



Bajaj Auto Limited,
Akurdi, Pune 411 035, India.
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Fax +91 20 27473398
bajajauto.com



25 June 2026

To Corporate Relations Department. BSE Limited 1st Floor, New Trading Ring Rotunda Building, P J Tower Dalal Street, Fort, Mumbai 400 001.	To Corporate Listing Department. National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), MUMBAI 400 051.
BSE CODE: 532977	NSE CODE: BAJAJ-AUTO

Subject: Annual Report for FY2026 and Notice of 19th Annual General Meeting (AGM)

Dear Sirs/Madam,

This is further to our letter dated 06 May 2026, wherein the Company had informed that the AGM of the Company is scheduled to be held on Tuesday, 21 July 2026.

In compliance with the provisions of the Companies Act 2013, rules framed thereunder and Regulation 34(1) read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed the following documents for the financial year 2025-26, which are being sent to shareholders:

- Notice of the 19th Annual General Meeting scheduled to be held on Tuesday, 21 July 2026 through Physical Mode.
- Annual Report for the financial year 2025-26.
- Business Responsibility & Sustainability Report.

Aforesaid documents are also available on the website of the Company, i.e.

<https://www.bajajauto.com/investors/financial-and-operational-performance> and on the website of KFin Technologies Limited at www.kfintech.com

Please take the above on your record.

Thanking you,
Yours faithfully,

For Bajaj Auto Limited

Rajiv Gandhi
Company Secretary & Compliance Officer
ACS 11263
Encl.: As above.



THE WORLD'S
FAVOURITE
INDIAN

BAJAJ AUTO LTD.

CIN: L65993PN2007PLC130076

Regd. Office:
Bajaj Auto Ltd. Complex,
Mumbai-Pune Road,
Akurdi, Pune 411 035
E-mail ID: investors@bajajauto.co.in
Website: www.bajajauto.com
Phone: 020-6610 4481
Fax: 020-2740 7380

AGM NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting ('AGM') of the members of Bajaj Auto Ltd. ('BAL' or 'the Company') will be held on Tuesday, 21 July 2026 at 12:30 pm at the Registered Office of the Company at Mumbai-Pune Road, Akurdi, Pune 411035 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31 March 2026, together with the Directors' and Auditors' Reports thereon.
2. To declare a dividend.
3. To appoint a director in place of Sanjiv Bajaj (DIN: 00014615), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Ratification of the remuneration to the Cost Auditor.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**:

"RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as 'the Act') read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration of ₹ 5 Lakh plus taxes, out-of-pocket and travelling expenses, as approved by the Board of Directors, based on the recommendation of the Audit Committee for the financial year 2026-27, payable to R.B. Laddha & Co., Cost Accountants (Firm Registration No. 004689), as Cost Auditor of the Company for audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, in respect of the said financial year, be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. Approval for payment of commission to Non-executive Directors for a period of five years commencing from 01 April 2026.

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **special resolution**:

"RESOLVED THAT pursuant to the provisions of section 197 read along with schedule V and other applicable provisions, if any, of the Companies Act, 2013, approval of the members be and is hereby accorded for the payment of commission of a sum not exceeding one percent per annum of the net profits of the Company, calculated in accordance with the provisions of section 198 of the Act to the directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors, 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 of the Company and such payments shall be made in respect of the profits of the Company for each year for a period of five years commencing from 1 April 2026."

"PROVIDED THAT in the event of loss or inadequacy of profits in any financial year during the term mentioned above, the Non-executive Directors shall be paid remuneration by way of Commission as set out above, as may be decided by the Board of Directors of the Company, notwithstanding that it may exceed one percent of the net profits of the Company and subject to such restrictions, if any, as may be set out in the applicable provisions of and schedule V to the Act, from time to time."

6. Appointment of Rakesh Sharma (DIN: 08262670) as Joint Managing Director of the Company with effect from 01 June 2026.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **special resolution**:

"RESOLVED THAT in accordance with the provisions of section 152, 196, 197 and 203 of the Companies Act, 2013 read with schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment(s) thereto or re-enactment(s) thereof for the time being in force), regulation 17(1C)

of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('The Listing Regulations, 2015') and such other provisions as may be applicable and based on the recommendation of Nomination and Remuneration Committee and approval by the Board, approval of the members be and is hereby accorded for the appointment of Rakesh Sharma (DIN: 08262670) as the Joint Managing Director ('JMD') of the Company with effect from 1 June 2026 upto 31 March 2029 (both days inclusive) liable to retire by rotation, upon the terms and conditions set out in the explanatory statement annexed to the Notice, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of section 197 of the Act and in the agreement to be entered into between the Company and JMD, which agreement is hereby approved, with liberty to the Board of Directors, to alter or vary the terms & conditions and revision in the remuneration including payment of minimum remuneration as it may deem fit and in such manner as may be agreed to between the Board of Directors and JMD."

"RESOLVED FURTHER THAT based on the recommendation of Nomination and Remuneration Committee, the Board of Directors be and is hereby authorised to revise the remuneration of JMD from time to time, to the extent the Board of Directors may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with schedule V thereto, and/or any guidelines prescribed by the Government from time to time and the said agreement between the Company and JMD be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee(s) thereof) and the Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be considered necessary, desirable or expedient to give effect to this resolution."

By order of the Board of Directors
For Bajaj Auto Ltd.

Rajiv n. Gandhi

Rajiv Gandhi
Company Secretary and Compliance Officer
Membership No. A11263
Pune: 06 May 2026

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UP TO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF COMMENCEMENT OF THE MEETING. IN THIS NOTICE, THE TERMS MEMBER(S) OR SHAREHOLDER(S) ARE USED INTERCHANGEABLY.
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
3. Explanatory statement pursuant to section 102 of the Companies Act, 2013 ('the Act') forms part of this Notice.
4. Brief details of the director, who is liable to retire by rotation at the AGM and seeking re-appointment, is annexed hereto as per the applicable provisions of regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015'), the Act and the Secretarial Standard on General Meetings ('SS-2').
5. To receive communication(s) through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their e-mail address with the registrar and share transfer agent of the Company, i.e., KFin Technologies Ltd. ('KFin' or 'RTA'), for members holding shares in physical mode and with their respective DPs, for members holding shares in demat mode.
6. SEBI, has mandated that the listed companies shall henceforth issue the securities in dematerialised form only, while processing service requests such as issue of duplicate share certificates, transmission, transposition, etc. Accordingly, members who still hold share certificates in physical form are advised to dematerialise their holdings.

DIVIDEND RELATED INFORMATION:

7. The Board of Directors has recommended dividend of ₹ 150 per equity share of the face value of ₹ 10 each (1500 %) for the year ended 31 March 2026 for the approval of the members at the AGM.
8. Pursuant to the provisions of section 91 of the Act and regulation 42 of the Listing Regulations, 2015, the Company has fixed Friday, 29 May 2026 as the 'Record Date' for the purpose of determining the shareholders eligible to receive dividend for the financial year 2025-26.
9. Subject to the provisions of section 126 of the Act, dividend on equity shares, if declared, at the AGM, will be credited/dispatched on or before Friday, 24 July 2026 as under:
 - a. to all those shareholders holding shares in physical form, as per the details provided by KFin to the Company, as of the closing hours on Friday, 29 May 2026 and
 - b. to all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as of the closing hours on Friday, 29 May 2026.
10. The Listing Regulations, 2015 read with the Master circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 issued by the Securities and Exchange Board of India ('SEBI') dated 07 May 2024, read with circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10 June 2024, mandates the companies to use any electronic mode of payment approved by the Reserve Bank of India for making payment to the shareholders.

Further, SEBI has issued a Gazette Notification dated 18 November 2025 notifying the SEBI (Listing Obligations and Disclosure Requirements) Fifth Amendment Regulations, 2025, which came into force on 19 November 2025, being the date of publication in the Official Gazette, require companies to use any electronic mode of payment approved by the Reserve Bank of India (RBI) for making payments to the members.

In view of the aforesaid amendment in Regulation 12 of SEBI Listing Regulations, with effect from 19 November 2025, all payments shall be made only through electronic mode.

No physical warrants, cheques or demand drafts shall be issued towards payment of dividends, interest, redemption or repayment amounts. Accordingly, the dividend, if declared, will be paid through electronic mode, where the bank account details of the shareholders are available.

SEBI also mandated that any service request from members holding shares in physical mode shall be entertained only upon registration of the PAN and KYC details. Members holding shares in physical form are once again requested to register/update their PAN, KYC, signature and nomination details by furnishing the duly filled forms, as applicable, to KFin.

For more details, please refer to the chapter on General Shareholder Information forming part of the Corporate Governance Report in the Annual Report.

TAX RELATED INFORMATION:

11. Shareholders may note that as per the Income Tax Act, 1961, (the 'IT Act'), as amended by the Finance Act, 2020, dividends paid or distributed by a Company after 1 April 2020 shall be taxable in the hands of the shareholders. The Company is also required to deduct Tax at Source ('TDS') in respect of approved payment of dividend to its shareholders (resident as well as non-resident).

To enable compliance with TDS requirements, members holding shares in electronic mode are requested to complete and/or update their residential status, PAN, category, e-mail address, mobile number, bank account details and address with PIN code (including country) as per the IT Act with their depository participants and in case shares are held in physical form, with the Company, by sending documents/ declarations on or before 01 July 2026 at <https://ris.kfintech.com/form15> or by self-registration through KPRISM application by following the URL: <https://kprism.kfintech.com/>

For the detailed process and formats of declaration, please refer to FAQs on Tax Deduction at Source on Dividends available on the Company's website at <https://www.bajajauto.com/investors/dividend>

IEPF RELATED INFORMATION:

12. In terms of section 124(5) of the Act, dividend amount for the year ended 31 March 2019 remaining unclaimed for a period of seven years shall become due for transfer in September 2026 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Further, in terms of section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of seven years, the corresponding shares shall be transferred to the IEPF demat account.

Members who have not claimed dividends in respect of the financial years from 2018-19 onwards are requested to approach the Company/KFin for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF's demat account.

INSPECTION OF DOCUMENTS:

13. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Akurdi, Pune – 411 035, which are open for inspection by the members in terms of the applicable provisions of the Act, from Monday to Friday from 10:00 a.m. to 12:30 p.m., except holidays:
- Register of contracts or arrangements in which directors are interested under section 189 of the Act. The said Register shall also be produced at the commencement of the AGM of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.
 - Register of directors and key managerial personnel and their shareholding under section 170 of the Act. The said Register shall be kept open for inspection at the AGM of the Company and shall be made accessible to any person attending the AGM.
14. Certificate from Secretarial Auditor of the Company certifying that the Bajaj Auto Employee Stock Option Scheme 2019 of the Company is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolution passed by the members of the Company in respect thereof, will also be available for inspection by the members at the AGM.
15. Relevant documents referred to in this Notice and the explanatory statement shall be open for inspection by the members at the registered office of the Company from Monday to Friday from 10:00 a.m. to 12:30 p.m., except holidays, up to the date of the AGM.

GENERAL INSTRUCTIONS FOR MEMBERS/PROXIES:

16. In terms of section 101 and 136 of the Act read together with the rules made thereunder and relevant provisions of the Listing Regulations, 2015, the listed companies may send the notice of annual general meeting and the annual report, including financial statements, board's report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members, who have registered their e-mail addresses with their respective DPs or with the RTA of the Company and for members who have not registered their e-mail addresses, physical copies are being sent in the permitted mode. Members may note that Annual Report for FY 2025-26 and the Notice along with proxy form and attendance slip will also be available on the Company's website at <https://www.bajajauto.com/investors/financial-and-operational-performance>, website of the Stock Exchanges, i.e., BSE Ltd. at www.bseindia.com and National Stock Exchange of India Ltd. at www.nseindia.com and on the website of KFin at www.kfintech.com
17. Institutional/corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body's resolution/authorisation, etc., authorising its representative to attend and vote at the AGM on its behalf or through remote e-voting. The said resolution/authorisation shall be sent to the Scrutinizer by e-mail through its registered e-mail address to scrutinisers@mmjc.in
18. Institutional Investors, who are members of the Company are encouraged to attend and vote at the Nineteenth AGM of the Company.
19. The Company has availed of services offered by NSDL and CDSL to update e-mail addresses of shareholders of the Company who have not registered their e-mail addresses. Members are requested to respond to their messages and register their e-mail id and support the green initiative efforts of the Company. Members are also requested to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail going forward.

20. Members attending the AGM in-person shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
21. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
22. Members/Proxies are requested to bring the attendance slip/proxy form duly filled and signed for attending the meeting. Proxies are requested to bring their identity proof at the meeting for the purpose of identification.
23. Please note that for security reasons, no article/baggage will be allowed at the venue of the meeting.
24. Route map for the directions to venue of the meeting is attached.
25. In case a person has become a member of the Company after dispatch of AGM Notice, but on or before the cut-off date for e-voting, i.e., Tuesday, 14 July 2026, such person may obtain the User ID and Password from KFin by e-mail request on einward.ris@kfintech.com or can send e-mail to investors@bajajauto.co.in
26. Alternatively, member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via registered e-mail at einward.ris@kfintech.com or can send e-mail to investors@bajajauto.co.in for obtaining the Annual Report and Notice of AGM.
27. Instructions for e-voting and joining the AGM are as follows:

A. Voting through electronic means:

- i. In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the Listing Regulations, 2015 and in terms of SEBI circular dated 09 December 2020 in relation to e-voting facility provided by listed companies, the members are provided with the remote e-voting facility to exercise votes on the items of business given in this Notice, through the e-voting platform provided by KFin or to vote at the AGM.
- ii. The members, whose name appears in the Register of Members/list of Beneficial Owners as on Tuesday, 14 July 2026, (end of day), being the cut-off date fixed for determining voting rights of members are entitled to participate in the remote e-voting process. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- iii. **Members can cast their vote online from Thursday, 16 July 2026 (9:00 a.m.) till Monday, 20 July 2026 (5:00 p.m.). Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.**
- iv. Alternatively, members holding securities in physical mode may reach out on toll free number 1800 309 4001 for obtaining User ID and Password or may write e-mail from the registered e-mail id to einward.ris@kfintech.com or investors@bajajauto.co.in
- v. The details of the process and manner for remote e-voting are explained herein below:

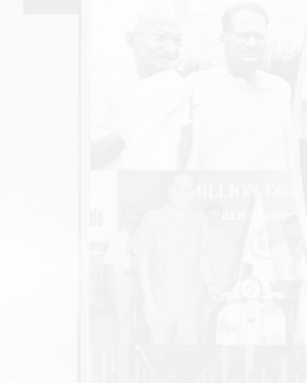
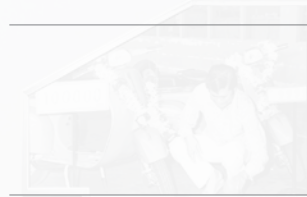
I) Login method for remote e-voting for individual shareholders holding securities in demat mode:

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December 2020 on 'e-voting facility provided by listed companies', e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby facilitating not only seamless authentication but also ease and convenience of participating in e-voting process.

Shareholders are advised to update their mobile number and e-mail id with their DPs in order to access e-voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login method
Individual shareholders holding securities in demat mode with NSDL	<p>A. Users registered for NSDL IDeAS facility:</p> <ol style="list-style-type: none"> 1. Open web browser by typing the following URL: https://eservices.nSDL.com/ either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. 2. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on 'Access to e-voting' under e-voting services and you will be able to see e-voting page. 3. Click on options available against Company name or e-voting service provider, i.e., KFin and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period.

Type of shareholders**Login method**

Individual shareholders holding securities in demat mode with NSDL

B. Users not registered for IDEAS e-Services:

Option to register is available at <https://eservices.nsdl.com> Select '**Register Online for IDEAS**' tab or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp> and proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.

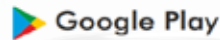
C. By visiting the e-voting website of NSDL:

1. Visit the e-voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the '**Login**' icon, available under the '**Shareholder/Member**' section.
2. A new screen will open. Enter your User ID (i.e., your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page.
3. Click on options available against Company name or e-voting service provider, i.e., **KFin** and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

D. NSDL Speede:

Shareholders/Members can also download NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual shareholders holding securities in demat mode with CDSL

A. Existing users who have opted for Easi/Easiest:

1. URL to login to Easi/Easiest: www.cdslindia.com and click on login icon and select New System Myeasi.
2. Shareholders can login through their existing User ID and Password. Option will be made available to reach e-voting page without any further authentication.
3. After successful login on Easi/Easiest, the user will also be able to see the e-voting menu. The menu will have links of ESPs. Click on **KFin** to cast your vote.

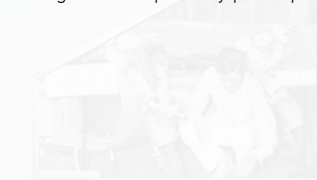
B. Users who have not opted for Easi/Easiest:

Option to register for Easi/Easiest is available at www.cdslindia.com Proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.

C. By visiting the e-voting website of CDSL:

1. The user can directly access e-voting page by providing demat account number and PAN number from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile and e-mail id as recorded in the demat account.
2. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and will also be able to directly access the system of e-voting service provider, i.e., **KFin**.

Individual shareholders (holding securities in demat mode) logging through their depository participants



1. Shareholders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged-in, you will be able to see e-voting option.
2. Once you click on e-voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-voting feature.
3. Click on option available against Company name or e-voting service provider, i.e., KFin and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

Important Note: Members who are unable to retrieve User ID/Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

Helpdesk for individual shareholders holding securities in demat mode who need assistance for any technical issues related to login through depository, i.e., NSDL and CDSL:

Members facing any technical issue - NSDL

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000.

Members facing any technical issue - CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact on 1800 22 55 33.

II) Login method for remote e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

- i. Initial password is provided in the body of the e-mail.
- ii. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- iii. Enter the login credentials, i.e., User ID and Password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and Password for casting your votes.
- iv. After entering the correct details, click on LOGIN.
- v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A - Z), one lower case (a - z), one numeric value (0 - 9) and a special character (@, #, \$, etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the EVENT, i.e., Bajaj Auto Ltd.
- viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN', in which case, the shares held will not be counted under either head.
- ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xi. Corporate/institutional members (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at scrutinisers@mmjc.in and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'BAL-EVENT No.'
- xii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on 1800 309 4001 (toll free).

B. Voting facility at AGM:

In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the AGM, through electronic voting system and members attending the meeting, who have not already cast their votes by remote e-voting, shall be able to exercise their right at the meeting.

However, members who have voted through remote e-voting will be eligible to attend the AGM but shall not be entitled to cast their vote again.

C. Live webcast of AGM:

Pursuant to regulation 44(6) of the Listing Regulations, 2015, as amended, the Company is providing facility of one-way live webcast of the proceedings of AGM. Members who are entitled to participate in the AGM can view the proceedings of AGM by logging on the e-voting website of KFin at <https://emeetings.kfintech.com/> using their secure login credentials, provided for e-voting or with the registered mobile and OTP option. Members are encouraged to use this facility of webcast.

D. General Instructions:

- i. Shri Vaibhav Dandawate (ACS No. 51538, CP No. 27947), or failing him, Ms. Deepti Kulkarni (ACS No. A34733, CP No. 22502), Partners of M/s. Makarand M Joshi & Co., Company Secretaries, have been appointed as the Scrutinizers to conduct the remote e-voting process and voting at the venue of the AGM in a fair and transparent manner.
- ii. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company or in his absence Managing Director and CEO of the Company, who shall countersign the same.
- iii. The Scrutinizer shall submit his report to the Chairman or in his absence Managing Director and CEO of the Company, who shall declare the result of the voting. The results declared along with the Scrutinizer's report shall be placed on the Company's website <https://www.bajajauto.com/investors/disclosures> and on the website of KFin <https://evoting.kfintech.com> and shall also be communicated to the Stock Exchanges. The resolutions shall be deemed to be passed at the AGM of the Company.

ANNEXURE TO THE NOTICE

Brief resume and other information of the director seeking re-appointment at the Nineteenth Annual General Meeting ('AGM') pursuant to regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015'), the Companies Act, 2013 ('the Act') and the Secretarial Standard on General Meetings ('SS-2'):

Item No.3

Sanjivnayan Rahul Kumar Bajaj (Sanjiv Bajaj-DIN: 00014615)

As regards re-appointment of Sanjiv Bajaj, referred to in Item No. 3 of the Notice, the following disclosures are made for the information of the members:

Brief resume:

Sanjiv Bajaj is the Chairman and Managing Director of Bajaj Finserv Ltd., the holding company of the financial services businesses of the Bajaj Group, one of India's oldest and largest conglomerates, with consolidated revenue of over ₹ 1,50,530 crore (USD 15.9 billion) and consolidated profit after tax of over ₹ 8,800 crore (USD 1 billion) for FY2025-26. The combined market cap of the three listed companies - Bajaj Finserv, Bajaj Finance and Bajaj Housing Finance is ₹ 8,20,716 crore (USD 86.5 billion), as on 31 March 2026.

Under his leadership, Bajaj Finserv Ltd. has emerged as one of India's leading and most diversified financial services companies with solutions across lending, life insurance, general insurance and investments. With a consumer-first, digital approach and a culture focused on innovation, it has reshaped digital consumer financing in India.

Sanjiv Bajaj is on the board of his group operating companies as the Chairman of Bajaj Finance Ltd., Bajaj Housing Finance Ltd., Bajaj General Insurance Ltd., Bajaj Life Insurance Ltd., Bajaj Finserv Asset Management Ltd. and Maharashtra Scooters Ltd.. He is also the Managing Director and Chief Executive Officer of Bajaj Holdings & Investment Ltd. (since 2012) and serves as a non-executive director at Bajaj Auto Ltd.

Sanjiv Bajaj was the President of the Confederation of Indian Industry (CII), FY 2022-23.

He is a member of J.P. Morgan - Asia Pacific Council, a member of the International Advisory Council of Brookings Institute, USA, and a member of the International Advisory Board of the Global Finance & Technology Network (GFTN). Sanjiv is co-chair for India Skills Accelerators - a Ministry of Skill Development and Entrepreneurship initiative, in partnership with the World Economic Forum. He is also a member of the Board of the Indian School of Business (ISB).

Sanjiv Bajaj 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.

