regulations by IRDAI and those set as internal limits based on the risk appetite of Bajaj Life, restricting (minimum and maximum) on sovereign and corporate exposures, dealing only with approved counter parties, investing only in financially sound and high rated companies. Credit rating assessment, watchlist of stressed companies, credit evaluation process, on-going monitoring of counterparty and rating downgrades are also monitored regularly.

The following table presents an analysis of credit quality of financial assets at amortised cost and FVTOCI. It indicates whether financial assets carried at amortised cost or FVTOCI were subject to a 12-months credit loss (ECL) and lifetime ECL.

(₹ In Crore)

	As at 31 March 2026			As at 31 March 2025		
CRISIL ratings	**FVTOCI**	**Amortised cost**	**Total**	**FVTOCI**	**Amortised cost**	**Total**
12-months ECL						
Highly rated including AAA[#]	36,585.76	4,133.89	40,719.65	33,049.90	4,444.81	37,494.71
AA and below	106.03	-	106.03	108.17	-	108.17
Financial assets other than investments	-	4,708.60	4,708.60	-	3,263.41	3,263.41
Total (a)	36,691.79	8,842.49	45,534.28	33,158.07	7,708.22	40,866.29
ECL (12 months and lifetime)	(0.48)	(8.13)	(8.61)	(0.51)	(7.20)	(7.71)
Net carrying amount (b)	36,691.31	8,834.36	45,525.67	33,157.56	7,701.02	40,858.58

[#]Includes investments in Government securities and treasury bill.

Reconciliation of credit loss

(₹ In Crore)

	As at 31 March 2026			As at 31 March 2025		
Particulars	**FVTOCI**	**Amortised cost**	**Total**	**FVTOCI**	**Amortised cost**	**Total**
Opening balance	0.51	7.20	7.71	0.36	7.11	7.47
Less: ECL reversal on asset written off	-	-	-	-	-	-
Changes during the current period						
Loss allowance at 12-month ECL	(0.03)	0.93	0.90	0.15	0.09	0.24
Loss allowance at lifetime ECL	-	-	-	-	-	-
Closing balance	0.48	8.13	8.61	0.51	7.20	7.71

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

C. Bajaj Life Insurance Ltd. (Bajaj Life) (Contd.)

c. Liquidity risk

Liquidity risk is defined as the risk that Bajaj Life will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that Bajaj Life might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to Bajaj Life on acceptable terms. Liquidity risk is monitored on a regular basis and mitigations to such risk include asset liability matching methodology which develops optimal asset portfolio maturity structures in business to ensure that cash flows are sufficient to meet liabilities, putting up contingency funding plan in significant stressed scenarios, by timing the cash inflows and outflows through cash flow matching and by maintaining a minimum mix of liquid assets.

As at 31 March 2026

(₹ In Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial assets						
Investments						
Amortised cost	-	3,514.08	619.36	0.43	-	4,133.87
FVTPL	58,213.88	-	-	-	-	58,213.88
Designated as FVTPL	-	1,376.75	580.66	9,617.55	22,142.27	33,717.23
FVTOCI	104.84	1,861.84	1,288.61	4,759.70	29,063.19	37,078.18
Cash and cash equivalents	757.62	-	-	-	-	757.62
Bank balances other than cash and cash equivalents	-	-	-	0.43	-	0.43
Trade receivables	-	974.27	-	-	-	974.27
Loans	-	16.09	72.57	317.44	881.90	1,288.00
Reinsurance assets	-	1.06	3.06	13.08	306.13	323.33
Other financial assets	-	232.94	186.28	1,255.11	5.84	1,680.17
Derivative financial instruments	-	1.78	7.15	14.30	3.29	26.52
	59,076.34	7,978.81	2,757.69	15,978.04	52,402.62	138,193.50
Financial liabilities						
Trade payables	-	3,036.01	-	-	-	3,036.01
Lease obligations	-	9.72	28.06	118.12	50.45	206.35
Deposits	-	-	-	2.70	-	2.70
Derivative financial instruments	-	64.34	252.89	822.56	356.57	1,496.36
	-	3,110.07	280.95	943.38	407.02	4,741.42

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

C. Bajaj Life Insurance Ltd. (Bajaj Life) (Contd.)

As at 31 March 2025

(₹ In Crore)

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial assets						
Investments						
Amortised cost	-	3,000.20	1,444.60	-	-	4,444.80
FVTPL	55,800.44	-	-	-	-	55,800.44
Designated as FVTPL	-	578.92	752.70	8,638.17	23,280.92	33,250.71
FVTOCI	571.75	655.26	592.38	6,889.05	25,020.87	33,729.31
Cash and cash equivalents	661.77	-	-	-	-	661.77
Bank balances other than cash and cash equivalents	-	-	-	0.40	-	0.40
Trade receivables	-	845.65	-	-	-	845.65
Loans	-	9.01	61.95	246.87	563.35	881.18
Reinsurance assets	-	1.29	3.71	15.32	391.73	412.05
Other financial assets	-	533.78	193.77	131.77	7.90	867.22
Derivative financial instruments	-	38.89	216.62	464.99	61.45	781.95
	57,033.96	5,663.00	3,265.73	16,386.57	49,326.22	131,675.48
Financial liabilities						
Trade payables	-	3,230.86	-	-	-	3,230.86
Lease obligations	-	7.68	22.55	114.20	37.43	181.86
Deposits	-	-	-	4.82	-	4.82
Derivative financial instruments	-	-	-	5.56	33.35	38.91
	-	3,238.54	22.55	124.58	70.78	3,456.45

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

C. Bajaj Life Insurance Ltd. (Bajaj Life) (Contd.)

Maturity analysis

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

(₹ In Crore)

	As at 31 March 2026			As at 31 March 2025		
Ratings	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
ASSETS						
Financial assets						
Cash and cash equivalents	757.62	-	757.62	661.77	-	661.77
Bank balances other than cash and cash equivalents	-	0.43	0.43	-	0.40	0.40
Trade receivables	974.27	-	974.27	845.65	-	845.65
Loans	88.66	1,199.34	1,288.00	70.96	810.22	881.18
Investments	67,560.02	65,583.14	133,143.16	63,396.25	63,829.01	127,225.26
Derivative financial instruments	8.93	17.59	26.52	255.52	526.44	781.96
Reinsurance assets	4.12	319.21	323.33	4.99	407.05	412.04
Other financial assets	419.22	1,260.95	1,680.17	727.55	139.67	867.22
Non financial assets						
Investment property	-	22.53	22.53	-	23.04	23.04
Property, plant and equipment	-	409.27	409.27	-	399.44	399.44
Capital work-in-progress	-	46.76	46.76	-	25.61	25.61
Intangible assets under development	10.30	3.58	13.88	-	177.88	177.88
Intangible assets (other than goodwill)	-	200.62	200.62	-	15.88	15.88
Right-of-use asset	-	179.65	179.65	-	159.55	159.55
Other non financial assets	300.73	-	300.73	296.02	-	296.02
Deferred tax Assets	226.71	-	226.71	-	-	-
Total	70,350.58	69,243.07	139,593.65	66,258.71	66,514.19	132,772.90
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	2.89	-	2.89	3.28	-	3.28
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises non financial	1,765.73	-	1,765.73	1,562.94	-	1,562.94
Other payables						
(i) Total outstanding dues of other than micro enterprises and small enterprises	1,267.39	-	1,267.39	1,664.64	-	1,664.64
Derivative financial instruments	317.23	1,179.13	1,496.36	-	38.90	38.90
Deposits	-	2.70	2.70	-	4.82	4.82
Lease obligation	37.78	168.57	206.35	30.24	151.63	181.87
Investment contract liabilities	9,262.33	4,074.66	13,336.99	9,846.11	3,097.15	12,943.26
Insurance contract liabilities	18,407.65	93,982.53	112,390.18	13,828.85	88,391.55	102,220.40
Non financial liabilities						
Current tax liabilities (net)	298.32	-	298.32	296.20	-	296.20
Provisions	25.37	58.17	83.54	23.22	37.08	60.30
Deferred tax liabilities (net)	-	-	-	450.92	-	450.92
Other non financial liabilities	628.94	-	628.94	563.49	-	563.49
Total	32,013.63	99,465.76	131,479.39	28,269.89	91,721.13	119,991.02

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

C. Bajaj Life Insurance Ltd. (Bajaj Life) (Contd.)

d. Market risk

Market risk arise from unexpected losses as a result of changes in market prices or parameters influencing market prices, as well as the resultant risk emerging from financial options and guarantees that are embedded in contracts which could potentially impact the net worth of assets and liabilities driven by market parameters. The risk is mitigated by maintaining a desired investment mix between debt and equity subject to regulations by IRDAI, setting risk appetite to overall market risk under the strategic asset allocation, active asset management based on the ALM output along with asset and liability duration matching which limits impact of interest rate changes and actions taken to manage guarantee risk, holding adequate reserves for the cost of guarantee and managing policyholders' expectation on returns through an active portfolio management strategy undertaken by our most experienced Investments team.

e. Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity. The correlation of variables will have a significant effect in determining the ultimate impact of interest rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non–linear.

f. Equity risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in equity prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market. The analysis below is performed for reasonably possible movements in market indices with all other variables held constant, showing the impact on profit before tax (due to changes in fair value of financial assets and liabilities whose fair values are recorded in the Statement of Profit or Loss).

(₹ In Crore)

		Investments for without DPF insurance/investment contract		Investments for shareholders' fund	
Particulars	Change in variable	Impact on total comprehensive income (before tax)	Impact on total comprehensive income (after tax)	Impact on total comprehensive income (before tax)	Impact on total comprehensive income (after tax)
For the year ended 31 March 2026					
Interest rate	50 bps up	(1,249.59)	(1,067.65)	(167.03)	(142.71)
	50 bps fall	1,249.59	1,067.65	167.03	142.71
Nifty 50	5% rise	58.95	50.37	83.90	71.69
	5% fall	(58.95)	(50.37)	(83.90)	(71.69)
For the year ended 31 March 2025					
Interest rate	50 bps up	(1,054.88)	(901.29)	(143.08)	(122.25)
	50 bps fall	1,054.88	901.29	143.08	122.25
Nifty 50	5% rise	54.71	46.74	86.91	74.25
	5% fall	(54.71)	(46.74)	(86.91)	(74.25)

g. Operational risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, systems, or external events including regulatory changes. This risk is mitigated by assessment/monitoring of controls through operational risk monitoring/assurance activities and information on the operation of the control environment from management/internal audit and risk/fraud prevention functions which flags off areas where risks are identified and recorded through operational risk/audit/fraud risk registers and first line control logs.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

C. Bajaj Life Insurance Ltd. (Bajaj Life) (Contd.)

h. Insurance risk

The principal risk Bajaj Life faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of Bajaj Life is to ensure that sufficient reserves are available to cover these liabilities.

The main risk that Bajaj Life is exposed are as follows:

i. Mortality risk: Risk of loss due to policyholder death experiences being different than expected.

ii. Longevity risk: Risk of loss arising due to annuitant living longer than expected.

iii. Persistency risk: Risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected.

iv. Morbidity risk: Risk of loss arising due to policyholder health experiences being different than expected.

v. Expenses risk: Risk of loss arising due to expense experiences being different than expected.

vi. Investment risk: Risk of loss arising due from actual returns being different than expected.

The risk exposure is mitigated by diversification across a large portfolio of insurance contract and geographical areas. The variability of the risk is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the reinsurance arrangement.

The actuarial department has set up system to continuously monitor Bajaj Life's experience with regards to parameters like policy lapses, premium persistency, maintenance expenses and investment returns. The underwriting team, with actuarial guidance, has set in place processes and procedures to review proposal. Many products offered by Bajaj Life also have an investment guarantee. Bajaj Life has additional reserve to cover this risk wherever applicable.

Key assumptions

The assumption plays vital role in calculating insurance liabilities for Bajaj Life. Material judgment is required in determining the liabilities and in the choice of assumptions. Best estimate assumptions in use are based on historical and current experience, initial data, some judgment and as per guidance notes/actuarial practice standard. However, for the purpose of valuation; an additional level of prudence has been kept on all the best estimate assumption known as MFAD (margin for adverse deviation). Bajaj Life keeps adequate MFAD, as prescribed in APS 7 issued by the Institute of Actuaries of India (IAI), in all assumptions over best estimate value.

The key assumptions to which the estimation of liabilities is particularly sensitive are, as follows

i. Mortality and morbidity rates

Assumptions are based on historical experience and for new product based on industry/reinsurance data. As appropriate, but not excessive allowance may be made for expected future improvements. Assumptions may vary by type of product, distribution of channel, gender etc. An increase in mortality/morbidity rates will usually lead to a larger number/amounts of claims (and claims could occur sooner than anticipated), which will increase the liability and reduce profit for shareholders.

ii. Longevity

Assumptions are based on standard industry and national tables, adjusted when appropriate to reflect Bajaj Life's own risk experience. As appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are normally differentiated by gender, underwriting class and contract type. An increase in longevity rates will lead to an increase in

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

C. Bajaj Life Insurance Ltd. (Bajaj Life) (Contd.)

the number of annuity payments to be made, which will increase the liability and reduce profits for shareholders.

iii. Investment return and discount rate

The weighted average rate of return is derived based on a model portfolio that is assumed to back liabilities, consistent with long-term asset allocation strategy. These estimates are based on current market returns as well as expectations about future economic and financial developments. An increase in investment return could lead to an increase in the profits for the shareholders.

Life insurance liabilities are determined as the sum of the discounted value of the expected benefits and future administration expenses directly related to the contract, less the discounted value of expected theoretical premiums that would be required to meet these future cash outflows. Discount rates are based on investment strategy of Bajaj Life, current industry risk rates adjusted of Bajaj Life's own risk exposure.

Decrease in a discount rate will increase the value of insurance liability and therefore reduce profits for the shareholders.

iv. Expense and inflation

Operating expenses assumptions reflect the projected costs of maintaining and servicing in-force polices and associated overhead expenses. The current level of expense is taken as appropriate expense base, adjusted for expected expense inflation if appropriate. An increase in the level of expenses would result in an increase in expenditure, thereby reducing profits for the shareholders.

v. Lapse, surrender and partial withdrawal rates

Lapses relate to the termination of policies due to non-payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders policy termination assumptions are determined using statistical measures based on Bajaj Life's experience and usually vary by product type, policy duration and sales trends. An increase in lapse rates early in the life of the policy would tend to reduce profits for shareholders, but later increase are broadly neutral in effect.

The best estimate assumptions that have the greatest effect on the Statement of Financial Position and Statement of Profit and Loss of Bajaj Life are listed below.

	Insurance and investment contract with DPF		Insurance contract without DPF	
Particulars	**As at 31 March 2026**	**As at 31 March 2025**	**As at 31 March 2026**	**As at 31 March 2025**
Mortality rates	150% of IALM 2012-14	150% of IALM 2012-14	43.75% - 550% of IALM 2012-14	43.75% - 550% of IALM 2012-14
Investment returns	7.03%	6.48%	5.25% - 7.55%	5.25% - 7.2%
Lapse	PY1: 13%-20%, PY2: 10%-17%, PY3+: 0.75%-1%	PY1: 18%, PY2: 12%, PY3+: 0.5%	PY1: 3%-40%, PY2: 3%-18%, PY3+: 0.5%-7.5%	PY1: 3%-38%, PY2: 3%-19%, PY3+: 0.5%-6%

The above numbers are without MFAD

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

4. Financial risk management and other disclosures (Contd.)

C. Bajaj Life Insurance Ltd. (Bajaj Life) (Contd.)

i. Sensitivity analysis

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross liabilities.

(₹ In Crore)

Particulars	Insurance and investment contract with DPF		Insurance contract without DPF	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Mortality/longevity +10%	118.93	97.00	415.73	298.18
Mortality/longevity -10%	(117.97)	(96.91)	(381.68)	(344.73)
Expense +10%	50.46	54.06	76.65	31.15
Expense -10%	(50.10)	(53.76)	(76.03)	(111.30)
Lapse and surrenders + 10%	(52.31)	(114.96)	(388.09)	(450.34)
Lapse and surrenders - 10%	55.46	113.56	410.02	381.12
Discount rate +1%	(1,605.70)	(2,231.40)	(4,892.34)	(4,250.51)
Discount rate -1%	1,891.16	2,680.58	7,293.81	6,100.76

5. Loans under financing activity (before inter-company eliminations)

(₹ In Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	At amortised cost	At fair value through OCI*	Total	At amortised cost	At fair value through OCI*	Total
A. Loans						
Term loans	482,325.34	25,944.20	508,269.54	345,415.84	68,936.10	414,351.94
Finance lease receivable	349.27	-	349.27	54.53	-	54.53
Credit substitutes#	624.88	-	624.88	420.03	-	420.03
Total- gross	483,299.49	25,944.20	509,243.69	345,890.40	68,936.10	414,826.50
Less: Impairment loss allowance	10,113.90	186.25	10,300.15	6,625.53	356.83	6,982.36
Total-net (A)	473,185.59	25,757.95	498,943.54	339,264.87	68,579.27	407,844.14
B. Out of above						
(I) Secured						
Against hypothecation of automobiles, equipments, durables and plant and machinery, equitable mortgage of immovable property and pledge of securities etc.	287,632.19	25,944.20	313,576.39	180,170.64	68,936.10	249,106.74
Less: Impairment loss allowance	2,533.72	186.25	2,719.97	1,954.48	356.83	2,311.31
Total (I)	285,098.47	25,757.95	310,856.42	178,216.16	68,579.27	246,795.43
(II) Unsecured	195,667.30	-	195,667.30	165,719.76	-	165,719.76
Less: Impairment loss allowance	7,580.18	-	7,580.18	4,671.05	-	4,671.05
Total (II)	188,087.12	-	188,087.12	161,048.71	-	161,048.71
Total (B) = (I + II)	473,185.59	25,757.95	498,943.54	339,264.87	68,579.27	407,844.14

46 Other disclosures (Contd.)

5. Loans under financing activity (before inter-company eliminations) (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	At amortised cost	At fair value through OCI*	Total	At amortised cost	At fair value through OCI*	Total
C. Out of above						
(I) Loans in India						
(i) Public sector	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-
Sub-total (i)	-	-	-	-	-	-
(ii) Others	483,299.49	25,944.20	509,243.69	345,890.40	68,936.10	414,826.50
Less: Impairment loss allowance	10,113.90	186.25	10,300.15	6,625.53	356.83	6,982.36
Sub-total (ii)	473,185.59	25,757.95	498,943.54	339,264.87	68,579.27	407,844.14
Total (I) = (i+ii)	473,185.59	25,757.95	498,943.54	339,264.87	68,579.27	407,844.14
(II) Loans outside India	-	-	-	-	-	-
Total (C) = (I+II)	473,185.59	25,757.95	498,943.54	339,264.87	68,579.27	407,844.14

* The net value is the fair value of these loans

Subscription to debentures which, in substance, are made with the intent of giving loan have been classified as credit substitutes. This classification results in a better presentation of the substance of such transactions.

- BFL has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are (a) repayable on demand or (b) without specifying any terms or period of repayment.
- Prior to the RBI guidelines pertaining to maintenance of principal business criteria (PBC), one of the subsidiary of BFL viz BHFL used to assign home loans to external partners as part of its treasury strategy. Considering the significant change in the regulatory requirement (PBC) on increasing the home loans as proportion to the total assets, BHFL reassessed the requirement for change in the business model for its home loan portfolio. BHFL had done insignificant amount of assignment transactions for its home loan portfolio in order to retain home loan portfolio as part of total assets, necessitated purely due to the change in regulatory landscape, applicable for BHFL, to continue to be classified as a Housing Finance Company, thereby leading to a change in the business model.

  BHFL reassessed its business model of collecting cash flows for home loan portfolio from 'hold to collect and sell' to 'hold to collect' and consequently, with effect from 1 April 2025, has reclassified such loan balances (gross) amounting to ₹ 54,128.76 crore from FVTOCI to Amortised Cost.

Loan details

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Total Gross loan	512,711.39	417,467.61
Less: EIR impact	3,467.70	2,641.11
Total for gross term loan net of EIR impact	509,243.69	414,826.50

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

5. Loans under financing activity (before inter-company eliminations) (Contd.)

Summary of loans by stage distribution

Term Loans

(₹ In Crore)

Particulars	As at 31 March 2026				As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	499,358.88	4,766.02	5,118.79	509,243.69	405,457.84	5,403.92	3,964.74	414,826.50
Less: Impairment loss allowance	5,088.43	2,155.04	3,056.68	10,300.15	3,103.43	1,748.67	2,130.26	6,982.36
Net carrying amount	494,270.45	2,610.98	2,062.11	498,943.54	402,354.41	3,655.25	1,834.48	407,844.14
Impairment loss allowance as a percentage of Gross carrying amount	1.02%	45.22%	59.71%	2.02%	0.77%	32.36%	53.73%	1.68%

Analysis of changes in the gross carrying amount by stages in relation to loans and its corresponding impairment loss allowances (ECL) is as follows

(₹ In Crore)

Particulars	For the year ended 31 March 2026							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
As at 31 March 2025	405,457.84	3,103.43	5,403.92	1,748.67	3,964.74	2,130.26	414,826.50	6,982.36
Transfers during the year								
– transfers to stage 1	447.88	109.30	(380.21)	(82.76)	(67.67)	(26.54)	-	-
– transfers to stage 2	(4,278.38)	(115.34)	4,302.17	127.76	(23.79)	(12.42)	-	-
– transfers to stage 3	(7,825.44)	(252.71)	(3,741.57)	(1,378.29)	11,567.01	1,631.00	-	-
	(11,655.94)	(258.75)	180.39	(1,333.29)	11,475.55	1,592.04	-	-
Impact of changes in credit risk	-	1,333.69	-	1,864.89	-	9,832.04	-	13,030.62
Changes in opening credit exposures on account of repayments net of additional disbursements and derecognition on transfer of loans	(160,023.76)	(1,533.67)	(1,789.20)	(638.24)	(3,045.41)	(2,534.03)	(164,858.37)	(4,705.94)
New credit exposures during the year, net of repayments and derecognition on transfer of loans	265,580.74	2,443.73	970.91	513.01	1,887.17	1,199.63	268,438.82	4,156.37
Amounts written off during the year	-	-	-	-	(9,163.26)	(9,163.26)	(9,163.26)	(9,163.26)
As at 31 March 2026	499,358.88	5,088.43	4,766.02	2,155.04	5,118.79	3,056.68	509,243.69	10,300.15

46 Other disclosures (Contd.)

5. Loans under financing activity (before inter-company eliminations) (Contd.)

Analysis of changes in the gross carrying amount by stages in relation to loans and its corresponding impairment loss allowances (ECL) is as follows (Contd.)

(₹ In Crore)

	For the year ended 31 March 2025							
	Stage 1		Stage 2		Stage 3		Total	
Particulars	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
As at 31 March 2024	324,507.43	2,245.48	4,010.94	1,189.83	2,815.98	1,605.72	331,334.35	5,041.03
Transfers during the period								
– transfers to stage 1	418.66	97.37	(315.65)	(57.09)	(103.01)	(40.28)	-	-
– transfers to stage 2	(4,679.06)	(88.48)	4,705.91	102.50	(26.85)	(14.02)	-	-
– transfers to stage 3	(7,306.08)	(183.52)	(2,660.98)	(923.82)	9,967.06	1,107.34	-	-
	(11,566.48)	(174.63)	1,729.28	(878.41)	9,837.20	1,053.04	-	-
Impact of changes in credit risk	-	593.19	-	1,397.76	-	8,063.85	-	10,054.80
Changes in opening credit exposures on account of repayments net of additional disbursements and derecognition on transfer of loans	(120,373.61)	(1,137.11)	(1,785.40)	(486.92)	(2,895.45)	(2,395.53)	(125,054.46)	(4,019.56)
New credit exposures during the year, net of repayments and derecognition on transfer of loans	212,890.50	1,576.50	1,449.10	526.41	1,270.44	866.61	215,610.04	2,969.52
Amounts written off during the year	-	-	-	-	(7,063.43)	(7,063.43)	(7,063.43)	(7,063.43)
As at 31 March 2025	405,457.84	3,103.43	5,403.92	1,748.67	3,964.74	2,130.26	414,826.50	6,982.36

- Details of the methodology used for ECL is covered in the 'credit risk' section of note no. 46(4).

Finance lease disclosure

BFL has entered into a lease arrangements for vehicles and equipments as a lessor. These are accounted as finance lease as material risks and rewards are transferred to the lessee. The tenor of these leases ranges from 6 months to 84 months (Previous year 12 months to 60 months). The contracted interest rate ranges from 8.70% to 12.07% p.a. (previous year 10.25% to 11.50% p.a.)

The maturity analysis of lease receivables, including the undiscounted lease payments to be received are as follows-

(₹ In Crore)

	For the year ended 31 March	
Particulars	2026	2025
Undiscounted lease payments due		
Within 12 months	118.84	16.66
After 12 months	306.27	51.40
Total undiscounted lease payments receivable	425.11	68.06
Less: Unearned finance income	75.84	13.53
Gross finance lease receivable	349.27	54.53
Less: Impairment loss allowance	2.93	0.35
Net finance lease receivable	346.34	54.18

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

6. Debt securities - Terms of repayment (before inter-company eliminations)

(₹ In Crore)

ISIN	Coupon rate	Issue date	Date of redemption	Outstanding as at 31 March 2026	Outstanding as at 31 March 2025
Redeemable at par					
INE296A07FV8	9.05%	7-Apr-15	7-Apr-25	-	170.00
INE377Y07276	5.75%	21-Sep-21	21-Apr-25	-	330.00
INE296A07SK4	7.89%	21-Apr-23	10-Jun-25	-	1,317.00
INE377Y07326	7.65%	21-Jul-22	21-Jul-25	-	1,050.00
INE296A07SB3	7.38%	8-Aug-22	8-Aug-25	-	1,575.00
INE377Y07334	7.42%	18-Nov-22	12-Aug-25	-	1,000.00
INE377Y07334	7.42%	12-Aug-22	12-Aug-25	-	625.00
INE377Y07334	7.42%	14-Oct-22	12-Aug-25	-	475.00
INE296A07HW2	8.90%	20-Aug-15	20-Aug-25	-	90.00
INE296A07IA6	8.70%	13-Oct-15	13-Oct-25	-	5.00
INE296A07SF4	7.90%	16-Nov-22	17-Nov-25	-	5,100.00
INE377Y07391	7.83%	14-Dec-22	12-Dec-25	-	725.00
INE296A07RO8	6.00%	24-Dec-20	24-Dec-25	-	681.00
INE296A07QS1	8.95%	9-Jan-19	8-Jan-26	-	1,495.00
INE296A07SS7	8.20%	15-Jan-24	15-Jan-26	-	300.00
INE377Y07466	8.00%	16-Feb-24	16-Feb-26	-	1,000.00
INE296A07SJ6	8.00%	13-Apr-23	27-Feb-26	-	1,795.00
INE377Y07375	7.92%	9-Nov-22	16-Mar-26	-	390.00
INE377Y07375	7.92%	24-Mar-23	16-Mar-26	-	475.00
INE377Y07375	7.92%	13-Apr-23	16-Mar-26	-	2,000.00
INE296A07KD6	8.90%	18-Mar-16	18-Mar-26	-	28.00
INE296A07KJ3	8.90%	23-Mar-16	23-Mar-26	-	135.00
INE296A07KU0	8.80%	30-Mar-16	30-Mar-26	-	5.00
INE296A07KW6	8.80%	31-Mar-16	31-Mar-26	-	3.00
INE296A07TA3	8.10%	22-May-24	22-May-26	500.00	500.00
INE377Y07425	7.78%	26-May-23	26-May-26	2,600.00	2,600.00
INE296A07LG7	8.65%	4-Jul-16	3-Jul-26	47.50	47.50
INE296A07TB1	8.10%	10-Jul-24	10-Jul-26	500.00	500.00
INE377Y07490	7.98%	9-Jul-24	9-Sep-26	1,520.00	1,520.00
INE296A07MO9	8.05%	23-Sep-16	23-Sep-26	10.00	10.00
INE296A07SR9	8.10%	26-Dec-23	8-Jan-27	1,625.00	1,625.00
INE377Y07441	8.04%	18-Jan-24	18-Jan-27	1,000.00	1,000.00
INE377Y07557	7.14%	2-May-25	26-Feb-27	1,000.00	-
INE296A07TG0	7.72%	10-Dec-24	26-Mar-27	1,000.00	1,000.00
INE296A07SX7	8.12%	22-Mar-24	10-May-27	1,980.00	1,980.00
INE377Y07300	7.70%	23-May-22	21-May-27	1,346.00	1,346.00
INE296A07RZ4	7.70%	7-Jun-22	7-Jun-27	1,581.00	1,581.00
INE296A07TK2	7.23%	28-Apr-25	28-Jun-27	1,000.00	-
INE377Y07482	8.10%	8-May-24	8-Jul-27	3,000.00	3,000.00

46 Other disclosures (Contd.)

6. Debt securities - Terms of repayment (before inter-company eliminations) (Contd.)

(₹ In Crore)

ISIN	Coupon rate	Issue date	Date of redemption	Outstanding as at 31 March 2026	Outstanding as at 31 March 2025
INE377Y07581	6.90%	12-Jun-25	12-Aug-27	1,000.00	-
INE296A07SC1	7.60%	25-Aug-22	25-Aug-27	920.00	920.00
INE296A07TC9	8.12%	10-Jul-24	10-Sep-27	2,815.00	2,815.00
INE296A07SE7	7.95%	25-Oct-22	25-Oct-27	610.00	610.00
INE377Y07383	7.98%	18-Nov-22	18-Nov-27	500.00	500.00
INE296A07TF2	7.80%	9-Oct-24	10-Dec-27	1,750.00	1,750.00
INE296A07SG2	7.88%	19-Jan-23	19-Jan-28	856.50	856.50
INE377Y07615	6.95%	13-Oct-25	28-Jan-28	1,000.00	-
INE296A07TT3	7.31%	12-Feb-26	11-Feb-28	500.00	-
INE377Y07532	7.66%	20-Dec-24	20-Mar-28	2,175.00	2,175.00
INE296A07SI8	7.90%	13-Apr-23	13-Apr-28	3,010.00	3,010.00
INE377Y07417	7.90%	28-Apr-23	28-Apr-28	500.00	500.00
INE377Y07565	7.02%	26-May-25	26-May-28	2,335.00	-
INE296A07SN8	7.73%	7-Jun-23	7-Jun-28	500.00	500.00
INE296A07TJ4	7.38%	17-Apr-25	26-Jun-28	6,275.00	-
INE296A07TM8	7.11%	8-Jul-25	10-Jul-28	1,500.00	-
INE377Y07599	6.97%	17-Jul-25	17-Jul-28	1,000.00	-
INE377Y07433	7.85%	1-Sep-23	1-Sep-28	1,350.00	1,350.00
INE296A07SO6	7.85%	11-Sep-23	11-Sep-28	1,195.00	1,195.00
INE296A07TN6	7.07%	30-Jul-25	21-Sep-28	1,750.00	-
INE377Y07607	7.10%	16-Sep-25	16-Oct-28	3,000.00	-
INE296A07SQ1	8.00%	17-Oct-23	17-Oct-28	2,236.00	2,236.00
INE296A07TP1	7.24%	12-Sep-25	12-Dec-28	1,350.00	-
INE377Y07623	7.25%	22-Jan-26	22-Jan-29	1,000.00	-
INE296A07ST5	8.10%	23-Jan-24	23-Jan-29	857.60	857.60
INE296A07TV9	7.40%	20-Feb-26	12-Mar-29	1,000.00	-
INE377Y07474	8.05%	8-May-24	8-May-29	1,500.00	1,500.00
INE296A07SZ2	8.06%	15-May-24	15-May-29	4,777.20	4,777.20
INE296A07TD7	7.98%	31-Jul-24	31-Jul-29	4,852.00	4,852.00
INE296A08870	8.06%	4-Oct-16	4-Oct-29	365.00	365.00
INE377Y07524	6.83%	17-Oct-24	17-Oct-29	1,500.00	1,500.00
INE296A07RA7	7.90%	28-Jan-20	10-Jan-30	160.00	160.00
INE296A07RD1	7.60%	28-Feb-20	11-Feb-30	2,858.40	2,858.40
INE296A07TI6	7.57%	3-Apr-25	3-Apr-30	3,000.00	-
INE377Y07573	7.08%	12-Jun-25	12-Jun-30	3,500.00	-
INE296A07TL0	7.38%	28-Apr-25	28-Jun-30	4,765.00	-
INE296A07RJ8	7.25%	27-Aug-20	27-Aug-30	50.00	50.00
INE296A07TQ9	7.37%	29-Sep-25	27-Sep-30	4,015.00	-
INE296A07RN0	6.92%	24-Dec-20	24-Dec-30	387.00	387.00
INE296A07TU1	7.55%	20-Feb-26	20-Feb-31	1,500.00	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

6. Debt securities - Terms of repayment (before inter-company eliminations) (Contd.)

(₹ In Crore)

ISIN	Coupon rate	Issue date	Date of redemption	Outstanding as at 31 March 2026	Outstanding as at 31 March 2025
INE296A07RS9	7.02%	19-Apr-21	18-Apr-31	2,719.50	2,483.00
INE377Y07284	7.25%	29-Oct-21	29-Oct-31	571.00	571.00
INE296A07RW1	7.15%	2-Dec-21	2-Dec-31	1,150.50	1,150.50
INE296A07SW9	7.92%	20-Feb-24	20-Feb-32	856.00	856.00
INE296A08938	8.10%	6-Jun-17	7-Jun-32	1,000.00	1,000.00
INE296A07SD9	7.82%	8-Sep-22	8-Sep-32	327.00	327.00
INE377Y07359	7.89%	8-Sep-22	8-Sep-32	500.00	500.00
INE377Y07367	7.84%	23-Sep-22	23-Sep-32	500.00	500.00
INE377Y07409	8.04%	9-Feb-23	9-Feb-33	750.00	750.00
INE296A07SW9	7.92%	20-Feb-24	20-Feb-33	856.00	856.00
INE296A07SH0	8.08%	21-Mar-23	21-Mar-33	4,960.00	4,960.00
INE296A07SL2	7.75%	16-May-23	16-May-33	2,075.00	2,075.00
INE296A07SM0	7.72%	23-May-23	23-May-33	1,375.00	1,375.00
INE296A07SP3	7.79%	20-Sep-23	20-Sep-33	1,000.00	1,000.00
INE296A08961	9.11%	6-Nov-18	2-Nov-33	4,575.00	4,575.00
INE296A07TS5	7.65%	27-Jan-26	27-Jan-34	1,024.00	-
INE296A07SV1	7.82%	8-Feb-24	31-Jan-34	7,995.00	7,995.00
INE296A07SU3	7.87%	8-Feb-24	8-Feb-34	1,887.30	1,887.30
INE377Y07458	7.80%	9-Feb-24	9-Feb-34	1,500.00	1,500.00
INE296A07SW9	7.92%	20-Feb-24	20-Feb-34	2,568.00	2,568.00
INE296A07SY5	7.93%	2-May-24	2-May-34	2,360.50	2,360.50
INE377Y07508	7.89%	15-Jul-24	14-Jul-34	4,000.00	4,000.00
INE296A07TE5	7.70%	4-Oct-24	4-Oct-34	750.00	750.00
INE377Y07516	7.56%	4-Oct-24	4-Oct-34	1,750.00	1,750.00
INE296A07TS5	7.65%	27-Jan-26	27-Jan-35	1,024.00	-
INE377Y08118	8.00%	31-Jan-20	7-Feb-35	-	105.00
INE377Y08118	8.00%	29-Jan-21	7-Feb-35	-	105.00
INE377Y08118	8.00%	31-Jan-22	7-Feb-35	-	105.00
INE377Y08118	8.00%	31-Jan-23	7-Feb-35	-	105.00
INE377Y08118	8.00%	31-Jan-24	7-Feb-35	-	105.00
INE377Y08118	8.00%	31-Jan-25	7-Feb-35	-	105.00
INE377Y08134	8.00%	31-Jan-20	7-Feb-35	750.00	-
INE377Y08126	7.70%	13-Mar-20	9-Mar-35	-	147.00
INE377Y08126	7.70%	12-Mar-21	9-Mar-35	-	147.00
INE377Y08126	7.70%	11-Mar-22	9-Mar-35	-	147.00
INE377Y08126	7.70%	13-Mar-23	9-Mar-35	-	147.00
INE377Y08126	7.70%	13-Mar-24	9-Mar-35	-	147.00
INE377Y08126	7.70%	13-Mar-25	9-Mar-35	-	147.00
INE377Y08142	7.70%	13-Mar-20	9-Mar-35	1,050.00	-
INE296A07TH8	7.55%	3-Apr-25	3-Apr-35	4,240.00	-

46 Other disclosures (Contd.)

6. Debt securities - Terms of repayment (before inter-company eliminations) (Contd.)

(₹ In Crore)

ISIN	Coupon rate	Issue date	Date of redemption	Outstanding as at 31 March 2026	Outstanding as at 31 March 2025
INE377Y07540	7.50%	9-Apr-25	9-Apr-35	1,500.00	-
INE296A08987/ INE296A08995	7.99%	1-Jun-22	1-Jun-35	1,400.00	1,050.00
INE296A07TR7	7.45%	15-Oct-25	15-Oct-35	500.00	-
INE296A07TS5	7.65%	27-Jan-26	27-Jan-36	3,072.00	-
Redeemable at premium					
INE296A07RY7	6.42%	18-Feb-22	18-Feb-26	-	906.00
Subtotal				153,510.00	122,460.50
Interest accrued				6,515.12	4,822.82
Impact of EIR (including premium and discount on NCD)				(101.49)	(147.31)
Fair value gain/ (loss) on NCD hedged through interest rate swap				(17.83)	43.29
Total				159,905.80	127,179.30

-Includes partly paid NCD on which amount to be called and paid is ₹ 350 crore in June 2026

Out of above NCD having put option are as under:

(₹ In Crore)

ISIN	Coupon rate	Put option date	Outstanding as at 31 March 2026	Outstanding as at 31 March 2025
INE296A07SL2	7.75%	15-May-26	2,075.00	2,075.00
INE296A07SV1	7.82%	7-Feb-27	7,995.00	7,995.00
Total			10,070.00	10,070.00

Terms of repayment of commercial papers

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Redeemable at par with original maturity up to 1 year		
Due within 1 year	33,124.38	27,426.99
Impact of EIR	101.72	33.44
Total	33,226.10	27,460.43

-Interest rate ranges from 6.36% to 8.20% p.a. as at 31 March 2026 (Previous year 7.45% to 8.05% p.a.)

-As at 31 March 2026, face value of commercial paper is ₹ 33,827 crore (Previous year ₹ 27,925 crore)

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

7. Borrowings (other than debt securities) - Terms of repayment (before inter-company elimination)

Terms of repayment of term loans from banks and development financial institutions as at 31 March 2026

Particulars	Due within 1 year		Due in 1 to 2 years		Due in 2 to 3 years		Due in more than 3 year		Total	
	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore
Original maturity of loan										
Monthly										
Up to 3 years	120	603.13	64	224.17	34	93.89	-	-	218	921.19
Over 3 to 4 years	120	615.54	120	542.82	106	503.93	12.00	103.16	358	1,765.45
Quarterly										
Up to 3 years	10	341.68	8	116.64	-	-	-	-	18	458.32
Over 3 to 4 years	92	2,210.70	78	1,645.07	62	1,112.87	30.00	660.94	262	5,629.58
Over 4 years	172	2,875.43	149	2,375.23	137	1,665.23	218.00	2,332.74	676	9,248.63
Half yearly										
Up to 3 years	10	816.33	4	199.67	2	84.00	-	-	16	1,100.00
Over 3 to 4 years	22	1,668.16	10	675.89	4	106.25	-	-	36	2,450.30
Over 4 years	225	14,060.59	248	14,540.58	198	11,183.42	345.00	13,982.08	1,016	53,766.67
Yearly										
Up to 3 years	4	174.60	4	224.60	3	100.80	-	-	11	500.00
Over 3 to 4 years	4	267.32	4	266.32	4	266.36	-	-	12	800.00
Over 4 years	10	1,355.00	20	1,788.33	21	1,688.33	33.00	3,616.67	84	8,448.33
On maturity (Bullet)										
Up to 3 years	14	9,250.00	5	2,565	1	500.00	-	-	20	12,315.00
Over 3 to 4 years	-	-	2	1,500	2	1,000.00	-	-	4	2,500.00
Over 4 years	1	500	2	2,200	-	-	1	3,000	4	5,700.00
Interest accrued	-	13.88	-	-	-	-	-	-		13.88
Impact of EIR										(2.79)
Total										105,614.56

-Interest rate ranges from 5.25 % p.a. to 8.05 % p.a. as at 31 March 2026

Terms of repayment of term loans from banks and development financial institutions as at 31 March 2025

Particulars	Due within 1 year		Due in 1 to 2 years		Due in 2 to 3 years		Due in more than 3 year		Total	
	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore
Original maturity of loan										
Monthly										
Up to 3 years	72	422.50	48	320.63	-	-	-	-	120	743.13
Quarterly										
Up to 3 years	6	291.68	10	341.68	8	116.64	-	-	24	750.00
Over 3 to 4 years	48	1,643.75	40	1,365.63	26	800.00	12	269.69	126	4,079.07
Over 4 years	121	2,281.13	111	2,368.97	81	1,759.38	127	1,926.53	440	8,336.01
Half yearly										
Up to 3 years	5	333.33	8	733.33	2	116.67	-	-	15	1,183.33
Over 3 to 4 years	20	1,568.14	20	1,568.18	8	575.89	2	6.25	50	3,718.46
Over 4 years	147	9,285.56	191	13,304.02	166	11,454.56	258	13,596.12	762	47,640.26
Yearly										
Up to 3 years	1	50.00	1	75.00	1	125.00	-	-	3	250.00
Over 3 to 4 years	-	-	-	-	-	-	-	-	-	-
Over 4 years	12	1,130.00	12	1,580.00	13	1,413.22	20	1,805.00	57	5,928.22
On maturity (Bullet)										
Up to 3 years	8	6,300.00	2	550.00	3	650.00	-	-	13	7,500.00
Over 3 to 4 years	1	499.74	-	-	2	1,500.00	-	-	3	1,999.74
Over 4 years	-	-	1	500.00	2	2,200.00	-	-	3	2,700.00
Interest accrued	-	16.62	-	-	-	-	-	-		16.62
Impact of EIR										(0.23)
Total										84,844.61

-Interest rate ranges from 6.61 % p.a. to 8.80 % p.a. as at 31 March 2025

46 Other disclosures (Contd.)

7. Borrowings (other than debt securities) - Terms of repayment (before inter-company elimination) (Contd.)

Terms of repayment of working capital demand loans from bank

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore
On maturity (Bullet)				
Up to 1 year	12	4,272.00	7	2,366.27
Interest accrued		0.67		1.31
Total	12	4,272.67	7	2,367.58

- Interest rate ranges from 6.50% p.a. to 8.20% p.a. as at 31 March 2026 (Previous year 7.11% p.a. to 9.30% p.a.)

Terms of repayment of TREPs

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore
On maturity (Bullet)				
Up to 1 year	18	8,636.93	28	11,676.78
Total	18	8,636.93	28	11,676.78

-Interest rate ranges from 5.95% p.a. to 6.77% p.a. as at 31 March 2026 (Previous year 6.00% p.a. to 6.99% p.a.)

Terms of repayment of term loan from NHB as at 31 March 2026

Particulars	Due within 1 year		Due in 1-2 years		Due in 2-3 years		Due in more than 3 years		Total	
	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore
Original maturity of loan										
Quarterly										
More than 4 years	156	1,140.34	208	1,520.43	208	1,520.43	801	6,159.68	1,373	10,340.88
Interest accrued	-	-	-	-	-	-	-	-		-
Impact of EIR										-
Total										10,340.88

- Interest rate ranges from 4.25 % p.a. to 8.35 % p.a. as at 31 March 2026.

Terms of repayment of term loan from NHB as at 31 March 2025

Particulars	Due within 1 year		Due in 1-2 years		Due in 2-3 years		Due in more than 3 years		Total	
	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore	No. of instalments	₹ In Crore
Original maturity of loan										
Quarterly										
More than 4 years	111	883.30	148	1,177.73	148	1,177.73	651	5,133.64	1,058	8,372.40
Interest accrued	-	-	-	-	-	-	-	-		-
Impact of EIR										-
Total										8,372.40

-Interest rate ranges from 5.25 % p.a. to 8.45 % p.a. as at 31 March 2025.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

7. Borrowings (other than debt securities) - Terms of repayment (before inter-company elimination) (Contd.)

Terms of repayment of external commercial borrowing

Particulars	As at 31 March 2026		As at 31 March 2025	
	Total no. of instalments	₹ In Crore	Total no. of instalments	₹ In Crore
Due within 1 year				
Original maturity over 2 to 3 years	5	4,022.81	-	-
Original maturity over 3 years	4	2,839.63	-	-
Due in 1 to 2 year				
Original maturity over 2 to 3 years	11	9,465.43	5	3,637.21
Original maturity over 3 years	1	711.26	4	2,567.44
Due in 2 to 3 year				
Original maturity over 2 to 3 years	5	5,829.19	11	8,558.14
Original maturity over 3 years	-	-	1	641.06
Interest accrued		58.99		34.80
Impact of EIR		(60.34)		(65.02)
Total	26	22,866.97	21	15,373.63

- Contracted interest rate ranges from 4.60% p.a. to 4.94% p.a. as at 31 March 2026 (Previous year 5.30% p.a. to 5.61% p.a.)

- Interest rate ranges from 7.17% p.a. to 8.11% p.a. post effective hedge as at 31 March 2026 (Previous year 7.47% p.a. to 8.11% p.a.)

Terms of repayment of Repo borrowing

Particulars	As at 31 March 2026		As at 31 March 2025	
	Total no. of instalments	₹ In Crore	Total no. of instalments	₹ In Crore
On maturity (Bullet)				
Up to 1 year	9	6,350.75	10	3,929.78
Total	9	6,350.75	10	3,929.78

- Contracted interest rate is 6.50% p.a. to 7.90% p.a. as at 31 March 2026 (Previous year 7.40% p.a.)

Terms of repayment of associated liabilities in respect of securitisation transactions

Particulars	As at 31 March 2026		As at 31 March 2025	
	Total no. of instalments	₹ In Crore	Total no. of instalments	₹ In Crore
Original maturity over 3 years				
Due within 1 year	2,140	2,127.64	12	396.97
Due in 1 to 2 years	2,120	1,942.90	12	413.91
Due in 2 to 3 years	2,091	1,656.48	12	381.74
Due over 3 years	16,036	1,027.27	24	556.29
Interest accrued		13.96		4.89
Impact of EIR		(0.45)		(0.12)
	22,387	6,767.80	60	1,753.68

-Contracted interest rate is 6.64% to 7.82% p.a. as at 31 March 2026 (Previous year 7.75% p.a.)