Over the years, he has received several prestigious honours for his contribution to the financial services space, including:

- Lifetime Achievement Award by Financial Express Best Banks 2026
- AIMA-JRD Tata Corporate Leadership Award for the year 2023
- The Lakshmi Pat Singhania IIM Lucknow National Leadership Award, 2023, received from the Hon'ble President of India Smt. Droupadi Murmu
- Economic Times Business Leader of the year 2018
- Financial Express Best Banker of the year 2017
- Ernst & Young Entrepreneur of the year in 2017
- Business World's Most Valuable CEOs in India for 2015 and 2016

Sanjiv Bajaj has a Bachelor's degree in Mechanical Engineering from the University of Pune, a Master's degree in Manufacturing Systems Engineering from the University of Warwick, UK, and a Master's degree in Business Administration from the Harvard Business School, USA.

Directorships in Companies (excluding foreign companies, if any):

- | | |
|------------------------------------|--|
| ● Bajaj Auto Ltd. | ● Kamalnayan Investment & Trading Private Ltd. |
| ● Bajaj Holdings & Investment Ltd. | ● Jamnalal Sons Private Ltd. |
| ● Bajaj Finserv Ltd. | ● Maharashtra Scooters Ltd. |
| ● Bajaj Finance Ltd. | ● Rupa Equities Private Ltd. |
| ● Bajaj Auto Holdings Ltd. | ● Sanraj Nayan Investments Private Ltd. |
| ● Bajaj General Insurance Ltd. | ● Bajaj Housing Finance Ltd. |
| ● Bajaj Life Insurance Ltd. | ● Mahakalp Arogya Pratisthan |
| ● Bachhraj & Company Private Ltd. | ● Indian School of Business |

● Bachhraj Factories Private Ltd.	● Bajaj Finserv Asset Management Ltd.
● Bajaj Sevashram Private Ltd.	● Bhoopati Shikshan Pratisthan
● Rahul Securities Private Ltd.	● The Hindustan Housing Company Ltd.
● Bajaj Electricals Ltd.	● Bajaj International Private Ltd.
● Hercules Investments Ltd.	● Hind Musafir Agency Ltd.
● Mukand Ltd.	● Bajel Projects Ltd.
● Bajaj Electoral Trust	● Indef Manufacturing Ltd.

Committee Chairmanships/Memberships in Companies (excluding foreign companies, if any): Currently, he serves as a member of Audit Committee of Bajaj Finserv Asset Management Ltd. and member of Stakeholder Relationship Committee of Bajaj Finserv Ltd., Bajaj Finance Ltd., Maharashtra Scooter Ltd., and Bajaj Housing Finance Ltd.

**Chairmanship and membership of audit committee and stakeholders' relationship committee are considered.*

Shareholding in the Company: 7,55,809 equity shares (as on 06 May 2026).

Nature of expertise in specific functional areas: Business & Industry, Management & strategy, Financial Expertise, Information Technology, Human Resources, Governance & Compliance and such other areas.

He was first appointed on the Board with effect from 2 May 2007 and his last drawn remuneration during the financial year 2025-26 was ₹ 24.90 lakh. More details about the remuneration are available in the Annual Report. He will be eligible for payment of sitting fees and commission, as payable to other non-executive directors of the Company.

Sanjivnayan Rahul Kumar Bajaj is not disqualified from being appointed as director in terms of section 164 of the Act.

Disclosures of his relationship inter-se with other directors and on the number of Board meetings attended by him are given in the *Corporate Governance Report*.

He is not related to any key managerial personnel of the Company except Rajivnayan Rahul Kumar Bajaj.

None of the directors, key managerial personnel of the Company or their relatives, except Rajivnayan Rahul Kumar Bajaj and Sanjivnayan Rahul Kumar Bajaj himself, are concerned or interested financially or otherwise, except to the extent of his respective shareholding, if any, in the Company.

The Board recommends Item no. 3 for consideration and approval of the shareholders.

EXPLANATORY STATEMENT

In terms of the provisions of section 102 of the Companies Act, 2013 (the Act'), regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on the General Meetings ('SS-2'), the following statement sets out the material facts relating to Item Nos. 4, 5 and 6 of the accompanying Notice dated 06 May 2026:

Item No. 4

Pursuant to section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. Further, the remuneration payable to the cost auditor(s) as recommended by the audit committee and approved by the Board is required to be ratified by the members of the Company.

Based on the recommendations of the audit committee, the Board has approved the appointment of R.B. Laddha & Co., Cost Accountants (Firm Registration No. 004689) as cost auditor of the Company to conduct audit of cost records for financial year 2026-27, at a remuneration of ₹ 5 Lakh per financial year plus taxes, out-of-pocket and travelling expenses.

The cost auditor has furnished the eligibility and other requisite certificate(s), in terms of the relevant provisions of the Act read with the Rules framed thereunder.

Accordingly, the consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the accompanying Notice for ratification of remuneration payable to the cost auditor of the Company.

None of the directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the ordinary resolution set out at Item No. 4 of the Notice for approval of the members.

Item no. 5

Section 197 of the Act permits the payment of remuneration to a director who is neither a whole-time director nor a managing director of a company, by way of commission not exceeding one percent of the net profits of the company, if the Company authorises such payment by a special resolution. Shareholders of the Company had approved such payment by a special resolution passed on 22 July 2021 for a five-year period, which expired on 31 March 2026.

In view of the substantial rise of non-executive directors' participation at the Board and Committee meetings and the higher responsibilities they are expected to bear on account of statutory & regulatory requirements, it is proposed to continue to pay such commission to the non-executive directors for a further period of five years upto and including the year 2030-31.

The amount of commission shall be payable each year after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

Pursuant to the Companies (Amendment) Act, 2020, read with rules made thereunder, if a company fails to make profits or makes inadequate profits in a financial year, any non-executive director of such company, including an independent director, may be paid remuneration in accordance with schedule V of the Act.

No approval of the Central Government will be required for the said payment of commission, since it is within the prescribed limits as specified under section 197. The above payment to non-executive directors will be in addition to the sitting fees payable to them for attending Board/committee meetings, which at present is fixed at ₹ 100,000 per meeting.

None of the directors, key managerial personnel of the Company or their relatives, except the concerned non-executive director, are directly or indirectly concerned or interested, financially or otherwise, except to the extent of remuneration that may be received by them and their respective shareholding, if any, in the Company, in the resolution set out in Item No. 5 of the Notice.

The Board recommends the special resolution set out at Item No. 5 of the Notice for approval of the members.

Item no. 6

As regards appointment of Rakesh Sharma referred to in Item No. 6 of the Notice, the following disclosures are made for the information of the shareholders:

The Board on the recommendation of the Nomination and Remuneration Committee at its meeting held on 25 April 2023 had re-appointed Rakesh Sharma as a Whole-time Director for a term of five years from 1 January 2024 until 31 December 2028 which was approved by the members at the 16th Annual General Meeting of the Company held on 25 July 2023.

Considering the valuable contribution made by him in the progress of the Company, it is proposed to appoint him as a Joint Managing Director ('JMD') of the Company w.e.f. 1 June 2026 to 31 March 2029, on the terms of remuneration mentioned herein below, with powers to the Board of Directors to make such revision therein as may be appropriate from time to time, but within the ceiling/s laid down in the Act, the Listing Regulations or any statutory amendment thereof. As the JMD, Rakesh Sharma will continue to leverage his decades of experience in strengthening Bajaj Auto's position as a global leader in two and three wheeler automobiles and help create significant impact for the organization:

1. Salary:

Remuneration (CTC) of ₹ 15.28 Crore per annum comprising salary, allowances, retinals, (including contribution to provident fund & superannuation fund and gratuity as per Company rules) bonus, performance reward, perquisites, benefits etc., with such annual increments/increases/revisions as may be decided by the Board of Directors from time to time.

2. Perquisites:

- i. Company's contribution to provident fund and superannuation fund as per Company rules.
- ii. Gratuity as per the Company rules as applicable to all other employees.
- iii. Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed as applicable to all other employees.
- iv. Reimbursement of medical expenses incurred for self and family or medical allowance as per Company rules.
- v. Cover of Insurance policies & Contribution to Employee Deposit Linked Insurance Scheme as per Company rules.
- vi. Membership fees for maximum two clubs in India, including any admission and/or annual membership fees.
- vii. Cost of insurance cover against the risk of any financial liability or loss because of any error of judgement, wrongful act or such other reason as may be approved by the Board of Directors from time to time.
- viii. Reimbursement of entertainment expenses incurred in the course of business of the Company.
- ix. Provision of maximum two cars under the Company Car lease plan as per the eligibility under the Company scheme.
- x. Communication expenses such as phone bills, internet bills and other communication facilities at Company's cost as per Company rules.
- xi. Subject to any statutory ceiling/s, the Whole-time Director (Joint Managing Director) may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

3. Valuation of perquisites

Perquisites/Allowances shall be valued as per Income-tax Rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

4. Stock Options

Stock Options as per the scheme(s) framed by the Company from time to time.

5. Minimum remuneration

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment, Whole-time Director (Joint Managing Director) shall be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in schedule V to the Companies Act, 2013, from time to time.

6. Computation of ceiling

The following shall not be included in the computation of perquisites for the purposes of the ceiling:

- a. Contribution to provident and superannuation funds referred to in para 2 (i) above.
- b. Gratuity payable as per para 2 (ii), above.
- c. Encashment of leave as per para 2 (iii) above

Rakesh Sharma satisfies all the conditions set out in part I of schedule V to the Act as well as the conditions stated in section 196(3) of the Act. He is not disqualified from being appointed as a Director in terms of section 164 of the Act.

He has also confirmed that he is not debarred from holding the office of Director pursuant to any order issued by the Securities and Exchange Board of India ("SEBI") or any such authority and has given his consent for appointment as the Joint Managing Director of the Company along with declarations as required under the Act and the rules made thereunder and the Listing Regulations, 2015.

In respect of the said appointment, a notice in writing in the prescribed manner as required by section 160 of the Act has been received by the Company, from a member proposing his candidature as the Joint Managing Director of the Company.

The brief profile and other details of Rakesh Sharma in terms of regulation 36(3) of the Listing Regulations, 2015 and SS-2 are given below:

Information about the appointee:

Brief Profile:

Rakesh Sharma (born on 22 November 1962) graduated from Indian Institute of Management, Ahmedabad in 1986 and has over 40 years of professional experience. He joined Bajaj Auto in October 2007 as the President of International Business and currently serves as an Executive Director. Over the past 19 years with the Company, he has held several key leadership positions, including leading the International Business for over 10 years. In July 2018, he was elevated to the role of Chief Commercial Officer with responsibility for leading the front-end Business Units. He was subsequently appointed as an Executive Director in January 2019.

Other details:

Sr. No	Particulars	Details
1	Age	64 years
2	Qualification	Graduated from Indian Institute of Management, Ahmedabad
3	Experience	As per the profile
4	Terms and Condition of appointment	Details given in Notice
5	Remuneration last drawn (FY2026)	₹ 15.30 Crore (including performance reward and perquisite value of ESOPs exercised).
6	Remuneration proposed to be paid	As detailed in the terms of remuneration stated in Item No. 6 of this explanatory statement
7	Date of first appointment on the Board	01 January 2019
8	Shareholding in the Company (including shareholding as a beneficial owner) as on the date of this Notice	Currently, Rakesh Sharma holds 6,328 equity shares of ₹ 10 each in the Company
9	Relationship between Directors/Manager/ Key Managerial Personnel of the Company	NIL
10	Number of meetings of the Board attended during FY2025-26 and FY2026-27 (upto the date of this Notice)	Rakesh Sharma has attended all 7 Board Meetings of the Company held during FY 2025-26. Further, during the current financial year, one Board Meeting was held till date of this Notice which was attended by him.
11	Directorships in listed Companies and other directorships	<ul style="list-style-type: none"> ● Bajaj Auto Ltd. ● Bajaj Auto Technology Ltd. ● Bajaj Auto Credit Ltd. ● Mahratta Chamber of Commerce Industries and Agriculture.
12	Membership/Chairmanship of Committees of other boards (excluding foreign companies, if any) as on date of this Notice	Chairmanship - NIL Membership: <ul style="list-style-type: none"> ● Bajaj Auto Ltd. - Duplicate Share Certificate Issuance Committee. ● Bajaj Auto Credit Ltd. - Customer Service Committee and IT Strategy committee
13	Resignation during past 3 years from listed companies	NIL
14	Nature of expertise	Management & Strategy, Global Business Operations, Marketing & Sales, Project Management.

In terms of the provisions of regulation 17(1C) of the Listing Regulations, 2015 the Company is required to obtain approval of the members for appointment or re-appointment of Directors at the next general meeting or within a period of three months from the date of appointment, whichever is earlier.

Approval of the members of the Company is sought for appointment of Rakesh Sharma as JMD of the Company upon the terms & conditions including remuneration, as detailed in this explanatory statement, with effect from 1 June 2026 to 31 March 2029, liable to retire by rotation, in terms of the applicable provisions of the Act and the Listing Regulations, 2015.

This resolution is being proposed as a special resolution in view of the relevant provisions of schedule V to the Act requiring a special resolution for payment of minimum remuneration in the event of loss or inadequacy of profits.

The Company shall enter into an agreement with Rakesh Sharma laying down, *inter alia*, the terms of remuneration referred to above and the powers and authorities delegated to him.

None of the directors, key managerial personnel of the Company or their relatives, except Rakesh Sharma and his relatives are directly or indirectly concerned or interested, financially or otherwise, except to the extent of their shareholding interest, if any, in the Company, in the resolution set out at Item No. 6 of the Notice.

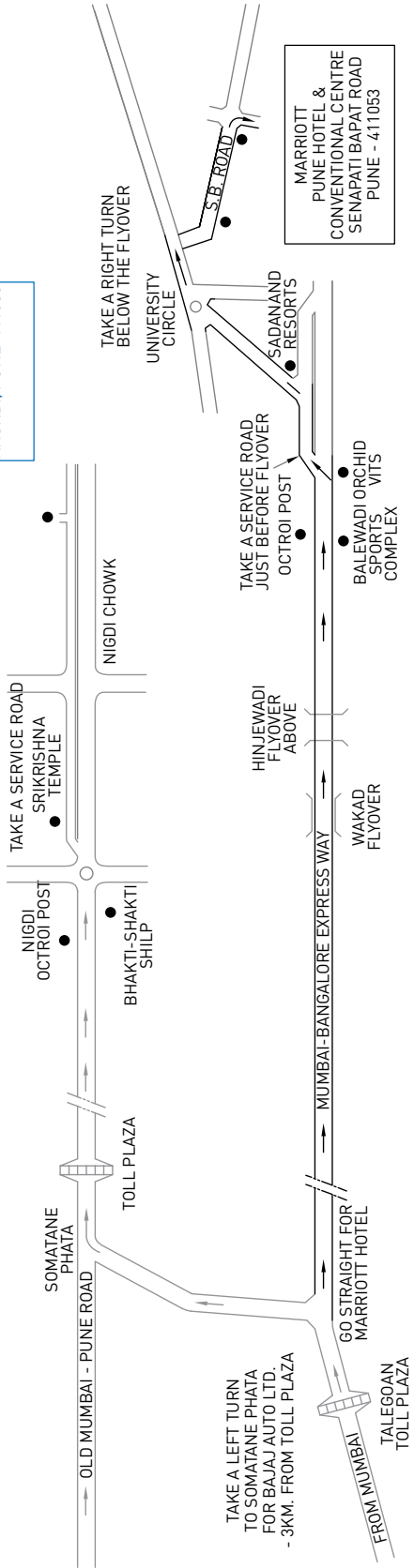
The Board recommends the special resolution set out at Item No. 6 of this Notice for approval of the members.

By order of the Board of Directors
For Bajaj Auto Ltd.

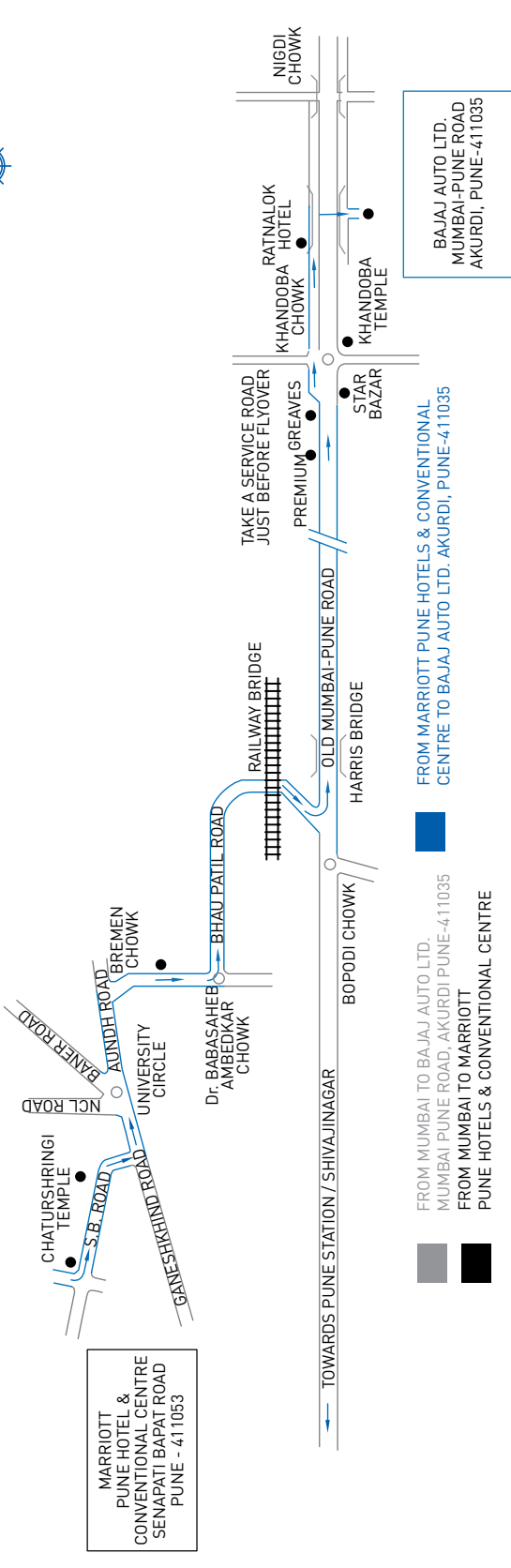


Rajiv Gandhi
Company Secretary
Membership No. A11263
Pune: 06 May 2026

FROM TALEGOAN TOLL PLAZA TO BAJAJ AUTO LTD. (PUNE) VIA SOMATANE PHATA @ 17 KM.
 FROM TALEGOAN TOLL PLAZA TO MARRIOTT HOTEL (PUNE) VIA BANER ROAD @ 30 KM.



FROM MARRIOTT HOTEL, PUNE TO BAJAJ AUTO LTD. @ 18 KM. & BACK TO HOTEL



Scan using the camera app for iOS devices and google lens for android devices

FROM MUMBAI TO BAJAJ AUTO LTD.
 MUMBAI PUNE ROAD, AKURDI PUNE-411035
 FROM MUMBAI TO MARRIOTT
 PUNE HOTELS & CONVENTIONAL CENTRE

FROM MARRIOTT PUNE HOTELS & CONVENTIONAL
 CENTRE TO BAJAJ AUTO LTD. AKURDI, PUNE-411035

BAJAJ AUTO LTD.
 MUMBAI-PUNE ROAD
 AKURDI, PUNE-411035

MARRIOTT
 PUNE HOTEL &
 CONVENTIONAL CENTRE
 SENAPATI BAPAT ROAD
 PUNE - 411053

MARRIOTT
 PUNE HOTEL &
 CONVENTIONAL CENTRE
 SENAPATI BAPAT ROAD
 PUNE - 411053



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INDIAN

BAJAJ AUTO LTD.

(CIN: L65993PN2007PLC130076)

Registered Office:
Mumbai-Pune Road, Akurdi, Pune 411 035.
E-mail: investors@bajajauto.co.in
Website: www.bajajauto.com
Phone: (020)66104481, Fax: (020)27407380

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN : L65993PN2007PLC130076
Name of the Company : BAJAJ AUTO LTD.
Registered office : Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Akurdi, Pune 411 035
Name of the member(s) : _____
Registered address : _____
E-mail ID : _____
Folio No/Client ID/DP ID : _____

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

(1) Name : _____ Address : _____
E-mail ID : _____ Signature : _____ or failing him
(2) Name : _____ Address : _____
E-mail ID : _____ Signature : _____

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the NINETEENTH annual general meeting of the Company, to be held on **Tuesday, 21 July 2026 at 12.30 p.m.** at Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Akurdi, Pune 411 035 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Description	For	Against
Ordinary Business			
1.	To consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31 March 2026, together with the Directors' and Auditors' Reports thereon.		
2.	Declaration of dividend of ₹ 150 per equity share, for the financial year ended 31 March 2026.		
3.	Re-appointment of Sanjiv Bajaj, who retires by rotation.		
Special Business			
4.	Ratification of the remuneration to the Cost Auditor.		
5.	Approval for payment of commission to non-executive Directors for a period of five years commencing from 1 April 2026.		
6.	Appointment of Rakesh Sharma (DIN: 08262670) as Joint Managing Director of the Company with effect from 1 June 2026.		

Signed this _____ day of _____ 2026

Affix
revenue
stamp
of ₹ 1

Signature of shareholder

Signature of proxy holder(s)

Notes:

- This form of proxy in order to be effective should be duly completed, signed, stamped and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- As provided under regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, shareholder may vote either for or against each resolution.**

BAJAJ AUTO LIMITED

(CIN: L65993PN2007PLC130076)

Registered Office:

Mumbai-Pune Road, Akurdi, Pune 411 035.

E-mail: investors@bajajauto.co.in**Website:** www.bajajauto.com**Phone:** (020) 66104481, **Fax:** (020) 27407380**ATTENDANCE SLIP**

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Reg. Folio No./DP Id No./Client Id No.:

Name & Address :

Name(s) of Joint Member(s), if any :

No. of Shares held :

I/We certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the Nineteenth annual general meeting ('AGM') of the Company on **Tuesday, 21 July 2026** at **12:30 p.m.** at the registered office of the Company at Mumbai-Pune Road, Akurdi, Pune 411 035._____
Signature of First holder/Proxy/Authorised Representative_____
Signature of Joint holder(s)

Place:

Date:

Notes:

1. Please sign this attendance slip and hand it over at the meeting venue.
2. Only shareholders of the Company and/or their proxy will be allowed to attend the meeting.

E-VOTING**Users who wish to opt for e-voting may use the following login credentials:****EVEN (E-VOTING EVENT NO.)****USER ID****PASSWORD****Notes:**

- Please follow steps for e-voting procedure as given in the Notice of AGM by logging on to - <https://evoting.kfintech.com>
- Instructions for e-voting procedure are available in the Notice of AGM.