46 Other disclosures (Contd.)

8. Deposits-Terms of repayment,

Terms of repayment of deposits as at 31 March 2026

(₹ In Crore)

Particulars	Residual maturity of loans				Total
	Due within 1 year	Due in 1-2 years	Due in 2-3 years	Due in more than 3 years	
Original maturity of deposit					
Up to 1 year	10,962.63	-	-	-	10,962.63
Over 1 to 2 years	9,393.81	4,002.00	-	-	13,395.81
Over 2 to 3 years	3,035.36	4,347.64	3,001.29	-	10,384.29
Over 3 years	8,785.34	12,956.77	6,950.12	1,428.57	30,120.80
Interest accrued	2,095.73	1,358.79	325.81	35.24	3,815.57
Impact of EIR					(143.65)
Total					68,535.45

Terms of repayment of deposits as at 31 March 2025

(₹ In Crore)

Particulars	Residual maturity of loans				Total
	Due within 1 year	Due in 1-2 years	Due in 2-3 years	Due in more than 3 years	
Original maturity of deposit					
Up to 1 year	12,233.43	-	-	-	12,233.43
Over 1 to 2 years	8,707.42	6,294.21	-	-	15,001.63
Over 2 to 3 years	4,587.77	3,125.36	3,066.53	-	10,779.66
Over 3 years	2,704.81	8,945.86	13,246.01	5,710.50	30,607.18
Interest accrued	1,396.03	876.34	623.13	77.01	2,972.51
Impact of EIR					(191.28)
Total					71,403.13

9. Subordinated liabilities - Terms of repayment

Terms of repayment of subordinated liabilities

(₹ In Crore)

ISIN	Coupon rate	Issue date	Date of redemption	Outstanding as at 31 March 2026	Outstanding as at 31 March 2025
Redeemable at par					
INE296A08755	8.94%	21-Oct-15	21-Oct-25	-	40.00
INE296A08763	8.94%	9-Nov-15	7-Nov-25	-	250.00
INE296A08771	8.85%	15-Jul-16	15-Jul-26	490.00	490.00
INE296A08789	8.85%	21-Jul-16	21-Jul-26	480.00	480.00
INE296A08797	8.75%	16-Aug-16	14-Aug-26	485.00	485.00
INE296A08805	8.45%	29-Sep-16	29-Sep-26	500.00	500.00
INE296A08821	8.05%	2-Dec-16	2-Dec-26	105.00	105.00
INE296A08847	8.15%	22-Jun-17	22-Jun-27	600.00	600.00
Subtotal				2,660.00	2,950.00
Interest accrued				148.72	158.92
Impact of EIR				(3.41)	(5.38)
Total				2,805.31	3,103.54

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

10. Insurance contracts liabilities

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Insurance contract liabilities		
General insurance contract liabilities	35,427.75	32,458.28
Life insurance contract liabilities	110,717.55	100,352.03
Undistributed participating policyholders surplus	1,672.63	1,868.37
Total	147,817.93	134,678.68
Change in general insurance contract liabilities		
At the beginning of the year	32,458.28	29,263.33
Add: Premium earned	11,573.80	10,242.10
Less Premium written	(10,291.68)	(9,627.89)
Add: Claims incurred (including IBNR)	23,920.70	33,317.64
Less: Claim outstanding (including IBNR)	(22,233.35)	(30,736.90)
Total	35,427.75	32,458.28

(₹ In Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	With DPF	Without DPF	Total	With DPF	Without DPF	Total
Change in life insurance contract liabilities						
At the beginning of the year	29,757.04	70,594.99	100,352.03	25,839.18	61,041.35	86,880.53
Add/(Less)						-
Premium	6,424.98	24,343.03	30,768.01	5,700.38	19,886.41	25,586.79
Insurance liabilities released	(5,713.65)	(14,963.77)	(20,677.42)	(4,280.34)	(13,830.27)	(18,110.61)
Unwinding of discount rate	1,596.38	982.40	2,578.78	1,558.91	3,785.07	5,343.98
Others	(1,866.50)	(437.35)	(2,303.85)	938.91	(287.57)	651.34
Total	30,198.25	80,519.30	110,717.55	29,757.04	70,594.99	100,352.03
Undistributed participating policyholders surplus						
Opening balance	1,851.65	16.72	1,868.37	2,136.21	-	2,136.21
Amount utilised during the year	(214.52)	-	(214.52)	(284.56)	-	(284.56)
Amount credited during the year	-	18.78	18.78	-	16.72	16.72
Total	1,637.13	35.50	1,672.63	1,851.65	16.72	1,868.37

46 Other disclosures (Contd.)

11. Investment contracts liabilities

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Investment contract liabilities	13,336.99	12,943.26
	13,336.99	12,943.26
Reconciliation of investment contract liabilities		
At the beginning of the year	12,943.26	11,377.39
Additions		
Deposits	2,128.89	1,573.27
Interest credited to policyholders'	539.54	1,217.43
	2,668.43	2,790.70
Deductions		
Withdrawals	2,223.61	1,180.59
Fee income and other expenses	51.09	44.24
Others	-	-
	2,274.70	1,224.83
At the end of the year	13,336.99	12,943.26

12. Material partly owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below

Proportion of equity interest held by non-controlling interests:

Name	Country of incorporation and operation	As at 31 March 2026	2025
Bajaj Finance Ltd.	India	51.32%	51.39%
Bajaj General Insurance Ltd. (formerly known as Bajaj Allianz General Insurance Company Ltd.)	India	77.33%	74.00%
Bajaj Life Insurance Ltd. (formerly known as Bajaj Allianz Life Insurance Company Ltd.)	India	77.33%	74.00%

Information regarding non-controlling interest

Particulars	As at 31 March 2026	2025
Accumulated balances of material non-controlling interest		
Bajaj Finance Ltd.	58,555.30	49,394.48
Bajaj General Insurance Ltd.	2,655.93	3,321.15
Bajaj Life Insurance Ltd.	1,839.52	3,323.29
Profit/(loss) allocated to material non-controlling interest		
Bajaj Finance Ltd.	9,549.82	8,232.29
Bajaj General Insurance Ltd.	372.54	403.13
Bajaj Life Insurance Ltd.	(53.86)	49.91

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

12. Material partly owned subsidiaries (Contd.)

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

Summarised Statement of Profit and Loss for the year ended 31 March 2026

(₹ In Crore)

Particulars	Bajaj Finance Ltd. (Consolidated)	Bajaj General Insurance Ltd.	Bajaj Life Insurance Ltd.
Revenue from operations	81,982.38	34,537.00	33,650.10
Other income	7.12	112.89	559.97
Total income	81,989.50	34,649.89	34,210.07
Employee benefits expenses	8,978.53	1,409.89	3,130.80
Finance costs	28,665.95	6.72	15.56
Fees and commission expense	3,658.10	4,139.27	3,741.21
Impairment on financial instruments	9,481.85	(2.76)	0.90
Claims incurred pertaining to insurance business	-	13,322.60	13,549.51
Reinsurance ceded	-	12,524.90	601.69
Net change in insurance/investment contract liabilities	-	286.65	11,740.46
Depreciation, amortisation and impairment	1,008.98	84.54	108.27
Other expenses	4,130.68	933.96	1,583.72
Total expenses	55,924.09	32,705.77	34,472.12
Exceptional item			
Impact of New Labour Codes	265.22	41.68	58.60
Share of profit/(loss) from associate	16.46	-	-
Profit before tax	25,816.65	1,902.44	(320.65)
Tax expense	6,484.29	467.99	(103.11)
Profit attributable to non-controlling interests	314.97	-	-
Profit for the year	19,017.39	1,434.45	(217.54)
Total comprehensive income (TCI)	18,959.19	531.91	(3,467.65)
TCI attributable to non-controlling interests	9,506.83	145.21	(883.24)
Dividends paid to non-controlling interests	1,691.55	-	-

46 Other disclosures (Contd.)

12. Material partly owned subsidiaries (Contd.)

Summarised Statement of Profit and Loss for the year ended 31 March 2025

(₹ In Crore)

Particulars	Bajaj Finance Ltd. (Consolidated)	Bajaj General Insurance Ltd.	Bajaj Life Insurance Ltd.
Revenue from operations	68,805.71	31,965.28	31,683.06
Other income	41.27	68.92	455.88
Total income	68,846.98	32,034.20	32,138.94
Employee benefits expenses	7,508.34	1,257.23	2,769.95
Finance costs	24,769.75	7.39	12.29
Fees and commission expense	2,597.66	3,380.58	3,263.07
Impairment on financial instruments	7,088.23	(18.69)	0.24
Claims incurred pertaining to insurance business	-	12,481.51	12,308.88
Reinsurance ceded	-	11,404.22	470.36
Net change in insurance/investment contract liabilities	-	539.84	11,861.96
Depreciation, amortisation and impairment	880.99	83.92	91.29
Other expenses	3,940.19	829.22	1,273.15
Total expenses	46,785.16	29,965.22	32,051.19
Share of profit/(loss) from associate	17.81	-	-
Profit before tax	22,079.63	2,068.98	87.75
Tax expense	5,300.15	518.49	(104.20)
Profit attributable to non-controlling interests	141.66	-	-
Profit for the year	16,637.82	1,550.49	191.95
Total comprehensive income (TCI)	16,570.02	2,121.95	1,168.94
TCI attributable to non-controlling interests	8,171.90	551.71	303.92
Dividends paid to non-controlling interests	1,082.32	171.95	129.31

Summarised Balance Sheet as at 31 March 2026

(₹ In Crore)

Particulars	Bajaj Finance Ltd. (Consolidated)	Bajaj General Insurance Ltd.	Bajaj Life Insurance Ltd.
Financial assets	553,877.01	59,147.48	138,193.50
Non-financial assets	6,075.35	1,668.42	1,400.15
Financial liabilities	441,248.56	7,744.61	18,078.41
Insurance contract liabilities	-	35,427.75	112,390.18
Non-financial liabilities	1,718.26	5,928.00	1,010.80
Non-controlling interest	2,986.52	-	-
Equity	113,999.02	11,715.54	8,114.26
Attributable to			
Equity holders of the parent	55,443.72	9,059.61	6,274.74
Non-controlling interest	58,555.30	2,655.93	1,839.52

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

12. Material partly owned subsidiaries (Contd.)

Summarised Balance Sheet as at 31 March 2025

(₹ In Crore)

Particulars	Bajaj Finance Ltd. (Consolidated)	Bajaj General Insurance Ltd.	Bajaj Life Insurance Ltd.
Financial assets	460,437.18	54,185.95	131,675.48
Non-financial assets	5,689.65	1,434.23	1,097.42
Financial liabilities	366,042.93	6,184.81	16,399.71
Insurance contract liabilities	-	32,458.28	102,220.40
Non-financial liabilities	1,147.01	4,203.43	1,370.91
Non-controlling interest	2,244.02	-	-
Equity	96,692.87	12,773.66	12,781.88
Attributable to			
Equity holders of the parent	47,298.39	9,452.51	9,458.59
Non-controlling interest	49,394.48	3,321.15	3,323.29

Summarised cash flow information for the year ended 31 March 2026

(₹ In Crore)

Particulars	Bajaj Finance Ltd. (Consolidated)	Bajaj General Insurance Ltd.	Bajaj Life Insurance Ltd.
Operating	(65,789.80)	2,021.34	9,164.45
Investing	(3,388.63)	(1,049.04)	(6,978.12)
Financing	67,432.87	(1,541.38)	(1,252.58)
Net increase/(decrease) in cash and cash equivalents	(1,745.56)	(569.08)	933.75

Summarised cash flow information for the year ended 31 March 2025

(₹ In Crore)

Particulars	Bajaj Finance Ltd. (Consolidated)	Bajaj General Insurance Ltd.	Bajaj Life Insurance Ltd.
Operating	(67,791.64)	589.19	6,134.15
Investing	(2,765.02)	556.76	(5,441.68)
Financing	70,164.61	(760.10)	(538.31)
Net increase/(decrease) in cash and cash equivalents	(392.05)	385.85	154.16

46 Other disclosures (Contd.)

13. Derivatives (Bajaj Life)

Bajaj Life offers guaranteed products wherein the policyholders are assured of a fixed rate of return for premiums to be received in the future. These premiums are likely to be received over a longer tenure and the guaranteed rate of return is fixed at the beginning of the policy term. Any fall in interest rates would mean that each incremental investment of Bajaj Life would earn a lower rate of return. Accordingly, a fall in interest rates would mean lower interest earnings for Bajaj Life from future investments, thereby exposing Bajaj Life to interest rate risk. IRDAI Master Circular for Actuarial, Finance and Investment Functions of Insurers, 2024 allows insurers to deal in rupee denominated interest rate derivatives to hedge the volatility of returns from future fixed income investments, due to variations in market interest rates.

Bajaj Life as part of its hedging strategy, enters into forward rate agreement ('FRA') and bond forward agreement ('BFA') as interest rate derivative instrument transactions to hedge the risk of movements in interest rates for highly probable forecasted transactions as permitted by the IRDAI.

Interest rate derivative is a forward contract to hedge the risk of movements in interest rates. In a interest rate derivative, Bajaj Life fixes the yield on the bond for the period till the maturity of the contract. As on the date of entering the interest rate derivative, Bajaj Life fixes the yield on future investments in a bond. Bajaj Life is using interest rate derivative to hedge the interest rate risk arising out of highly probable forecasted future cash inflows. These highly probable forecasted future cash inflows arise from already written insurance policies or from interest income and redemption of investments.

Bajaj Life has a Board approved derivative policy and process document setting out the strategic objectives, risk measures and functioning of the derivative transactions as per the hedging strategy. Bajaj Life is following hedge accounting for all derivative transactions.

Interest rate derivative are undertaken by Bajaj Life solely for the purpose of hedging interest rate risks on account of following forecasted transactions:

a) Reinvestment of maturity proceeds of existing fixed income investments;

b) Investment of interest income receivable; and

c) Expected policy premium income receivable on insurance contracts which are already underwritten in life, pension and annuity business.

a. Nature and terms of outstanding derivative contract

i. Total notional principal amount of forward rate agreement (FRA) undertaken during the year and outstanding at the year end

(₹ In Crore)

Sr. No.	Particulars	As at 31 March 2026	As at 31 March 2025
i)	Total notional principal amount of forward rate agreements undertaken during the year	8,901.62	11,249.86
ii)	Total notional principal amount of forward rate agreements outstanding at the year-end	30,841.55	27,803.93
iii)	Notional principal amount of outstanding and not 'highly effective' as at Balance Sheet date	-	-
iv)	Mark-to-market value of FRA and not 'highly effective' as at Balance Sheet date	-	-
v)	Loss which would be incurred if counter party failed to fulfil their obligation under agreements*	1,419.90	1,212.09

* Potential Future Credit Exposure calculated as per IRDAI Master Circular

ii. The fair value gain/loss (MTM) with respect of forward rate agreements outstanding as at the balance sheet date 1,469.84 743.07

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

13. Derivatives (Bajaj Life) (Contd.)

b. Movement in cash flow hedge reserve

(₹ In Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Realised	Unrealised	Total	Realised	Unrealised	Total
Balance at the beginning of the year	184.86	832.89	1,017.75	13.83	643.30	657.13
Add: Changes in the fair value during the year	47.52	(1,607.40)	(1,559.88)	160.05	189.59	349.64
Less Amount reclassified from OCI to profit or loss	(16.21)	-	(16.21)	10.98	-	10.98
Balance at the end of the year (net of tax)*	216.17	(774.51)	(558.34)	184.86	832.89	1,017.75

An amount of ₹ 353.32 crore (31 March 2025 ₹ 35.01 crore) was recognised in Statement of Profit and Loss being the loss on account of Cash flow hedge.

* Includes Forward element of Forward contracts amounting to ₹ 43.27 crore (as at 31 March 2025: Nil)

c. Counterparty wise details

(₹ In Crore)

Name of counterparty	As at 31 March 2026	As at 31 March 2025
	ANZ Bank / Axis Bank Ltd. / BNP Paribas / Bank of America N.A. / Barclays Bank PLC / Citibank NA / DBS Bank India Ltd. / HDFC Bank Ltd. / HSBC Ltd. / J.P. Morgan Chase / Kotak Mahindra Bank Ltd. / Mizuho Bank /Standard Chartered Bank/ ICICI Bank	ANZ Bank / Axis Bank Ltd. / BNP Paribas / Bank of America N.A. / Barclays Bank PLC / Citibank NA / DBS Bank India Ltd. / HDFC Bank Ltd. / HSBC Ltd. / J.P. Morgan Chase / Kotak Mahindra Bank Ltd. / Mizuho Bank /Standard Chartered Bank
Current credit exposure	26.52	781.96
Potential future credit exposure	1,419.90	1,212.09
Credit exposure	1,446.42	1,994.05

The credit exposure has been calculated on the basis of credit equivalent amount using the current exposure method (CEM) which is sum of the following

- The current credit exposure (gross positive mark to market value of the contract); and
- Potential future credit exposure which is a product of the notional principal amount across the outstanding contract and a factor that is based on the mandated credit conversion factors as prescribed under the IRDAI Master Circular for Actuarial, Finance and Investment Functions of Insurers, 2024, which is applied on the residual maturity of the contract.

d. Price sensitivity of outstanding interest rate derivative contracts

(₹ In Crore)

Name of counterparty	As at 31 March	
	2026	2025
PV01 (Price value of one basis point)		
Hedge instrument	(24.29)	(27.83)
Hedge item	24.55	28.05

PV01 measures the change in the present value of the hedge instrument/item resulting from one basis point shift in the yield and overnight interest rate swap (OIS) curve.

46 Other disclosures (Contd.)

14. Fair value of equity investments at FVTOCI

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Apollo Hospitals Enterprise Ltd.	40.06	20.37
Asian Paints Ltd.	3.63	-
Astral Ltd.	-	2.72
Avenue Supermarts Ltd.	3.96	4.08
Axis Bank Ltd.	37.39	67.41
Bharat Electronics Ltd.	41.51	13.11
Bharti Airtel Ltd.	227.07	134.72
Bharti Airtel Ltd. (Partly paid)	-	1.57
Blue Star Ltd.	25.29	13.46
Britannia Industries Ltd.	7.05	40.53
Brookfield India Real Estate Trust	19.07	-
CG Power and Industrial Solutions Ltd.	29.80	-
Cipla Ltd.	1.84	13.99
Coal India Ltd.	34.82	29.79
Cummins India Ltd.	29.70	1.83
Divis Laboratories Ltd.	23.79	8.09
Dixon Technologies India Ltd.	5.80	-
Dr Reddys Laboratories Ltd.	14.68	38.51
Eicher Motors Ltd.	38.86	8.02
Embassy Office Parks REIT	11.91	10.36
Eternal Ltd.	10.26	6.11
GAIL (India) Ltd.	1.51	-
GE Vernova T&D India Ltd.	24.03	-
Godrej Consumer Products Ltd.	1.48	27.25
Havells India Ltd.	-	2.90
HCL Technologies Ltd.	4.96	54.47
HDFC Asset Management Company Ltd.	11.97	6.82
HDFC Bank Ltd.	356.70	698.50
Hero Motocorp Ltd.	-	8.00
Hindalco Industries Ltd.	31.75	14.40
Hindustan Aeronautics Ltd.	18.83	-
Hindustan Unilever Ltd.	56.12	110.22
ICICI Bank Ltd.	133.71	262.25
ICICI Prudential Asset Management Company Ltd.	6.47	-
IDFC First Bank Ltd.	-	12.33
Indian Hotels Co Ltd.	20.55	-
Info Edge India Ltd.	7.84	13.64
Infosys Ltd.	218.84	237.32
InterGlobe Aviation Ltd.	13.80	5.63

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

14. Fair value of equity investments at FVTOCI (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
ITC Hotel Ltd. (Demerged)	-	6.29
ITC Ltd.	97.89	152.99
JSW Steel Ltd.	1.68	-
Knowledge Realty Trust	41.93	-
Kotak Mahindra Bank Ltd.	67.85	114.86
Kwality Walls India Ltd. - Demerger	0.61	-
Larsen & Toubro Infotech Mindtree Ltd.	-	8.98
Larsen & Toubro Ltd.	79.89	101.65
LG Electronics India Ltd.	28.10	-
Lupin Ltd.	-	2.03
Mahindra & Mahindra Ltd.	25.71	69.84
Marico Ltd.	3.09	-
Maruti Suzuki India Ltd.	76.05	56.23
Nestle India Ltd.	39.59	47.27
NTPC Ltd.	27.65	98.84
Oil & Natural Gas Corporation Ltd.	-	13.65
One MobiKwik Systems Ltd.	296.89	242.61
Persistent Systems Ltd.	12.68	9.37
Power Grid Corporation of India Ltd.	32.30	23.88
Radico Khaitan Ltd.	13.67	-
RBL Bank Ltd.	44.37	74.16
Reliance Industries Ltd.	198.14	265.36
SBI Life Insurance Company Ltd.	-	9.75
Shriram Finance Ltd.	56.25	-
Siemens Energy India Ltd.	10.26	-
State Bank of India	41.23	65.27
Sun Pharmaceuticals Industries Ltd.	18.63	74.44
Tata Consultancy Services Ltd.	89.89	183.25
Tata Consumer Products Ltd.	-	3.00
Tata Motors Ltd.	3.21	37.80
Tata Motors Passenger Vehicles Ltd.	0.30	-
Tata Steel Ltd.	1.06	15.74
Tech Mahindra Ltd.	31.42	-
Titan Company Ltd.	30.43	50.55
TML Commercial Vehicles Ltd. (Demergerd)	9.99	-
Trent Ltd.	29.33	13.85
TVS Motor Company Ltd.	44.07	9.20
UltraTech Cement Ltd.	8.60	-
Voltas Ltd.	15.53	21.01
Wipro Ltd.	-	10.42

46 Other disclosures (Contd.)

14. Fair value of equity investments at FVTOCI (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Yatra Online Ltd.	-	4.28
Zydus Lifesciences Ltd.	1.31	-
6% TVS Non Convertible Pref Shares	0.38	-
Fair value	2,995.03	3,654.97

15. Ultimate beneficiary

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

No funds have been received by Group from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

16. Relationship with struck off companies

(₹ In Crore)

S. No.	Name of struck off company	Nature of transactions with struck-off company	Relationship with the struck off company	Balance outstanding 31 March 2026	Balance outstanding 31 March 2025
1	Abhilash Global Corporation Pvt. Ltd.	Loan receivable	No	-	0.02
2	Adwave Publicity & Media Pvt. Ltd.	Loan receivable	No	-	-
3	Alpic Formulations Pvt. Ltd.	Loan receivable	No	-	0.02
4	Astroid Pharma Pvt. Ltd.	Loan receivable	No	-	0.01
5	Criper Garments (India) Pvt. Ltd.	Loan receivable	No	-	-
6	CSE Computer Solutions East Pvt. Ltd.	Loan receivable	No	0.29	0.38
7	D.H.Power Engineers Pvt. Ltd.	Loan receivable	No	-	-
8	DVR Marine Exports Pvt. Ltd.	Loan receivable	No	0.09	0.11
9	Enkoway Motors Pvt. Ltd.	Loan receivable	No	-	-
10	Farm Protector Pvt. Ltd.	Loan receivable	No	-	-
11	First Office Solutions India Pvt. Ltd.	Loan receivable	No	-	0.01
12	Grabstance Technologies Pvt. Ltd.	Loan receivable	No	-	-
13	Green Way Super Market Pvt. Ltd.	Loan receivable	No	-	0.11
14	Hyper Collective Creative Technologies Pvt. Ltd.	Loan receivable	No	-	-
15	Indira Smart Systems Pvt. Ltd.	Loan receivable	No	0.05	0.07
16	Koolair Systems Pvt. Ltd.	Loan receivable	No	-	-
17	Lift And Tech Engineering Contractors Pvt. Ltd.	Loan receivable	No	-	-
18	Mahakash Sales Pvt. Ltd.	Loan receivable	No	-	-
19	Mechwing Engineering & Services Pvt. Ltd.	Loan receivable	No	-	-
20	Memmo Global Telecommunications Pvt. Ltd.	Loan receivable	No	-	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

16. Relationship with struck off companies (Contd.)

(₹ In Crore)

S. No.	Name of struck off company	Nature of transactions with struck-off company	Relationship with the struck off company	Balance outstanding 31 March 2026	Balance outstanding 31 March 2025
21	Multitech System Industrial Automation Pvt. Ltd.	Loan receivable	No	-	-
22	Nature Bless International Pvt. Ltd.	Loan receivable	No	-	-
23	Satidham Industries Pvt. Ltd. (₹ 50,000 at face value of ₹ 10, Previous year ₹ 40,000)	Shares Held		-	-
24	Sawalka Autotech Pvt. Ltd	Loan receivable	No	-	1.17
25	Smart Choice Retail Pvt. Ltd.	Loan receivable	No	-	-
26	Spice Flora (India) Pvt. Ltd.	Loan receivable	No	-	-
27	Sri Beera Barji Trading Co. Pvt. Ltd.	Loan receivable	No	-	-
28	Sustainable Technologies & Environmental Projects Pvt. Ltd.	Loan receivable	No	-	-
29	Tulsians Kharidiye Pvt. Ltd.	Loan receivable	No	-	-
30	Volando Tours Pvt. Ltd.	Loan receivable	No	-	-
31	Yayin Enterprises Pvt. Ltd.	Loan receivable	No	-	-
32	Aleem Autos Pvt. Ltd.	Payables	No	-	-
33	Fident Wealth Pvt. Ltd.	Payables	No	-	-
34	Impact Agencies Pvt. Ltd.	Payables	No	-	-
35	Keen Financial Services Pvt. Ltd.	Payables	No	-	-
36	Daytoday Technologies (OPC) Pvt. Ltd.	Payables	No	-	-
37	Visakam Motors Pvt. Ltd.	Payables	No	-	-

The above disclosure has been prepared basis the relevant information compiled by the Group on best effort basis.