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YEARS OF THE BAJAJ GROUP



BAJAJ AUTO LIMITED
ANNUAL REPORT 2025-26





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BAJAJ AUTO LIMITED
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Board of Directors

Niraj Bajaj, Chairman
Rajiv Bajaj, Managing Director and CEO
Sanjiv Bajaj
Pradeep Shrivastava, Executive Director
Dr. Naushad Forbes
Anami N. Roy
Rakesh Sharma, Executive Director
(Joint Managing Director w.e.f. 01 June 2026)
Pradip Shah
Abhinav Bindra
Vinita Bali
Dr. Sangita Reddy

Audit Committee

Anami N. Roy, Chairman
Dr. Naushad Forbes
Pradip Shah
Vinita Bali

Stakeholders' Relationship Committee

Pradip Shah, Chairman
Niraj Bajaj
Abhinav Bindra

Nomination and Remuneration Committee

Dr. Naushad Forbes, Chairman
Niraj Bajaj
Abhinav Bindra

Corporate Social Responsibility Committee

Rajiv Bajaj, Chairman
Pradeep Shrivastava
Dr. Naushad Forbes
Abhinav Bindra
Vinita Bali

Risk Management Committee

Anami N. Roy, Chairman
Pradip Shah
Dinesh Thapar

Duplicate Share Certificate Issuance Committee

Rajiv Bajaj, Chairman
Pradeep Shrivastava
Rakesh Sharma

Management

Rajiv Bajaj
Managing Director and CEO

Pradeep Shrivastava
Executive Director

Rakesh Sharma
Executive Director

Abraham Joseph
Managing Director,
Bajaj Auto Technology Ltd.

S Ravikumar
Chief Business Development Officer

Dinesh Thapar
Chief Financial Officer

Ravi Kyran Ramasamy
Chief Human Resources Officer

Kailash Zanzari
Chief Product Officer

Ramtilak Ananthan
Chief Technology Officer

Vijay Jerome
Chief Digital & Information Officer

Baminee Viswanat
General Counsel

Kevin D'sa
Managing Director,
Bajaj Auto Credit Ltd.

Sarang Kanade
President (Motorcycle Business)

Samardeep Subandh
President (Intra-City Business)

K S Grihapathy
President (Export Business)

Eric Vas
President (Urbanite Business)

Manik Nangia
President (Probiking Business)

Sumeet Narang
President (Central Marketing)

C P Tripathi
Advisor (CSR)

Company Secretary and Compliance Officer

Rajiv Gandhi

Auditors

S R B C & CO LLP
Chartered Accountants

Secretarial Auditor

Makarand M. Joshi & Co.
Practicing Company Secretaries

Cost Auditor

R.B. Laddha & Co.
Cost Accountants

Bankers

Citibank N A
Standard Chartered Bank
ICICI Bank
HDFC Bank
JPMorgan Chase Bank
Bank of America
DBS Bank
HSBC Bank
Axis Bank
State Bank of India

Registered Office

Mumbai-Pune Road,
Akurdi, Pune 411 035.

CIN: L65993PN2007PLC130076

Works

- Mumbai-Pune Road, Akurdi, Pune 411 035.
- Bajaj Nagar, Chhatrapati Sambhajnagar 431 136.
- Chakan Plant-1 - Plot No. A1, Chakan Industrial Area, Village Mahalunge, Chakan, Pune 410 501.
- Chakan Plant-2 - Plot No. E2, Chakan Industries Area, Village Nanekarwadi, Chakan, Pune 410 501.
- Plot No.2, Sector 10, IIE Pantnagar, Udhamsinghnagar, Uttarakhand 263 153



Niraj R. Bajaj
Chairman

MANAGEMENT TEAM



RAJIV BAJAJ



PRADEEP SHRIVASTAVA



RAKESH SHARMA



ABRAHAM JOSEPH



S RAVIKUMAR



DINESH THAPAR



RAVI KYRAN RAMASAMY



KAILASH ZANZARI



RAMTILAK ANANTHAN



VIJAY JEROME



BAMINEE VISWANAT



KEVIN D'SA



SARANG KANADE



SAMARDEEP SUBANDH



K S GRIHAPATHY



ERIC VAS



MANIK NANGIA



SUMEET NARANG



C P TRIPATHI

CHAIRMAN'S LETTER


Dear Shareholders,

It gives me immense pleasure to write to you and share the highlights of what has been yet another landmark year for your Company and which comes at a time when we celebrate a truly historic centennial milestone — 100 years of the Bajaj Group.

As I reflect on this moment, I do so with a deep sense of pride, gratitude and responsibility. What began a century ago as a journey rooted in enterprise, trust and nation-building has today evolved into one of India's most respected business groups. Bajaj Auto, as the flagship Company that started it all, continues to carry forward that legacy with purpose and conviction.

FY2026 has been a stellar year for your Company in more ways than one, with record results on all counts across volumes, revenue, profits and cash generation.

In a year marked by heightened geopolitical uncertainty, commodity inflation, supply chain disruptions and a rapidly shifting global environment, your Company delivered its best-ever financial and operating performance.

A black and white portrait of a middle-aged man with short dark hair and glasses, wearing a dark suit jacket, a white shirt, and a patterned tie. He is looking directly at the camera with a neutral expression. The background is a solid blue color.

FY2026 has been a stellar year for your Company in more ways than one, with record results on all counts across volumes, revenue, profits and cash generation.

What is particularly pleasing is the fact that this is the fourth successive year when the business has registered new highs, surpassing its past – reinforcing the resilience of our business model, the strength of our brands, the agility of our teams and our ability to adapt and grow even when external conditions remain challenging.

Let me highlight some of the key financial achievements of the year:

1. Your Company scaled new heights during the year, delivering its highest-ever annual volumes at over 5 million units, overtaking its previous peak set several years ago.
2. Standalone revenue came in at nearly ₹ 59,000 crore, the highest ever in the history of your Company, growing strongly at 17% over the previous year and powered by record performances across domestic and export businesses in both vehicles and spares. Consolidated revenue stood at nearly ₹ 63,000 crore, up a solid 23% year on year.
3. EBITDA crossed ₹ 12,000 crore for the first time, while EBITDA margins remained robust at 20.5%, reflecting the disciplined and dynamic P&L management through the year, where every lever of judicious pricing, cost savings/ efficiencies, richer mix and operating leverage was brought into action to sustain the industry-leading margin performance alongside making competitive investments.
4. Standalone Profit after Tax reached a new peak at ₹ 9,825 crore, registering healthy double-digit growth and underscoring the quality and sustainability of earnings. Consolidated Profit after Tax stood at ₹ 10,744 crore, up 47% over previous year.
5. Free Cash Flow generation remained exceptionally strong at over ₹ 8,000 crore, reflecting the robust cash conversion of your Company that enables it to continue investing behind future growth opportunities while maintaining a very healthy Balance Sheet with surplus cash of over ₹ 18,000 crore.
6. During the year, your Company invested meaningfully across strategic priorities — notably on growing its presence in electric mobility, scaling up its financing business through Bajaj Auto Credit, sharpening its R&D capabilities through Bajaj Auto Technology, acquiring and assuming control over the KTM group, while widening its portfolio/footprint to leverage both domestic and international growth opportunities.
7. In recognition of the Bajaj Group's centenary year and Bajaj Auto's position as the flagship Company, the Board approved a payout of 100% of the Profit after Tax for the year to shareholders, through a combination of dividend and share buyback, amounting to nearly ₹ 10,000 crore. This reflects our continued commitment to rewarding our shareholders from time to time commensurate with the growth and performance of the Company.

What makes this achievement very satisfying is that it was broad-based across every dimension of the business — domestic and exports, two-wheelers and three-wheelers, ICE and electric — reflecting the versatility of the Bajaj Auto business.

While the domestic business remained resilient, exports gathered strong momentum during the year and emerged as a major growth driver. This ability of one engine to compensate when another slows is a defining strength of your Company and an important reason behind the consistency of our performance over time.

Another defining feature of FY2026 was the rapid scale-up and strengthening of our electric mobility business. From not having a business on this front up to a few years ago to now emerging decisively as a foremost player that has market leadership positions and is profitable, bears testimony to exceptional agility, sharp execution capability and technological prowess of Bajaj Auto. With this, your Company retains its position as India's largest electric 2W+3W player on a combined basis, a distinction it secured in the previous year.

Across our businesses, there is much to cheer about:

- Our Domestic business delivered another year of record revenue, led by strong performances across premium motorcycles, commercial vehicles and electric mobility. We saw momentum step up and a particularly solid show in the second half of the year, buoyed by the rationalization of GST rates and sharp festive season execution.
- Within motorcycles, the strategically important 125cc+ segment continued to remain the key growth driver for the industry. We saw encouraging momentum in the sports motorcycle category led by the refreshed Pulsar portfolio, with new variants and upgrades receiving strong customer acceptance across markets. Pulsar, having scaled a new pinnacle yet again, continues to remain at the forefront as one of India's most admired and trusted motorcycle brands.

- The premium motorcycle business under KTM and Triumph delivered its best ever performance during the year. Supported by portfolio expansion, network growth and impactful activation, the brands together set new milestones while strengthening our position at the top end of the motorcycle market.
- Chetak volumes crossed new highs during the year, supported by an expanded portfolio, wider availability and increasing customer trust in the brand, that has come to be recognized as one of India's leading and trusted electric scooters. What I find truly heartening in this record performance is how the business staged a strong recovery in the second half of the year after being setback by the rare earth disruption earlier on, as swift engineering interventions and agility in the backend enabled improved availability of supplies.
- In Commercial Vehicles, your Company crossed the historic milestone of over 5 lakh units for the full year for the first time. The ICE franchise remains strong while the electric three-wheeler business scaled rapidly to exit the year with segment leadership. Today, our electric three-wheeler business has the widest portfolio and service footprint in the country, replicating the trust, reliability and quality that the Bajaj three-wheelers have come to be known for over the years. Your Company also made its foray into the e-Rickshaw category with the launch of 'Riki' during the year and is enthused by the large and attractive addressable market opportunity that lies ahead.
- Exports delivered a strong comeback, reaching new highs on revenue and emerging as one of the biggest highlights of the year.
 - Volumes crossed the important milestone of over 2 lakh units per month during the year after a prolonged gap, underlining the rebound in overseas markets and our strong competitive performance.
 - Latin America sustained its remarkable momentum and delivered yet another record year, with our brands continuing to enjoy deep trust and preference among customers.
 - Several Asian markets including Sri Lanka, Nepal and the Philippines recorded strong growth, while the recovery in Nigeria showed encouraging signs of stability.
 - Exports of KTM motorcycles from India also revived during the year after a period of disruption that was caused by the restructuring proceedings in Austria.
 - Brazil scaled up significantly during the year supported by augmented manufacturing capacity, successful product introductions and a growing network presence. It is particularly gratifying to see the encouraging acceptance of our products in such a competitive market despite being a relatively late entrant.
- Our spares business delivered another year of record revenue and profitability, driven by sharper execution, improved service levels and strong channel partnerships.

Looking at our key subsidiaries, Bajaj Auto Credit Limited has made very impressive progress, having scaled rapidly and emerged as a key strategic enabler for the parent Company business. The financing Company remained steadfast in meaningfully expanding its customer franchise, delivering compelling propositions for its customers and building future ready capabilities with a digital first mindset while delivering strong returns and maintaining healthy asset quality. Assets Under Management grew ~2X to ₹ 18,835 crore as of 31 March 2026, Total Income stood at ₹ 3,248 crore, up >3X and Profit After Tax at ₹ 665 crore surged >11X, all over previous year. In its second year of effective operations, the business has delivered an industry-leading return on equity of 23% and enjoys the highest level of creditworthiness with AAA/Stable long-term debt ratings, and A1+ for its short-term debt programs.

On KTM, following the intense self-administration/restructuring process that the Company in Austria underwent earlier in the year, your Company stepped in to acquire a controlling stake and take charge of its revival. Since acquiring control in November 2025, we have worked closely with the Austrian team on capital backing, strengthening governance, reconstituting the Board, and putting in place a renewed Executive Leadership team with a clear mandate for owning/executing a roadmap that envisages a broad range of strategic actions to reboot and turnaround the business. Together, these actions are helping restore confidence among key stakeholders and laying the foundation for the Company's long-term recovery. While the turnaround remains work in progress, it is well underway, and we remain confident in the enduring strength of the KTM brand, its global customer franchise and its ability to return, over time, to the level of performance for which it has long been known.

On the Operations front, our plants continued to be guided by the principles and philosophy of TPM to achieve excellence, enhanced productivity, world-class quality, all at optimised cost. In FY2026, the Pantnagar plant was honoured with the prestigious 'Advanced Special Award for TPM Achievement' by the Japan Institute of Plant Maintenance (JIPM), and your Company received the 'TPM Excellence Award — TPM Excellent Case Study Commendation' from JIPM for the second consecutive year. Notably, Chakan-II, the youngest plant of the BAL family, successfully conducted its TPM Kick-Off ceremony during the year, taking its first step towards excellence.

Equally encouraging has been the progress made on the People front, where several initiatives are helping shape a stronger and more responsive organisation. I had mentioned Project Velocity in my previous letter to you. Over the last year, Project Velocity implementation has shown visible results in organisation-wide alignment of our objectives, enhanced cross-functional collaboration, and greater execution agility. Feedback from our engagement survey, corroborates this progress as scores related to alignment of objectives, access to leadership, timely collaboration and speed of execution have all increased, and with attributes of pride and advocacy at leading levels.

We have made concerted efforts over the years towards attracting a diverse talent pool. I am happy to share with you that currently close to 17% of our talent is women, who excel across domains – Manufacturing, R&D, Business Units and Sales, across levels. Your Company remains strongly committed to staying the course on building diversity and inclusion across the organisation.

As I reflect at the year gone by, one aspect that stands out for me is the balance your Company has maintained between performance today and preparation for tomorrow. We are not only growing our existing businesses competitively and profitably but also decisively investing behind laying the foundations for future growth and future readying the organisation.

Beyond our organisational priorities, we continue to uphold the Bajaj Group's long-standing commitment to societal development and nation-building through focused CSR interventions. As you know, Bajaj Beyond is the Bajaj Group's identity for skilling and social impact. Bajaj Auto Foundation, the CSR arm of Bajaj Auto, brings together skilling initiatives that span the education continuum—from schools, ITIs and polytechnics to engineering institutions—while maintaining a strong focus on increasing women's participation in technical fields.

It is immensely gratifying to see how this is shaping and scaling up. We have impacted over 3,000 engineering students by setting up state-of-the-art laboratories in partnership with leading institutions through the Bajaj Engineering Skills Training (BEST) initiative. Our commitment to nurturing women talent in Engineering is accelerated through the Rupa Rahul Bajaj Scholarship for Women in Engineering (RRBSWE), a ₹ 400 crore commitment that we have made over a decade. In the inaugural cohort, 506 women scholars received scholarships of up to ₹ 8 lakh, along with holistic development support. Our online learning programme, Bajaj Manufacturing Systems (BMS), has reached over 1.5 lakh ITI students. Building on this foundation, we also have a future-ready service technician programme that is generating employment opportunities for school and college dropouts, with nearly 30% women participation.

As we look ahead to FY2027, the external environment remains volatile, uncertain and complex.

Geopolitical developments, commodity inflation, supply chain disruptions and shifts in global trade dynamics are creating challenges in the operating environment, that are particularly pronounced as we start the new financial year. At the same time, the opportunities before us across markets and segments remain very significant and offer substantial headroom for growth.

India continues to be one of the world's fastest growing major economies, with almost unparalleled long-term potential across both domestic consumption and electric mobility.

The uptick/rebound across overseas markets augurs well for your Company that is a foremost exporter from the country and a shining example of a Company that not just Makes in India for India but also Makes in India for 100+ countries the world over.

Accordingly, our priorities for the year ahead remain clear:

1. Strengthening competitiveness in the strategically important 125cc+ domestic motorcycle segment through brand/product interventions and sharper in-market execution
2. Accelerating momentum on KTM and Triumph brands, given the step change in their growth trajectories
3. Turbo charging Chetak while driving its strong product proposition, market leadership and improved profitability

4. Sustaining our unparalleled competitive position on commercial vehicles whilst decisively expanding segment leadership in electric three-wheelers and scaling up our recent foray into e-rickshaws
5. Stepping up exports even further given the recovery across key international markets, whilst navigating the challenges/disruptions in global logistics
6. Derisking supply constraints through capacity expansion (particularly for the electric portfolio and premium bikes) along with development of alternate materials/sources
7. Continuing to invest sufficiently behind differentiated product innovation, impactful brand activation and superior customer experience
8. Scaling up strategic growth enablers including Bajaj Auto Credit (vehicle financing) and Bajaj Auto Technology (R&D)
9. Staying the course on the strategic actions to drive the turnaround of KTM and its return to sustainable financial performance
10. Maintaining the focus on dynamic P&L and performance management to drive consistent, competitive and profitable growth against the backdrop of emerging challenges in the operating environment

As we celebrate 100 years of the Bajaj Group, this moment is also an opportunity to acknowledge the values that have guided us through generations — integrity, trust, courage, entrepreneurship and commitment to nation-building.

India itself has transformed dramatically over this century. To have participated in that journey in some measure — by creating high quality products, generating employment, serving customers across the world and contributing to the country's industrial and societal progress — is both a privilege and a responsibility that we deeply value.

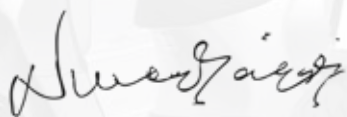
On behalf of all our shareholders, I extend my appreciation to our Managing Director and CEO, Rajiv Bajaj, for his leadership, to the management team, and to every member of the Bajaj Auto family across plants, offices, and geographies whose commitment and efforts power the organization every single day. I congratulate all of them for delivering a record performance yet again.

I also wish to acknowledge the integral contribution of our partners, our vendors, distributors, dealers, service providers and many more in the wider ecosystem who stand shoulder to shoulder with us in serving millions of customers across India and the world. I thank all of them and would like them to know we deeply appreciate these relationships.

And finally, to you, our shareholders — thank you for your unwavering trust and encouragement through the years. It means a lot.

As we step into the next century of the Bajaj journey, we do so with confidence, humility and a deep sense of responsibility to continue creating enduring value for all our stakeholders.

Yours sincerely,



Niraj Bajaj
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

According to the IMF's World Economic Outlook (April 2026), global growth is projected at 3.1% in 2026, increasing marginally to 3.2% in 2027, supported by easing inflation and stable financial conditions. Global headline inflation is forecast to decline from 4.4% in 2026 to 3.7% in 2027. However, the external environment remains fragile, with intermittent flare-ups in trade policy and geopolitics continuing to shape risk sentiment and capital flows.

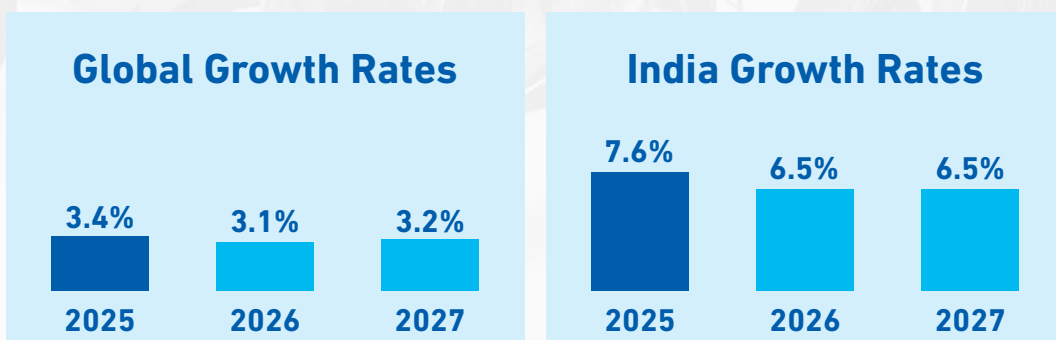
Geopolitical risks have intensified, particularly due to escalating tensions in the Middle East, including Iran-related developments, which pose upside risks to energy prices and could reignite global inflationary pressures. Simultaneously, US-China trade relations remain uncertain, shaped by selective tariff adjustments, export controls in strategic sectors such as semiconductors and rare earths, and evolving bilateral arrangements.

Against this backdrop, India continues to exhibit 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 7.6% expansion in 2025. India remains the fastest-growing major economy, underpinned by resilient domestic demand, with private final consumption expenditure accounting for nearly 56% of GDP in FY2026, according to the second advance estimates released by the Ministry of Statistics & Programme Implementation (MoSPI).

For FY2026 and up to now, 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 3.4% in March 2026, well below the inflation target band. In response, the RBI initiated a calibrated easing cycle, cumulatively reducing the repo rate from 6.0% to 5.25% by April 2026 to support growth while maintaining macroeconomic stability.

On the external front, the current account deficit narrowed to 0.8% of GDP in the first half of FY2026, supported by strong services exports, providing a buffer against global volatility.

Against this macroeconomic backdrop, Bajaj Auto Ltd. (BAL) continued to demonstrate resilient operational and financial performance, supported by strong domestic demand, benefits arising from GST rationalisation, sustained export recovery, and continued premiumisation across segments. Here are some data.





BAJAJ AUTO'S FINANCIAL PERFORMANCE FY2026

Recorded highest ever:

Revenue from operations

₹ 58,732 crore

growth of 17.4%

Earnings before interest, tax, depreciation, and amortisation (EBITDA):

₹ 12,019 crore

growth of 19.0%

Profit before tax (PBT)

₹ 13,072 crore

growth of 18.3%

Profit after tax (PAT)

₹ 9,825 crore

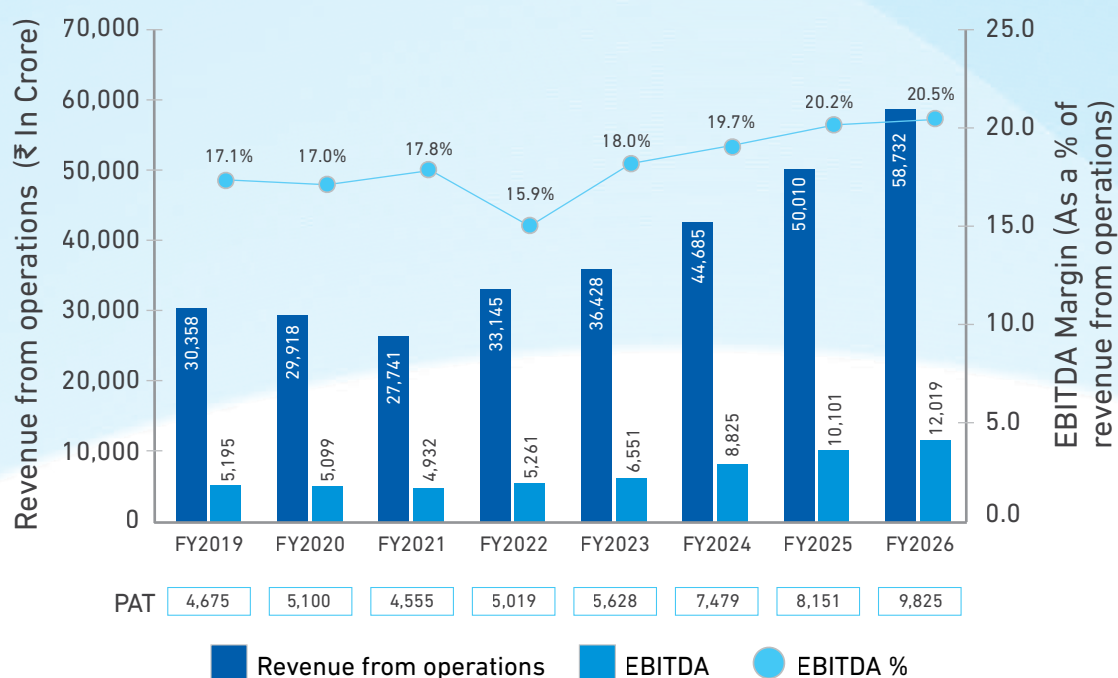
growth of 20.5%

EBITDA margin was at 20.5% — up 30 basis points versus the previous year.

Surplus cash and cash equivalent as on 31 March 2026 at ₹ 18,137 crore, which was 6.7% more than previous year, after investing ~ ₹ 500 crore in CAPEX, ₹ 2,300+ crore in strategic bets (BACL and BAIH BV) and ~ ₹ 5,900 crore to shareholders as dividend.

The Board of Directors have recommended a Final Dividend of ₹ 150 per share and Share Buyback through tender offer route. The combined payout from the dividend and buyback amounts to ₹ 9,825 crore, equivalent to 100% of the Profit after tax for the year.

Chart A: Revenue, EBITDA, Margin % and Profit after Tax



Domestic Motorcycles

The domestic motorcycles industry recorded growth of 6.6% in FY2026, totaling approximately 13.1 million units, the highest since FY2019. It was, however, a year of two distinct halves. The April–August period was largely flat, with the industry recording a marginal decline as consumer demand remained subdued. The GST rationalisation in September 2025 reducing the rate on motorcycles up to 350cc from 28% to 18%, triggered a brief pause ahead of price cuts, followed by a sharp acceleration in the second half, with the festive season delivering record retail performance and broad-based double-digit industry growth through year-end. Bajaj Auto’s motorcycle business unit delivered its all-time high retail performance in the festive period.

To contextualise the Company’s performance within the broader domestic motorcycle industry, Table 1 presents a five-year comparative analysis of market volumes, Bajaj Auto’s sales growth, and market share trends.

Table 1: Domestic Sale of Motorcycles (in numbers)

Year ended 31 March	Market (nos.)	Market growth	BAL (nos.)	BAL’s growth	BAL’s market share
2022	8,984,186	-10.3%	1,632,897	-9.7%	18.2%
2023	10,230,502	13.9%	1,769,575	8.4%	17.3%
2024	11,653,237	13.9%	2,121,491	19.9%	18.2%
2025	12,252,305	5.1%	2,031,066	-4.3%	16.6%
2026	13,064,789	6.6%	2,043,316	0.6%	15.6%

Pulsar's Record Year**₹ 11,000 Cr+****Domestic Revenue****KTM-Triumph Delivered****1.30 lakh+ units****Highest-ever Domestic Sales**

As can be seen, Bajaj Auto's domestic motorcycle sales in FY2026 grew by 0.6% to marginally over 2 million units. The Company's share in the domestic motorcycle market declined from 16.6% in FY2025 to 15.6% in FY2026, driven by varying growth dynamics across segments and heightened competitive intensity, particularly in the entry and mid-commuter categories.

Bajaj Auto continues to remain committed to growing its 125cc+ segment which is of strategic importance to the Company and the segment now contributes 77.5% of total motorcycle sales. During the year, the Company has undertaken a series of pricing and product interventions, including the revamp and expansion of the Pulsar portfolio, to strengthen competitiveness and improve market penetration across key segments.

Key Highlights

- Domestic motorcycle revenue reached a new peak, driven by double-digit growth in the sports segment, with the highest-ever volumes recorded for the strategically important 125cc+ segment.
- Pulsar scaled new heights, surpassing ₹11,000 crore in domestic revenue (>₹16,500 crore globally) and achieving record global volumes, powered by a series of product refreshes and sharp in-market activation.
- KTM-Triumph duo delivered highest-ever sales of over 1.30 lakh units domestically, reflecting the strength of an expanded premium portfolio.
- KTM-Triumph expanded its portfolio with the launch of the Duke 160 and RC 160 at the accessible end in KTM, while the Modern Classics range was further strengthened with the Thruxton 400.
- KT Showrooms - a new joint KTM-Triumph retail format were rolled out this year, with 80 operational outlets, creating a distinctive premium buying experience under one roof.

Urbanite (Chetak EV)

The year was split into two halves for the Chetak business. Non-Availability of rare earth magnets, a consequence of export restrictions from China, created supply disruption in the first half, constraining volumes even as consumer demand remained strong. Bajaj Auto Technology Limited responded by developing alternate motor designs using light rare-earth magnets and establishing alternate geographic sources, restoring supply by end-September 2025. Despite the headwinds in H1, Chetak posted its highest ever billing and retail volumes for the full year and has crossed 7 lakh cumulative units since inception. Table 2 gives the data on domestic sales.

Table 2: Domestic Sale of Chetak EV (in numbers)

Year ended 31 March	Domestic Sale (nos.)	Growth
2020	212	
2021	1,395	558%
2022	8,187	487%
2023	36,260	343%
2024	1,15,702	219%
2025	2,60,033	125%
2026	3,02,674	16%

Launch of

Chetak C25

entering into a more accessible segment

Chetak crossed

7 Lakh

Cumulative sales since inception

Key Highlights

- Launch of Chetak C25 expanded the portfolio into a more accessible segment, broadening appeal across the spectrum of customers, families- youth, women and young couples—who value its robust build, reassuring ride feel and longevity.
- Chetak remained firmly positioned among the top two electric scooter brands, with market share inching up to 20.7%, +60 bps YoY.
- Strengthened the retail footprint with over 500 exclusive Chetak Experience Centres and more than 4,000 touchpoints across the country.

Domestic Three-Wheelers

FY2026 was a landmark year for the business, with volumes crossing the 5-lakh mark for the first time. The Company maintained its undisputed leadership in the domestic ICE three-wheeler market with an overall market share of 73.8%, including 79.1% in passenger carriers and 52.5% in goods carriers. Leadership in the CNG segment strengthened further, with market share increasing by 70 bps to 87.9%. In the electric three-wheeler segment, the Company exited the year with pole position in the segment supported by widest portfolio and service footprint in the country.

The quantitative performance in this segment is highlighted in Table 3.

Table 3: Domestic Sale of Three-Wheelers (in numbers)

Year ended 31 March 2026	Passenger vehicles	Goods Carrier	Total
ICE Three-Wheelers			
Industry sales	4,60,839	1,14,650	5,75,489
Bajaj Auto sales	3,64,723	60,165	4,24,888
Bajaj Auto market share	79.1%	52.5%	73.8%
Source: SIAM, Company			
EV Three-Wheelers (L5)			
Industry sales	2,37,328	32,598	2,69,926
Bajaj Auto sales	84,846	5,496	90,342
Bajaj Auto market share	35.8%	16.9%	33.5%
Source: Vahan			
EV Three-Wheelers (L3)			
Bajaj Auto sales	2,214	62	2,276

Volumes Crossed

5 Lakh

mark for the first time

New Brand Launch

Riki (E-rick & E-Kart)

Entry in the E-rickshaw Market

Key Highlights

- Bajaj Auto exited the year with the pole position in the E3W (L5) segment, achieved within three years of entry.
- Launched the 'WEGO' brand across the electric three-wheeler segments, including the industry's largest E3W offering India's highest certified range in its segment.
- Entered the E-rickshaw (L3) category with the 'Riki' brand through launch of E-Rick and E-Kart, featuring superior product attributes and expanding to over 100 cities to drive the next wave of growth.

International Business

FY2026 has been an outstanding year for Bajaj Auto's international business, with volumes surpassing 2 million units, making the best annual performance since the record year of FY2022, while revenues reached an all-time high. Table 4 track Bajaj Auto's export performance.

In FY2026:

- Bajaj Auto sold 2.25 million units versus 1.86 million units in the previous year — a growth of 20.8%.
- Exports surpassed 2 lakh units monthly mark in October 2025 after 39 months.
- Both two-wheelers and commercial vehicles saw robust growth — the former grew by 17.5% and the latter by an impressive 49.2%.
- The LATAM region recorded the best ever year.

Table 4: Export Volume and Value for Bajaj Auto

	FY2026	FY2025	Growth
Units			
Two-wheelers	19,67,810	16,74,060	17.5%
Commercial Vehicles	2,82,373	1,89,221	49.2%
Total numbers	22,50,183	18,63,281	20.8%
Exports in ₹ (crore)	20,416	16,254	25.6%
Exports in USD (million)	2,253	1,875	20.2%

Motorcycle exports:

- Bajaj Auto maintained No. 1 position in the top 9 out of 15 key export markets.
- While motorcycle exports for the industry as a whole grew by 10% in FY2026 compared to the previous year, BAL registered a growth of 17%, well outpacing the industry.
- East Africa and South Asia were the biggest growth drivers with volume growth of 54% and 36% respectively.
- Pulsar with 18% growth and CT with 34% growth reported their highest ever exports.

Commercial vehicles exports:

- Leadership position was maintained in 11 out of 12 key export markets.
- Industry-wide exports in FY2026 increased by 44%, while Bajaj Auto's grew by 49%.
- Asia and West Africa regions have registered steep growth of 65% and 128% respectively.
- Countries contributing to export growth were Sri Lanka, Nigeria, Ghana, Myanmar, Colombia, Peru and Cambodia.

Sold

2.25 Million

units - growth of 20.8% YoY

Exports crossed

2 Lakh

units in Oct 2025 after
39 months

Outlook

We remain committed to strengthening our presence and delivering excellence across all segments we operate in. Our priorities for the coming year are multi-faceted. A key focus will be on deepening our competitiveness in the strategically important 125cc+ motorcycle segment. In the electric three-wheeler space, we aim to sustain and build on our market leadership under the WEGO brand, with the longer-term intent of mirroring the scale of leadership we have achieved in the ICE category. Chetak is expected to scale up through its recent launches, with the intent to grow market share in the electric two-wheeler segment. We expect export momentum to sustain, supported by improving macro-economic conditions across our key markets. Our premium global portfolios under KTM and Triumph will continue to be nurtured and expanded to further strengthen our international market positioning. With respect to KTM AG, we will continue to support its management in the turnaround, which is well underway, with the aim to bring back KTM to its original performance levels in due course. We will continue to build capability and now leverage scale in Bajaj Auto Credit to deliver an industry-class-leading performance. Throughout this journey, we remain mindful of margin pressures arising from an increasing commodity pressure, and our task will be to balance growth and profitability in the most optimal way through robust operational management.

Risk & Opportunities

In an environment of evolving complexities, our approach to risk management is both proactive and opportunity oriented. We recognise that the external environment is dynamic — whether it is geopolitical tensions, evolving regulatory and macroeconomic conditions in export markets, inflationary pressures on key input commodities, supply-chain vulnerabilities including disruptions in the availability of heavy rare earth magnets that we encountered during the year, currency volatility, or technological disruption - such risks must be continuously scanned and anticipated. Guided by our robust Enterprise Risk Management (ERM) framework, we take a structured approach to identifying, assessing and governing these risks across the organisation - the steps taken to develop alternate sources for heavy rare earth magnets during the year being one such example of how emerging risks are acted upon before they escalate into material concerns. Equally, we strive to convert uncertainties into strategic advantage — by developing response plans that not only mitigate threats but also position us to capture high-value opportunities through proactive response strategies and integrated business decision-making. This dual-focus approach enables us to navigate uncertainty, safeguarding what we have built while remaining alert to the opportunities that a dynamic environment continuously presents.

Internal Control system and their adequacy

Bajaj Auto has established a comprehensive Internal Financial Control (IFC) framework to ensure the integrity, reliability and compliance of our financial reporting and operations. In accordance with Section 134(5)(e) of the Companies Act, 2013, and the SEBI (LODR) Regulations, management annually assesses the design and operating effectiveness of these controls, affirming their adequacy in supporting orderly business conduct and safeguarding assets.

Aligned with globally recognised frameworks such as COSO and ICAI guidance, Bajaj Auto's IFC system encompasses a robust control environment, risk assessment, control activities and ongoing monitoring. The Company maintains a disciplined process for documentation and periodic testing through an independent team. Findings are reported to the management, with a focus on the timely remediation of any identified gaps.

The Company's statutory auditors have reported no material weaknesses or significant deficiencies, underscoring the reliability of our financial disclosures. While no system provides absolute certainty, our framework is designed to manage inherent limitations through continuous enhancements and policy updates.

R&D AND TECHNOLOGY ABSORPTION

Processes

R&D reorganised itself to align teams with the key business segments Bajaj Auto operates in, with a flatter structure for greater agility and expanded teams in design, analysis and validation. Several new test and prototyping facilities were added during the year. The IP portfolio continued to grow through patent filings across Powertrain, Vehicle and Integration domains, along with design registrations for new vehicle designs.

Notable technologies introduced during the year included E100 Flex Fuel homologation — enabling a vehicle to run on any blend from pure gasoline to 100% ethanol while meeting BS6 OBD2B emission standards — and Advanced Rider Assistance features such as Cornering ABS, traction control and quick shifter across products.

Products

Key product introductions during FY2026 spanned all segments:



KTM

Duke 160

In the KTM lineup the Duke 160 was introduced in July 2025. It is the most affordable Duke which retains the Duke stylish and sharp character of a naked sports bike. The lightweight chassis and responsive 19 Ps engine delivers thrilling acceleration and is perfect for city commutes as well as weekend getaways. It also features a 5" TFT with full functionality including connectivity and TBT navigation.



Adventure 390 R

On popular demand from domestic market, the Adventure 390 R was launched in India in January 2026. The bike uses 21"/18" extruded alloy spoke wheels. It has longer 230 mm suspension travel at both front and rear with a 272 mm ground clearance.

TRIUMPH

Thruxton 400

Thruxton 400 is a contemporary racer with its design inspired from the iconic Thruxton line, that blends modern performance with a classic character. Its advanced aerodynamics, clip-on handlebars and a rear set footpeg position deliver an engaged riding posture. The engine has been re-tuned for higher performance to deliver 42 Ps. The dedicated chassis along with optimised suspension enables a sporty riding experience that emphasises speed.



Tracker 400

The Triumph Tracker 400 was launched in the export markets in March 2026. It is an all-new model joining the classic range of Triumph. It has a bold style and attitude designed to directly appeal to younger riders. It is powered by the higher performance variant of the TR series engine which provides exciting acceleration and throttle response.



New GST Norms

During the year, the Government of India revised the GST rates applicable to motorcycles, reducing the rate from 28% to 18% for motorcycles with engine capacities of up to 350cc and increasing the rate from 28% to 40% for motorcycles above 350cc. In response to this change, the Company accelerated a product development programme to replace its 400cc motorcycle production line up with sub-350cc variants across relevant platforms while retaining the core performance and riding characteristics of the higher-displacement products. The programme was completed within approximately six months and encompassed design, tooling, validation and production readiness.

PULSAR

The Pulsar 150cc and 125cc were upgraded with LED headlamp and LED blinkers in December 2025 giving them a contemporary look, with new graphics and state of the art lighting.

Pulsar 125



Pulsar 150



EVs

Chetak C25

This new variant of Chetak is designed to complement the Chetak series by improving accessibility and affordability. The C25 has lower kerb mass, lower centre of gravity and lower seat height which enable the scooter to be ridden by youngsters, women and older people. It has a range of 113 kms on a single charge; and a large 750w charger that allows full charge in less than 4 hours. C25 is capable of climbing steep urban inclines with its capability of 19% gradeability with double seat & supported by a hill hold assist for total control.



WEGO

The Bajaj WEGO brand of electric commercial vehicles was launched to better align the brand to the three-wheeler EV segment. WEGO brand was launched as the biggest last mile transport variant with the largest battery capacity on a 3wh. It is being joined by the WEGO P 5009 and WEGO P 7012. These modes come with a wider scudo for better driver ergonomics. Currently, the WEGO brand encompass all segments of the EV three-wheeler.



Riki

The all new Bajaj E-Rick and E-Kart twins were launched in July 2025 and December 2025, respectively under the brand Riki. These herald the entry of Bajaj into the last mile ticketing market, with unique propositions. Both variants have a distinct form identity very different from the conventional E-rickshaws in the market. It is a blend of modern automotive styling along with practicality. The vehicle features modern dashboard and attractive interiors, twin headlamp for improved night visibility, best-in-class Driver ergonomics as well as passenger space, and low step-in-height and easy ingress and egress. Bajaj E-Ricks delivers over 120+ km of real-life vehicle running range using efficient drive train & Battery packs and utilizing Brake Regeneration capabilities. They have more durable monocoque Chassis with Corrosion protection that ensures no perforation life of more than 5 years.



E-Rick



E-Kart

Operations

TPM

Bajaj Auto's 'back end' consists of its manufacturing, engineering, development and materials functions. The principles and philosophy of TPM guide and align these functions to achieve excellence, enhanced productivity, world-class quality, all at optimised cost. 'The TPM way' has been successfully expanded to BAL vendors, dealers and international distributors with an aim to create and nurture excellence.

Bajaj Auto's TPM at Operations

In FY2026, Chakan-II, the youngest plant of BAL family successfully conducted its TPM Kick-Off Ceremony, thus taking the first step towards excellence.

During the year, the Pantnagar plant was honoured with the prestigious 'Advanced Special Award for TPM Achievement' by the Japan Institute of Plant Maintenance (JIPM). Bajaj Auto also received 'TPM Excellence Award - TPM Excellent Case Study Commendation' from JIPM for the second consecutive time. The Chakan plant has been already conferred with the award for 'World Class TPM Achievement' in 2024.

Vendor TPM Activities

In FY2026, 42 of our vendor partners have been honored with 'JIPM-TPM Excellence Award' up to FY2026. Groundwork done by Bajaj Auto and its vendors for TPM implementation and 'Bajaj TPM Excellence Awards' to 87 vendors are testimonies of the strong alignment between BAL and its vendors in embracing TPM. Our TPM practicing vendors have extended the practices down the supply chain to their Tier-II vendors.

TPM in Dealer Service and Overseas Distributor Plants

The TPM philosophy has been widened across the BAL supply chain, encompassing our dealer network in India as well as international distributors across the globe.

Bajaj Auto started TPM implementation at international distributor plants six years earlier. As of FY2026, 25 distributor plants have been practicing TPM over the years. These plants are now experiencing major improvements in productivity, first-time-right quality and optimisation in cost parameters. Six of our distributor plants have qualified for the 'BAL TPM Award'. In FY2026, one of our distributors in Nigeria has qualified for the 'BAL TPM Excellence Award'.

On the domestic front, as on 31 March 2026, we had 1,237 dealerships practicing TPM and 917 dealerships that secured the 'BAL TPM Award'.

Capacity and Employee Strength

Table 5: Plant-wise capacities (in units per annum)

Plant	As on 31 March 2026	Product Range	
Waluj	Motorcycles	2,700,000	Boxer, CT, Platina, Discover, Freedom, Pulsar
	Commercial Vehicles	1,020,000	Passenger Carriers, Goods Carriers, Quadricycle
Chakan 1	Motorcycles	900,000	Pulsar, Avenger, Dominar
Chakan 2	Motorcycles	300,000	KTM, Husqvarna, Triumph
Chakan 1/Akurdi	Scooters	480,000	Chetak, Yulu
Pantnagar	Motorcycles	1,800,000	CT, Platina, Freedom and Pulsar
		7,200,000	

Employment

As of 31 March 2026, BAL's employee strength stood at 8,073. This excludes Bajaj Auto Technology Limited's employee count of 496. The number of women employee has increased by 15% from 618 in FY2025 to 708 in FY2026 with almost 66% of the women working in manufacturing plants and engineering functions.

Human Resources (HR)

FY2026 was a transformative year for Bajaj Auto, focused on building a leaner, more agile, and future-ready organisation.

Bajaj Auto Technology Limited (BATL) has further strengthened its technology capabilities by expanding its presence through a dedicated design centre at Bengaluru.

Our key focus pillars for this year are as follows:

Attracting and Retaining Top Talent

We continued to strengthen our focus on attracting top talent through increased engagement with premier campuses. Our strong employer brand was validated by our rankings in

- (1) TIME Magazine and Statista's World's Best Companies 2025,
- (2) TIME Magazine and Statista's India's Best Employers 2025, and
- (3) Forbes and Statista's World's Best Employers 2025.

Our LinkedIn community also grew nearly 15 Lakh followers, reflecting stronger online presence.

Programs like TORQ, OHM, and Veni Vidi Vinci help us attract thousands of the brightest minds from India's top engineering and design schools. Nearly two out of five hires in the Graduate Trainee Engineer intake are women.

Bajaj Auto Credit Limited (BACL) strengthened its talent pipeline through multi-entry campus programs and 100+ B-School partnerships. Digital-first initiatives like BANK and Aarambh enabled pan-India talent sourcing and a steady flow of skilled professionals.

Learning and Development: Empowering Every Employee

We strengthened our leadership development through focused coaching and mentoring interventions.

To further strengthen a culture of learning, the Learning and Education Assistance Policy (LEAP) was expanded to include international institutions such as Stanford University, Massachusetts Institute of Technology (MIT), Nanyang Technological University and world-class Indian institutions such as IISc Bengaluru, IIT Bombay & IIT Kharagpur.

We extended the Bajaj Online Learning Tool (BOLT), our learning experience platform, to over 5,300 non-managerial employees. BOLT's success is evident, with 80% of employees logging in within two months, ensuring they stay relevant in a rapidly changing environment.