17. Disclosure pertaining to stock statement filed with banks or financial institutions

BFL has availed of the facilities (secured borrowings) from the lenders inter alia on the condition that, BFL shall provide or create or arrange to provide or have created, security interest by way of a first pari passu charge of the loans. Security interest is created by charge creation towards security and debenture trustee on behalf of security holders and debenture holders.

For the financial year ended 31 March 2026 and previous year ended 31 March 2025, the quarterly statements or returns of current assets filed by BFL with banks or financial institutions are in agreement with books of account.

46 Other disclosures (Contd.)

18. Capital work-in-progress

i) Movement in capital work-in-progress (CWIP)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Carrying amount at the beginning of the year	122.95	82.12
Add: Additions	293.58	294.64
Less: Disposal/capitalisation	166.22	253.81
Carrying amount at the end of the year	250.31	122.95

ii) Capital work-in-progress ageing schedule

Current year

(₹ In Crore)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	158.78	28.22	17.66	45.65	250.31

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

Previous year

(₹ In Crore)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	58.08	18.78	5.80	40.29	122.95

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

19. Intangible assets under development

i) Movement in intangible assets under development

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Carrying amount at the beginning of the year	191.08	137.96
Add: Additions	442.25	566.52
Less: Disposal/capitalisation	562.33	513.40
Carrying amount at the end of the year	71.00	191.08

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Other disclosures (Contd.)

19. Intangible assets under development (Contd.)

ii) Intangible assets under development ageing schedule

Current year

(₹ In Crore)

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	66.26	4.74	-	-	71.00

The Group does not have any intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence intangible asset under development completion schedule is not applicable.

Previous year

(₹ In Crore)

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	76.38	44.55	23.24	46.91	191.08

The Group does not have any intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence intangible asset under development completion schedule is not applicable.

20. Other information as per Ind AS 107 (BFL)

i. Transfer of financial assets that are derecognised in their entirety where BFL has continuing involvement

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

ii. Transfer of financial assets that are not derecognised in their entirety

(₹ In Crore)

Particulars	For the year ended 31 March	
	2026	2025
Securitisations		
Carrying amount of transferred assets (measured at amortised cost)	7,810.52	1,976.92
Carrying amount of securitisation liabilities - borrowing other than debt securities (measured at amortised cost)	6,767.80	1,753.68
Fair value of assets (A)	7,801.21	1,975.04
Fair value of associated liabilities (B)	6,774.93	1,742.93
Net position at fair value (A-B)	1,026.28	232.11

46 Other disclosures (Contd.)

21. Other information as per Ind AS 7 (BFL)

Changes in liability arising from financing activities (Ind AS 7 - Statement of Cash flows)

(₹ in Crore)

Particulars	As at 1 April 2025	Cash flows during the year (net)	Foreign exchange fluctuations	Other*	As at 31 March 2026
Debt securities	154,639.73	36,847.92	(17.83)	1,662.08	193,131.90
Borrowings (other than debt securities)	132,102.25	36,558.12	1,956.08	26.08	170,642.53
Deposits	71,403.13	(3,761.08)	-	890.70	68,532.75
Subordinated liabilities	3,103.54	(290.00)	-	(8.23)	2,805.31
Lease liability	1,121.19	(242.53)	-	375.99	1,254.65
Total	362,369.84	69,112.43	1,938.25	2,946.62	436,367.14

(₹ in Crore)

Particulars	As at 1 April 2024	Cash flows during the year (net)	Foreign exchange fluctuations	Other*	As at 31 March 2025
Debt securities	117,999.54	34,998.68	43.29	1,598.22	154,639.73
Borrowings (other than debt securities)	111,617.47	20,190.63	284.01	10.14	132,102.25
Deposits	60,150.92	10,527.22	-	724.99	71,403.13
Subordinated liabilities	3,577.90	(452.50)	-	(21.86)	3,103.54
Lease liability	1,001.16	(214.57)	-	334.60	1,121.19
Total	294,346.99	65,049.46	327.30	2,646.09	362,369.84

* Includes movement in interest accrued and impact of EIR

22. Capital management

Dividends distributed and proposed (Holding Company)

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Dividends recognised in the financial statements		
Final dividend for the year ended 31 March 2025 of ₹ 1 (31 March 2024 - ₹ 1) per equity share	159.67	159.55
Dividends not recognised at the end of the reporting period		
Directors have recommended the payment of a final dividend of ₹ 1.50 per equity share for the year ended 31 March 2026 (31 March 2025 – ₹ 1). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	240.08	159.67

23 Other notes

a. The Group has not traded or invested in crypto currency or virtual currency during the financial year.

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

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

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

47 Revenue from contracts with customers (BFL)

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Type of services		
Service and administration charges	2,757.92	2,134.84
Fees on value added services and products	824.32	882.04
Foreclosure charges	730.21	510.57
Distribution income	3,323.55	2,333.06
Brokerage income	118.39	122.33
Marketing, branding and allied services	471.04	490.97
Total	8,225.43	6,473.81
Geographical markets		
India	8,225.43	6,473.81
Outside India	-	-
Total	8,225.43	6,473.81
Timing of revenue recognition		
Services transferred at a point in time	8,190.16	6,449.19
Services transferred over time	35.27	24.62
Total	8,225.43	6,473.81

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Contract balances		
Fees, commission and other receivable	408.49	466.86
Total	408.49	466.86

- Impairment allowance recognised on contract balances is ₹ 1.64 crore (Previous year ₹ 1.88 crore)

- Contract asset as on 31 March 2026 is ₹ Nil (Previous year ₹ Nil)

48 Employee stock option plan

(i) Bajaj Finance Ltd.

BFL has an employee stock option plan, 2009 ("ESOP Plan") duly approved by its Board of Directors and shareholders. As of 31 March 2025, total number of equity shares approved and reserved for issue under the ESOP plan were 35,071,160 equity shares of face value of ₹2 each. The ESOP plan covers employees of BFL group companies including subsidiaries, associates and any successor company thereof.

As of 31 March 2026, consequent to the sub-division of equity shares from a face value of ₹ 2 each into ₹ 1 each and the issuance of bonus equity shares in the ratio of 4:1, total number of equity shares reserved for issue under the ESOP Plan were proportionately adjusted to 350,711,600 equity shares of face value ₹ 1 each.

The options issued under the ESOP plan vest over a period of not less than 1 year and not later than 5 years from the date of grant with the vesting condition of continuous employment with BFL group except in case of death and retirement where the vesting would happen immediately.

The Nomination and Remuneration Committee of BFL has approved the following grants to eligible senior and middle level executives of BFL and its subsidiaries in accordance with the ESOP plan. Details of grants given and the related disclosures up to the reporting date under the scheme, duly adjusted for sub-division of shares and issue of bonus shares thereon, are given as under:

As on 31 March 2026

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options expired	Options outstanding
12-Jan-10 to 24-May-16	3.59 to 76.54	222,718,000	-	-	189,723,050	32,994,950	-	-
17-May-17	134.78	11,207,500	157,140	-	9,597,360	1,413,630	39,370	157,140
16-Oct-17	195.31	163,500	-	-	163,500	-	-	-
1-Feb-18	167.79	1,200,000	5,000	-	700,360	489,640	5,000	5,000
17-May-18	192.00	12,734,160	626,560	-	10,008,960	2,080,400	18,240	626,560
16-May-19	300.28	11,239,000	2,611,006	-	7,735,564	884,570	7,860	2,611,006
19-May-20	193.86	20,542,500	5,399,830	-	13,285,770	1,856,900	-	5,399,830
27-Apr-21	473.66	9,366,430	4,286,570	-	4,350,730	729,130	-	4,286,570
26-Apr-22	700.55	10,037,560	4,511,509	2,340,050	2,071,041	1,114,960	-	6,851,559
25-Jul-22	625.83	193,490	18,860	18,860	155,770	-	-	37,720
26-Apr-23	607.53	15,633,970	4,637,510	6,480,350	2,806,819	1,709,291	-	11,117,860
25-Apr-24	732.92	15,366,090	2,722,213	10,213,570	987,932	1,442,375	-	12,935,783
12-Sep-24	734.56	38,900	9,730	29,170	-	-	-	38,900
28-Apr-25	911.20	13,833,250	18,020	12,839,660	-	975,570	-	12,857,680
Total		344,274,350	25,003,948	31,921,660	241,586,856	45,691,416	70,470	56,925,608

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

48 Employee stock option plan (Contd.)

(i) Bajaj Finance Ltd. (Contd.)

As on 31 March 2025

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options expired	Options outstanding
12-Jan-10 to 20-May-15	3.59 to 44.82	208,418,000	-	-	177,676,800	30,741,200	-	-
24-May-16	76.54	14,300,000	242,500	-	11,803,750	2,253,750	-	242,500
17-May-17	134.78	11,207,500	474,350	-	9,293,280	1,413,630	26,240	474,350
16-Oct-17	195.31	163,500	-	-	163,500	-	-	-
1-Feb-18	167.79	1,200,000	10,000	-	700,360	489,640	-	10,000
17-May-18	192.00	12,734,160	1,405,900	-	9,257,010	2,062,140	9,110	1,405,900
16-May-19	300.28	11,239,000	3,992,180	-	6,385,890	860,930	-	3,992,180
19-May-20	193.86	20,542,500	6,998,650	-	11,730,400	1,813,450	-	6,998,650
27-Apr-21	473.66	9,366,430	3,602,070	2,058,420	3,017,730	688,210	-	5,660,490
26-Apr-22	700.55	10,037,560	3,824,530	4,737,290	654,060	821,680	-	8,561,820
25-Jul-22	625.83	193,490	-	37,720	155,770	-	-	37,720
26-Apr-23	607.53	15,633,970	2,865,240	10,861,110	995,610	912,010	-	13,726,350
25-Apr-24	732.92	15,366,090	-	14,946,170	-	419,920	-	14,946,170
12-Sep-24	734.56	38,900	-	38,900	-	-	-	38,900
Total		330,441,100	23,415,420	32,679,610	231,834,160	42,476,560	35,350	56,095,030

Weighted average fair value of stock options granted during the year is as follows

Particulars	FY 2025-26	FY 2024-25	
Grant date	28-April-25	25-April-24	12-September-24
No. of options granted	13,833,250	15,366,090	38,900
Weighted average fair value (₹)	350.67	312.05	302.56

Following table depicts range of exercise prices and weighted average remaining contractual life

As on 31 March 2026

Total for all grants	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	56,095,030	76.54-734.56	551.46	4.82
Granted during the year	13,833,250	911.20	911.20	
Cancelled during the year	3,214,856	192.00-911.20	736.13	
Lapsed during the year	35,120	134.78-300.28	191.39	
Exercised during the year	9,752,696	76.54-732.92	446.98	
Outstanding at the end of the year	56,925,608	134.78-911.20	646.58	4.65
Exercisable at the end of the year	25,003,948	134.78-911.20	480.41	2.77

48 Employee stock option plan (Contd.)

(i) Bajaj Finance Ltd. (Contd.)

As on 31 March 2025

Total for all grants	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	54,897,890	44.82-700.55	443.13	4.80
Granted during the year	15,404,990	732.92-734.56	732.92	
Cancelled during the year	1,643,380	473.66-732.92	658.39	
Lapsed during the year	22,240	134.78-192.00	158.21	
Exercised during the year	12,542,230	44.82-700.55	286.86	
Outstanding at the end of the year	56,095,030	76.54-734.56	551.46	4.82
Exercisable at the end of the year	23,415,420	76.54-700.55	385.89	2.91

The weighted average market price of equity shares for options exercised during the year is ₹ 943.60 (Previous year ₹ 754.27).

Method used for accounting for share based payment plan

BFL has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black–Scholes Model. The key assumptions used in Black–Scholes model for calculating fair value as on the date of respective grants are:

Grant date	Risk Free interest rate	Expected life	Expected volatility	Dividend yield	Exercise price (₹)*	Options granted	Vesting period
19-May-20	5.58%	3.5 -6.5 years	40.30%	0.83%	1,938.60		4 years on SLM basis
25-Apr-24	7.10%	3.5 - 6.5 years	36.87%	0.41%	732.92	15,366,090	4 years on SLM basis
12-Sep-24	6.68%	3.5 - 6.5 years	36.29%	0.49%	734.56	38,900	4 years on SLM basis
28-Apr-25	6.11%	3.5 - 6.5 years	33.03%	0.40%	911.20	13,833,250	4 years on SLM basis

* Price of the underlying share in the market at the time of the option grant.

For the year ended 31 March 2026, BFL has accounted expense of ₹ 407.53 crore as employee benefit expenses on the aforesaid employee stock option plan (Previous year ₹ 377.00 crore). The balance in employee stock option outstanding account is ₹ 1,157.76 crore as of 31 March 2026 (Previous year ₹ 934.86 crore).

(ii) Bajaj Housing Finance Ltd.

Details of grants given up to the reporting date by BHFL under the scheme are given as under:

As on 31 March 2026

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options expired	Options outstanding
24-Apr-24	54.50	16,751,673	3,501,869	11,314,938	515,305	1,419,561	-	14,816,807
4-Jan-25	126.38	486,445	160,527	325,918	-	-	-	486,445
23-Apr-25	131.16	9,108,697	-	8,849,335	-	259,362		8,849,335
Total		26,346,815	3,662,396	20,490,191	515,305	1,678,923	-	24,152,587

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

48 Employee stock option plan (Contd.)

(ii) Bajaj Housing Finance Ltd. (Contd.)

As on 31 March 2025

Grant date	Exercise price (₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options expired	Options outstanding
24-Apr-24	54.50	16,751,673	-	16,068,695	-	682,978	-	16,068,695
4-Jan-25	126.38	486,445	-	486,445	-	-	-	486,445
Total		17,238,118	-	16,555,140	-	682,978	-	16,555,140

Weighted average fair value of stock options granted during the year is as follows:

Particulars	FY 2025-26	FY 2024-25	
Grant date	23-April-25	24-April-24	4-January-25
No. of options granted	9,108,697	16,751,673	486,445
Weighted average fair value (₹)	55.50	24.54	51.43

Following table depicts range of exercise prices and weighted average remaining contractual life:

As on 31 March 2026

Particulars	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	16,555,140	54.50- 126.38	56.61	6.58
Granted during the year	9,108,697	131.16	131.16	-
Cancelled during the year	995,945	54.50 - 131.16	74.46	-
Lapsed during the year	-	-	-	-
Exercised during the year	515,305	54.50	54.50	-
Outstanding at the end of the year	24,152,587	54.50 - 131.16	84.04	5.96
Exercisable at the end of the year	3,662,396	54.50 - 126.38	57.65	4.10

As on 31 March 2025

Particulars	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	17,238,118	54.50 - 126.38	56.53	-
Cancelled during the year	682,978	54.50	54.50	-
Lapsed during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	16,555,140	54.50 - 126.38	56.61	6.58
Exercisable at the end of the year	-	-	-	-

The weighted average market price of equity shares for options exercised during the year ended 31 March 2026 is ₹ 119.32.

48 Employee stock option plan (Contd.)

(ii) Bajaj Housing Finance Ltd. (Contd.)

Method used for accounting for share based payment plan:

BHFL has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black–Scholes model. The key assumptions used in Black–Scholes model for calculating fair value as on the date of grant are:

Grant date	Risk Free interest rate	Expected life	Expected volatility	Dividend yield	Price of the underlying share in the market at the time of the option grant (₹)	Options granted	Vesting period
28-Apr-24	7.05%	3.5 - 6.5 years	38.46%	NIL	54.50	16,751,673	1- 4 years on SLM basis
4-Jan-25	6.63%	3.5 - 5.5 years	36.57%	NIL	126.08	486,445	1- 3 years on SLM basis
23-Apr-25	6.08%	3.5 - 6.5 years	36.78%	NIL	131.16	9,108,697	1- 4 years on SLM basis

For the year ended 31 March 2026, BHFL has accounted expense of ₹ 32.06 crore as employee benefit expenses on the aforesaid employee stock option plan (Previous year ₹ 16.97 crore). The balance in employee stock option outstanding account is ₹ 48.01 crore as of 31 March 2026 (Previous year ₹ 16.97 crore).

(iii) For ESOP's other than BFL refer Note no. 38 to standalone financial statements.

49 Disclosure in terms of Schedule III of the Companies Act, 2013

(₹ In Crore)

		Net assets (i.e. total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
1	**Parent**								
	Bajaj Finserv Ltd.	13.07%	10,181.40	14.61%	1,431.73	0.13%	(4.13)	21.42%	1,427.60
2	**Subsidiaries (Indian)**								
	Bajaj General Insurance Ltd. (formerly known as Bajaj Allianz General Insurance Company Ltd.)	15.04%	11,715.54	14.64%	1,434.45	28.79%	(902.54)	7.98%	531.91
	Bajaj Life Insurance Ltd. (formerly known as Bajaj Allianz Life Insurance Company Ltd.)	10.41%	8,114.26	(2.22%)	(217.54)	103.67%	(3,250.11)	(52.02%)	(3,467.65)
	Bajaj Finance Ltd. (Consolidated)	146.44%	114,100.78	197.25%	19,332.36	2.75%	(86.10)	288.70%	19,243.94
	Bajaj Finserv Direct Ltd. (Consolidated)	0.39%	307.40	(1.75%)	(171.71)	(0.04%)	1.06	(2.56%)	(170.65)
	Bajaj Finserv Health Ltd. (Consolidated)	0.60%	466.47	(1.64%)	(160.49)	(0.02%)	0.60	(2.40%)	(159.89)
	Bajaj Finserv Ventures Ltd.	0.44%	341.79	(0.10%)	(9.35)	(0.30%)	9.32	(0.00%)	(0.03)
	Bajaj Finserv Mutual Fund Trustee Ltd.	0.00%	0.46	0.00%	0.08	-	-	0.00%	0.08
	Bajaj Finserv Asset Management Ltd.	0.12%	93.30	(2.08%)	(203.55)	0.02%	(0.67)	(3.06%)	(204.22)
	Bajaj Alternate Investment Management Ltd.	0.01%	9.56	(0.11%)	(10.44)	-	-	(0.16%)	(10.44)
	Bajaj AIF Trustee Ltd.	0.00%	0.19	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
	Bajaj Financial Distributors Ltd. (formerly known as Bajaj Allianz Financial Distributors Ltd.)	0.03%	25.48	-	-	-	-	-	-
	(Less): Minority interests in all subsidiaries	(80.92%)	(63,050.75)	(100.69%)	(9,868.50)	(35.00%)	1,097.38	(131.55%)	(8,768.80)
	(Less): Inter-company eliminations	(5.64%)	(4,391.35)	(17.92%)	(1,756.06)	-	-	(26.34%)	(1,756.06)
	Total	100.00%	77,914.53	100.00%	9,800.97	100.00%	(3,135.19)	100.00%	6,665.78

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

50 Events after reporting date

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

51 Miscellaneous

Amounts less than ₹ 50,000 have been shown at actual against respective line items statutorily required to be disclosed.

As per our report of even date

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Pune: 30 April 2026

On behalf of the Board of Directors

Ramandeep Singh Sahni	Sanjiv Bajaj
Chief Financial Officer	Chairman & Managing Director
	DIN: 00014615
Uma Shende	Dr. Naushad Forbes
Company Secretary	Chairman-Audit Committee
	DIN: 00630825
	Place: Lausanne

Salient features of the financial statements of subsidiaries for the year ended 31 March 2026

Form AOC-1:
In accordance with section 129(3) of the Companies Act, 2013, the salient features of the financial statements of subsidiaries is given below

Part A: Subsidiaries

(₹ In Crore)

Particulars	Bajaj General Insurance Ltd. (formerly known as Bajaj Allianz General Insurance Company Ltd.)	Bajaj Life Insurance Ltd. (formerly known as Bajaj Allianz Life Insurance Company Ltd.)	Bajaj Finance Ltd.	Bajaj Housing Finance Ltd.	Bajaj Financial Securities Ltd.	Bajaj Finserv Direct Ltd.	Bajaj Technology Services Inc.	Bajaj Finserv Health Ltd.	Vidal Healthcare Services Pvt. Ltd.	Vidal Health Insurance TPA Pvt. Ltd.
a The date since when subsidiary was acquired	20 February 2008 (being the effective date of demerger of erstwhile Bajaj Auto Ltd.)	20 February 2008 (being the effective date of demerger of erstwhile Bajaj Auto Ltd.)	20 February 2008 (being the effective date of demerger of erstwhile Bajaj Auto Ltd.)	1 November 2014	1 November 2014	7 February 2014	19 August 2025	5 July 2019	26 April 2024	26 April 2024
b Reporting period for the subsidiary	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	19 August 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026
c Paid-up share capital	106.92	146.19	621.79	8,328.66	1,400.41	327.41	10.43	2.50	2.00	34.69
d Reserves and surplus	11,608.62	7,968.07	102,500.55	14,194.13	685.56	(19.90)	(0.11)	561.16	95.76	74.99
e Total assets	60,815.90	139,593.65	432,203.31	127,147.05	11,461.87	419.80	10.51	1,010.57	298.24	233.25
f Total liabilities	60,815.90	139,593.65	432,203.31	127,147.05	11,461.87	419.80	10.51	1,010.57	298.24	233.25
g Investments	35,140.01	133,143.16	38,074.37	2,502.21	583.54	197.77	-	275.28	164.56	-
h Turnover	34,649.89	34,210.07	69,853.95	11,150.29	1,069.72	374.44	0.09	806.76	62.23	196.91
i Profit before tax	1,902.44	(320.65)	23,671.90	3,320.02	273.34	(171.60)	(0.11)	(93.95)	9.63	(29.82)
j Provision for tax	467.99	(103.11)	5,868.03	759.68	70.76	-	-	-	2.14	17.23
k Profit after tax	1,434.45	(217.54)	17,803.87	2,560.34	202.58	(171.60)	(0.11)	(93.95)	7.49	(47.05)
l Proposed dividend**	1800%	0%	600%	0%	0%	0%	0%	0%	0%	0%
m % of shareholding	77.33%	77.33%	51.32%	86.70%*	100.00%*	80.10%#	100.00%@	100.00%	100%^	100%$

* Held by Bajaj Finance Ltd.
# The remaining 19.90% shareholding is held by Bajaj Finance Ltd.
@ Held by Bajaj Finserv Direct Ltd.
^ Held by Bajaj Finserv Health Ltd.
$ Held by Vidal Healthcare Services Pvt. Ltd.

Salient features of the financial statements of subsidiaries for the year ended 31 March 2026 (Contd.)

Part A : Subsidiaries (Contd.)