Innovation: Driving Our Future

Innovation is a key theme in our learning strategy. Our flagship technology conference, InnoVision, themed 'AI and Data: Engines of Future Mobility', brought together global experts and internal teams to explore emerging technologies shaping the future of transportation. The Ideathon Challenge, as part of InnoVision, saw a 4x increase in team registrations.

In parallel, the APEX AI/ML capability-building program was launched for all managerial employees, reaching over 1,000 participants and reinforcing AI as a core organisational competency.

Improving Employee Experience, Well-Being and Engagement

PULSE, our annual employee engagement survey, was conducted for the fourth consecutive year, with 98% participation and a record-high engagement score of 93%. The survey was extended to Bajaj do Brazil and BACL, achieving 100% employee coverage across subsidiaries. These outcomes reflect our continued action on employee feedback, including focused actions to enhance leadership accessibility and support employees through work-from-home and flexible working hour policies.

In FY2026, we expanded well-being initiatives through our Employee Assistance Program (EAP) — offering doctor consultations and healthcare resources for employees and their families. We also organised targeted interventions for women, including financial awareness sessions, development programs (up!SWING, 1000 Women Leaders Program, and up!SURGE), and mental wellness initiatives.

ESOP: Building a Shared Future

Our Employee Stock Option Plan (ESOP) continues to be a success for our employees. Extended to all managerial employees in 2024, it helps ensure deeper alignment with the company's long-term success.

100 Years
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DOMINAR

DOMINAR 400

Corporate Social Responsibility (CSR)

Within CSR, Bajaj Auto is building competence around selected areas that help focus on large-scale impact. Some of the key CSR initiatives are:

Skilling Initiatives

A. Bajaj Engineering Skills Training (BEST)

Bajaj Engineering Skills Training (BEST) provides best-in-class manufacturing skills training to young engineers. It is implemented in partnership with India's top engineering institutes by setting up state-of-the-art laboratories with world-class industry grade equipment procured from across the globe.

In FY2026, over ₹ 120 crore was spent towards the BEST initiative by partnering with over 20 top educational institutes, including NITs. As of now, BEST has 10 operational centres with 1,860 students certified and with a capacity to train over 3,000 students annually.



SMT Assembly Line in the BEST-Electronic Manufacturing Systems vertical at SASTRA University



Hands-on training in the Firmware Testing Lab, equipping BEST students with future-ready skills

B. Bajaj Service Technician Excellence Program (STEP)

STEP aims to train freshers, 10th pass and above, seeking short-term vocational training to enhance their skills and career prospects in two- and three-wheeler repair and maintenance, under ICE, CNG, and EV categories. The program has a pan-India presence. It provides 80% hands-on training, teaches TPM and soft skills through the Bajaj Online Learning and Discovery (BOLD) platform and connects trainees to jobs via the Talent BRIDGE platform.

The STEP program delivered four courses at 18 centres across nine states, with 750 students enrolled and 154 already certified. It plans to scale up to 60 centres pan-India and train 10,000 students annually.



Women building expertise in EV servicing at the STEP Centre



Students certified in STEP, excelling in automobile service

C. Bajaj Manufacturing Systems (BMS)

Bajaj Manufacturing Systems (BMS) equips youth from ITIs, polytechnics, and technical institutes with industry-relevant manufacturing knowledge through a three-month online certification program.

In FY2026, BMS reached 1,698 ITIs & institutes across five states, certifying over 1 lakh students. It has been horizontally deployed across all BEST and STEP centres and is planned to be expanded to 13 states across 3,000-plus institutes.



Students completing the BMS course at an ITI, advancing their employability



BMS students receiving certificates at Government ITI in Karnataka for successful course completion

D. Bajaj Sakhi Skills Kendra (SSK)

SSK empowers women through skill development, fostering financial independence and self-reliance. Located near plant locations, these centres provide specialised training aligned to local market demand, such as tailoring, beautician services, and nursing assistance, alongside soft skills, digital literacy, and financial awareness.



Building pathways for women's careers through vocational training at SSK

Programs under Education

A. Rupa Rahul Bajaj Scholarship for Women in Engineering (RRBSWE)

RRBSWE empowers meritorious young women pursuing core engineering from select 40 leading institutions — including IIT Madras, IIT Bombay, IIT Kharagpur, NIT Trichy — through financial support of up to ₹ 8 lakh.

It is India's only scholarship dedicated to women in core engineering (mechanical, electrical, electronics, etc.); and it goes beyond funding to provide continuous engagement through mentoring, industry exposure, leadership, life skills development, and a strong alumni network.

In its first cohort of FY2026, RRBSWE awarded scholarship to 506 students. It aims to empower 2,000 women engineers in the next four years.



Rupa Rahul Bajaj Scholars receiving honours that celebrate merit and potential

B. STEM Education Support

This initiative empowers underserved students, especially girls, with accessible hands-on STEM education through community and school-based learning centres. Combining academic support with experiential learning, it features dedicated STEM labs, trained facilitators, structured curriculum, and continuous assessments to drive outcome-focused learning.

In FY2026, the initiative impacted 15,889 students in 16 community learning centres and 17 school learning centres.



Students from our STEM Education Program won accolades at the World Skills Challenge 2025

C. Promotion of Science and Technology

Dedicated to engaging and inspiring youth with the wonders of scientific exploration, this initiative with Foundation for Advancing Science & Technology (FAST) works to bridge the divide between science practitioners and the wider community through year-round initiatives, including fellowships, competitions, policy dialogues, research outputs, and the flagship India Science Festival.

In FY2026, the initiative engaged approximately 35,800 participants.

D. Promotion of Sports through Value based Education in Schools

The Sports School Programme with the Abhinav Bindra Foundation Trust (ABFT) promotes holistic child development by integrating sports with school education, based on the Olympic Values Education Programme (OVEP). Teachers are trained in OVEP-based pedagogy to ensure sustained impact in schools.

In FY2026, 19,663 teachers were trained across 5 states/union territories.

Programs under Environment Sustainability

A. Rupa Rahul Bajaj Centre of Environment and Arts (RRBCEA)

RRBCEA located at the Empress Garden in Pune, fosters environmental awareness and education through innovative art forms, nature walks, workshops, and sustainability programs for all age groups.

In FY2026, it conducted over 50 events, engaging close to 3,000 participants.

B. Animal Welfare

Canine Care and Control (CCC), an organisation focused on sterilisation of dogs and cats to control its population completed 7,643 surgeries and vaccinations in FY2026.

In collaboration with Blue Cross Society (BCS), free/low-cost treatment was provided to 11,012 dogs and cats at their outpatient department (OPD) and inpatient department (IPD).

Programs under Health

A. Holistic and Integrative Wellness

PRANA delivers accessible, integrative wellness services to communities through a multidisciplinary approach combining homoeopathy, osteopathy, acupuncture, yoga, nutrition and ayurveda massage therapy.

In FY2026, it served around 1,900 beneficiaries with 48,910 total sessions across therapies. It plans to impact over 3,000 people annually through expanded beds, OPDs, digital tools, and camps.

B. Affordable Multi-Specialty and Transplant Care

The Muktaashram Trust Healthcare Facility is a state-of-the-art hospital delivering comprehensive and affordable medical services, ranging from general surgery to advanced multi-organ transplants. Spanning approximately 1 lakh sq. ft., the facility is designed to address diverse healthcare needs with a strong focus on quality, accessibility, and patient-centric care, supported by modern technology and clinical excellence.

C. Breast Cancer Research

The Prashanti Cancer Care Mission (PCCM) is dedicated to the knowledge and support for breast cancer patients. In FY2026, PCCM delivered 565 counselling sessions across 118 preventive clinics, collected 298 patient samples for research, produced 13 publications, hosted 36 webinars/workshops and conducted eight community awareness talks.

IT and Digital Initiatives

During the year, Bajaj Auto advanced its digital journey by bringing together its digital and IT capabilities into a unified organisation. This integration enables the Company to leverage common platforms, processes and talents at the required scale — thus driving greater consistency, faster execution and more effective delivery of technology-led initiatives.

In the course of the year, Bajaj Auto laid the foundation for leveraging AI in ways that are aligned to its business priorities. This exercise is anchored around three key areas:

- First, enhancing access to relevant data across the organisation to enable deeper and more reliable insights.
- Second, building the capability to develop and deploy digital solutions with greater speed and effectiveness.
- Third, enabling technology-led actions and automation to drive measurable outcomes across business processes.

Together, these initiatives position Bajaj Auto to leverage AI as an embedded capability across its operations — one that supports better decision-making, improved efficiency and enhanced customer outcomes.

A comprehensive refresh of the Bajaj Auto's digital presence has also been initiated, aimed at enhancing customer engagement, improving discoverability and aligning its platforms with evolving user expectations.

Financials

Table 6 gives the summarised standalone profit and loss statement of Bajaj Auto.

Table 6: Summarised Standalone Profit and Loss Statement, FY2026

(₹ In Crore)

Particulars	FY2026	FY2025	Growth%
Operations			
Revenue from contract with customers	56,114	48,247	16.3%
Other operating revenue	2,618	1,763	
Revenue from operations	58,732	50,010	17.4%
Cost of materials consumed, net of expenditures capitalised	41,113	35,287	
	70.0%	70.6%	
Stores and tools	196	199	
	0.3%	0.4%	
Employee cost	1,662	1,577	
	2.8%	3.2%	
Factory, administrative and other expenses	1,831	1,399	
	3.1%	2.8%	
Sales and after sales expenses	1,911	1,447	
	3.3%	2.9%	
Total expenditure	46,713	39,909	
Earnings before interest, tax, depreciation and amortisation (EBITDA)	12,019	10,101	19.0%
	20.5%	20.2%	
Interest	36	68	
Depreciation & amortisation	448	400	
Operating profit	11,535	9,633	19.7%
	19.6%	19.3%	
Non-operating income	1,563	1,421	
Less: Non-operating expense	2	2	
Non-operating income, net	1,561	1,419	
Profit before tax and exceptional item	13,096	11,052	18.5%
Exceptional item (Income)/Expense	24	-	
Profit before tax	13,072	11,052	18.3%
Tax expense	3,262	2,690	
Tax expense (exceptional item)	(15)	211	
Profit after tax	9,825	8,151	20.5%

The Company's surplus funds are invested in (i) fixed income securities rated A1+ and equivalent for short term investments, (ii) AA+ and above rated securities for long term investments, and (iii) fixed deposits with banks and finance companies.

As required for listed companies by SEBI, Table 7 gives the key ratios.

Table 7: Bajaj Auto's Key Financial Ratios, Standalone

Particulars	FY2026	FY2025
Debtors Turnover Ratio	22.47	21.91
Inventory Turnover Ratio	19.10	19.34
Current Ratio	1.71	1.49
Operating Profit Margin	19.6%	19.3%
Net Profit Margin	16.3%	15.8%
Debt-Equity Ratio	0.00	0.02
Return on Equity	29.3%	28.6%

Subsidiaries

Bajaj Auto International Holdings BV (BAIH BV)

BAIH BV is a 100% Netherlands based subsidiary of Bajaj Auto Limited. Over the years, through this subsidiary, Bajaj Auto Ltd has invested a total of €323 million (₹ 2,421 crore) and holds 100% stake in Bajaj Auto International Holdings AG.

During the year, BAL supported the restructuring of KTM AG and two of its subsidiaries by arranging an equity and debt package of €880 million primarily to fund the payment of cash quota to creditors and to revive operations.

Subsequently, upon receipt of all necessary regulatory approvals, BAIH BV acquired sole controlling stake in Pierer Bajaj AG and subsequently renamed the entity to Bajaj Auto International Holdings AG. Following this transaction, BAIH BV now holds 100% stake in Bajaj Auto International Holdings AG, which in turn holds 74.94% stake in Bajaj Mobility AG (formerly PIERER Mobility AG). Bajaj Mobility AG (BMAG) holds 100% stake in KTM AG and is listed on the SIX Swiss Exchange and Vienna Stock Exchange.

As a result, Bajaj Auto International Holdings AG, Bajaj Mobility AG and KTM AG have become step-down subsidiaries of Bajaj Auto Limited.

Consequent to the change in ownership structure, the Supervisory and Management Boards of the entities were reconstituted. In February 2026, KTM AG secured a refinancing facility of €550 million for a tenure of five years from consortium of banks. The proceeds of this facility were utilised to prepay the loan extended by BAIH BV.

For the calendar year 2025, Bajaj Mobility AG reported a consolidated revenue of €1,009 million with motorcycle sales of 209,704 units. BMAG reported EBITDA of €874 million, EBIT of €748 million and net profit of €590 million supported by a restructuring gain of €1,193 million.

On the motorsport front, 2025 was the most successful year in the KTM's history, with 29 championship titles across the KTM, Husqvarna Motorcycles and GASGAS brands — an achievement that continues to underline the enduring global brand equity of these franchises.

More detailed information on KTM acquisition is provided in the Directors' Report, which forms part of this Annual Report.

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CHETAK C25

Chetak

Bajaj Auto Technology Limited (the erstwhile Chetak Technology Limited)

Bajaj Auto Technology Limited (BATL) formed on 4 October 2021, stands adequately funded with paid-up equity share capital of ₹ 470 crore as on 31 March 2026. In FY2026, BATL design studios from Pune, Thailand and Spain delivered projects for Commuter bikes (ten models), Performance bikes (six models), Chetak (five models) and CV segments through concepts, sketch, proto surfaces, Class A Surfaces and Color/Graphics phases.

BATL executed design, development and validation of the EV System components battery, motor, VCU, MCU, BMS and telematics for following models:

- Chetak C3501 and C3502
- Chetak Mini C2501
- Wego – P5009, P5012, P7012, P9018, C9012, C90009
- Riki P4005, P4006, C4006

The Bajaj EV business was threatened by restrictions on heavy rare-earth magnet exports from China. To ensure business sustainability, BATL team quickly developed and homologated alternate motor design utilising low rare-earth magnets. R&D also developed other motor designs that ensure further de-risking in case of any further restrictions.

The team has filed for numerous patents in FY2026 in multiple areas of component and vehicle integration.

Bajaj Auto (Thailand) Limited

Bajaj Auto (Thailand) Ltd. is a wholly owned subsidiary in Thailand with an issued and subscribed share capital of Thai Baht (THB) 45 million (₹ 10 crore). The subsidiary has set up an Engineering Design Centre (EDC), to expand R&D's reach to trend defining markets and tap internationally available best designers. It has all necessary approvals from local authorities.

Bajaj Auto Spain S.L.U.

Bajaj Auto Spain S.L. is a wholly owned subsidiary in Barcelona, Spain with an issued and subscribed share capital of €600K (₹ 5 crore). The subsidiary has set up an Engineering Design Centre (EDC), again, to expand R&D's reach and tap internationally available best designers. With all necessary approvals from local authorities, this EDC is now fully operational.

Bajaj Auto Credit Limited (BACL)

BACL is a wholly owned captive financing subsidiary with an issued and subscribed share capital of ₹ 2,700 crore, established to support the retail ecosystem of Bajaj Auto's two-wheeler and three-wheeler businesses. India's two and three-wheeler markets remain credit driven, with nearly 65%–75% of vehicles retailed through financing. BACL, therefore, serves as a strategic growth engine, enabling Bajaj Auto to strengthen its domestic market position by offering seamless, customised, and geographically diversified financing solutions.

During FY2026, BACL consolidated its operations and focused on building a high quality, scalable and digitally enabled retail lending platform aligned with the core strengths of Bajaj Auto.

FY2026 Performance Highlights

During FY2026, BACL delivered healthy operational momentum supported by sustained demand for Bajaj Auto vehicles, expanding its presence across urban, semi urban, and rural markets. Here are some key facts:

- Assets under management (AUM) as of 31 March 2026 doubled to nearly ₹ 19,000 crore.
- Disbursement for FY2026 were approximately ₹ 15,000 crore, with over 1 million new customers.
- Net interest income (NII) stood at ₹ 2,124 crore.
- Profit before tax (PBT) was at ₹ 889 crore and Profit after tax (PAT) was ₹ 665 crore.
- Gross Non-Performing Assets (GNPA) at 1.85%; Net Non-Performing Asset (NNPA) at 1.00%.
- Capital adequacy ratio as on 31 March 2026 was 19.5% and Tier-I adequacy was 16.6% — which are both well above the RBI norms.

Bajaj Do Brasil Comercio De Motocicletas Ltda

This is a wholly owned subsidiary with an issued and subscribed share capital of BRL 58 million (₹ 94 crore). It was set up to operate in the highly competitive market of Brazil.

In CY2025, Bajaj Do Brasil sold nearly 32,000 units — versus over 13,000 units sold in CY2024. A key enabler of this performance was the successful commencement of operations at the dedicated manufacturing facility in Manaus, Bajaj Auto's first plant outside India.

The annual capacity has increased to 50,000 units per year, having started local operations for frame welding and painting. This facility produced around 32,000 motorcycles during CY2025 and focused on supply chain efficiency and cost optimisation. The dealership network has been expanded from 31 outlets across 17 states in CY2024 to more than 60 outlets across 24 states by the end of CY2025. This has significantly improved national coverage and has provided stronger service support to our customer base of more than 54,000 Bajaj riders in Brazil.

Consolidation of accounts and segment reporting

Table 8 gives the numbers.

Table 8: Segment Revenue and Segment Results

(₹ In Crore)

Segment Revenue	FY2026	FY2025
Automotive	60,530	49,982
Financing	3,248	1,041
Investment and others	1,309	1,446
Total	65,087	52,469
Segment Results Profit/(Loss) from each segment before tax		
Automotive	12,016	8,770
Financing	889	78
Investment and others	1,307	1,444
Total	14,212	10,292
Less: Interest	260	68
Profit before tax	13,952	10,224
Profit after tax	10,744	7,325

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.

DIRECTORS' REPORT

Dear Members,

The directors are pleased to present the Nineteenth Annual Report of Bajaj Auto Ltd. ('your Company'/'the Company'/'Bajaj Auto') together with the Audited Financial Statements for the financial year ended 31 March 2026 ('FY2026').

A Century of the 'Bajaj Group'

The year 2026 marks a significant milestone as the Bajaj Group commemorates its centenary year, founded by Late Shri Jamnalal Bajaj, a freedom fighter, philanthropist and the patriarch of the Bajaj Family, in 1926.

The Bajaj Group's journey over the past 100 years stands as a remarkable testament to resilience, visionary leadership, and an enduring commitment to nation-building. The Group has evolved from a modest trading firm into one of India's most respected and diversified conglomerates, playing a pivotal role in shaping the country's industrial and financial landscape.

Over the decades, the Group has demonstrated an unwavering ability to adapt to India's evolving economic context. From contributing to the self-reliance movement during the pre-independence era to becoming a leader in sectors such as automotive, financial services, electricals, and insurance, Bajaj has consistently remained ahead of the curve. Bajaj Auto's iconic role in motorising India, Bajaj Finserv's transformation of financial services delivery, and the Group's presence across multiple high-growth sectors reflect its strong spirit of innovation and execution excellence.

Eighty Years of 'Hamara Bajaj'

FY2026 also marked a significant milestone in the Company's journey, as 29 November 2025 commemorated 'Eighty Years' of the Bajaj Auto legacy, tracing its origins to the incorporation of Bachhraj Trading Corporation Pvt. Ltd. on this day of the year 1945. Subsequently, in 1960, it was renamed Bajaj Auto Ltd., and in the same year, it went public with the maiden public issue and was listed on the Bombay Stock Exchange. Over these eight decades, Bajaj Auto has established itself as one of the India's leading automobile companies, with a strong domestic and global presence, and a household name among millions of its customers. With over 32 million vehicles sold in over 100 countries, the 'Bajaj' brand is truly 'The World's Favourite Indian'. It is India's No.1 motorcycle exporter and is also the world's largest manufacturer of three-wheelers.

Post the demerger of the erstwhile Bajaj Auto Ltd. in 2008 (now known as Bajaj Holdings & Investment Ltd.), the carved out automobile business has continued to scale new heights year after year and has established itself as one of the market leaders in all the variants, including electric two-wheelers and three-wheelers segment.

The Board of Directors ('the Board') places on record its pride in the Company's enduring legacy and expresses sincere appreciation for the exceptional leadership of the founding fathers, promoters, past and present directors, as well as for the dedication and commitment of the Company's employees and workers at all levels, whose collective efforts have contributed significantly to the Company's sustained performance and its present scale and stature.

Performance Highlights

The summary of operational and financial performance of your Company is elaborated in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

The summary of performance highlights is presented below:

Sales in numbers

Particulars	FY2026	FY2025
Two-wheelers	4,316,850	3,982,309
Commercial vehicles	800,817	668,657
Total	5,117,667	4,650,966
of which exports	2,250,183	1,863,281

- Momentum across businesses led to highest ever volumes, with >5 million units (up 10% year over year), surpassing the previous peak of FY19.
 - Landmark billing and retail across businesses - 125cc+ segment, KTM/Triumph and Chetak deliver new standards; CV volumes at an unprecedented over 5 lakh mark; exports across most markets at their best ever - signalling a versatile and resilient business model.
- Domestic revenue set a new milestone, growing 13% year over year, with broad-based growth across both two-wheelers and three-wheelers powering the delivery.
 - Led by the solid show particularly in second half of the year, that was buoyed by GST rationalisation and sharp festive season execution, alongside the sustained scale-up of the EV portfolio, retaining our position as India's largest Electric Vehicle player with revenues of ₹ 8,000+ crores (over 20% of domestic sales).
- Exports scaled new highs on revenue, on strong double-digit volume growth (over 2 million units sold after the record FY22) and currency tailwind.
 - LatAm delivered yet another stellar performance setting a new benchmark for the third consecutive year, while Africa stepped up to match Asia's double digit growth trajectory; the rebound of KTM exports and a sharp uptick of CVs (nearly 50% year over year) providing a fillip.
- Despite a softer H1, Domestic Motorcycles rebounded to end the year with strong double-digit growth on the sports segment.
 - Performance improved through the year with stronger traction particularly in the sports segment where Pulsar led the recovery with multiple refreshes and sharp in-market activation, as it scaled a new pinnacle, reinforcing the continued thrust on premiumisation.
- With global revenue of nearly ₹ 5,000 crores, KTM-Triumph delivered its best-ever (up 40% year over year), delighting about 2.25 lakh riders in the year.
 - Driven by a strengthened portfolio and impactful activation - KTM (K) bolstered by the upgraded Duke and strong Adventure lineup; Triumph (T) through its modern classics lineup (Speed, Scrambler, Thruxton); aided by wider reach through K+ T outlets in approximately 80 towns.
- Commercial Vehicles posted a landmark year, reaffirming its unparalleled position and supported by the widest portfolio in the industry.
 - Sustained the leadership in the ICE segment, while rapidly scaling up e3Ws and exiting the year as the No. 1 segment player. The electric vehicle segment expanded into the e-rickshaw category through Riki which is now in 100+ cities and is slated for expansion, in turn creating significant headroom for growth.