Particulars	VH Medcare Pvt. Ltd.	VH International LLC	Bajaj Finserv Ventures Ltd.	Bajaj Finserv Mutual Fund Trustee Ltd.	Bajaj Finserv Asset Management Ltd.	Bajaj Alternate Investment Management Ltd.	Bajaj AIF Trustee Ltd.	Bajaj Financial Distributors Ltd. (formerly known as Bajaj Allianz Financial Distributors Ltd.)	Bajaj Staffing Solutions Ltd. (formerly known as Bajaj Allianz Staffing Solutions Ltd.)
a The date since when subsidiary was acquired	26 April 2024	26 April 2024	27 September 2021	11 October 2021	18 October 2021	29 August 2025	25 August 2025	20 February 2008 (being the effective date of demerger of erstwhile Bajaj Auto Ltd.)	16 March 2015
b Reporting period for the subsidiary	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	29 August 2025 to 31 March 2026	25 August 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026
c Paid-up share capital	3.50	0.12	2.50	0.35	575.00	20.00	0.20	2.40	0.95
d Reserves and surplus	(31.73)	(3.27)	339.29	0.11	(481.71)	(10.44)	(0.01)	21.25	1.83
e Total assets	91.76	54.65	348.68	0.51	223.30	15.20	0.19	26.03	11.20
f Total liabilities	91.76	54.65	348.68	0.51	223.30	15.20	0.19	26.03	11.20
g Investments	-	-	139.12	0.35	72.34	9.22	-	4.52	4.82
h Turnover	78.69	30.44	5.29	0.47	65.27	0.37	-	8.91	162.38
i Profit before tax	(17.93)	(2.11)	(8.70)	0.11	(203.55)	(10.52)	(0.01)	(0.68)	(1.16)
j Provision for tax	(4.79)	-	0.64	0.03	-	(0.08)	-	0.02	(0.13)
k Profit after tax	(13.14)	(2.11)	(9.35)	0.08	(203.55)	(10.44)	(0.01)	(0.66)	(1.03)
l Proposed dividend	0%	0%	0%	0%	0%	0%	0%	0%	0%
m % of shareholding	100%[$]	100%[$]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100%^^

[$] Held by Vidal Healthcare Services Pvt. Ltd.
^^ Held by Bajaj Financial Distributors Ltd.

Name of subsidiary sold during the year:

Nil

On behalf of the Board of Directors

Ramandeep Singh Sahni	Sanjiv Bajaj
Chief Financial Officer	Chairman & Managing Director
	DIN: 00014615
Uma Shende	Dr. Naushad Forbes
Company Secretary	Chairman-Audit Committee
	DIN: 00630825
Pune: 30 April 2026	Place: Lausanne

BAJAJ MARKETS

Bajaj Markets

India ka Financial Supermarket

One App for Every Financial Solution.

BAJAJ FINSERV DIRECT LIMITED

STANDALONE FINANCIAL STATEMENTS

Independent Auditors' Report on the Standalone Financial Statements

To The Members of **Bajaj Finserv Ltd.**

Opinion

1. We have audited the accompanying standalone financial statements of Bajaj Finserv Ltd. ('the Company'), which comprise the standalone Balance Sheet as at 31 March 2026, and the standalone Statement of Profit and Loss (including Other Comprehensive Income), standalone Statement of Changes in Equity and standalone Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information ('the standalone financial statements').

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our professional judgments, we have determined that there is no key audit matter to be communicated in our report.

Other information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

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

7. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Independent Auditors' Report on the Standalone Financial Statements (Contd.)

Responsibilities of management and those charged with governance for the standalone financial statements

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

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

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

Auditors' responsibilities for the audit of the standalone financial statements

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

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

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

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

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

13.4 Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Independent Auditors' Report on the Standalone Financial Statements (Contd.)

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

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

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

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

Report on other legal and regulatory requirements

17. As required by the Companies (Auditors' Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. As required by section 143(3) of the Act, we report that:

18.1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

18.2 In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

18.3 The standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

18.4 In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act read with the relevant rules thereunder.

18.5 On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act.

18.6 With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

18.7 In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act.

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

19.1 The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements – Refer note 27 to the standalone financial statements.

19.2 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Independent Auditors' Report on the Standalone Financial Statements (Contd.)

19.3 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

19.4 The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

19.6 Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under paragraph '19.4' and '19.5' contain any material misstatement.

19.7 In our opinion and according to the information and explanations given to us and as stated in note 36 (c) to the standalone financial statements, the dividend declared and paid during the year by the Company is in compliance with section 123 of the Act.

19.8 Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494
UDIN: 26033494DSGGKZ6941

Pune: 30 April 2026

Annexure A to the Independent Auditors' Report

Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of Bajaj Finserv Ltd. for the year ended 31 March 2026

(Referred to in paragraph 17 under 'Report on other legal and regulatory requirements' section of our report of even date)

i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment ('PPE').

(B) The Company does not own any intangible assets and hence, paragraph 3(i)(a)(B) of the Order is not applicable to the Company.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, 100% PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including right-of-use assets) during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company's business does not require maintenance of inventories and accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned any working capital limits at any point of time during the year, from banks or financial institutions.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security, nor granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has, during the year, made investments in other companies and mutual funds, the particulars of which are set out below. The Company has not made investments in firms, limited liability partnerships or any other parties during the year.

(a) In our opinion and according to the information and explanations given to us, the Company has not provided any guarantee or security during the year. The Company has granted loans to its subsidiaries during the year, which in substance, are in the nature of equity investment, being instruments that are probable to be settled by way of a fixed number of equity shares for a fixed consideration and accordingly classified as equity investments. Accordingly, reporting under paragraph 3(iii)(a) of the Order is not applicable to that extent.

(b) In our opinion and based on the information and explanations provided to us, the investments made by the Company are, prima facie, not prejudicial to the interests of the Company.

(c) In our opinion and according to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not provided loans or provided advances in the nature of loans. Accordingly, paragraph 3(iii)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not provided loans or provided advances in the nature of loans. Accordingly, paragraph 3(iii)(d) of the Order is not applicable to the Company.

Annexure A to the Independent Auditors' Report (Contd.)

(e) In our opinion and according to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not provided loans or provided advances in the nature of loans. Accordingly, paragraph 3(iii)(e) of the Order is not applicable to the Company.

(f) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, the Company has not granted any loans or advances in the nature of loans to promoters/related parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or given any guarantee or provided any securities as covered under the provisions of section 185 of the Act. In respect of the investments made by the Company, the provisions of section 186 of the Act have been complied with.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company as specified under section 148(1) of the Act, for the maintenance of cost records in respect to generation of power through wind turbines, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records.

vii. (a) The Company does not have liability in respect of service tax, duty of excise, sales tax and value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into goods and services tax ('GST'). In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including GST, provident fund, employees' state insurance, income-tax and cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, provident fund, employees' state insurance, income-tax, cess and other material statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, we confirm that the following are the dues of GST, income-tax and service tax, which have not been deposited to/with the appropriate authority on account of any dispute:

Name of the statute	Nature of the dues	Amount (₹ In Crore)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	1.21	FY 2010-11	Commissioner of Income Tax (Appeals)	-
Income Tax Act, 1961	Income Tax	5.10	FY 2012-13, FY 2015-16 and FY 2016-17	Commissioner of Income Tax (Appeals)	-
GST Act, 2017	GST	0.70	FY 2017-18 and FY 2018-19	Jurisdictional Officer	-
Finance Act, 1994	Service Tax	1.01	01 March 2011 to 31 March 2015	Joint Commissioner	-

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

Annexure A to the Independent Auditors' Report (Contd.)

ix. (a) The Company has not borrowed any loans from any lender. Hence, reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company.

(d) The Company has not raised any loans on short term basis and hence, reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised any loans during the year and hence, reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

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

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

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

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45 - IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion, the Company is not required to be registered under section 45 - IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

Annexure A to the Independent Auditors' Report (Contd.)

(c) The Company is a Core Investment Company ('CIC') as defined in the regulations made by Reserve Bank of India. The Company is exempted from registration, and the Company continues to meet the criteria for non-registration.

(d) The Group has twenty (eighteen in the immediately preceding financial year) CICs as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also, refer to the other information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditors' report.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, paragraph 3(xx)(a) and 3(xx)(b) of the Order are not applicable to the Company.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494
UDIN: 26033494DSGGKZ6941

Pune : 30 April 2026

Annexure B to the Independent Auditors' Report

Annexure B to the Independent Auditors' Report on the Standalone Financial Statements of Bajaj Finserv Ltd. for the year ended 31 March 2026

(Referred to in paragraph '18.6' under 'Report on other legal and regulatory requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act').

Opinion

1. We have audited the internal financial controls with reference to the standalone financial statements of Bajaj Finserv Ltd. ('the Company') as at 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for internal financial controls

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

Auditors' responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the standalone financial statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Annexure B to the Independent Auditors' Report (Contd.)

Meaning of internal financial controls with reference to the standalone financial statements

7. A Company's internal financial controls with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to the standalone financial statements include those policies and procedures that

   (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

   (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

   (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent limitations of internal financial controls with reference to the standalone financial statements

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

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494
UDIN: 26033494DSGGKZ6941

Pune : 30 April 2026

Balance Sheet

(₹ In Crore)

Particulars	Note No.	As at 31 March 2026	2025
ASSETS			
Financial assets			
Cash and cash equivalents	3	7.31	18.04
Bank balances other than cash and cash equivalents	4	1.13	0.88
Trade receivables	5	0.75	1.17
Investment in subsidiaries and joint venture	6A	7,261.33	5,743.89
Other investments	6B	2,392.51	2,140.23
Other financial assets	7	35.03	60.44
		9,698.06	**7,964.65**
Non-financial assets			
Current tax assets (net)		54.40	51.84
Investment property	8	4.72	4.85
Property, plant and equipment	9A	121.92	121.90
Capital work-in-progress	9B	12.86	4.58
Other non-financial assets	10	457.71	377.00
		651.61	**560.17**
Total		**10,349.67**	**8,524.82**

Balance Sheet (Contd.)

(₹ In Crore)

Particulars	Note No.	As at 31 March 2026	2025
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	11		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2.70	8.50
Other financial liabilities	12	69.22	63.43
		71.92	**71.93**
Non-financial liabilities			
Current tax liabilities (net)		70.26	63.96
Deferred tax liabilities (net)	13	0.67	2.06
Provisions	14	18.26	13.34
Other non-financial liabilities	15	7.16	1.64
		96.35	**81.00**
EQUITY			
Equity share capital	16	159.87	159.60
Other equity	17	10,021.53	8,212.29
		10,181.40	**8,371.89**
Total		**10,349.67**	**8,524.82**

Summary of material accounting policies followed by the Company 2

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

As per our report of even date

On behalf of the Board of Directors

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Ramandeep Singh Sahni
Chief Financial Officer

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Uma Shende
Company Secretary

Dr. Naushad Forbes
Chairman-Audit Committee
DIN: 00630825

Pune: 30 April 2026

Place: Lausanne

Statement of Profit and Loss

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2026	2025
Revenue from operations			
Interest income	18	190.42	226.02
Dividend income		1,788.45	2,001.58
Rental income		4.95	2.22
Windpower income	19	23.97	22.28
Net gain on fair value changes	20	8.44	9.58
Total revenue from operations		**2,016.23**	**2,261.68**
Other income	21	60.59	37.51
Total income		**2,076.82**	**2,299.19**
Expenses			
Employee benefits expenses	22	203.12	158.08
Depreciation, amortisation and impairment	23	5.60	4.26
Other expenses	24	87.03	87.45
Total expenses		**295.75**	**249.79**
Profit before tax		**1,781.07**	**2,049.40**
Tax expense			
Current tax		416.71	491.49
Tax credit pertaining to earlier years		(67.38)	-
Deferred tax		0.01	(0.96)
Total tax expense	25	349.34	490.53
Profit for the year		**1,431.73**	**1,558.87**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gain/(loss) of defined benefit plans		(5.53)	(3.69)
Tax impacts on above		1.40	0.93
Items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year (net of tax)		**(4.13)**	**(2.76)**
Total comprehensive income for the year		**1,427.60**	**1,556.11**
Basic Earnings per share (in ₹)	26	9.0	9.8
Diluted Earnings per share (in ₹)	26	8.9	9.7
(Nominal value per share ₹ 1)			

Summary of material accounting policies followed by the Company 2

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

As per our report of even date

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Pune: 30 April 2026

On behalf of the Board of Directors

Ramandeep Singh Sahni
Chief Financial Officer

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Uma Shende
Company Secretary

Dr. Naushad Forbes
Chairman-Audit Committee
DIN: 00630825
Place: Lausanne

Statement of Changes in Equity

A Equity share capital

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March 2026	2025
At the beginning of the year		159.60	159.41
Changes in equity share capital during the year		0.27	0.19
At the end of the year	16	**159.87**	**159.60**

B Other equity

(₹ In Crore)

Particulars	Note No.	Reserves and surplus					Total other equity
		Securities premium	General reserve	Share based payments reserve	Treasury shares	Retained earnings	
Balance as at 31 March 2024	17	1,098.48	1,219.58	436.37	(104.31)	3,759.44	6,409.56
Profit for the year		-	-	-	-	1,558.87	1,558.87
Other comprehensive income (net of tax)		-	-	-	-	(2.76)	(2.76)
Total comprehensive income for the year ended 31 March 2025		**-**	**-**	**-**	**-**	**1,556.11**	**1,556.11**
Recognition of share based payments to employees of the Company		-	-	20.20	-	-	20.20
Received on allotment of shares to Trust for employees pursuant to ESOP scheme		104.91	-	-	-	-	104.91
Exercise of options by employees pursuant to ESOP scheme		62.04	-	(62.04)	-	-	-
Transfer on cancellation of stock options		-	14.39	(14.39)	-	-	-
Final dividend, declared and paid during the year		-	-	-	-	(159.67)	(159.67)
Realisation from treasury shares held by ESOP trust		-	-	-	40.40	-	40.40
Recognition of share based payments to employees of subsidiaries		-	-	190.58	-	-	190.58
		1,265.43	**1,233.97**	**570.72**	**(63.91)**	**5,155.88**	**8,162.09**
Add: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2024		139.89	-	-	-	-	139.89
Less: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2025		89.69	-	-	-	-	89.69
Balance as at 31 March 2025	17	**1,315.63**	**1,233.97**	**570.72**	**(63.91)**	**5,155.88**	**8,212.29**
Profit for the year		-	-	-	-	1,431.73	1,431.73
Other comprehensive income (net of tax)		-	-	-	-	(4.13)	(4.13)
Total comprehensive income for the year ended 31 March 2026		**-**	**-**	**-**	**-**	**1,427.60**	**1,427.60**
Recognition of share based payments to employees of the Company		-	-	22.58	-	-	22.58
Received on allotment of shares to Trust for employees pursuant to ESOP scheme		422.24	-	-	-	-	422.24
Exercise of options by employees pursuant to ESOP scheme		99.32	-	(99.32)	-	-	-
Transfer on cancellation of stock options		-	23.49	(23.49)	-	-	-
Final dividend, declared and paid during the year		-	-	-	-	(159.78)	(159.78)
Realisation from treasury shares held by ESOP trust		-	-	-	51.97	-	51.97
Recognition of share based payments to employees of subsidiaries		-	-	207.68	-	-	207.68
		1,837.19	**1,257.46**	**678.17**	**(11.94)**	**6,423.70**	**10,184.58**
Add: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2025		89.69	-	-	-	-	89.69
Less: Premium on equity shares held in Trust for employees under the ESOP scheme as at 31 March 2026		252.74	-	-	-	-	252.74
Balance as at 31 March 2026	17	**1,674.14**	**1,257.46**	**678.17**	**(11.94)**	**6,423.70**	**10,021.53**

Summary of material accounting policies followed by the Company 2

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

As per our report of even date

On behalf of the Board of Directors

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Ramandeep Singh Sahni
Chief Financial Officer

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Uma Shende
Company Secretary

Dr. Naushad Forbes
Chairman-Audit Committee
DIN: 00630825

Pune: 30 April 2026

Place: Lausanne

Statement of Cash Flows

(₹ In Crore)

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
I. Operating activities				
Profit before tax		1,781.07		2,049.40
Adjustments to reconcile profit before tax to net cash flows				
Add				
i) Depreciation, amortisation and impairment	5.60		4.26	
ii) Share based payment to employees	22.58		20.20	
iii) Loss on sale of property, plant and equipment	0.26		0.60	
		28.44		25.06
Less				
i) Profit on sale of investments, net	8.44		9.58	
ii) Surplus on sale of property, plant and equipment	0.06		-	
iii) Interest received on income tax refund	25.84		-	
iv) Amortisation of premium/discount on acquisition of debt securities	87.21		101.46	
		121.55		111.04
		1,687.96		1,963.42
Change in assets and liabilities				
i) (Increase)/decrease in trade receivables	0.42		(0.38)	
ii) (Increase)/decrease in loans and other assets	(7.13)		(10.69)	
iii) (Increase)/decrease in other bank balances	(0.25)		(0.32)	
iv) Increase/(decrease) in liabilities and provisions	4.65		22.70	
		(2.31)		11.31
Reimbursement of share based payments		207.68		190.58
(Purchase)/sale of money market mutual funds, etc., net*		36.43		3.56
Net cash from operating activities before income-tax		1,929.76		2,168.87
Income-tax paid		(420.22)		(445.07)
Income-tax refund received during the year		100.48		-
Net cash flow from operating activities		**1,610.02**		**1,723.80**

Statement of Cash Flows (Contd.)

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
II. Investing activities		
i) Purchase of property, plant and equipment including capital advances	(63.63)	(387.68)
ii) Sale proceeds of property, plant and equipment	1.49	0.09
iii) Investment in subsidiaries	(1,517.44)	(1,572.34)
iv) Sale of investments*	4,313.12	4,390.02
v) Purchase of investments*	(4,506.19)	(4,193.17)
vi) (Investment in)/realisation from treasury shares by ESOP trust	51.97	40.40
Net cash used in investing activities	**(1,720.68)**	**(1,722.68)**
III. Financing activities		
i) Dividend paid	(159.53)	(159.35)
ii) Issue of equity share capital (including securities premium)	259.46	155.30
Net cash flow from/(used in) financing activities	**99.93**	**(4.05)**
Net change in cash and cash equivalents	**(10.73)**	**(2.93)**
Cash and cash equivalents as at the beginning of the year	18.04	20.97
Cash and cash equivalents as at the end of the year [See note 3]	7.31	18.04

* As the Company is an investment company, dividend received and interest earned are considered as part of cash flow from operating activities. Purchase and sale of investments has been classified into operating and investing activity based on the intention of the Management at the time of purchase of securities.

Summary of material accounting policies followed by the Company 2

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

As per our report of even date

On behalf of the Board of Directors

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Ramandeep Singh Sahni
Chief Financial Officer

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Uma Shende
Company Secretary

Dr. Naushad Forbes
Chairman-Audit Committee
DIN: 00630825

Pune: 30 April 2026

Place: Lausanne

Notes to standalone financial statements for the year ended 31 March 2026

1 Bajaj Finserv Ltd. (the 'Company' or 'BFS') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is primarily engaged in the business of promoting financial services such as lending, insurance, broking, investments, etc. including distribution using digital platforms through its investments in subsidiaries. The Company is also engaged in the business of generating power through wind turbines, a renewable source of energy. The Company's registered office is at Bajaj Auto Ltd. Complex, Mumbai-Pune road, Pune, Maharashtra, India. Its shares are listed on two recognised stock exchanges in India - BSE Limited and National Stock Exchange of India Limited (NSE), since 2008.

As per Reserve Bank of India (Core Investment Companies) Directions, 2025, the Company is termed as an unregistered core investment company (CIC). As an unregistered CIC, the Company must invest at least 90% of its net assets in Group companies, of which at least 60% must be through equity and equity related investments.

Financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 30 April 2026, Board of Directors of the Company approved and recommended the financial statements for consideration and adoption by the shareholders in its annual general meeting.

2A Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, other relevant provisions of the Act, the RBI guidelines/regulations to the extent applicable and on an accrual basis (other than Statement of Cash Flows).

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

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

The financial statements are presented in Indian Rupee (INR), which is also the Company's functional currency and all values are rounded off to the nearest crore (₹ 0,000,000) with two decimals as permitted by Schedule III to the Act, except when otherwise indicated.

2B Presentation of financial statements

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

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

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

2C Summary of material accounting policies

1. Use of estimates

Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. Accounting estimates and judgments are used in various line items in the financial statements, including:

- Business model assessment
- Fair value of financial instruments
- Impairment of financial and non-financial assets
- Provisions for tax expense
- Fair value of employee stock options
- Post employment benefits

2. Revenue recognition

Income

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

A. Interest income

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

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

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest and it is recognised in the Statement of Profit and Loss.

B. Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive the income is established.

C. Windpower income

Income from windpower generation is recognised on acceptance of units generated by customer and after giving allowance for wheeling and transmission losses over time, if any. Simultaneously, relevant entitlements for generating green energy are recognised to the extent the ultimate collection is reasonably certain.

D. Rent and other income

Rental income is accounted on a straight-line basis over the lease term of operating leases.
Other income, including income tax refunds and miscellaneous income, is recognised when the right to receive the amount is established, and in accordance with the agreed terms of contracts, if applicable.

2C Summary of material accounting policies (Contd.)

3. Property, plant and equipment and depreciation

A. Property, plant and equipment (PPE)

As per Ind AS 101, the Company had elected to continue with carrying value of all PPE as the deemed cost of PPE i.e. historical cost. PPE are stated at acquisition or construction cost less accumulated depreciation and impairment losses, if any. Land is carried at cost of acquisition. PPE not ready for the intended use on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

B. Depreciation

Depreciation on PPE is provided on straight-line method using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013. Leasehold improvements are depreciated over the period of lease term.

C. Impairment of non-financial assets

An assessment is done at each Balance Sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/Cash Generating Unit (CGU) is made. Where the carrying value of the asset/CGU exceeds the recoverable amount, the carrying value is written down to the recoverable amount.

4. Investments and financial assets

A. Investment in subsidiaries and joint venture

Interest in subsidiaries and joint venture are recognised at cost and not adjusted to fair value at the end of each reporting period as permitted by Ind AS 27. Cost represents amount paid for acquisition of the said investments. Loans and other similar arrangements with subsidiaries which are probable to be settled for a fixed number of equity shares of the borrower for a fixed price are classified as equity investments.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

B. Other investments and financial assets

i. Recognition and initial measurement

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

ii. Subsequent measurement

Subsequent measurement of financial assets depend on the Company's business model for managing the financial assets and the cash flow characteristics of the financial assets.

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

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

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

2C Summary of material accounting policies (Contd.)

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

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

iii. Business model assessment

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

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

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

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

iv. The SPPI test (Solely payments of principal and interest)

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

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

v. Subsequently measured at amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. debentures, bonds, certificate of deposits etc. A gain/(loss) on a financial asset that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in investment income using the effective interest rate method.

vi. Subsequently measured at FVTPL

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

vii. Impairment of financial assets

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

2C Summary of material accounting policies (Contd.)

Since the Company makes investments in highly rated fixed income securities, which are categorised as 'subsequently measured at amortised cost', the risk parameters such as tenor, the probability of default corresponding to the credit rating by rating agency (viz. CRISIL, ICRA), for each of these instruments is considered in estimating the probable credit loss over lifetime of such securities.

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

viii. Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

ix. Derecognition of financial assets

A financial asset is derecognised only when:

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

Any gain or loss on derecognition will be recognised in the Statement of Profit and Loss.

5. Financial liabilities

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

A. Recognition and initial measurement

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

B. Subsequent measurement

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

C. Derecognition

The Company derecognises financial liability when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

6. Employee benefits

A. Short-term employee benefits and defined contribution plan

Liabilities for salaries, including non-monetary benefits and accumulating leave balance in respect of employees' services up to the end of the reporting period, are recognised as liabilities (and expensed), and are measured at the amounts expected to be paid when the liabilities are settled.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

2C Summary of material accounting policies (Contd.)

The Company also recognises a liability and records an expense for bonuses (including performance-linked bonuses) where contractually obliged or where there is a past practice that has created a constructive obligation.

The Company has made contribution to superannuation fund, provident fund and pension scheme as per the scheme of the Company or to Government authority. Contributions to these schemes are made by the Company on periodic basis and charged to the Statement of Profit and Loss. The Company has no further obligation beyond these contributions.

B. Defined benefits plans (Gratuity obligation)

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The calculation includes assumptions with regard to discount rate, salary escalation rate, attrition rate and mortality rate. Management determines these assumptions in consultation with the plan's actuaries and past trend.

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

Payment for present liability of future payment of gratuity is being made to approved gratuity fund viz, Life Insurance Corporation of India (LIC) and Bajaj Life Insurance Ltd. (Bajaj Life). However, any deficits in plan assets managed by LIC and Bajaj Life as compared to actuarial liability determined by an appointed actuary are recognised as a liability.

C. Compensated absences

Compensated absences entitlements are recognised as a liability, in the calendar year of rendering of service, as per the rules of the Company. As accumulated leave can be availed and/or encashed at any time during the tenure of employment the liability is recognised on the basis of an independent actuarial valuation. The compensated absences liability is calculated annually by actuaries using the projected unit credit method.

D. Employee stock option scheme

The Company has entered into an equity settled share-based payment arrangement with its employees as compensation for the provision of their services. The Company carries out fair value cost assessment of employee stock options on the grant date using Black & Scholes model.
The cost towards employees of the Company is recognised as employee benefits expenses, over the period in which the service conditions are fulfilled and that pertaining to employees of subsidiaries are recovered from subsidiaries. The cumulative expense/recharge recognised at each reporting date until the vesting date reflects the extent to which the vesting period has not expired and the Company's best estimate of the number of equity instruments that will ultimately vest. No expense is recognised for grants that do not ultimately vest because of non-fulfillment of service conditions.

E. Treasury shares

The Company has created an employee benefit trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. No gain/(loss) is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued or sold, is recognised in capital reserve.
Share options exercised during the reporting period are settled with treasury shares.

2C Summary of material accounting policies (Contd.)

7. Taxation

A. Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

B. Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date by the Company and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

8. Provisions and contingent liabilities

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

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

9. Dividends on equity shares

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company.

10. Fair value measurement

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

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

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

2C Summary of material accounting policies (Contd.)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level 1, Level 2 and Level 3 based on the lowest level input that is significant to the fair value measurement as a whole.

2D Recent accounting pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2026, MCA has notified following amendments to the existing standards applicable to the Company.

In May 2025, MCA notified amendments to:

A. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, w.e.f. 1 April 2025

The amendment specifies how an entity should determine the exchange rate when foreign currency cannot be obtained within a reasonable time and prescribes related disclosures. The Company has assessed the impact of this amendment and concluded that it has no material impact on the financial statements.

In August 2025, MCA notified amendments to:

B. Ind AS 1 - Presentation of Financial Statements, applicable w.e.f. 1 April 2025

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

C. Ind AS 7 - Statement of Cash Flows, applicable w.e.f. 1 April 2025

The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

D. Ind AS 107 - Financial Instruments: Disclosures, applicable w.e.f. 1 April 2025

Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

E. Ind AS 12 - Income taxes, applicable w.e.f. 1 April 2025

International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

3 Cash and cash equivalents

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Balances with banks	7.31	18.04
	7.31	18.04

4 Bank balances other than cash and cash equivalents

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Earmarked balances with bank (against unclaimed dividend)	1.13	0.88
	1.13	0.88

5 Trade receivables

(Unsecured, considered good, unless stated otherwise)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Good	0.75	1.17
	0.75	1.17

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

Trade receivables ageing schedule

(₹ In Crore)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	More than 2 years	Total
31 March 2026						
Undisputed trade receivables - considered good	0.75	-	-	-	-	0.75
Unbilled dues	-	-	-	-	-	-
31 March 2025						
Undisputed trade receivables - considered good	1.17	-	-	-	-	1.17
Unbilled dues	-	-	-	-	-	-

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

6 Investments

(₹ In Crore)

Particulars	As at 31 March 2026	As at 31 March 2025
A Investment in subsidiaries and joint venture		
Investment in equity instruments carried at cost		
In subsidiaries		
Bajaj Finance Ltd.	3,099.58	3,099.58
Bajaj Life Insurance Ltd.[1] (formerly known as Bajaj Allianz Life Insurance Company Ltd.)	515.59	111.53
Bajaj General Insurance Ltd.[1] (formerly known as Bajaj Allianz General Insurance Company Ltd.)	616.95	81.57
Bajaj Finserv Direct Ltd.*	525.43	525.43
Bajaj Finserv Health Ltd.	2.50	2.50
Bajaj Finserv Asset Management Ltd.	575.00	350.00
Bajaj Finserv Mutual Fund Trustee Ltd.	0.35	0.35
Bajaj Finserv Ventures Ltd.	2.50	2.50
Bajaj Financial Distributors Ltd.[2] (formerly known as Bajaj Allianz Financial Distributors Ltd.)	13.70	-
Bajaj Alternate Investment Management Ltd.	20.00	-
Bajaj AIF Trustee Ltd.	0.20	-
Deemed equity at cost for Bajaj Finserv Health Ltd.*	1,337.50	1,123.20
Deemed equity at cost for Bajaj Finserv Ventures Ltd. *	331.00	225.00
Deemed equity at cost on account of ESOP scheme	21.03	21.03
Cost	7,061.33	5,542.69
In joint venture		
Bajaj Financial Distributors Ltd.[2] (formerly known as Bajaj Allianz Financial Distributors Ltd.)	-	1.20
Cost	-	1.20
Investment in compulsorily convertible preference shares carried at cost		
In subsidiaries		
Bajaj Finserv Asset Management Ltd.	200.00	200.00
Cost	200.00	200.00
Total (A)	7,261.33	5,743.89

6 Investments (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2026	As at 31 March 2025
B Other investments		
Investments carried at amortised cost		
In debt securities of subsidiaries		
Bajaj Finance Ltd.	299.78	799.33
Bajaj Housing Finance Ltd.	-	199.61
Amortised cost	299.78	998.94
In certificate of deposits		
Axis Bank Ltd.	146.43	145.91
Canara Bank Ltd.	73.95	49.01
HDFC Bank Ltd.	172.27	121.11
Small Industries Development Bank of India	192.52	97.06
ICICI Bank Ltd.	71.02	24.57
Bank of Baroda Ltd.	220.96	-
Indian Bank Ltd.	247.87	-
National Bank for Agriculture and Rural Development	94.15	-
Export-Import Bank of India	172.94	-
Punjab National Bank Ltd.	-	23.77
Amortised cost	1,392.11	461.43
In inter corporate deposits		
Bajaj Finance Ltd.	677.62	627.79
Amortised cost	677.62	627.79
Investments carried at fair value through profit and loss		
In mutual funds		
Bajaj Finserv Overnight Fund - Direct Plan - Growth	23.00	10.01
Bajaj Finserv Liquid Fund - Direct Plan - Growth	-	42.06
Fair value	23.00	52.07
Total (B)	2,392.51	2,140.23
Total Investments (C) = (A) + (B)	9,653.84	7,884.12

* Refer note 2C. 4. A.

Notes:

1. (a) On 8 January 2026 (transaction date), Bajaj Finserv Ltd. (BFS) along with its Promoter Group entities, namely Bajaj Holdings & Investment Ltd. and Jamnalal Sons Pvt. Ltd., completed the acquisition of 23% equity stake held by Allianz SE in the two insurance subsidiaries, namely Bajaj General Insurance Ltd. (formerly known as Bajaj Allianz General Insurance Company Ltd.) and Bajaj Life Insurance Ltd. (formerly known as Bajaj Allianz Life Insurance Company Ltd.).

   Consequent to this transaction:

   - BFS acquired 1.01 % equity stake for an amount aggregating to ₹ 939.44 crore. Pursuant to this, BFS held 75.01 % equity stake in each of Bajaj General Insurance Ltd. and Bajaj Life Insurance Ltd.
   - The existing joint venture agreements between BFS and Allianz SE were terminated.

   (b) Subsequently, on 12 March 2026 (transaction date), pursuant to the buyback offer, Allianz SE tendered its entire remaining equity stake of 3% each in the insurance subsidiaries. Pursuant to the completion of the buyback:

   - Allianz SE fully exited both Bajaj General Insurance Ltd. and Bajaj Life Insurance Ltd.
   - BFS equity stake in each subsidiary has consequently increased from 75.01 % to 77.33%.

   (c) The acquisition is accounted in the financials from the respective transaction date.

2. On 16 January 2026 (transaction date), BFS completed the acquisition of 50% equity stake in Bajaj Financial Distributors Ltd. (BFDL) (formerly known as Bajaj Allianz Financial Distributors Ltd.) held by Allianz SE for ₹ 12.50 crore. Consequently, the joint venture agreement between BFS and Allianz SE was terminated, and BFDL has become a wholly owned subsidiary of BFS.

   Bajaj Staffing Solutions Ltd. (formerly known as Bajaj Allianz Staffing Solutions Ltd.), wholly owned subsidiary of BFDL, has become an indirect wholly owned subsidiary of BFS.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

6 Investments (Contd.)

3. All investments in 6A and 6B above are within India.
4. Details of investment in subsidiaries and associates:

Name of the entity	Relationship	Principal place of business	Principal activities	Proportion of the ownership interest	
				As at 31 March 2026	As at 31 March 2025
Bajaj General Insurance Ltd. (formerly known as Bajaj Allianz General Insurance Company Ltd.)	Subsidiary	Pune	General insurance	77.33%	74.00%
Bajaj Life Insurance Ltd. (Formerly known as Bajaj Allianz Life Insurance Company Ltd.)	Subsidiary	Pune	Life insurance	77.33%	74.00%
Bajaj Finance Ltd. (BFL)	Subsidiary	Pune	Retail financing	51.32%	51.39%
Bajaj Finserv Direct Ltd. (BFSD)	Subsidiary	Pune	Distribution of financial products digitally	80.10%	80.10%
Bajaj Finserv Health Ltd. (BFHL)	Subsidiary	Pune	Healthcare services	100%	100%
Bajaj Finserv Ventures Ltd.	Subsidiary	Pune	Investment in property and startups	100%	100%
Bajaj Finserv Mutual Fund Trustee Ltd.	Subsidiary	Pune	Trustee to Bajaj Finserv Mutual Fund	100%	100%
Bajaj Finserv Asset Management Ltd.	Subsidiary	Pune	Asset management company of Bajaj Finserv Mutual Fund	100%	100%
Bajaj AIF Trustee Ltd.	Subsidiary	Pune	Trustee to various funds managed by Bajaj Alternate Investment Management	100%	100%
Bajaj Alternate Investment Management Ltd.	Subsidiary	Pune	Investment manager to Alternative Investment Funds	100%	100%
Bajaj Financial Distributors Ltd. (Formerly known as Bajaj Allianz Financial Distributors Ltd.) (BFDL)*	Subsidiary	Pune	Manpower and recruitment support services	100%	50%
Bajaj Housing Finance Ltd.	Subsidiary of BFL	Pune	Mortgage lending	86.70%	88.75%
Bajaj Financial Securities Ltd.	Subsidiary of BFL	Pune	Broking and depository	100%	100%
Snapwork Technologies Private Ltd.	Associate of BFL	Mumbai	Software development and allied products	41.50%	41.50%
Pennant Technologies Private Ltd.	Associate of BFL	Hyderabad	Software development and allied products	26.53%	26.53%
Bajaj Technology Services Inc	Subsidiary of BFSD	US	Distribution of financial products digitally	100%	100%
Vidal Healthcare Services Private Ltd.	Subsidiary of BFHL	Bangalore	Healthcare services	100%	100%
Vidal Health Insurance TPA Private Ltd.	Step down subsidiary of BFHL	Bangalore	Third party administrator (TPA) services to insurance companies	100%	100%
VH Medcare Private Ltd.	Step down subsidiary of BFHL	Bangalore	Healthcare services	100%	100%
VH International LLC	Step down subsidiary of BFHL	Bangalore	Healthcare services	100%	100%
Bajaj Staffing Solutions Ltd. (Formerly known as Bajaj Allianz Staffing Solutions Ltd.)	Subsidiary of BFDL	Pune	Manpower and recruitment support services	100%	100%

* Joint venture up to 16 January 2026

7 Other financial assets

(Unsecured, considered good, unless stated otherwise)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Credit receivable for windpower generated	0.93	1.12
Interest accrued on investments	21.75	49.57
Security deposits	9.35	4.31
CSR set-off receivable	0.09	-
Other receivables	2.91	5.44
	35.03	60.44

8 Investment property

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Gross carrying amount		
Opening balance	8.25	8.25
Additions	-	-
Closing balance	8.25	8.25
Accumulated depreciation		
Opening balance	3.40	3.27
Depreciation charge	0.13	0.13
Closing balance	3.53	3.40
Net carrying amount	4.72	4.85

i) Amounts recognised in Statement of Profit and Loss for investment property

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Rental income	2.34	2.22
Direct operating expenses from property that generated rental income	(0.03)	(0.03)
Profit from investment property before depreciation	2.31	2.19
Depreciation	(0.13)	(0.13)
Profit from investment property	2.18	2.06

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

8 Investment property (Contd.)

ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property. There are no restrictions on the existence and realisability of investment property or the remittance of income and proceeds of disposal.

iii) Leasing arrangements

Investment property are leased out to tenants under operating leases. Disclosure on future rent receivable is included in note 33.

iv) Fair value

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Investment property	44.12	42.54

Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties.

Investment property leased out by the Company are cancellable leases. The market rate for sale/purchase of such premises are representative of fair values. Company's investment property are at a location where active market is available for similar kind of property. Hence fair value is ascertained on the basis of market rates prevailing for similar properties in those location determined by an independent registered valuer and consequently classified as a level 2 valuation.

9A Property, plant and equipment

Current year

(₹ In Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2025	Additions	Deductions / adjustments	As at 31 March 2026	As at 1 April 2025	Deductions/ adjustments	For the year (a)	As at 31 March 2026	As at 31 March 2026
Land freehold (b)	62.72	-	-	62.72	-	-	-	-	62.72
Buildings (a)	28.48	-	-	28.48	8.91	-	0.41	9.32	19.16
Computers	4.66	0.98	0.15	5.49	3.51	0.02	0.80	4.29	1.20
Electric fittings	0.48	-	-	0.48	0.48	-	-	0.48	-
Furniture	9.93	0.29	-	10.22	5.54	-	0.56	6.10	4.12
Office equipment	4.67	0.96	-	5.63	1.60	-	0.79	2.39	3.24
Leasehold improvements	0.47	2.40	-	2.87	0.28	-	0.28	0.56	2.31
Vehicles	23.29	2.55	2.43	23.41	6.67	0.87	2.63	8.43	14.98
Wind energy generators	283.72	-	-	283.72	269.53	-	-	269.53	14.19
Total	418.42	7.18	2.58	423.02	296.52	0.89	5.47	301.10	121.92

Previous year

(₹ In Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2024	Additions	Deductions / adjustments	As at 31 March 2025	As at 1 April 2024	Deductions/ adjustments	For the year (a)	As at 31 March 2025	As at 31 March 2025
Land freehold (b)	62.72	-	-	62.72	-	-	-	-	62.72
Buildings (a)	28.48	-	-	28.48	8.50	-	0.41	8.91	19.57
Computers	3.89	0.77	-	4.66	2.75	-	0.76	3.51	1.15
Electric fittings	0.48	-	-	0.48	0.48	-	-	0.48	-
Furniture	6.70	3.23	-	9.93	4.78	-	0.76	5.54	4.39
Office equipment	2.39	3.19	0.91	4.67	2.05	0.90	0.45	1.60	3.07
Leasehold improvements	0.47	-	-	0.47	0.19	-	0.09	0.28	0.19
Vehicles	12.96	11.48	1.15	23.29	5.48	0.47	1.66	6.67	16.62
Wind energy generators	283.72	-	-	283.72	269.53	-	-	269.53	14.19
Total	401.81	18.67	2.06	418.42	293.76	1.37	4.13	296.52	121.90

(a) Excludes premises held as investment property and given on lease disclosed as an investment. Correspondingly depreciation for the year on investment property amounting to ₹ 0.13 crore (previous year ₹ 0.13 crore) has been reduced from the said Investments under note 8.

(b) Includes proportionate ownership in land consequent to acquisition of office premises under a deed of apartment, at an attributed cost of ₹ 2.94 crore.

(c) All title deeds of immovable properties are held in the name of the Company.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

9B Capital work-in-progress

i) Movement in capital work-in-progress (CWIP)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Carrying amount at the beginning of the year	4.58	4.47
Add: Additions	8.28	0.11
Less: Disposal / capitalisation	-	-
Carrying amount at the end of the year	12.86	4.58

ii) Capital work-in-progress ageing schedule

Current year

(₹ In Crore)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	8.39	0.38	-	4.09	12.86

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

Previous year

(₹ In Crore)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.49	-	0.01	4.08	4.58

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

10 Other non-financial assets

(Unsecured, considered good, unless stated otherwise)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Capital advances	417.07	368.90
VAT refund receivable	0.49	0.49
GST receivable	10.47	7.35
Others	29.68	0.26
	457.71	377.00

11 Trade payables

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.70	8.50

On the basis of information requested from vendors with regards to their registration (filing of Memorandum) under 'The Micro, Small and Medium Enterprises Development Act, 2006. (27 of 2006)' and in view of the terms of payments not exceeding 45 days, which has been promptly paid, no liability exists as at 31 March 2026 and 31 March 2025 and hence no disclosures have been made in this regard.

Trade payables ageing schedule

(₹ In Crore)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2026						
MSME	-	-	-	-	-	-
Others	2.62	0.08	-	-	-	2.70
31 March 2025						
MSME	-	-	-	-	-	-
Others	8.29	0.19	0.02	-	-	8.50

12 Other financial liabilities

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Unclaimed dividend	1.13	0.88
Directors' remuneration and commission payable	35.26	26.72
Employee benefits payable	30.31	32.38
Security deposits	2.52	2.14
Others	-	1.31
	69.22	63.43

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

13 Deferred tax liabilities (net)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Deferred tax liabilities		
On account of timing difference in		
Property, plant and equipment	5.24	5.34
Retiral and other employee benefits		
Defined benefit plan provisions - P&L	1.47	1.21
Financial instruments		
Amortisation of premium/discount on acquisition of debt securities	0.03	0.08
Gross deferred tax liabilities	6.74	6.63
Deferred tax assets		
On account of timing difference in		
Retiral and other employee benefits		
Provision for compensated absences	0.93	0.82
Defined benefit plan provisions - OCI	5.14	3.74
Financial instruments		
Amortisation of premium/discount on acquisition of debt securities	-	0.01
Gross deferred tax assets	6.07	4.57
Deferred tax liabilities (net)	0.67	2.06

Movement in deferred tax liabilities/(assets)

(₹ In Crore)

Particulars	Property, plant and equipment	Financial instruments	Retiral and other employee benefits	Total
At 31 March 2024	5.72	(0.08)	(1.70)	3.95
(Charged)/credited				
- to profit and loss	(0.38)	0.15	(0.73)	(0.96)
- to other comprehensive income	-	-	(0.93)	(0.93)
At 31 March 2025	5.34	0.07	(3.36)	2.06
(Charged)/credited				
- to profit and loss	(0.10)	(0.04)	0.15	0.01
- to other comprehensive income	-	-	(1.40)	(1.40)
At 31 March 2026	5.24	0.03	(4.61)	0.67

14 Provisions

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Provision for employee benefits [See note 30]		
Provision for gratuity	14.57	10.08
Provision for compensated absences	3.69	3.26
	18.26	13.34

15 Other non-financial liabilities

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Taxes and duties payable	5.93	0.75
Other payables	1.23	0.89
	7.16	1.64

16 Equity share capital

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Authorised		
2,000,000,000 equity shares of ₹ 1 each	200.00	200.00
Issued, subscribed and fully paid-up shares		
1,600,549,988 (31 March 2025: 1,596,662,097) equity shares of ₹ 1 each	160.05	159.67
Less: 1,816,620 (31 March 2025: 655,219) equity shares of ₹ 1 each held in Trust for employees under ESOP scheme*	0.18	0.07
	159.87	159.60

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Nos.	₹ In Crore	Nos.	₹ In Crore
Equity shares				
At the beginning of the year (excluding shares held in ESOP Trust)	1,596,662,097	159.67	1,595,488,813	159.55
Add: Issued during the year to trust for employees under ESOP scheme*	3,887,891	0.38	1,173,284	0.12
	1,600,549,988	160.05	1,596,662,097	159.67
Less: Equity shares held in trust for employees under ESOP scheme*	1,816,620	0.18	655,219	0.07
Outstanding at the end of the year (excluding shares held in ESOP Trust)	1,598,733,368	159.87	1,596,006,878	159.60

* On 7 May 2025, the Allotment Committee allotted 1,151,123 equity shares of face value of ₹ 1 each to Bajaj Finserv ESOP Trust under Bajaj Finserv Limited Employee Stock Option Scheme. The shares were listed on BSE Limited and National Stock Exchange of India Limited with effect from 13 May 2025.

Further, on 17 February 2026, the Allotment Committee allotted 2,736,768 equity shares of face value of ₹ 1 each to Bajaj Finserv ESOP Trust under Bajaj Finserv Limited Employee Stock Option Scheme. The shares were listed on BSE Limited and National Stock Exchange of India Limited with effect from 24 February 2026.