- Chetak reported a new high with revenues of over ₹ 4,000 crores and decisively retaining its position among India's foremost electric scooters.
 - Navigating supply-side constraints in H1, the business staged a strong recovery in H2 as swift engineering interventions and agility in the backend enabled improved availability, alongside a range of portfolio and competitive interventions that turbo charged growth.

Financial performance

(₹ In Crore)

Particulars	Standalone		Consolidated	
	FY2026	FY2025	FY2026	FY2025
Total income	60,295.40	51,431.25	65,087.22	52,468.96
Total expenses	47,200.01	40,379.36	51,657.21	41,329.95
Share of profit/(loss) of associate (net)	-	-	560.74	(915.48)
Profit before exceptional items and tax	13,095.39	11,051.89	13,990.75	10,223.53
Exceptional items (net) – (gain)/loss	23.80	-	39.21	-
Profit before tax	13,071.59	11,051.89	13,951.54	10,223.53
Tax expense	3,262.36	2,689.21	3,396.35	2,687.54
Deferred tax – Exceptional item	(15.43)	211.26	(19.31)	211.26
Profit after tax	9,824.66	8,151.42	10,574.50	7,324.73
Profit/(loss) attributable to non-controlling interest	-	-	(169.71)	-
Profit for the year	9,824.66	8,151.42	10,744.21	7,324.73
Basic Earnings per share (₹)	352.0	292.1	385.0	262.4
Diluted Earnings per share (₹)	351.5	291.5	384.4	262.0

- Revenue from operations on a standalone basis clocked an all-time high of ₹ 58,732 crore, registering a robust 17% year over year growth on both record vehicles and spares sales.
 - Notably, across every cut of the business – two-wheelers / three wheelers, ICE/EV and domestic/exports, revenues scaled yet another high, reflecting all-round strength across the portfolio/markets, with a richer sales mix and better currency realisation providing a further boost to growth.
- EBITDA came in at ₹ 12,019 crore, up 19% year over year, registering a new peak and Profit after tax reporting its biggest annual print at ₹ 9,825 crore, up 21% year over year.
 - Margin improved to 20.5% (up 30 bps year over year) driven by favourable USD/INR realisation, a profitable mix and operating leverage which more than offset the scale-up of the margin-dilutive electric two-wheeler sales and focused investments to drive competitive growth
- Bajaj Auto Credit Limited (BACL); The Company's wholly owned financing subsidiary, delivered a strong performance in FY2026, strengthening its role as a key strategic enabler of the business. AUM doubled to nearly ₹ 19,000 crore, PAT surged over 11x to ₹ 665 crore, and over 1 million customers were onboarded during the year.
- Bajaj Do Brasil Comercio De Motocicletas Ltda; Our wholly owned subsidiary in Brazil, delivered strong growth with sales more than doubling to over 32,000 units in CY2025. Growth was supported by network expansion to over 60 dealerships across 24 states and a capacity ramp-up to 50,000 units per annum.
- Bajaj Auto International Holdings BV (BAIH BV); During the year, Bajaj Auto, through its wholly owned subsidiary Bajaj Auto International Holdings BV (BAIH BV), supported the restructuring and revival of KTM AG and acquired a controlling stake in the business, resulting in Bajaj Mobility AG (BMAG) and KTM AG becoming step-down subsidiaries. The focus for the coming year will be on supporting KTM AG's turnaround through portfolio prioritisation, product development, go-to-market execution, supply chain optimisation and organisational simplification.

Transfer to reserves

The Board has decided to retain the entire amount of profit for FY2026 in the distributable retained earnings.

Closing balances in reserve/other equity

(₹ In Crore)

Particulars	Standalone		Consolidated	
	FY2026	FY2025	FY2026	FY2025
General reserve	6,389.60	6,389.60	6,389.60	6,389.60
Retained earnings	26,386.57	22,419.94	29,250.60	24,498.81
Cash flow hedging reserve	–	–	3.03	(24.28)
Statutory reserve	–	–	144.63	11.66
Foreign exchange difference of subsidiary on paid-up capital	–	–	0.30	0.27
Foreign currency translation reserve	–	–	767.27	911.75
FVTOCI reserve	1,613.68	2,871.20	1,606.77	2,871.59
Capital reserve	–	–	84.97	63.14
Securities premium	208.81	115.57	208.81	115.57
Capital redemption reserve	10.41	10.41	10.41	10.41
Share based payments reserve	163.58	99.44	163.58	99.44
Treasury shares	(77.48)	(38.48)	(77.48)	(38.48)
Total	34,695.17	31,867.68	38,552.49	34,909.48

Note: Detailed movement of above reserves can be seen in *Statement of Changes in Equity* in the financial statements, which forms part of this Annual Report.

Dividend Distribution Policy

The Dividend Distribution Policy of your Company sets out the parameters and circumstances that will be considered by the Board in determining the distribution of dividend in terms of regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015').

The said Policy is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Shareholders' Payout

To commemorate the centenary year of the Bajaj Group, the Board of your Company, being the flagship company of the Group, approved the proposal to reward the shareholders with an aggregate payout equivalent to 100% of the profits for the FY2026 through a combination of dividend and share buyback, in accordance with the Dividend Distribution Policy of the Company and in line with the Company's commitment to consistently reward its shareholders and deliver sustainable returns.

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Dividend

Considering your Company's outstanding financial performance and to upkeep the consistent track record of rewarding its shareholders with a generous dividend payout, the Board is pleased to recommend for consideration of the shareholders at the ensuing Annual General Meeting ('AGM'), payment of dividend of ₹ 150 per equity share of ₹ 10 each (1500%) for the year ended 31 March 2026 totalling to ₹ 4,192.47 crore.

The dividend recommended is in accordance with the principles and criteria as set out in the Dividend Distribution Policy of the Company.

The said dividend, if approved by the members at the ensuing AGM will be paid to those members whose name appears on the Register of Members (including Beneficial Owners) of the Company as at the end of 29 May 2026 and will be subject to deduction of tax at source at prescribed rates pursuant to the Income Tax Act, 2025. For further details on taxability, please refer to the Notice of ensuing AGM.

Buyback

The Board at its meeting held on 06 May 2026 has approved the proposal for buyback of up to 4,694,000 fully paid-up equity shares of face value of ₹ 10 each by the Company at a price of ₹ 12,000 each for an aggregate consideration not exceeding ₹ 5,632.80 crore through the tender offer route, subject to approval of the members of the Company, which is being sought by way of a postal ballot.

Further details of buyback are available on the website of the Company at <https://www.bajajauto.com/investors/share-buyback-2026>

Changes in Share Capital

The changes in the share capital structure of your Company during the year under review are detailed as under:

Allotment of Equity Shares under the Bajaj Auto Employee Stock Option Scheme 2019 ('the Scheme')

The Company issued and allotted 240,230 equity shares of face value of ₹ 10 each to the Bajaj Auto ESOP Trust in accordance with the Scheme on 12 December 2025. The equity shares so allotted rank *pari passu* with the existing shares of the Company.

Consequently, the issued, subscribed and paid-up share capital of the Company was at ₹ 279.50 crore comprising of 279,497,838 equity shares of face value of ₹ 10 each as on 31 March 2026, as against ₹ 279.26 crore comprising of 279,257,608 equity shares of face value of ₹ 10 each as on 31 March 2025. The Company has only one class of equity shares.

Except as stated above, there were no other changes in the share capital of the Company during the year.

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, whether in India or abroad. However, during the financial year 2025-26, CRISIL Ratings vide its letter dated 05 June 2025, has reaffirmed its long-term rating of 'CRISIL AAA' and short-term rating of 'CRISIL A1+' with 'Stable' outlook for the bank loan facilities of the Company and India Ratings and Research vide its letter dated 06 August 2025, has affirmed its rating of 'IND AAA/Stable/IND A1+' for the bank loan facilities of the Company.

Operations

Detailed information on the Company's operations is provided in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

Capacity Expansion

The Company's current installed capacity is 7.2 million units per annum.

Detailed information on capacity expansion is covered in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

International Business

During the year under review, the Company exported 2.25 million vehicles as against 1.86 million vehicles in the previous year.

More detailed information on International Business is provided in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

Consolidated Financial Statements

The audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries, as prepared in compliance with the Companies Act, 2013 ('the Act'), the Listing Regulations, 2015 and in accordance with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 along with all relevant documents and the Independent Auditors' Report thereon forms part of this Annual Report.

Pursuant to the provisions of section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, as amended, the statement containing salient features of the financial statement of the Company's subsidiaries for the financial year ended on 31 March 2026 in Form AOC-1, forms part of this Annual Report.

Further, in terms of the provisions of section 136 of the Act, a copy of the financial statements for the financial year ended on 31 March 2026 for the subsidiary companies will be made available by email to members of the Company, seeking such information. These financial statements shall also be kept open for inspection by any member at the registered office of the Company during business hours. The members can send an e-mail to investors@bajajauto.co.in. The financial statements of the Company and its subsidiaries are also placed on the Company's website at <https://www.bajajauto.com/investors/financial-and-operational-performance>

Subsidiaries

Acquisition of KTM AG, Europe's largest sports motorcycle manufacturer

During FY2026, the Company, through its wholly owned subsidiary in the Netherlands viz., Bajaj Auto International Holdings BV ('BAIH BV'), undertook a series of strategic transactions to support the restructuring, revival and eventual acquisition of control of KTM AG ('KTM'), Austria, a leading European manufacturer of off-road and street motorcycles, with strong Research and Development (R&D)-led technology capabilities, a global geographic presence, and aspirational brands/products that are considered to be market leaders, especially in the premium motorcycle segment. It unites the globally admired brands - KTM, Husqvarna and GASGAS under one roof.

• Bajaj Auto – KTM strategic relationship

Bajaj Auto's strategic partnership with KTM dates back to 2007, when the Company entered into a strategic alliance with KTM Group for the joint development, marketing and distribution of motorcycles under KTM brand in India and overseas markets.

Until November 2025, the Company through BAIH BV, held a 49.9% stake in Bajaj Auto International Holdings AG ('BAIH AG'), formerly Pierer Bajaj AG, Austria.

BAIH AG holds a 74.94% stake in its listed subsidiary, Bajaj Mobility AG ('BMAG'), formerly PIERER Mobility AG, Austria, with balance held by public shareholders. The shares of BMAG are listed on the SIX Swiss Exchange and Vienna Stock Exchange. BMAG, in turn, holds a 100% stake in KTM AG.

• KTM restructuring process and strategic facilitation by Bajaj Auto

Due to the acute liquidity challenges which could not serve the spiralling debt and working capital constraints, that stifled routine business operations, KTM AG and its two operating subsidiaries entered into a self-administrative restructuring process under the Austrian laws.

To address the KTM business' acute liquidity challenges and enable a structured revival of the brand, which has a strong heritage and acclaimed position worldwide, the Company through BAIH BV undertook a set of strategic interventions by way of a combination of equity and debt fund infusion, amounting to € 880 million.

• Acquisition of controlling stake in KTM

Pursuant to the restructuring framework and receipt of all the required regulatory approvals in November 2025, the Company, through its wholly owned subsidiary, viz. BAIH BV, completed the strategic acquisition of sole controlling stake in BAIH AG (formerly Pierer Bajaj AG), thereby increasing its stake from 49.9% to 100%.

Accordingly, BAIH AG became a wholly owned subsidiary of BAIH BV and, in turn, a step-down wholly owned subsidiary of the Company. As a result, BMAG, KTM AG and their other group entities, became step-down subsidiaries of BAIH BV and the Company.

• Post-acquisition developments and financial progress

In line with the change in ownership and control, Pierer Bajaj AG was renamed Bajaj Auto International Holdings AG in December 2025 and PIERER Mobility AG was renamed Bajaj Mobility AG in January 2026. This was accompanied by the reconstitution of the Supervisory and Management Boards of BAIH AG, BMAG and KTM AG.

As a part of its restructuring measure, KTM Group took various steps for the revival of its manufacturing operations, supply chain, sales and marketing, workforce rationalization which has started yielding positive results, with its listed holding company, BMAG reporting a consolidated revenue of € 1,009 million for the year ended 31 December 2025 (as per IFRS).

Some of the other key performance highlights of the year 2025 include:

- Strong recovery in the second half of the year with retail sales increased by approximately 60% as compared to first half
- Sales: 209,704 units
- Restructuring gain: € 1,193 million
- EBITDA: € 874 million
- Net profit: € 590 million
- Net debt significantly reduced to € 798 million
- Inventories reduced by 101,153 units – from 248,580 to 147,427 vehicles
- 29 motorsport championship titles – the most successful year in the company's history.

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In February 2026, KTM AG successfully secured a refinancing facility of € 550 million from an international banking consortium to refinance debt previously extended by BAIH BV as a part of the restructuring process. This was followed by proportionate closure of bank loans availed by BAIH BV.

Bajaj Auto International Holdings BV, Netherlands

Bajaj Auto International Holdings BV ('BAIH BV') is a 100% Netherlands-based subsidiary of the Company and serves as the holding company for BAIH AG and its 67 subsidiaries, including step-down subsidiaries, as on 31 March 2026, pursuant to the acquisition of control as detailed above.

During the year under review, the issued and paid-up share capital of BAIH BV was increased to € 323 million (₹ 2,421 crore) on account of additional investment of € 125 million (₹ 1,202 crore) made by Bajaj Auto in the equity share capital of BAIH BV.

Bajaj Do Brasil Comercio De Motocicletas Ltda.

Bajaj Do Brasil Comercio De Motocicletas Ltda. ('Bajaj Brasil'), a wholly owned subsidiary of Bajaj Auto with an issued and subscribed share capital of BRL 58 million (₹ 94 crore). The subsidiary was established to address opportunities in Brazil's highly competitive market.

Bajaj Auto (Thailand) Ltd.

Bajaj Auto (Thailand) Ltd. was incorporated as a wholly owned subsidiary of the Company in Thailand with paid-up share capital of Thai Baht (THB) 45 million (₹ 10 crore).

The subsidiary has set up an Engineering Design Centre, to expand R&D's reach to trend defining markets and tap internationally available best designers. It has all necessary approvals from local authorities.

Bajaj Auto Spain, S.L.U.

Bajaj Auto Spain, S.L.U. was incorporated as a wholly owned subsidiary in Barcelona, Spain with an issued and subscribed share capital of € 600K (₹ 5 crore). The subsidiary has set up an Engineering Design Centre ('EDC'), to expand R&D's reach and tap internationally available best designers. With all necessary approvals from local authorities, this EDC is now fully operational.

PT. Bajaj Auto Indonesia ('PT BAI')

Routine business operations of PT BAI, a 99.25% subsidiary of Bajaj Auto, remain discontinued.

PT BAI would continue to study the evolving market and evaluate different possible opportunities.

Bajaj Auto Technology Ltd. ('BATL')

BATL was incorporated in October 2021 as a wholly owned subsidiary of the Company. This subsidiary is adequately capitalised with a paid-up equity share capital of ₹ 470 crore as on 31 March 2026. Reflecting its new business dynamics, BATL remains focused on creating new cutting-edge and disruptive technologies and products.

Bajaj Auto Credit Ltd. ('BACL')

BACL is a wholly owned captive financing subsidiary of Bajaj Auto, with a paid-up equity share capital of ₹ 2,700 crore as on 31 March 2026, established to support the retail ecosystem of Bajaj Auto's

two-wheeler and three-wheeler businesses. India's two-wheeler and three-wheeler markets remain credit-driven, with nearly 65% – 75% of vehicles retailed through financing. BACL, therefore, serves as a strategic growth engine, enabling Bajaj Auto to strengthen its domestic market position by offering seamless, customized, and geographically diversified financing solutions.

More detailed information is given in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

The Company's Policy for determining Material Subsidiaries, as adopted by the Board of Directors, in conformity with regulation 16(1)(c) of the Listing Regulations, 2015, can be accessed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

During FY2026, the Company did not have any material subsidiary. However, based on the audited financial statements as on 31 March 2026, the Board of Directors has identified BAIH BV, BAIH AG, BMAG and KTM AG as material subsidiaries of the Company for FY2027, in accordance with regulations 16(1)(c) & 24(1) of the Listing Regulations, 2015 and the Company's Policy for determining Material Subsidiaries. The Company is in the process of establishing the necessary governance framework, oversight mechanisms and reporting processes for these entities, in line with applicable regulatory requirements.

Joint Ventures and other matters

Investment in Yulu Bikes Pvt. Ltd. ('Yulu Bikes')

Yulu Bikes is India's largest shared electric mobility player, focused on enabling inclusive, affordable, and sustainable last-mile mobility. Serving both individual users and commercial applications, especially quick commerce, Yulu Bikes has become a critical part of last-mile logistics infrastructure.

It operates across 10 cities in India, with a direct presence in the four metros viz., Bangalore, Mumbai, NCR, and Hyderabad and franchise operations in six additional cities. In FY2026, Yulu Bikes deployed approximately 48,000 electric two-wheelers, delivering 36% YoY revenue growth driven by fleet expansion and improved utilization. Notably, it has achieved EBITDA profitability during the year.

Your Company has also supported the development and production of electric two-wheelers for Yulu Bikes fleet, supplying nearly 30,000 low-speed electric two-wheelers to date.

Looking ahead, Yulu Bikes plans to scale rapidly by expanding its geographic footprint and diversifying its product offerings, reinforcing its position as a backbone for India's last-mile mobility ecosystem.

Your Company's total investment in Yulu Bikes stands at ₹ 165 crore as on 31 March 2026.

Collaboration with Triumph Motorcycles Ltd. (Triumph)

With the launch of Triumph, Bajaj Auto has established a strong presence in the classic premium motorcycle segment through collaboration with the iconic British brand. The product portfolio comprises technology-led, high-performance motorcycles designed in their timeless forms. These motorcycles are manufactured at Bajaj Auto's Chakan plant – 2, catering to the domestic and international markets.

Bajaj Auto continued to expand the Triumph's retail network to 221 showrooms across 174 cities in India (including 80 KTM-Triumph outlets), each built to Triumph's global brand standards. These outlets also retail a curated range of accessories tailored for the 400cc India bikes.

Other Ventures/Associates

The Company does not have any associate company, nor has it entered into a joint venture with any other company.

Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year 2025-26 and the date of this Report.

Auditors

Statutory Auditors

S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) were re-appointed as the statutory auditors of the Company by the members at the 15th AGM of the Company held on 26 July 2022 for a second term of five consecutive years from conclusion of the said AGM until the conclusion of the 20th AGM to be held in the year 2027.

The report of the statutory auditors does not contain any qualification, reservation or adverse remark or disclaimer.

Secretarial Auditors

Pursuant to the provisions of regulation 24A of the Listing Regulations, 2015, as amended and section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the members at the 18th AGM of the Company held on 06 August 2025, based on the recommendation of the Audit Committee and the Board, approved the appointment of Makarand M. Joshi & Co. ('MMJC'), a peer reviewed firm of Company Secretaries in Practice (Firm Registration No. P2009MH007000, Peer Review No. 6832/2025), as secretarial auditors of the Company for a term of five consecutive years, commencing from conclusion of the said AGM until the conclusion of the 23rd AGM to be held in the year 2030. The secretarial audit report in Form MR-3 for the financial year 2025-26 is annexed to this Directors' Report as **Annexure I**.

In addition to the above, pursuant to regulation 24A(2) of the Listing Regulations, 2015, as amended, the secretarial compliance report for the financial year 2025-26 has been issued by MMJC, secretarial auditors of the Company and the same will be submitted to the stock exchanges where the shares of the Company are listed within the stipulated timeframe. The report will also be made available on the website of the Company.

The secretarial audit report for the financial year 2025-26 does not contain qualification, reservation or adverse remark or disclaimer, except the remark pertaining to the *post-facto* approval of the members obtained for material related party transactions undertaken through the Company's wholly owned subsidiary, BAIH BV, as a part of the restructuring of KTM AG and its two subsidiaries. The rationale for seeking the *post-facto* approval has been adequately explained in the postal ballot notice dated 10 July 2025 which is available on the Company's website at <https://www.bajajauto.com/-/media/images/bajajauto/media-kit/press-release/disclosures/disclosures--exchange-intimations/2025-26/postal-ballot-notice---final.pdf>

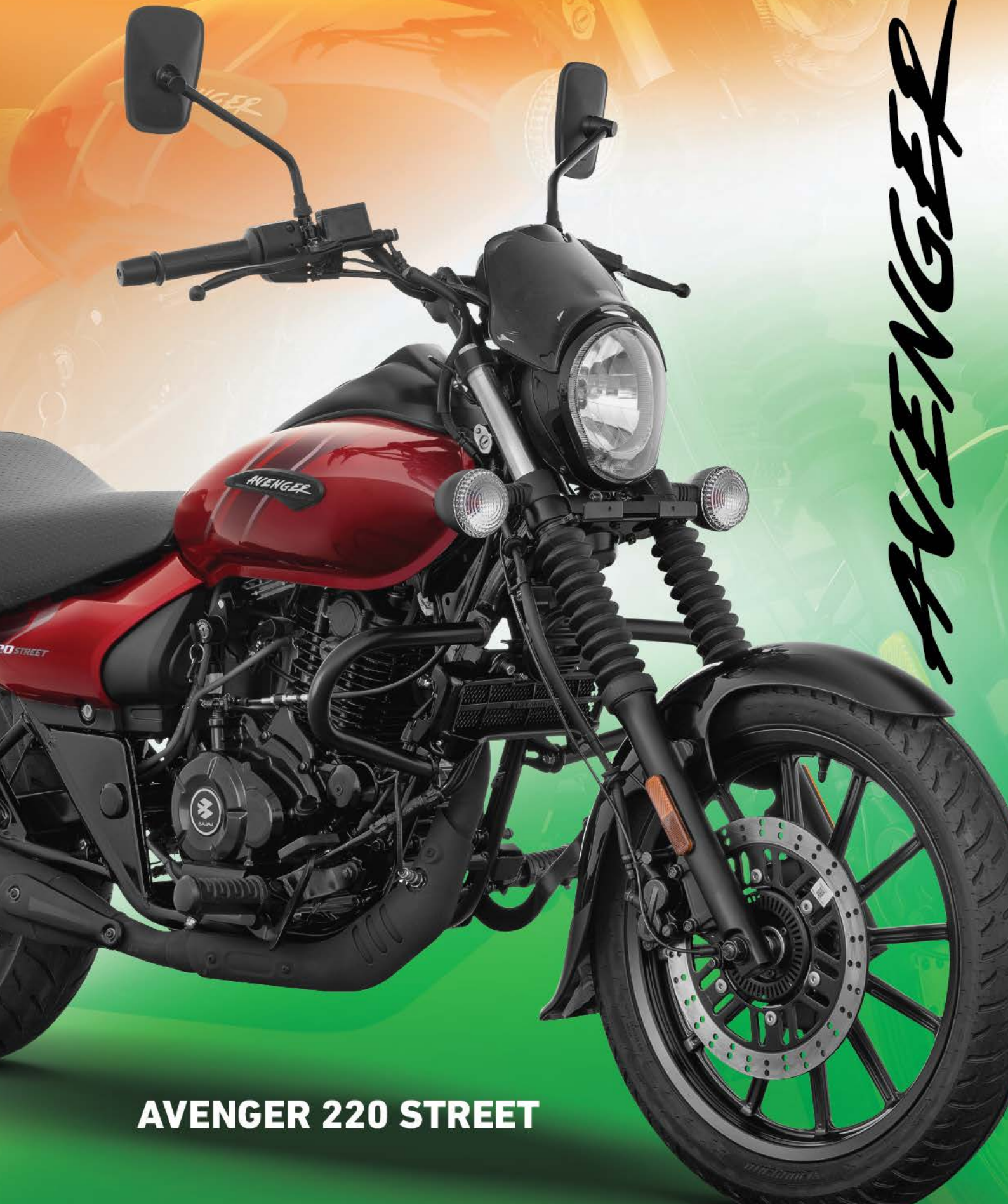
The said material related party transactions were approved by the members (excluding the members who were related parties of the Company, irrespective of whether related to the aforesaid transaction(s)), by way of an ordinary resolution passed on 16 August 2025, through postal ballot with a majority of 98.37%.