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The interim dividend declared (if any) by the Board of Directors and the final dividend proposed by the Board of Directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

16 Equity share capital (Contd.)

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Nos.	% Holding	Nos.	% Holding
Equity shares of ₹ 1 each fully paid				
Bajaj Holdings & Investment Ltd.	612,742,140	38.28%	623,142,140	39.03%
Jamnalal Sons Pvt. Ltd.	136,700,840	8.54%	154,900,840	9.70%

d. Shares reserved for issue at a subsequent date

137,980 equity shares of ₹ 1 each (31 March 2025: 137,980 equity shares of ₹ 1 each) offered by way of right in an earlier year, have been held in abeyance pending adjudication of title and subscription thereafter.

e. Details of promoter shareholding

Shares held by promoters at the end of the year

Promoter/promoter group name	As at 31 March 2026			As at 31 March 2025		
	Nos.	% Holding	% Change during the year	Nos.	% Holding	% Change during the year
Deepa Bajaj	1,000	-	-	1,000	-	-
Geetika Bajaj	2,479,000	0.16%	-	2,479,000	0.16%	-
Kiran Bajaj	3,925,600	0.22%	-	3,925,600	0.22%	-
Kriti Bajaj	742,000	0.05%	-	742,000	0.05%	-
Kumud Bajaj	1,000,000	0.06%	0.03%	500,000	0.03%	-
Late Madhur Bajaj	-	-	(0.02%)	500,000	0.02%	-
Minal Bajaj	642,000	0.04%	-	642,000	0.04%	-
Neelima Bajaj Swami	500,000	0.03%	-	500,000	0.03%	-
Nimisha Jaipuria	514,000	0.03%	-	514,000	0.03%	-
Niraj Bajaj	2,953,150	0.18%	-	2,953,150	0.18%	(0.01%)
Niravnayan Bajaj	2,058,660	0.13%	-	2,058,660	0.13%	-
Rajivnayan Bajaj	1,000	-	-	1,000	-	-
Rishabnayan Bajaj	112,320	0.01%	-	112,320	0.01%	-
Sanjali Bajaj	903,690	0.06%	-	903,690	0.06%	-
Sanjivnayan Bajaj	3,618,050	0.23%	-	3,618,050	0.23%	-
Shefali Bajaj	525,990	0.03%	-	525,990	0.03%	-
Shekhar Bajaj	1,630,260	0.10%	-	1,630,260	0.10%	-
Siddhantnayan Bajaj	903,690	0.06%	-	903,690	0.06%	-
Suman Jain	5,783,290	0.36%	-	5,783,290	0.36%	-
Manish Kejriwal	6,739,380	0.42%	(0.01%)	6,739,380	0.43%	0.43%
Late Sunaina Kejriwal	-	-	-	-	-	(0.43%)
Nirvaan Kejriwal	111,330	0.01%	-	111,330	0.01%	-
Pooja Bajaj	744,360	0.04%	-	744,360	0.04%	-
Vanraj Bajaj	332,360	0.02%	-	332,360	0.02%	-
Sheetal Bajaj	199,000	0.01%	-	224,000	0.01%	(0.01%)
Bachhraj and Company Pvt. Ltd.	23,314,745	1.46%	-	23,314,745	1.46%	0.11%
Bachhraj Factories Pvt. Ltd.	10,787,870	0.67%	(0.01%)	10,787,870	0.68%	-
Bajaj Auto Holdings Ltd.	2,090,050	0.13%	-	2,090,050	0.13%	-
Bajaj Holdings & Investment Ltd.	612,742,140	38.28%	(0.75%)	623,142,140	39.03%	(0.03%)

16 Equity share capital (Contd.)

Promoter/promoter group name	As at 31 March 2026			As at 31 March 2025		
	Nos.	% Holding	% Change during the year	Nos.	% Holding	% Change during the year
Bajaj Sevashram Pvt. Ltd.	26,685,025	1.67%	-	26,685,025	1.67%	-
Baroda Industries Pvt. Ltd.	9,190,010	0.57%	(0.01%)	9,190,010	0.58%	-
Hercules Investments Ltd. (erstwhile Hercules Hoists Ltd.)	1,105,630	0.07%	-	1,105,630	0.07%	-
Jamnalal Sons Pvt. Ltd.	136,700,840	8.54%	(1.16%)	154,900,840	9.70%	(0.01%)
Kamalnayan Investment & Trading Pvt. Ltd.	900,000	0.06%	-	900,000	0.06%	-
Madhur Securities Pvt. Ltd.	941,000	0.06%	-	941,000	0.06%	-
Maharashtra Scooters Ltd.	37,932,400	2.37%	(0.01%)	37,932,400	2.38%	-
Niraj Holdings Pvt. Ltd.	244,000	0.02%	-	244,000	0.02%	-
Rahul Securities Pvt. Ltd.	2,074,000	0.13%	-	2,074,000	0.13%	-
Rupa Equities Pvt. Ltd.	2,011,000	0.13%	-	2,011,000	0.13%	-
Shekhar Holdings Pvt. Ltd.	834,000	0.05%	-	834,000	0.05%	-
The Hindustan Housing Company Ltd.	80,000	0.01%	-	80,000	0.01%	-
Deepa Trust (Niraj Bajaj)	11,000	-	-	11,000	-	-
Aryaman Kejriwal	111,330	0.01%	-	111,330	0.01%	-
Nirav Trust (Niraj Bajaj)	71,000	0.01%	0.01%	46,000	-	-
Niravnayan Trust (Niraj Bajaj)	4,355,000	0.27%	-	4,355,000	0.27%	-
Rishab Trust (Rajivnayan Bajaj)	11,000	-	-	11,000	-	-
Sanjali Trust (Sanjivnayan Bajaj)	11,000	-	-	11,000	-	-
Siddhant Trust (Sanjivnayan Bajaj)	22,000	-	-	22,000	-	-
Nirvaan Trust (Late Sunaina Kejriwal)	1,000	-	-	1,000	-	-
Aryaman Trust (Manish Kejriwal)	1,220	-	-	1,220	-	-
Anant Bajaj Trust (Shekhar Bajaj)	405,000	0.03%	-	405,000	0.03%	-
Sanjali Family Trust (Sanjivnayan Bajaj)	444,000	0.03%	-	444,000	0.03%	-
Siddhant Family Trust (Sanjivnayan Bajaj)	433,000	0.03%	-	433,000	0.03%	-
Rishab Family Trust (Rajivnayan Bajaj)	1,000	-	-	1,000	-	-
Aryaman Family Trust (Manish Kejriwal)	944,000	0.06%	-	944,000	0.06%	-
Nirvaan Family Trust (Late Sunaina Kejriwal)	944,000	0.06%	-	944,000	0.06%	-
Neelima Bajaj Swamy Family Trust (Neelima Bajaj Swamy)	2,320,190	0.15%	-	2,320,190	0.15%	-
Nimisha Jaipuria Family Trust (Nimisha Jaipuria)	2,382,730	0.15%	-	2,382,730	0.15%	-
Neelima Bajaj Family Trust (Kumud Bajaj)	3,379,240	0.21%	-	3,379,240	0.21%	(0.02%)
Nimisha Bajaj Family Trust (Kumud Bajaj)	3,553,700	0.22%	-	3,553,700	0.22%	-
Niravnayan Bajaj Family Trust (Niraj Bajaj)	5,500,000	0.34%	-	5,500,000	0.34%	-
Kriti Bajaj Family Trust (Minal Bajaj)	1,000,000	0.06%	-	1,000,000	0.06%	-
Geetika Shekhar Bajaj Trust (Shekhar Bajaj)	5,245,000	0.33%	-	5,245,000	0.33%	-
Kumud Neelima Family Trust (Nimisha Jaipuria)	862,610	0.05%	-	862,610	0.05%	(0.04%)
Kumud Nimisha Family Trust (Neelima Bajaj Swamy)	862,610	0.05%	-	862,610	0.05%	(0.04%)
Madhur Neelima Family Trust (Kumud Bajaj)	1,362,610	0.09%	-	1,362,610	0.09%	-
Madhur Nimisha Family Trust (Kumud Bajaj)	1,362,620	0.09%	-	1,362,620	0.09%	-
Total	939,649,700	58.71%	(1.93%)	968,249,700	60.64%	(0.05%)

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

17 Other equity

a Reserves and surplus

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Securities premium		
Balance as at the beginning of the year (excluding shares held in ESOP Trust)	1,405.32	1,238.37
Add: On issue of shares to Trust for employees pursuant to ESOP scheme	422.24	104.91
Add: On exercise of options by employees pursuant to ESOP scheme	99.32	62.04
	1,926.88	1,405.32
Less: Premium on equity shares held in Trust for employees under the ESOP scheme	(252.74)	(89.69)
Balance as at the end of the year (excluding shares held in ESOP Trust)	1,674.14	1,315.63
General reserve		
Balance as at the beginning and the end of the year	1,233.97	1,219.58
Add: Transfer on cancellation of stock options	23.49	14.39
Balance as at the end of the year	1,257.46	1,233.97
Share based payments reserve		
Balance as at the beginning of the year	570.72	436.37
Add: Recognition of share based payments to employees of the Company	22.58	20.20
Add: Recognition of share based payments to employees of subsidiaries (net)	207.68	190.58
Less: Transfer on cancellation of stock options	(23.49)	(14.39)
Less: Transfer on exercise of options by employees pursuant to ESOP scheme	(99.32)	(62.04)
Balance as at the end of the year	678.17	570.72
Treasury shares		
Balance as at the beginning of the year	(63.91)	(104.31)
Add: Movement during the year	51.97	40.40
Balance as at the end of the year	(11.94)	(63.91)
Retained earnings		
Balance as at the beginning of the year	5,155.88	3,759.44
Profit for the year	1,431.73	1,558.87
Items of other comprehensive income recognised directly in retained earnings		
Actuarial losses of defined benefit plans	(4.13)	(2.76)
Less: Appropriations		
Final dividend, declared and paid during the year	159.78	159.67
Total appropriations	159.78	159.67
Balance as at the end of the year	6,423.70	5,155.88
	10,021.53	8,212.29

17 Other equity (Contd.)

b Shares reserved for issue under Employee Stock Option Plan

Particulars	No. of Stock options/ equity shares As at 31 March 2026	2025
a. Number of equity shares approved/reserved for issue under Employee Stock Option Plan, 2018 (further modified on 23 March 2024) to employees of the Company drawn in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999 (SEBI Guidelines) (i.e. 0.5% of the then subscribed and paid up share capital)	45,000,000	45,000,000
b. Options granted under the scheme	25,723,223	21,127,499
c. Options cancelled and added back to pool for future grants	2,280,719	1,534,895
d. Options granted net of cancellation under the scheme (d = b-c)	23,442,504	19,592,604
e. Balance available under the scheme for future grants (e=a-d)	21,557,496	25,407,396
f. Equity shares allotted to Bajaj Finserv ESOP Trust	9,169,358	5,281,467
g. Stock Options exercised	7,352,738	4,626,248
h. Balance stock options available with Bajaj Finserv ESOP trust (h = f-g)	1,816,620	655,219

Consequent to the opinion expressed by the 'Expert Advisory Committee' of the Institute of Chartered Accountants of India on the applicability of clause 22A.1 of the SEBI Guidelines, the balance unexercised equity shares held by the trust at the close of the year have been reduced against the share capital as if the trust is administered by the Company itself. The securities premium related to the unexercised equity shares held by the trust at the close of the year aggregating to ₹ 252.74 crore (as at 31 March 2025 - ₹ 89.69 crore) has also been reduced from securities premium account and adjusted against the loan outstanding from the trust.

Dividends declared by the Company do not accrete to the shares held by the ESOP trust towards unexercised options. Accordingly, any dividend received by the ESOP trust is remitted back to the Company and adjusted against the source from which dividend has been paid.

c Nature and purpose of reserve

Securities premium

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

General reserve

General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.

Share based payments reserve

Share based payments reserve is created as required by Ind AS 102 'Share Based Payments' on the employee stock option scheme operated by the Company.

Treasury shares

The Company has a stock option scheme for its employees. At the time of grant, shares equal to the quantum of options granted are purchased and held by the BFS ESOP Trust ('ESOP Trust'). The ESOP Trust transfers such shares to employees at the time of exercise of option by employees. The reserve pertains to the shares of the Company held under the ESOP Trust.

Retained earnings

Retained earnings represents the surplus in profit and loss account that the Company has earned till date, less any transfers to general reserve, special reserve, dividends or other distributions paid to shareholders, reclassification of gain/(loss) on sale of FVTOCI equity instruments and balance of remeasurement of net defined benefit plans. Retained earnings is a free reserve.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

18 Interest income

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Interest income on		
Investments (at amortised cost)	190.42	226.02
	190.42	226.02

19 Windpower income

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Income from power generation (within India) [See note 29]	23.97	22.28
	23.97	22.28

20 Net gain on fair value changes

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Net gain/(loss) on financial instruments at FVTPL	7.37	9.60
Others		
Gain/(loss) on sale of debt instruments at amortised cost	1.07	(0.02)
	8.44	9.58
Fair value changes		
Realised	7.43	9.56
Unrealised	(0.06)	0.04
	7.37	9.60

21 Other income

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Business support service	34.69	37.51
Interest on income-tax refund	25.84	-
Surplus on sale of property, plant and equipment (net)	0.06	-
	60.59	37.51

22 Employee benefits expenses

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Salaries, wages and bonus to employees	169.21	129.13
Contribution to provident and other funds	10.37	7.79
Share based payments to employees	22.58	20.20
Staff welfare expenses	0.96	0.96
	203.12	158.08

23 Depreciation, amortisation and impairment

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Depreciation on property, plant and equipment	5.47	4.13
Depreciation on investment property	0.13	0.13
	5.60	4.26

24 Other expenses

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Rent	7.93	3.71
Repairs and maintenance - building and others	7.01	6.15
Repairs and maintenance - windpower	9.24	8.91
Energy generation expenses	0.15	0.29
Rates and taxes	0.95	0.82
Insurance	0.85	0.84
Payment to auditor	0.34	0.34
Directors' fees and travelling expenses	2.45	2.41
Commission to non-executive directors	3.06	2.85
Loss on sale of property, plant and equipment	0.26	0.60
Travelling (including foreign travel) expenses	2.76	3.15
Business support service expenses	0.09	1.01
Expenditure towards Corporate Social Responsibility (CSR) activities	0.71	0.73
Legal and professional charges	15.53	21.40
Training and conference expenses	5.45	8.87
Miscellaneous expenses	30.25	25.37
	87.03	87.45
Payment to auditor		
As auditor		
Audit fee	0.18	0.18
Tax audit fee	0.03	0.03
Limited review	0.09	0.09
Other services (certification fees and other matters)	0.02	0.01
Reimbursement of expenses	0.02	0.03
	0.34	0.34

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

24 Other expenses (Contd.)

Expenditure towards Corporate Social Responsibility (CSR) activities

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
(a) Gross amount required to be spent by the Company during the year	0.69	0.72
(b) Amount spent in cash during the year on:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	0.71	0.73
(c) Excess/(shortfall) at the end of the year	-	-
(d) Total of previous years shortfall/unspent	-	-
(e) Reason for shortfall/unspent	Not Applicable	Not Applicable
(f) Nature of CSR activities (activities as per Schedule VII)	Activities mentioned in ii, iv	Activities mentioned in i, ii
(g) Details of related party transactions	-	-
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation	-	-
	0.71	0.73

There is no shortfall at the end of the year out of the amount required to be spent by the Company.

The company's Corporate Social Responsibility initiatives are strategically focused on youth skilling, child education, child health, child protection, and inclusion for persons with disabilities. It also runs its flagship BFSI skilling initiative, Skillserv.

25 Tax expense

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
(a) Tax expense		
Current tax		
Current tax on profit for the year	416.71	491.49
Deferred tax		
Decrease/(increase) in deferred tax assets	(0.10)	(0.13)
(Decrease)/increase in deferred tax liabilities	0.11	(0.83)
Total deferred tax expense/(benefit)	0.01	(0.96)
Tax credit pertaining to earlier years	(67.38)	-
Tax expense	349.34	490.53
(b) Reconciliation of tax expense and the accounting profit multiplied by statutory tax rate		
Profit before tax	1,781.07	2,049.40
Tax at the statutory tax rate of 25.17%	448.30	515.83
Tax on expenditure not considered for tax provision	9.35	15.07
Deduction under section 80M - dividend paid	(40.28)	(40.18)
Tax credit pertaining to earlier years*	(67.38)	-
Tax on income not subject to tax	(0.65)	(0.19)
Tax expense	349.34	490.53

* The amount includes provision for income tax of ₹ 40.21 crore written back during the year ended 31 March 2026, on account of deduction admissible under Section 80M of the Income-tax Act, 1961. This is consequent to the re-assessment of provision for tax for the year ended 31 March 2025.

26 Earnings per share (EPS)

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
Profit for the year (₹ In Crore)	1,431.73	1,558.87
Weighted average number of shares outstanding during the year (Nos)	1,598,007,102	1,595,488,813
Weighted average number of shares outstanding during the year (Nos) - Diluted	1,607,548,503	1,611,651,382
Earnings per share (Basic) ₹	9.0	9.8
Earnings per share (Diluted) ₹	8.9	9.7
Face value per share ₹	1.0	1.0

27 Contingent liabilities

(₹ In Crore)

Particulars	For the year ended 31 March 2026	2025
a. Claims against the Company not acknowledged as debts	0.05	0.05
b. Income-tax matters under dispute		
Appeal by the Company	6.31	6.31
c. Value Added Tax (VAT), service tax and GST matters under dispute	1.72	1.72

In all the cases mentioned above, outflow is not probable and hence not provided by the Company.

It is not practicable for the Company to estimate the timings of the cash flows, if any, in respect of the above pending resolution of the respective proceedings.

28 Capital and other commitments

(₹ In Crore)

a) Particulars	As at 31 March 2026	2025
Capital commitments, net of capital advances	64.05	94.02

29 Details of windpower generation and turnover

Particulars	For the year ended 31 March 2026 Units (In Lakh)	2026 Value (₹ In Crore)	2025 Units (In Lakh)	2025 Value (₹ In Crore)
Credit for unbilled units brought forward from previous year	42	1.12	53	1.35
Gross generated, during the year	904	23.97	841	22.28
Sold, during the year	911	24.16	852	22.51
Credits receivable (unbilled at year end)	35	0.93	42	1.12

The Company has 10,605 (Previous year 10,605) renewable energy certificates (REC).

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

30 Employee benefit plans

Liability for employee benefit has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS 19, the details of which are as hereunder.

Funded schemes

Gratuity

The Company provides for gratuity payments to employees. The gratuity benefit payable to the employees of the Company is in line with provisions of 'The Code on Social Security, 2020' and the Company's gratuity scheme, whichever is higher. The gratuity plan is a funded plan and the Company makes contributions to approved gratuity fund.

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation	47.01	35.24
Fair value of plan assets	32.44	25.16
Net funded obligation	14.57	10.08
Expense recognised in the Statement of Profit and Loss		
Current service cost	2.88	1.89
Past service cost	0.30	-
Interest on net defined benefit liability/(asset)	0.78	0.20
Total expense charged to Statement of Profit and Loss	3.96	2.09
Amount recorded as Other Comprehensive Income		
Opening amount recognised in OCI outside Statement of Profit and Loss	14.87	11.18
Remeasurements during the period due to		
Changes in financial assumptions	(0.90)	0.95
Experience adjustments	6.04	3.14
Actual return on plan assets less interest on plan assets	0.39	(0.40)
Closing amount recognised in OCI outside Statement of Profit and Loss	20.40	14.87
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	10.08	4.30
Expense charged to Statement of Profit and Loss	3.96	2.09
Amount recognised outside Statement of Profit and Loss	5.53	3.69
Employer contributions	(5.00)	-
Closing net defined benefit liability/(asset)	14.57	10.08

30 Employee benefit plans (Contd.)

(₹ In Crore)

Particulars	As at 31 March 2026	2025
Movement in benefit obligation		
Opening of defined benefit obligation	35.24	26.68
Current service cost	2.88	1.89
Past service cost	0.30	-
Interest on defined benefit obligation	2.41	1.77
Remeasurements due to		
Actuarial loss/(gain) arising from change in financial assumptions	(0.90)	0.96
Actuarial loss/(gain) arising on account of experience changes	6.04	3.14
Benefits paid/transferred	(1.43)	-
Liabilities assumed / (settled)*	2.47	0.80
Closing of defined benefit obligation	47.01	35.24
Movement in plan assets		
Opening fair value of plan assets	25.16	22.38
Employer contributions	5.00	-
Interest on plan assets	1.63	1.57
Remeasurements due to		
Actual return on plan assets less interest on plan assets	(0.39)	0.40
Benefits paid	(1.43)	-
Assets acquired/(settled) *	2.47	0.81
Closing fair value of plan assets	32.44	25.16
* On account of inter group transfer		
Disaggregation of assets		
Category of assets		
Insurer managed funds	32.44	25.16
Others	-	-
Grand Total	32.44	25.16

Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarises the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

	As at 31 March 2026		As at 31 March 2025	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Senior staff				
Impact of increase in 50 bps on DBO	(2.14%)	2.16%	(2.53%)	2.56%
Impact of decrease in 50 bps on DBO	2.24%	(2.09%)	2.65%	(2.46%)
Junior staff				
Impact of increase in 50 bps on DBO	(9.08%)	8.92%	(9.71%)	10.64%
Impact of decrease in 50 bps on DBO	10.26%	(8.06%)	11.04%	(9.48%)

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

30 Employee benefit plans (Contd.)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Funding arrangement and policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to insurance companies. The insurance companies in turn manage these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of under funding of the plan.

The expected contribution payable to the plan next year is ₹ 5.80 crore

Projected plan cash flow

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

(₹ In Crore)

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2026					
Senior staff	8.73	1.38	33.52	20.31	63.94
Junior staff	0.02	0.02	0.15	15.83	16.02
31 March 2025					
Senior staff	5.26	0.48	29.60	14.29	49.63
Junior staff	0.01	0.01	0.09	11.99	12.10

	As at 31 March	
Particulars	**2026**	**2025**
Weighted average duration of defined benefit obligation (in years)		
Senior staff	4.37	5.17
Junior staff	19.29	20.68

	As at 31 March	
Particulars	**2026**	**2025**
Principal actuarial assumptions (expressed as weighted averages)		
Discount rate (p.a.)	7.10%	6.75%
Salary escalation rate (p.a.) - senior staff	10.00%	10.00%
Salary escalation rate (p.a.) - junior staff	10.00%	10.00%

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

30 Employee benefit plans (Contd.)

Unfunded schemes

(₹ In Crore)

	Compensated absences	
	As at 31 March	
Particulars	**2026**	**2025**
Present value of unfunded obligations	3.69	3.26
Expense recognised in the Statement of Profit and Loss	2.63	2.55
Amount recorded as Other Comprehensive Income	-	-
Discount rate (p.a.)	7.10%	6.75%
Salary escalation rate (p.a.) - senior staff	10.00%	10.00%
Salary escalation rate (p.a.) - junior staff	10.00%	10.00%

Amount recognised in the Statement of Profit and Loss

(₹ In Crore)

	For the year ended 31 March	
Particulars	**2026**	**2025**
Defined contribution plans		
Provident fund paid to Government authorities	5.26	4.16
Superannuation paid to trust	1.22	1.06
Pension fund paid to Government authorities	0.11	0.10
Others	0.69	0.38
Defined benefit plans		
Gratuity	3.09	2.09
Others	-	-
Total	10.37	7.79

31 Segment information

The Company is essentially an investment company and has no products and services which are reportable as per Ind AS 108 dealing with operating segments.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

32 Disclosure of transactions with related parties as required by Ind AS 24

(₹ In Crore)

Name of related party and nature of relationship	Nature of transaction	2025-26 Transaction value	2025-26 Outstanding amounts carried in Balance Sheet	2024-25 Transaction value	2024-25 Outstanding amounts carried in Balance Sheet
A Subsidiaries					
Bajaj General Insurance Ltd. (Bajaj General) (Formerly known as Bajaj Allianz General Insurance Co. Ltd.) (77.33% (previous year 74%) shares held by Bajaj Finserv Ltd.)	Investment in equity (82,681,460 shares of ₹ 10 each (previous year 81,568,165 shares of ₹ 10 each))	-	616.95	-	81.57
	Dividend received	-	-	489.41	-
	Rent received	2.34	(0.02)	2.21	-
	Deposit received	1.22	(1.22)	-	(2.14)
	Deposit refunded	2.14	-	-	-
	Insurance expense	1.47	0.72	1.66	0.87
	Reimbursements to BFS for share based payments	78.88	-	65.69	-
	Business support services rendered	7.81	-	6.23	0.21
	Protection fee for brand usage recovered	0.15	-	0.11	-
	Business support services received	-	-	0.09	-
	Revenue expenses reimbursement received	2.64	-	1.04	0.90
	Revenue expenses reimbursement paid	0.02	-	-	-
	Asset transfer from Bajaj General to BFS	-	-	0.01	-
	Asset transfer from BFS to Bajaj General	0.97	-	-	-
Bajaj Life Insurance Ltd. (Bajaj Life) (Formerly known as Bajaj Allianz Life Insurance Co. Ltd.) (77.33 % (previous year 74%) shares held by Bajaj Finserv Ltd.)	Investment in equity (113,046,821 shares of ₹ 10 each (previous year 111,524,660 shares of ₹ 10 each))	-	515.59	-	111.53
	Dividend received	-	-	368.03	-
	Reimbursements to BFS for share based payments	51.01	-	70.34	-
	Business support services rendered	5.75	-	9.00	0.16
	Protection fee for brand usage recovered	0.15	0.18	0.11	-
	Insurance expense	-	0.05	0.08	-
	Revenue expenses reimbursement received	0.28	0.03	1.43	-
	Business support services received	-	-	0.29	-
Bajaj Finance Ltd. (51.32% (previous year 51.39%) shares held by Bajaj Finserv Ltd.)	Investment in equity (3,193,661,300 shares of ₹ 1 each (previous year 319,366,130 shares of ₹ 2 each)	-	3,099.58	-	3,099.58
	Investment in non-convertible debentures	-	300.00	-	800.00
	Investment / (maturity) in ICDs	-	550.00	-	550.00
	Investment in equity warrants (1,550,000 warrants of ₹ 2 each)	-	-	891.64	-
	Redemption of non-convertible debentures	500.00	-	195.00	-
	Interest received on non-convertible debentures	64.52	-	47.92	-
	Reimbursements to BFS for share based payments	0.81	-	4.06	-
	Dividend received	1,788.45	-	1,144.14	-
	Business support services received	-	-	0.46	-
	Business support services rendered	16.00	-	14.46	-
	Protection fee for brand usage recovered	0.15	-	0.15	-
	Revenue expenses reimbursement received	0.82	-	1.91	-
	Interest accrued but not due on bonds	-	21.75	-	48.88
	Interest accrued but not due on ICD	-	127.62	-	77.79
	Rent received	2.59	-	-	-
	Security deposit received	1.30	(1.30)	-	-

32 Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ In Crore)