Adequate disclosures were made to the stock exchanges at every stage, as required under the Listing Regulations, 2015.

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Further, except as stated above, there are no other qualifications, reservations or adverse remarks or disclaimers in the secretarial compliance report for the financial year 2025-26.

Cost Auditor

Pursuant to the provisions of section 148 of the Act, the Board of Directors on the recommendation of the Audit Committee has appointed R.B. Laddha & Co., Cost Accountants (Firm Registration No. 004689) as the cost auditor of the Company for the financial year ending on 31 March 2027 and have recommended their remuneration to the members for ratification at the ensuing AGM. Accordingly, a resolution seeking members ratification for the remuneration payable to the cost auditor forms part of the Notice of the ensuing AGM.

The cost auditor has furnished the eligibility certificate along with his consent to such appointment in terms of the relevant provisions of the Act read with rules framed thereunder. The Audit Committee has also received a certificate from the cost auditor certifying their independence and arm's length relationship with the Company.

As per the provisions of section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records and accordingly, such accounts and records are maintained.

Internal Audit

At the beginning of each financial year, an audit plan is rolled out with approval of the Company's Audit Committee. The plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures and compliance with laws and regulations. Based on the reports of internal audit, process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions are periodically presented to the Audit Committee of the Board.

Details regarding frauds reported by Auditors under section 143(12) of the Act

In terms of the provisions of section 143(12) of the Act read with rule 13 of the Companies (Audit and Auditors) Rules, 2014, during the year under review, the auditors have not reported any frauds to the Audit Committee or to the Board and therefore, no details pursuant to the provisions of section 134(3)(ca) of the Act are required to be disclosed.

Details of Internal Financial Controls with reference to the Financial Statements

The Company has documented its internal financial controls considering the essential components of various critical processes, both physical and operational. This includes its design, implementation and maintenance, along with periodic internal review of operational effectiveness and sustenance and whether these are commensurate with the nature of its business and the size and complexity of its operations.

This ensures orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Internal financial controls with reference to the financial statements were adequate and operating effectively.

Risk Management Policy

In terms of regulation 21 of the Listing Regulations, 2015, the Board of your Company has adopted a Risk Management Policy, which *inter alia*, provides for framework for identification of internal and external risks faced by the Company, including financial, operational, sectoral, sustainability, information, cyber security, strategic or any other risk as may be determined by the Risk Management Committee and the measures for risk mitigation, reporting of critical risks within the Company and business continuity plan.

The Risk Management Committee oversees the risk management process in the Company. The Audit Committee has an additional oversight on the financial risks and controls.

Information on the implementation of the Risk Management Policy is given in the *Corporate Governance Report*, which forms part of this Annual Report.

Corporate Governance

Pursuant to the Listing Regulations, 2015, a detailed report on *Corporate Governance*, has been included in this Annual Report along with the reports on *Management Discussion and Analysis* and *General Shareholder Information*.

All the Board members and senior management personnel have affirmed compliance with the Code of Conduct for directors and senior management of the Company for the year ended 31 March 2026. A declaration to this effect signed by the Managing Director and CEO of the Company is contained in this Annual Report.

The Managing Director and CEO and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8) of the Listing Regulations, 2015.

Pursuant to the Listing Regulations, 2015, a certificate from the practicing company secretary regarding compliance of conditions of corporate governance is annexed to the *Corporate Governance Report*, which forms part of this Annual Report.

Particulars of Contracts or Arrangements with Related Parties

Related party transactions at Bajaj Auto

Your Company has in place a robust process for approval of related party transactions and on dealing with related parties. All transactions with related parties and subsequent modifications are placed before the Audit Committee for its review and prior approval. Omnibus approval is obtained for all related party transactions that are foreseen and repetitive in nature. A statement detailing the related party transactions entered into pursuant to the omnibus approval is reviewed by the Audit Committee on a quarterly basis.

All contracts/arrangements/transactions entered into by the Company during FY2026 with related parties were in the ordinary course of business and on arm's length basis and in accordance with the applicable provisions of the Act, the Listing Regulations, 2015 and as per the Company's Policy on materiality of & dealing with Related Party Transactions. The Company has also engaged an independent accounting firm to ensure that transactions carried out with related parties strictly adhere to arm's length principles and are consistent with best market practices.

Material related party transactions approved by the members of the Company during FY2026

During the year under review, the members of the Company approved, on a *post-facto* basis, the material related party transaction(s), by way of an ordinary resolution passed on 16 August 2025 through postal ballot conducted by remote e-voting. The approval pertained to transactions between: (i) BAIH BV, a wholly owned subsidiary of the Company and (ii) Pierer Bajaj AG ('PBAG'), subsequently renamed 'Bajaj Auto International Holdings AG', PIERER Mobility AG ('PMAG'), subsequently renamed 'Bajaj Mobility AG' and KTM AG ('KTM'), the related parties of the Company (purely through and due to the Company's erstwhile indirect shareholding of ~37.4% in KTM), in connection with restructuring support provided to KTM AG and its two subsidiaries.

In terms of the then applicable provisions of regulation 2(1)(zc), regulation 23(2)(c) read with the first proviso to regulation 23(1) and regulation 23(4) of the Listing Regulations, 2015, the material related party transactions (i.e., the related party transactions whether on an individual basis or taken together with previous transactions during a financial year, exceed ₹ 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statements of the Company, whichever is lower), necessitated prior approval of the Company's members.

Accordingly, the Company sought approval of the members for the aforementioned transactions entered into by BAIH BV with PBAG, PMAG and KTM AG for an aggregate value not exceeding ₹ 865 million during FY2026.

More details of the said material related party transactions are set out in the postal ballot notice dated 10 July 2025, which is available on the website of the Company at https://www.bajajauto.com/-/media/images/bajajauto/media-kit/press-release/disclosures/disclosures_-_exchange-intimations/2025-26/postal-ballot-notice---final.pdf

Policy on Related Party Transactions

During the year under review, the Board of Directors, based on the recommendations of the Audit Committee, approved and took note of the revision to the Policy on materiality of & dealing with Related Party Transactions. These revisions were undertaken to incorporate the recent amendments to the Listing Regulations, 2015 and to further strengthen the Company's governance mechanism in relation to the related party transactions.

The revised Policy is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Statutory Disclosures

Details of transactions with related parties during FY2026 are provided in the notes to the financial statements.

During the year under review, there were no contracts or arrangements or transactions requiring approval under section 188(1) of the Act.

In accordance with the reporting requirements specified in section 134(3)(h) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014, the particulars of the material contracts or arrangements or transactions entered into by the Company with its related party during FY2026 at arm's length basis, referred to in section 188(1) of the Act are provided in Form AOC-2, which is annexed to this Directors' Report as **Annexure II**.

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The Company in terms of regulation 23 of the Listing Regulations, 2015 submits on the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions, in the format specified by the SEBI. The said disclosures are available on the Company's website at <https://www.bajajauto.com/investors/disclosures>

Changes in Directors and Key Managerial Personnel

The changes in the composition of the Board of Directors and Key Managerial Personnel ('KMP') of the Company during the year under review and up to the date of this report are as under:

Re-appointment

- As reported last year, based on the recommendations of the Nomination and Remuneration Committee and the Board, the members of the Company vide special resolution(s) passed on 30 April 2025, through postal ballot conducted by remote e-voting process, approved:
 - i. re-appointment of Rajiv Bajaj (DIN: 00018262) as the Managing Director and CEO of the Company for another term of five years effective from 01 April 2025 to 31 March 2030, including remuneration; and
 - ii. re-appointment of Abhinav Bindra (DIN: 00929250) as a Non-executive independent director of the Company for a second term of five years effective from 20 May 2025 to 19 May 2030.

In the opinion of the Board, Abhinav Bindra upholds the highest standards of integrity and possesses the requisite experience, expertise and proficiency, which adds value to the Board in the effective discharge of its functions.

- The Board, at its meeting held on 18 March 2026, based on the recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Pradeep Shrivastava (DIN: 07464437) as a Whole-time director, designated as Executive director of the Company for a further term of five years effective from 01 April 2026 to 31 March 2031.

In terms of the provisions of regulation 17(1C) of the Listing Regulations, 2015, the Company is required to obtain approval of the members for appointment or re-appointment of directors at the next general meeting or within a period of three months from the date of appointment, whichever is earlier. Accordingly, the approval of the members for re-appointment of Pradeep Shrivastava is being sought by way of a postal ballot.

Change in Designation and Appointment

Based on the recommendation of the Nomination and Remuneration Committee, the Board, at its meeting held on 06 May 2026, approved the re-designation and appointment of Rakesh Sharma (DIN: 08262670), presently a Whole-time director designated as Executive director of the Company, as Joint Managing Director, for a period from 01 June 2026 to 31 March 2029, subject to the approval of the members of the Company.

Accordingly, the special resolution seeking approval of the members for his re-designation and appointment as Joint Managing Director of the Company forms part of the Notice of ensuing AGM.

The Board is of the opinion that his continued association with the Company in the enhanced role will be beneficial to the Company, considering his experience, leadership qualities, and contribution to the growth of the Company.

Cessation

There was no cessation of any director or key managerial personnel from the Company during the year under review.

Retirement by Rotation

Pursuant to the provisions of section 152 of the Act, Sanjiv Bajaj (DIN: 00014615), Non-executive, non-independent director of the Company is liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

Brief details of Sanjiv Bajaj are given in the Notice of ensuing AGM.

Except as stated above, there were no other changes in the directors and key managerial personnel of the Company during the year under review and up to the date of this report.

Detailed information on the directors is provided in the *Corporate Governance Report*, which forms part of this Annual Report.

Number of Meetings of the Board

During the year under review, seven Board meetings were held. The details of the meetings held and attended by the directors during FY2026 are provided in the *Corporate Governance Report*, which forms part of this Annual Report.

Committees of the Board

The Board of Directors have constituted the following Committees in order to effectively deliberate its duties under the Act and the Listing Regulations, 2015:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Duplicate Share Certificate Issuance Committee

Details of the Committees in respect of its composition, terms of reference and meetings held during FY2026 are provided in the *Corporate Governance Report*, which forms part of this Annual Report.

Directors' Responsibility Statement

As required under clause (c) of sub-section (3) of section 134 of the Act, the directors of your Company, to the best of their knowledge and belief, state that:

- in the preparation of the annual accounts for the financial year ended on 31 March 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures, where applicable;
- 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 as at 31 March 2026 and of the profits of your Company for the financial year ended 31 March 2026;
- 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;

- the annual accounts for the financial year ended on 31 March 2026 have been prepared on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that, to the best of their knowledge, examination and analysis, such internal financial controls are adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that, to the best of their knowledge, such systems are adequate and operating effectively.

Declaration by Independent Directors

In terms of the provisions of section 149 of the Act and the Listing Regulations, 2015, the independent directors on the Board of your Company as on the date of this report are Anami N. Roy, Dr. Naushad Forbes, Pradip Shah, Abhinav Bindra, Vinita Bali and Dr. Sangita Reddy.

The Company has received declaration pursuant to section 149(7) of the Act and regulation 25 of the Listing Regulations, 2015 from all the independent directors stating that they meet the criteria of independence as provided in section 149(6) of the Act read with regulations 16 and 25 of the Listing Regulations, 2015.

The independent directors have also confirmed compliance with the provisions of section 150 of the Act read with rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, relating to inclusion of their name in the independent director's databank of the Indian Institute of Corporate Affairs.

The Board of Directors of your Company have taken on record the said declaration and confirmation submitted by the independent directors after undertaking due assessment of the veracity of the same in terms of regulation 25 of the Listing Regulations, 2015.

In the opinion of the Board, the independent directors fulfil the conditions specified in the Act as well as the rules made thereunder read with the Listing Regulations, 2015 and have complied with the code for independent directors prescribed in schedule IV to the Act.

Formal Annual Evaluation of the Performance of the Board, its Committees, Chairman and Individual Directors

The annual evaluation of performance of the Board of Directors, its committees, chairman and individual directors for the reporting year was conducted in accordance with the provisions of the Act and the Listing Regulations, 2015.

Information on the process of the formal annual evaluation made by the Board of its own performance and that of its committees, chairman and individual directors is given in the *Corporate Governance Report*, which forms part of this Annual Report.

Remuneration Policy

Pursuant to section 178(3) of the Act and regulation 19(4) read with part D of schedule II of the Listing Regulations, 2015, your Company has in place the Remuneration Policy which provides for a whole gamut of compensation philosophy for rewarding and retaining talent.

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The salient features of the policy are detailed in the *Corporate Governance Report*, which forms part of this Annual Report. During the year under review, there has been no change to the policy.

The Policy is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Particulars of Employees and Remuneration

Details as required under the provisions of section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, containing, *inter alia*, ratio of remuneration of directors and KMP to median remuneration of employees and percentage increase in the median remuneration are annexed to this Directors' Report as **Annexure III**.

A statement containing details of top ten employees in terms of the remuneration drawn and other specified employees as required under the provisions of section 197(12) of the Act read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Directors' Report. In terms of the provisions of section 136 of the Act, the report is being sent to the members excluding the aforesaid statement. This statement will be made available by email to members of the Company seeking such information and shall also be kept open for inspection by any member at the registered office of the Company during business hours. The members can send an e-mail to investors@bajajauto.co.in

Employee Stock Option Scheme

Your Company grants share-based benefits to eligible employees with a view to attracting and retaining talent, to encourage employees to align individual performance with the Company objectives and to promote their increased participation in the growth of the Company through Bajaj Auto Employee Stock Option Scheme 2019 ('BAL-ESOS 2019'/'the Scheme'). The BAL-ESOS 2019 was originally approved by the members of the Company through a special resolution passed by postal ballot on 13 March 2019. Further, the members at the 17th AGM of the Company held on 16 July 2024, approved amendments to the BAL-ESOS 2019, *inter alia*, to expand the categories and base of employees to include the employees of group and associate companies for grant of options, in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('ESOP Regulations'). The Scheme was also amended to revise certain criteria relating to retirement, transfer/deputation, death/permanent incapacity.

During the year under review, there has been no change in the BAL-ESOS 2019. The Scheme, as amended, is in compliance with the ESOP Regulations and is available on the Company's website at <https://www.bajajauto.com/investors/disclosures-under-regulation-46-of-the-sebi-lodr>

During FY2026, the Nomination and Remuneration Committee of the Board granted 380,048 stock options convertible into equivalent number of equity shares of ₹ 10 each at a grant price of ₹ 8,849 being the closing market price on the NSE on the day preceding the day of grant to the eligible employees of your Company and its Indian subsidiaries as per the terms and conditions of the Scheme, as amended.

Pursuant to the provisions of ESOP Regulations, the certificate received from the secretarial auditors of the Company confirming implementation of the Scheme in accordance with the said regulations and the resolutions passed by the members, will be made available at the AGM.

In terms of regulation 14 of the ESOP Regulations, a statement giving complete details, as at 31 March 2026, is available on the website of the Company at <https://www.bajajauto.com/investors/financial-and-operational-performance>

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

Vigil Mechanism/Whistle Blower Policy

The details of the vigil mechanism (whistle blower policy) are given in the Report on *Corporate Governance*, which forms part of this Annual Report.

The Policy is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Prevention of Sexual Harassment

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('PoSH Act') and rules framed thereunder. All employees (including trainees, apprentices and probationers) of the Company at all its locations are covered in this policy.

Internal Complaints Committee ('ICC') is in place at all relevant locations to redress complaints of sexual harassment and the Company has complied with the provisions relating to the constitution of ICC under the PoSH Act.

During the year under review, no complaints pertaining to sexual harassment of women employees were filed in terms of the PoSH Act. Accordingly, there were no complaints pending resolution for more than ninety days and no complaints remained unresolved as on 31 March 2026.

Your Company holds a strong commitment to provide a safe, secure and productive work environment to all its employees. The Company strives to ensure that every employee is informed and compliant with all statutory policies and practices. PoSH awareness and sensitisation are an integral part of this process. For all new joiners, PoSH training is a part of the 'Induction and Onboarding module'. On a regular basis, refresher courses are planned at different locations, as mentioned below:

- In the form of in-person interventions for employees and ICC members.
- Online training which is self-paced and easily accessible on Bajaj Auto Learning and Development Platform ('BOLT').

Compliance relating to the Maternity Benefit Act, 1961

In accordance with the Companies (Accounts) Second Amendment Rules, 2025 notified by the Ministry of Corporate Affairs on 30 May 2025, the Board confirms that the Company is fully compliant with the Maternity Benefit Act, 1961.

The Company remains committed to upholding its Maternity Policy in strict accordance with both the intent and provisions of the Maternity Benefit Act, 1961, and continues to provide maternity leave benefits, protection of employment during the maternity period, insurance coverage, creche facilities and post-maternity engagement initiatives, while fostering a supportive and inclusive work environment.

Industrial Relations

With holistic development of all as core principle, your Company has prioritised well-being, diversity, inclusion, and equal opportunities for all its employees, continuously. Strong focus on skill enhancement, participation and appreciation has strengthened the culture of innovation and business excellence at Bajaj Auto.

FY2026 has further strengthened industrial harmony and reinforced proactive industrial relations framework through enhanced employee engagement. Building on a strong foundation of participative governance, grievance resolution, and welfare initiatives, this year also Bajaj Auto has continued to set benchmarks for inclusivity, compliance, and organizational effectiveness.

For ensuring employee well-being and engagement, philosophy of 'Yutori - Joy at Workplace', with its three-pronged approach, is adopted by the Company. It has a people centric approach, highlighting employee well-being through physical, mental, and spiritual upliftment thereby driving higher engagement, improved efficiency, enhanced standards and a stronger TPM culture. This has helped to inculcate a positive and fulfilling professional environment at all levels.

- 1. Body - Physical Happiness:** focuses on provision of a clean, safe, healthy and ergonomically better work environment.
- 2. Mind - Mental Happiness:** focuses on training, multiskilling, stress free working conditions, rewards and recognition along with providing multiple platforms for both-way communications.
- 3. Soul - Spiritual Wellbeing:** focuses on collaborative culture development, trust building through family care, celebration of various events & festivals and emotional wellness through yoga, meditation and counselling sessions.

TPM, embedded deep inside the Company culture, as always, stayed as the core of continuous evolution towards excellence, involving all employees. Footprints of TPM journey have been marked across all functions, with special mention for two major milestones in FY2026. Chakan plant - 2, conducted its TPM kick-off ceremony, thus taking 'the first step towards excellence.'

Efforts and effects of TPM implementation were also evident through many awards and recognition received by all functions of the Company from various national level institutes like JIPM, CII, QCFI, and IIIE.

The committee-driven framework, promoting active collaboration with various committees, which are dedicated to worker welfare, has achieved robust coordination and participative management. It has helped substantially, in prevention of any major grievance.

Relations with unions remained friendly and transparent, reflecting the shared commitment of the Company and union in ensuring a balanced and prosperous future.

A gender diverse pool of motivated employees has been developed and retained. Participation of women in the talent pool has been improved by aligning and developing targeted policies ensuring women's safety at work, hosting empowerment events, and rewarding female employees to foster an inclusive and caring workplace.

Aligned to the 'Yutori philosophy' all employees have access to various recreational and sports facilities including gym, indoor sports, track & field and yoga, dance, music zones. Giving special importance to mental health, your Company has partnered with leading organizations that specialize in mental well-being of employees.

Considering employee health a top priority, a robust health support system has been provided for all. Tie ups with reputed hospitals ensure quality and emergency assistance, which enhances employee confidence.

For lasting social impact, various charitable events such as donation drives, NGO stalls, reforestation drives, etc. were organised which witnessed active and voluntary participation from employees.

The Company takes immense pride in providing its talented employees with opportunities to showcase their skills in drama competitions organized by the Government of Maharashtra at the state level. Their dedication and creativity have earned them numerous prestigious awards and recognitions. Additionally, employees have shown remarkable athletic prowess by winning awards and accolades in the Athletic (Masters) Championship held at the national level in Alwar, Rajasthan. Their achievements continue to inspire excellence and bring honour to the Company.

Constant employee development, employee satisfaction, trust building, meaningful and ongoing welfare measures continue to be the driving force behind proactive employee engagement. These efforts helped in developing a powerful sense of belongingness and understanding at workplace, which motivates and supports every employee at Bajaj Auto to excel beyond limits.