Name of related party and nature of relationship	Nature of transaction	2025-26 Transaction value	2025-26 Outstanding amounts carried in Balance Sheet	2024-25 Transaction value	2024-25 Outstanding amounts carried in Balance Sheet
	Asset Transfer to BFS	0.86	-	-	-
Bajaj Finserv Direct Ltd. (80.10% shares held by Bajaj Finserv Ltd.)	Investment in equity (2,500,000 shares of ₹ 10 each)	-	2.50	-	2.50
	Investment in equity (259,755,730 shares of ₹ 10 each) conversion from deemed equity to equity shares	-	522.93	522.93	522.93
	Reimbursements to BFS for share based payments	28.14	-	13.45	-
	Business support services rendered	0.27	-	0.61	-
	Revenue expenses reimbursement received	-	-	0.17	0.17
Bajaj Finserv Health Ltd. (Fully owned subsidiary)	Investment in equity (2,499,994 shares of ₹ 10 each)	-	2.50	-	2.50
	Deemed equity at cost for Bajaj Finserv Health Ltd.	214.30	1,337.50	430.70	1,123.20
	Business support services rendered	1.13	-	2.56	0.10
	Reimbursements to BFS for share based payments	30.06	-	23.86	-
	Revenue expenses reimbursement received	0.13	-	0.27	-
Bajaj Finserv Ventures Ltd. (Fully owned subsidiary)	Investment in equity (2,500,000 shares of ₹ 10 each)	-	2.50	-	2.50
	Deemed equity at cost for Bajaj Finserv Ventures Ltd.	106.00	331.00	-	225.00
	Revenue expenses reimbursement received	0.23	-	0.03	-
	Business support services rendered	0.92	-	0.98	-
	Asset transfer from Bajaj Ventures to BFS	0.07	-	-	-
Bajaj Finserv Asset Management Ltd. (Fully owned subsidiary)	Investment in equity (575,000,000 shares of ₹ 10 each)	225.00	575.00	50.00	350.00
	Investment in CCPS (200,000,000 shares of ₹ 10 each)	-	200.00	200.00	200.00
	Revenue expenses reimbursement received	0.11	-	0.20	0.23
	Business support services rendered	0.55	-	1.29	0.23
	Reimbursements to BFS for share based payments	17.12	-	12.50	-
Bajaj Finserv Mutual fund Trustee Ltd. (Fully owned subsidiary)	Investment in equity (350,000 shares of ₹ 10 each)	-	0.35	-	0.35
Bajaj Alternate Investment Management Ltd. (Fully owned subsidiary)	Investment in equity (20,000,000 shares of ₹ 10 each)	20.00	20.00	-	-
	Revenue expenses reimbursement received	0.04	-	-	-
	Laptop transfer from BFS to BFS Alts	0.12	-	-	-
Bajaj AIF Trustee Ltd. (Fully owned subsidiary)	Investment in equity (200,000 shares of ₹ 10 each)	0.20	0.20	-	-
Vidal Healthcare Services Pvt Ltd. (Fully owned subsidiary of Bajaj Finserv Health Ltd.)	Reimbursements to BFS for share based payments	0.53	-	-	-
Vidal Health Insurance TPA Pvt Ltd. (Fully owned subsidiary of Vidal Healthcare Services Pvt Ltd.)	Reimbursements to BFS for share based payments	0.35	-	-	-

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

32 Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ In Crore)

Name of related party and nature of relationship	Nature of transaction	2025-26 Transaction value	2025-26 Outstanding amounts carried in Balance Sheet	2024-25 Transaction value	2024-25 Outstanding amounts carried in Balance Sheet
VH Medcare Pvt Ltd. (Fully owned subsidiary of Vidal Healthcare Services Pvt Ltd.)	Reimbursements to BFS for share based payments	0.13	-	-	-
Bajaj Housing Finance Ltd. (86.70% shares held by Bajaj Finance Ltd.)	Investment in non-convertible debentures / commercial paper	-	-	-	200.00
	Interest accrued but not due	-	-	-	0.69
	Redemption of non-convertible debentures	200.00	-	200.00	-
	Interest received on non-convertible debentures	15.85	-	27.25	-
	Business support services rendered	0.71	-	0.82	-
	Revenue expenses reimbursement received	0.15	-	0.26	-
	Reimbursements to BFS for share based payments	0.65	-	0.65	-
Bajaj Financial Securities Ltd. (Fully owned subsidiary of Bajaj Finance Ltd.)	Business support services rendered	0.12	-	0.12	-
	Revenue expenses reimbursement received	-	-	0.04	-
Bajaj Financial Distributors Ltd. (Formerly known as Bajaj Allianz Financial Distributors Ltd.) (Fully owned subsidiary, joint venture upto 16 January 2026)	Investment in equity (2,400,000 shares of ₹ 10 each)	-	13.70	-	1.20
	Services received	6.82	-	3.65	-
Bajaj Staffing Solutions Ltd. (Formerly known as Bajaj Allianz Staffing Solutions Ltd.) (Fully owned subsidiary of Bajaj Financial Distributors Ltd.)	Services received	1.13	-	0.42	-
B Associates, joint ventures and investing parties					
Bajaj Holdings & Investment Ltd. (Investing party)	Investment in BFS equity (612,742,140 shares of ₹ 1 each) (previous year 623,142,140 shares of ₹ 1 each)	-	(61.27)	-	(62.31)
	Dividend paid	61.27	-	62.31	-
	Business support services received	-	-	0.01	-
	Business support services rendered	0.81	-	0.83	-
	Revenue expenses reimbursement received	0.05	-	-	-
	Revenue expenses reimbursement paid	4.82	-	4.27	-
C Key management personnel and their relatives					
Sanjiv Bajaj (Chairman & Managing Director) (Also Key management personnel)	Short-term employee benefits (including commission and perquisite)	45.75	(32.20)	35.03	(23.87)
	Post-employment benefits	2.84	-	2.41	-
	Deposit paid	-	2.16	1.08	2.16
	Rent paid	2.20	-	1.51	-
Rajiv Bajaj	Sitting fees	0.06	-	0.07	-
	Commission	0.18	(0.18)	0.21	(0.21)
Shefali Bajaj	Deposit paid	0.27	0.68	-	0.41
	Revenue expenses reimbursement received	0.01	-	-	-
	Rent paid	1.91	-	0.52	-

32 Disclosure of transactions with related parties as required by Ind AS 24 (Contd.)

(₹ In Crore)

Name of related party and nature of relationship	Nature of transaction	2025-26 Transaction value	2025-26 Outstanding amounts carried in Balance Sheet	2024-25 Transaction value	2024-25 Outstanding amounts carried in Balance Sheet
Dr. Naushad Forbes	Sitting fees	0.15	-	0.22	-
	Commission	0.45	(0.45)	0.66	(0.66)
Manish Kejriwal	Sitting fees	0.10	-	0.10	-
	Commission	0.30	(0.30)	0.30	(0.30)
Anami Roy	Sitting fees	0.19	-	0.21	-
	Commission	0.57	(0.57)	0.63	(0.63)
Radhika Haribhakti	Sitting fees	0.16	-	0.16	-
	Commission	0.48	(0.48)	0.48	(0.48)
Pramit Jhaveri	Sitting fees	0.17	-	0.17	-
	Commission	0.51	(0.51)	0.51	(0.51)
Sanjiv Nandan Sahai	Sitting fees	0.14	-	0.02	-
	Commission	0.42	(0.42)	0.06	(0.06)
Rajeev Jain	Sitting fees	0.05	-	-	-
	Commission	0.15	(0.15)	-	-
D Other entities / persons					
Bajaj Auto Ltd.	Business support services received	0.02	-	0.08	-
	Revenue expenses reimbursement paid	0.01	-	0.03	-
Hindustan Housing Co. Ltd.	Investment in BFS equity (80,000 shares of ₹ 1 each)	-	(0.01)	-	(0.01)
	Dividend paid	0.01	-	0.01	-
Hercules Investments Ltd. (Formerly known as Hercules Hoists Ltd.)	Investment in BFS equity (1,105,630 shares of ₹ 1 each)	-	(0.11)	-	(0.11)
	Dividend paid	0.11	-	0.11	-
Bajaj Auto Holdings Ltd.	Investment in BFS equity (2,090,050 shares of ₹1 each)	-	(0.21)	-	(0.21)
	Dividend paid	0.21	-	0.21	-
Hind Musafir Agency Ltd.	Services received	1.48	(0.03)	1.30	-
Maharashtra Scooters Ltd.	Investment in BFS equity (37,932,400 shares of ₹ 1 each)	-	(3.79)	-	(3.79)
	Dividend paid	3.79	-	3.79	-
	Business support services rendered	0.17	-	0.24	-
Sanjali Family Trust	Rent paid	-	-	0.49	-
	Security deposit paid	-	-	(0.14)	-
	Revenue expenses reimbursement paid	-	-	0.07	-
Sanjali Bajaj	Rent paid	1.36	-	-	-
	Revenue expenses reimbursement received	0.01	-	-	-
	Security deposit paid	0.27	0.27	-	-
Indian School of Business	Training expenses	-	-	1.76	-
Allianz SE	Revenue expenses reimbursement received	-	-	2.42	2.42
Bajaj Auto Employees Superannuation Fund	Superannuation contribution	1.21	-	1.06	-
Bajaj Auto Employees Group Gratuity Fund	Gratuity contribution	1.00	-	-	-
Bajaj Auto Senior staff Group Gratuity Fund	Gratuity contribution	4.00	-	-	-

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

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

33 Lease

As a lessor

The Company has given a premise on operating lease. This lease arrangement is for a period of five years and is a cancellable lease. This lease agreement is renewable for further period on mutually agreeable terms and also includes escalation clause.

(₹ In Crore)

Particulars		As at 31 March 2026	As at 31 March 2025
i)	Office premise		
	Gross carrying amount	8.25	8.25
	Depreciation for the year	0.13	0.13
	Accumulated depreciation	3.53	3.40
ii)	The total future minimum lease rentals receivable at the balance sheet date is as under		
Receivable			
	Within one year	5.17	0.93
	After one year but not more than five years	18.06	0.01
	More than five years	-	-
		23.23	0.94

34 Fair value measurement

i) Financial instruments by category

(₹ In Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
Bonds and debentures	-	-	299.78	-	-	998.94
Liquid mutual funds	23.00	-	-	52.07	-	-
Certificate of deposits	-	-	1,392.11	-	-	461.43
Inter corporate deposits	-	-	677.62	-	-	627.79
Cash and cash equivalents	-	-	7.31	-	-	18.04
Other bank balances	-	-	1.13	-	-	0.88
Trade receivables	-	-	0.75	-	-	1.17
Other financial assets	-	-	35.03	-	-	60.44
Total financial assets	23.00	-	2,413.73	52.07	-	2,168.69
Financial liabilities						
Trade payables	-	-	2.70	-	-	8.50
Other financial liabilities	-	-	69.22	-	-	63.43
Total financial liabilities	-	-	71.92	-	-	71.93

34 Fair value measurement (Contd.)

ii) Fair value hierarchy

This section explains the basis of estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under Ind AS, which are explained herein below.

Financial assets measured at fair value - recurring fair value measurements as at 31 March 2026

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL					
Liquid mutual funds	6B	23.00	-	-	23.00
Total financial assets		23.00	-	-	23.00

Financial assets which are measured at amortised cost for which fair values as at 31 March 2026 are disclosed below

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Bonds and debentures	6B	301.04	-	-	301.04
Certificate of deposits	6B	1,392.11	-	-	1,392.11
Inter corporate deposits	6B	-	677.62	-	677.62
Total financial assets		1,693.15	677.62	-	2,370.77

Assets disclosed at fair value - at 31 March 2026

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	8	-	44.12	-	44.12

Financial assets measured at fair value - recurring fair value measurements as at 31 March 2025

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL					
Liquid mutual funds	6B	52.07	-	-	52.07
Total financial assets		52.07	-	-	52.07

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

34 Fair value measurement (Contd.)

Financial assets which are measured at amortised cost for which fair values as at 31 March 2025 are disclosed below

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Bonds and debentures	6B	1,002.72	-	-	1,002.72
Certificate of deposit	6B	461.43	-	-	461.43
Inter corporate deposits	6B	-	627.79	-	627.79
Total financial assets		1,464.15	627.79	-	2,091.94

Assets disclosed at fair value - as at 31 March 2025

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	8	-	42.54	-	42.54

Valuation principles

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

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

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

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

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

Valuation techniques used to determine fair value

Valuation techniques used to determine fair value include

- Open ended mutual funds and certain bonds and debentures at NAV's/rates declared and/or quoted.
- Close ended mutual funds at NAV's declared by AMFI.
- For other bonds and debentures values with references to prevailing yields to maturity matching tenures, quoted on sites of credible organisation such as ICRA (Investment Information and Credit Rating Agency).
- Commercial papers and certificate of deposits, being short-term maturity papers, amortised cost is assumed to be the fair value.

34 Fair value measurement (Contd.)

iii) Fair value of financial assets and liabilities measured at amortised cost

(₹ In Crore)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments				
Bonds and debentures	299.78	301.04	998.94	1,002.72
Certificate of deposits	1,392.11	1,392.11	461.43	461.43
Inter corporate deposits	677.62	677.62	627.79	627.79
Cash and cash equivalents	7.31	7.31	18.04	18.04
Other bank balances	1.13	1.13	0.88	0.88
Trade receivables	0.75	0.75	1.17	1.17
Other financial assets	35.03	35.03	60.44	60.44
Total financial assets	2,413.73	2,414.99	2,168.69	2,172.47

35 Financial risk management

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

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

The Board of Directors provide guiding principles for overall risk management, as well as policies covering specific areas, such as, credit risk, liquidity risk, and investment of available funds. The Company's risk management is carried out by its Risk Management Committee as per such policies approved by the Board of Directors. Accordingly, Company's Risk Management Committee identifies, evaluates and manages financial risks.

A. Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations leading to a financial loss to the Company. Credit risk primarily arises from cash equivalents, financial assets measured at amortised cost, financial assets measured at FVTPL and trade receivables.

Credit risk management

In regard to trade receivables, which are typically unsecured, credit risk is managed through credit approvals, establishing credit limit and continuously monitoring the credit worthiness of customers to whom credit is extended in the normal course of business.

With regards to financial assets represented substantially by investments, the Company has an Investment Policy which allows the Company to invest only with counterparties having a credit rating equal to or above AA+ and P1+. The Company reviews the creditworthiness of these counterparties on an on-going basis. Counter party exposure limits maybe updated as and when required, subject to approval of Board of Directors.

B. Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents, investments in money market instruments and cash flows that are generated from operations. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period.

C. Other risk (Market risk)

The Company has deployed its surplus funds in debt and money market instruments (including through funds). The Company is exposed to price risk on such investments, which arises on account of movement in interest rates, liquidity and credit quality of underlying securities.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

35 Financial risk management (Contd.)

As an unregistered CIC, the Company must invest at least 90% of its net assets in Group companies, of which at least 60% must be through equity or equity related instruments. The Company invests in certificate of deposits and liquid mutual funds to ensure adequate liquidity is available. Temporary market volatility, if any is not considered to have material impact on the carrying value of these instruments. Nevertheless, the Company has invested its surplus funds primarily in debt instruments of its subsidiary with CRISIL AAA and STABLE A1+ rating and thus the Company does not have significant risk exposure.

36 Capital management

a) Objectives, policies and processes of capital management

The Company is cash surplus and has only equity capital. Under Reserve Bank of India (Core Investment Companies) Directions, 2025, the Company is termed as an unregistered core investment company (CIC) and is not exposed to any regulatory imposed capital requirements.

The cash surpluses are currently invested in debt and money market instruments (including through mutual funds) depending on economic conditions in line with the CIC guidelines set out by the RBI and Investment Policy set by the Management. Safety of capital is of prime importance to ensure availability of capital for operations. Investment objective is to provide safety and adequate return on the surplus funds while maintaining enough liquidity. The Company does not have any borrowings.

	As at 31 March	
Particulars	**2026**	**2025**
Equity	10,181.40	8,371.89
Add: Deferred tax liabilities (net)	0.67	2.06
Less: Tangible and other assets	139.50	131.33
Working capital	388.73	358.50
Investments in subsidiaries and joint venture	7,261.33	5,743.89
Investments in debt and similar instruments	2,392.51	2,140.23

No changes in this regard were made in the objectives, policies and processes of capital management during the year.

b) Analytical ratios

The Company is termed as an unregistered core investment company (CIC) as per Reserve Bank of India (Core Investment Companies) Directions, 2025 and is not exposed to any regulatory imposed capital requirements. Thus, the following analytical ratios are not applicable to the Company:

1. Capital to risk-weighted assets ratio (CRAR)
2. Tier I CRAR
3. Tier II CRAR
4. Liquidity coverage ratio.

c) Dividends distributed and proposed

	For the year ended 31 March	
Particulars	**2026**	**2025**
Dividends recognised in the financial statements		
Final dividend for the year ended 31 March 2025 of ₹ 1 (31 March 2024 - ₹ 1 per equity share)	159.67	159.55
Dividends not recognised at the end of the reporting period		
Directors have recommended the payment of a final dividend of ₹ 1.5 per equity share for the year ended 31 March 2026 (31 March 2025 - ₹ 1). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	240.08	159.67

37 Maturity analysis of assets and liabilities

(₹ In Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	7.31	-	7.31	18.04	-	18.04
Bank balances other than cash and cash equivalents	0.02	1.11	1.13	0.02	0.86	0.88
Trade receivables	0.75	-	0.75	1.17	-	1.17
Investment in subsidiaries and joint venture	-	7,261.33	7,261.33	-	5,743.89	5,743.89
Other investments	1,965.09	427.42	2,392.51	1,212.67	927.56	2,140.23
Other financial assets	25.68	9.35	35.03	56.13	4.31	60.44
Non-financial assets						
Current tax assets (net)	-	54.40	54.40	-	51.84	51.84
Investment property	-	4.72	4.72	-	4.85	4.85
Property, plant and equipment	-	121.92	121.92	-	121.90	121.90
Capital work-in-progress	-	12.86	12.86	-	4.58	4.58
Other non-financial assets	-	457.71	457.71	-	377.00	377.00
Total	1,998.85	8,350.82	10,349.67	1,288.03	7,236.79	8,524.82
Liabilities						
Financial liabilities						
Trade payables	2.70	-	2.70	8.50	-	8.50
Other financial liabilities	66.70	2.52	69.22	61.29	2.14	63.43
Non-financial liabilities						
Current tax liabilities (net)	-	70.26	70.26	-	63.96	63.96
Deferred tax liabilities (net)	-	0.67	0.67	-	2.06	2.06
Provisions	1.13	17.13	18.26	0.95	12.39	13.34
Other non-financial liabilities	7.16	-	7.16	1.64	-	1.64
Total	77.69	90.58	168.27	72.38	80.55	152.93
Net	1,921.16	8,260.24	10,181.40	1,215.65	7,156.24	8,371.89

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

38 Share-based payments (Employee stock option plan)

The Company has established employees stock options plan, 2018 (ESOP Scheme) for its employees pursuant to the special resolution passed by shareholders at the annual general meeting held on 19 July 2018.
The employee stock option plan is designed to provide incentives to the employees of the Company and for its subsidiaries to deliver long-term returns and is an equity settled plan. The ESOP Scheme is administered by the Compensation Committee of the Board. Participation in the plan is at the Compensation Committee's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.
Options granted under ESOP scheme would vest in not less than one year and not more than five years from the date of grant of the options. The Compensation Committee of the Company has approved grant with related vesting conditions. Vesting of the options would be subject to continuous employment with the Company and hence the options would vest with passage of time. In addition to this, the Compensation Committee may also specify certain performance parameters subject to which the options would vest. Such options would vest when the performance parameters are met.

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

Set out below is a summary of options granted under the plan to employees of the Company and its subsidiaries

	For the year ended 31 March			
	2026		2025	
Particulars	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	1,261.98	15,169,296	1,061.89	13,742,728
Granted during the year	2,050.22	4,595,850	1,655.29	4,281,259
Exercised during the year	891.56	3,519,718	792.51	2,424,221
Forfeited during the year	1,739.47	763,220	1,429.48	430,470
Closing balance	2,023.11	15,482,208	1,261.98	15,169,296
Weighted average remaining contractual life of options outstanding at end of year (in years)		4.91		4.79
Vested and exercisable		6,289,524		6,958,721

No options expired during the years mentioned in above table.

The weighted average share price during the year ended 31 March 2026 was ₹ 2001.25 (31 March 2025 - ₹ 1,700.94).

38 Share-based payments (Employee stock option plan) (Contd.)

Weighted average fair value of options granted

Current year

Grant date	29 April 2025	16 September 2025
Vesting period	1 to 4 years	1 to 4 years
Weighted average fair value per option	₹ 358.10 ~ ₹ 752.72 per option	₹ 366.04 ~ ₹ 757.32 per option

Previous year

Grant date	26 April 2024	20 June 2024
Vesting period	1 to 4 years	1 to 2 years
Weighted average fair value per option	₹ 322.88 ~ ₹ 726.90 per option	₹ 433.75 ~ ₹ 498.94 per option

The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended 31 March 2026 and 31 March 2025 included

Grant		Tranche XI	Tranche XII	Tranche XIII	Tranche XIV
a)	options are granted for no consideration and vesting period is	1 to 4 years	1 to 2 years	1 to 4 years	1 to 4 years
b)	exercise price	₹ 1,655.55 per option	₹ 1,594.90 ~ ₹ 1,599.65 per option	₹ 2,049.70 per option	₹ 2,081.50 per option
c)	grant date	26 April 2024	20 June 2024	29 April 2025	16 September 2025
d)	share price at grant date	₹ 1,655.55	₹ 1,594.90 ~ ₹ 1,599.65	₹ 2,049.70	₹ 2,081.50
e)	expected price volatility of the Company's shares	25.19%~37.66%	26.66%~28.73%	23.19%~29.51%	23.62%~28.49%
f)	expected dividend yield	0.05%	0.05%	0.05%	0.05%
g)	risk-free interest rate	7.03%~7.11%	6.87%	5.90%~6.05%	5.76%~6.18%

Grant		Tranche VIII	Tranche IX	Tranche X
a)	options are granted for no consideration and vesting period is	1 to 4 years	1 to 4 years	1 to 4 years
b)	exercise price	₹ 1,507.31 per option	₹ 1,334.70 per option	₹ 1,550.90 per option
c)	grant date	02 August 2022	27 April 2023	15 September 2023
d)	share price at grant date	₹ 1,522.42	₹ 1,360.00	₹ 1,538.10
e)	expected price volatility of the Company's shares	35.30%~43.40%	32.12%~34.10%	29.64%~37.94%
f)	expected dividend yield	0.03%	0.03%	0.03%
g)	risk-free interest rate	6.42%~7.00%	6.78%~6.93%	6.99%~7.06%

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

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

39 Other notes

a. The Company has performed an assessment to identify transactions with struck off companies as at 31 March 2026 and no such company was identified.

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

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

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

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

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

40 Events after reporting date

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

41 Miscellaneous

Amounts less than ₹ 50,000, statutorily required to be disclosed, have been shown at actual against respective line items.

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

As per our report of even date

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
ICAI Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership Number: 033494

Pune: 30 April 2026

On behalf of the Board of Directors

Ramandeep Singh Sahni
Chief Financial Officer

Sanjiv Bajaj
Chairman & Managing Director
DIN: 00014615

Uma Shende
Company Secretary

Dr. Naushad Forbes
Chairman-Audit Committee
DIN: 00630825
Place: Lausanne

Notes

A CENTURY OF PURPOSE-LED GROWTH. A FUTURE FULL OF POSSIBILITIES.

For a hundred years, the Bajaj Group has stood at the intersection of enterprise and nation-building—guided by a simple yet powerful belief 'Kathni Karni Ek Si', where conviction and action are one.

From its early beginnings in Wardha to becoming a trusted name across the world, the Group's journey has been shaped by purpose, integrity, and an enduring commitment to society. Each generation has carried this legacy forward—not just in what the Group builds, but in how it builds it.

As the Bajaj Group marks this centennial milestone, it celebrates not only a rich past, but also a future filled with renewed responsibility and possibility. A future where the Bajaj legacy continues to grow, evolve, and echo the voice of India.

Bajaj Finserv Limited
Regd. Office: Bajaj Auto Limited Complex,
Mumbai - Pune Road, Pune - 411 035,
Maharashtra, India.
Tel: +91 20 7150 5700 | Fax: +91 20 7150 5792
https://www.aboutbajajfinserv.com/about-us

Designed and produced at stirrup | whatsup@stirrup.works