Anti-Corruption Initiatives

Your Company has established several policies to prevent corruption within the organisation. These are suitably integrated with the business operations. Your Company also has adequate disclosure practices with regard to anti-corruption activities. Some of these practices are given below:

Signing of the Anti-Corruption Initiative of World Economic Forum (WEF)

In support of the initiative taken by WEF, the Company is a signatory to the 'Commitment to Anti-Corruption' and is supporting the 'Partnering Against Corruption-Principles for Countering Bribery' derived from Transparency International's Business Principles. This calls for a commitment to two fundamental actions, viz., a zero-tolerance policy towards bribery and the development of a practical and effective implementation programme.

Adoption of the Confederation of Indian Industry (CII) Charters

Your Company, being a member of CII, has adopted the following Codes/Charters:

1. CII Code of Conduct for Affirmative Action.
2. Model Code of Conduct for Ethical Business practices.
3. Charters of Fair and Responsible Workplace Guidelines for Collaborative Employee Relations.
4. Charters on Fair and Responsible Workplace Guidelines for Contract Labour.

More details on the subject are given in the *Business Responsibility and Sustainability Report*, which forms part of this Annual Report and the same has been hosted on the Company's website and can be accessed at <https://www.bajajauto.com/investors/financial-and-operational-performance>

Corporate Social Responsibility (CSR)

'Bajaj is a catalyst for social empowerment'.

At Bajaj Auto, our commitment to society extends well beyond our business operations. As a responsible corporate citizen, we continue to undertake community development initiatives that have empowered generations.

In line with this ethos, the Company's CSR initiatives are aligned with its core purpose, focusing on skilling, education, environmental sustainability, and health. The Company's flagship programs: Bajaj Engineering Skills Training (BEST), Bajaj Manufacturing Systems (BMS) Certification program, Service Technician Excellence Program (STEP), Sakhi Skills Kendra (SSK) and Rupa Rahul Bajaj Scholarship for Women in Engineering (RRBSWE) drive its overarching commitment towards skill development and STEM education.

The detailed information on CSR initiatives undertaken by your Company during the financial year ended 31 March 2026 is provided in the report on *Management Discussion and Analysis*, which forms part of this Annual Report.

The Annual Report on CSR activities pursuant to the provisions of sections 134 and 135 of the Act read with rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and rule 9 of the Companies (Accounts) Rules, 2014 is annexed to this Directors' Report as **Annexure IV**.

Taking into account the commitments made by the Company for the ongoing CSR projects/programs which are in progress and considering the project mode of CSR activity where the projects can extend beyond the financial year, as also the amount transferred to 'Unspent CSR Account', in terms of the provisions of section 135(6) of the Act, there is no shortfall in the CSR expenditure mandated to be spent by the Company during the financial year ended 31 March 2026.

The Chief Financial Officer of the Company has certified that the funds disbursed have been utilised for the purpose and in a manner approved by the Board for FY2026.

The CSR Committee confirms that the implementation and monitoring of the CSR Policy was done in compliance with the CSR objectives and policy of the Company.

The CSR Policy is hosted on the Company's website at <https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/BAL-Revised-CSR-Policy-29-April-2021.ashx>

Business Responsibility and Sustainability Report (BRSR)

In terms of regulation 34(2)(f) of the Listing Regulations, 2015 read with SEBI master circular no. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated 30 January 2026, the Company has included a detailed BRSR for the financial year 2025-26 in the prescribed format as part of this Annual Report, describing various initiatives, actions and process of the Company in conducting its business in line with its environmental, social and governance obligations along with the assurance statement on BRSR Core, issued by an independent external assurance agency, viz., DNV Business Assurance India Pvt. Ltd.

As a green initiative, the same has been hosted on Company's website and can be accessed at <https://www.bajajauto.com/investors/financial-and-operational-performance>

A copy of the BRSR will be made available by email to any shareholder on request.

Research and Development (R&D) and Technology Absorption

During FY2026, R&D focused on all the key segments, strengthening the Bajaj Auto's portfolio. A strong product roadmap has been developed for each business segment and is being executed to strengthen the brands in each segment as well as to explore new opportunities.

Products

Many new products were launched during the year under review. Pulsar and Chetak EV have been consistently upgraded over the years to keep it in sync with changing times. Information on the new products is covered in the report on *Management Discussion and Analysis*.

Processes

R&D has been working on improving its operations in several areas as listed below:

- **Manpower:** R&D has reorganised itself to align its teams to the key business segments Bajaj Auto operates in. The structure has also been made flatter for greater agility and better flow of information. R&D has expanded its team size carefully in strategic areas of design, analysis and validation, to facilitate the rapidly expanding aspirations of the Company.
- **Facilities:** R&D continued to enhance its design, computing, prototype manufacturing and validation facilities. Several new test facilities and prototyping facilities were added.
- **Patent:** R&D continues its focus on building up the IP portfolio by filing patents covering various areas of powertrain, vehicle and integration. Also, numerous design registrations have been made to cover the new vehicle designs.

Technology

As in the past, new and improved technologies have been introduced during the year. Such information is covered in the report on *Management Discussion and Analysis*.

Expenditure incurred on R&D

Particulars	(₹ In Crore)	
	FY2026	FY2025
i. Capital (including technical know-how)	126.05	51.56
ii. Recurring	566.76	574.10
Total	692.81	625.66
Total R&D expenditure as a percentage of sales	1.23%	1.30%

Conservation of energy

Your Company's commitment to sustainability is reflected in the ongoing efforts to conserve energy and optimize resource use across all its manufacturing facilities including the corporate office in Pune.

By integrating advanced technologies, enhancing process efficiencies, and strengthening operational controls, the Company is systematically reducing its environmental footprint. At the same time, the Company is increasing the share of renewable energy in its operations, further aligning with its long-term sustainability goals.

These initiatives have resulted in consistent year-on-year reductions in energy and water consumption, supporting responsible resource management.

Beyond environmental benefits, your Company's efforts also deliver operational efficiencies and cost optimization. The following key initiatives demonstrate your Company's continued progress towards building a more sustainable, resilient, and energy-efficient organization:

Electrical Energy

- Use of energy efficient compressors for compressed air supply.
- Increased usage of energy-efficient equipment such as motors, fans, etc.
- Periodic reconditioning of transformers to prevent losses due to ageing.

- Use of hermetically sealed natural oil-cooled transformers.
- Sequential start and stop system at PTED process to optimise energy usage.
- Optimised compressed air pressure setting across all plants.
- Use of BLDC blowers for AHU in place of conventional blowers.
- Use of highly energy efficient LED lights across all plants.
- Timers for power on/off based on the working times across all processes.
- Continued efforts on power factor improvement through RTFC at the substation.

Water

- Zero Liquid Discharge ('ZLD') at all plants by recycling of treated effluent and sewage.
- Installation of RO polishing unit to reduce DM water reject quantity.
- Hydropneumatics pumping system to eliminate localized water storage.
- Replacement of 'underground old pipelines' with 'above ground new pipelines'.
- Reuse of treated water for auxiliary activities such as cooling towers, landscaping, etc.
- Use of drip irrigation and sprinklers for horticulture.
- Continued use of auto shut-off taps in the canteen and offices.
- Rainwater harvesting through water ponds.
- Ground water recharging to the extent of 11 lakh kL is done every year.

LPG/Propane

- Burner optimisation at colour line baking oven.
- Reduced thermal losses in paint ovens through enhanced insulation.
- Low-temperature degreasing chemicals.
- ASU optimisation through reducing humidity spread.
- Continued use of magnetic resonators in the gas train pipeline.
- Ongoing use of low-temperature chemicals for pre-treatment processes.
- Optimised running hours of paint shops for efficient use of fuel.
- Installed energy-efficient cooking equipment in the canteen.
- Adopted energy-efficient burners in the canteen for improved fuel utilization.

Utilisation of renewable energy - key initiatives

- Ongoing solar power generation from solar plants having total capacity of 18 MW.
- Hot water rooftop solar system for canteen and residential area.
- Use of natural day light system.

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Impact of measures taken

As a result of the initiatives taken for conservation of energy and water, the Company has achieved an overall reduction in consumption as given in the table below:

Description	% Reduction w.r.t. previous year	
	FY2026	FY2025
Electricity consumption	4.23	2.07
Water consumption	6.04	2.45
LPG/PNG consumption	3.0	0.92

Investment and savings

Description	FY2026		FY2025	
	(₹ In Crore)			
Investment for energy conservation activities	3.14	1.86		
Recurring savings achieved through above activities	2.95	1.64		

The Company will continue to closely monitor energy consumption, refine its strategies, and remain committed to achieving its long-term energy objectives. At times, the Company will further reduce its environmental footprint and enhance energy efficiency across all operations through the TPM methodology.

Foreign Exchange Earnings and Outgo

The Company continued to be a net foreign exchange earner during the year under review.

Total foreign exchange earned by the Company during the financial year 2025-26 was ₹ 19,882.92 crore, as compared to ₹ 15,864.36 crore during the financial year 2024-25.

Total foreign exchange outflow during the financial year 2025-26 was ₹ 4,431.01 crore, as against ₹ 2,583.68 crore during the financial year 2024-25.

Particulars of Loans, Guarantees or Investments

During the year under review, no guarantees were given by the Company in terms of the provisions of section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014.

The details of loans and investments made by the Company in terms of section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are detailed in the financial statements.

Annual Return

Pursuant to the provisions of section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, the annual return for FY2026, is uploaded on the Company's website and can be accessed at <https://www.bajajauto.com/investors/financial-and-operational-performance>

Investor Education and Protection Fund

The details pertaining to the transfer of unclaimed dividend amount and shares to the Investor Education and Protection Fund (IEPF) have been provided in *General Shareholder Information*, which forms part of this Annual Report.

Rajiv Gandhi, Company Secretary is also the Nodal Officer of the Company, appointed pursuant to rule 7(2A) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and the relevant details are available on the Company's website at <https://www.bajajauto.com/investors/investor-services>

Secretarial Standards of ICSI

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

Significant and Material Orders passed by the Regulators or Courts

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

Presentation of Financial Statements

The financial statements of the Company for the year ended 31 March 2026 have been disclosed as per division II of schedule III to the Act.

Indian Accounting Standards, 2015

The annexed financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under section 133 of the Act, the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Other Disclosures

- There is no change in the nature of business of the Company during FY2026.
- The Managing Director and the Whole-time director(s) of the Company, as per the terms of appointment, do not draw any commission or remuneration from subsidiary companies.
- Your Company has not accepted any public deposits under chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during FY2026.
- A cash flow statement for FY2026 is attached to the Balance Sheet.
- The securities of the Company were not suspended from trading during the year under review on account of corporate actions or otherwise.
- There was no revision to the financial statements and Directors' Report of the Company during the year under review.
- Details as prescribed under section 134 of the Act and rules made thereunder, applicable to the Company, have been specifically given in this Report, wherever applicable.

Awards and Accolades

Your Company's consistent efforts towards manufacturing excellence and other initiatives were acknowledged by the following awards and accolades received during the year under review:

- Bajaj Auto's Pantnagar plant received the prestigious 'Advanced Special Award for TPM Achievement' from the Japan Institute of Plant Maintenance ('JIPM').

The two excellent case studies presented by the Pantnagar plant were also recognised as winners of the 'TPM Excellence Award - TPM Excellent Case Study Commendation' by JIPM.

- Bajaj Auto was honoured with two prestigious National IP awards – one from the Ministry of Commerce and Industry (Indian IP Office) as a 'Top Indian company for designs, filing, registration and commercialisation' and another from the Confederation of Indian Industry ('CII') for 'Best design registration portfolio' and as a 'Top 30 IP-driven organization in India', reinforcing its standing as one of India's most forward-looking, innovation-driven organizations.
- Bajaj Auto has been ranked among the 'World's Best Companies 2025' and named one of 'India's Best Employers 2025' by TIME Magazine and Statista.
- Bajaj Auto was recognized on 'Forbes' World's Best Employers 2025 list', marking the fifth consecutive year the Company has received this distinguished global recognition. Bajaj Auto is among the top 10 companies from India identified in this esteemed ranking.
- Bajaj Auto was recognized as a 'Company with Great Managers – 2025' by the Great Manager Awards, presented by People Business, marking its fifth consecutive year of receiving this recognition. This consistent achievement places the Company among a select group of organizations known for their strong managerial capabilities.
- The Investor Relations ('IR') function of Bajaj Auto received wide recognition for the second consecutive year in the Institutional Investor Executive Team Rankings in 2025. The Company's CFO, IRO and IR team were in the top ranks, voted by the buy-side investors and sell-side analysts in the Autos & Auto Parts sector in Asia (excl. China/Japan). Further, Bajaj Auto secured rankings in 11 of the 12 relevant categories, making it one of the Most Honoured Companies among the 37 Auto sector and 998 total companies.

Acknowledgements

The directors express their heartfelt gratitude to the members, customers, dealers, suppliers, bankers, government and all other stakeholders for their continuous support to the Company and their confidence in its Management.

The directors would also like to convey its appreciation to the employees at all levels for their significant contribution towards the Company's performance.

On behalf of the Board of Directors

Niraj Bajaj
Chairman
(DIN: 00028261)

Pune: 06 May 2026

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Annexure I to the Directors' Report

Secretarial Audit Report (Form No. MR-3)

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

For the financial year ended 31 March 2026

To,
The Members,
Bajaj Auto Ltd.
Bajaj Auto Ltd. Complex, Mumbai - Pune Road,
Akurdi, 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 Auto Ltd.** (hereinafter called 'the Company'). The 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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2026 (hereinafter called 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, in the manner and subject to reporting made hereinafter:

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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment (**Foreign Direct Investment and External Commercial Borrowings are not Applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (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, 1993 and Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 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)**; and
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**.

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 Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above *except that the Bajaj Auto International Holdings BV (registered in the Netherlands), a wholly owned subsidiary of the Company has entered into material related party transaction with Pierer Bajaj AG, PIERER Mobility AG and KTM AG (registered in Austria) for restructuring support for KTM AG and its subsidiaries, related parties of the Company, without obtaining prior approval of the shareholders as per regulation 23 of Listing Regulations. However, the transaction was subsequently approved by the shareholders.*

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 complied with the following law applicable specifically to the Company:

- a) The Motor Vehicles Act, 1988 and
- b) The Central Motor Vehicle Rules, 1989.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of executive, non-executive directors and independent directors. During the Audit Period there were no changes in composition of the Board of Directors other than re-appointment of Managing Director and Independent Director that carried out in compliance with the provision 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 (except in one instance where meeting is convened at a shorter notice for which necessary approvals obtained as per applicable provisions) 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 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. The adequacy and efficacy of the same shall be read in the context of remarks made in this report.

We further report that during the Audit Period, the Company has Issued and allotted 240,230 equity shares pursuant to exercise of options granted under Bajaj Auto Employee Stock Option Scheme, 2019.

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.

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

Kumudini Bhalerao
Partner
FCS: 6667
CP No.: 6690
UDIN: F006667H000291446

Date: 06 May 2026
Place: Mumbai

Annexure A to the Secretarial Audit Report

To,
The Members,
Bajaj Auto Ltd.
Bajaj Auto Ltd. Complex, Mumbai - Pune Road,
Akurdi, Pune - 411035.

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

Kumudini Bhalerao
Partner
FCS: 6667
CP No.: 6690
UDIN: F006667H000291446

Date: 06 May 2026
Place: Mumbai

Annexure II to Directors' Report

Form No. AOC-2

[Pursuant to section 134(3)(h) of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto for the financial year ended 31 March 2026.

1. Details of contracts or arrangements or transactions not at arm's length basis:

No contracts or arrangements or transactions were entered into by the Company with the related parties during the year ended 31 March 2026, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Name(s) of the related party	Nature of relationship	Nature & salient terms of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Date(s) of approval by the Board	Value of the contracts/ arrangements/ transactions (₹ In Crore)	Amount paid as advances, if any
1.	Rishabnayan Bajaj	Son of Rajiv Bajaj, Managing Director and Chief Executive Officer of the Company.	To hold and continue to hold office or place of profit by Rishabnayan Bajaj, currently designated as Vice President in the Company.	01 April 2025 - 31 March 2026*	24 January 2024	0.57	Nil

* Members have accorded their approval to Rishabnayan Bajaj, a related party of the Company to hold and continue to hold office or place of profit in the Company in terms of the provisions of section 188(1)(f) read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, for a period of five years effective from 01 April 2023 up to 31 March 2028, by way of an ordinary resolution passed on 05 March 2024 through postal ballot.

Note:

- The above disclosure has been prepared in the format prescribed for e-Form AOC-2 in accordance with the Companies (Accounts) Second Amendment Rules, 2025. The details of Permanent Account Number (PAN)/Passport numbers of individuals, which are otherwise required to be disclosed in e-Form AOC-2, have not been included herein due to data privacy and security considerations.
- All related party transactions entered into during FY2026 were in the ordinary course of business and on arm's length basis.

On behalf of the Board of Directors

Niraj Bajaj
Chairman
(DIN: 00028261)
Pune: 06 May 2026

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Annexure III to Directors' Report

Remuneration Details

[As required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31 March 2026]

Sr. No.	Name of Director/KMP	Ratio of Remuneration of director to Median Remuneration of employees (including perquisite value of ESOPs exercised)	% increase in the financial year (including perquisite value of ESOPs exercised)	Ratio of Remuneration of director to Median Remuneration of employees (excluding perquisite value of ESOPs exercised)	% increase in the financial year (excluding perquisite value of ESOPs exercised)
A. Whole-time directors/ Managerial Personnel					
	Rajiv Bajaj, Managing Director and CEO	534.73	0.50	534.73	0.50
	Pradeep Shrivastava, Executive Director	191.62	(25.54)	139.81	7.68
	Rakesh Sharma, Executive Director	138.95	(9.01)	138.95	8.73
	Whole-time directors in aggregate	865.29	(8.15)	813.48	3.01
B. Non-executive directors¹					
	Sanjiv Bajaj	1.72	(25.00)	1.72	(25.00)
	Niraj Bajaj	3.15	(15.38)	3.15	(15.38)
	Dr. Naushad Forbes	5.15	0.00	5.15	0.00
	Anami N. Roy	4.29	(6.25)	4.29	(6.25)
	Pradip Shah	4.58	(5.88)	4.58	(5.88)
	Abhinav Bindra	3.72	(13.33)	3.72	(13.33)
	Vinita Bali	4.29	36.36	4.29	36.36
	Dr. Sangita Reddy	1.43	25.00	1.43	25.00
C. Key Managerial Personnel					
	Rajiv Bajaj, Managing Director and CEO		0.50		0.50
	Dinesh Thapar, Chief Financial Officer		8.02		8.02
	Rajiv Gandhi, Company Secretary		2.49		3.28
D. Remuneration of Median Employee (other than Whole-time directors): 8.15%					
E. Permanent employees as on 31 March 2026²: 5,229					

1. a. Remuneration payable to non-executive directors is based on the number of meetings of the Board and its Committee attended by them as member during the year.
b. Remuneration to directors for the above purposes does not include sitting fees paid to them for attending Board/Committee meetings.
2. The term 'Permanent employees' does not include trainees, probationers and contract employees.

Notes on Disclosures under rule 5

1. In FY2026, the remuneration of median employee other than Whole-time directors increased by 8.15% over the previous year.
2. The average percentile increase made in the salaries of employees other than the Whole-time directors/Managerial Personnel was 12.44% whereas the increase in the remuneration of the Whole-time directors/Managerial personnel, in the aggregate was 3.01% during the year under review, which was given, keeping in view the trends of remuneration in industry.
3. The remuneration paid as above was as per the Remuneration Policy of the Company.

Annexure IV to Directors' Report

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

1. Brief outline of Company's CSR Policy

Introduction

The vision and philosophy of Late Shri Jamnalal Bajaj, the founder of Bajaj Group, guide the Corporate Social Responsibility (CSR) activities of the group. He embodied the concept of trusteeship in business and common good, and laid the foundation for ethical, value-based and transparent functioning.

Bajaj Group believes that true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people.

Through its social investments, Bajaj Group addresses the needs of communities residing in the vicinity of its facilities by taking sustainable initiatives in the areas of health, education, environment conservation, infrastructure and community development, and response to natural calamities. For society, however, Bajaj is more than a corporate identity. It is a catalyst for social empowerment and the reason behind the smiles that light up a million faces.

It is this goodwill that has made us **"The World's Favourite Indian"**

'Bajaj Beyond' is the Bajaj Group's new identity for all its corporate social responsibility and charitable programmes with focus on youth skilling. The initiatives will benefit the youth and enable them to take advantage of employment and entrepreneurial opportunities offered by India's growing economy in the years' to come.

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.
- **Be focused:** The Company believes that activities should be focused around locations where it has a presence and hence can effectively guide, monitor and implement specific projects.
- **Target those who need it most:** Care for the sections of the society, which are socially at the lowest rung irrespective of their religion, caste, language or colour.
- **Sustain natural resources:** The Company encourages balanced development and ensures least adverse impact on environment – Growth with Mother Nature's blessings.

Brief Contents of CSR Policy

Section 135 of the Companies Act, 2013 ('The Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been amended substantially with effect from 22 January 2021. Accordingly, the CSR Policy was amended on 29 April 2021, with approvals of the CSR Committee and Board of Directors. 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

2. Composition of the CSR Committee

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Rajiv Bajaj	Chairman		2/2
2.	Pradeep Shrivastava	Member		2/2
3.	Dr. Naushad Forbes	Member	2	2/2
4.	Abhinav Bindra	Member		2/2
5.	Vinita Bali	Member		2/2

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

- Composition of CSR committee
<https://www.bajajauto.com/about-us/bajaj-team>
- CSR Policy
<https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/BAL-Revised-CSR-Policy-29-April-2021.ashx>
- CSR projects approved by the Board
<https://www.bajajauto.com/corporate/corporate-social-responsibility>



SMT Assembly Line in the BEST Electronic Manufacturing Systems vertical at SASTRA University



Hands-on training in the Firmware Testing Lab, equipping BEST students with future-ready skills



Women building expertise in EV servicing at the STEP Centre



Students certified in STEP, excelling in automobile service



Students completing the BMS course at an ITI, advancing their employability



BMS students receiving certificates at Government ITI in Karnataka for successful course completion



Building pathways for women's careers through vocational training at SSK



Rupa Rahul Bajaj Scholars receiving honours that celebrate merit and potential



Students from our STEM Education Program won accolades at the World Skills Challenge 2025

4. The executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable - As per table below

Web-link of Impact assessment reports:

<https://www.bajajauto.com/corporate/corporate-social-responsibility>

Sr. No.	Project Title	Implementing Agency	Location	Date of Completion of Project	Actual Amount Utilized (₹ in Cr)	Date of Impact Assessment Report	Highlights of the assessment
1	Lighthouse: Center for Skilling and Livelihood	Light House Communities	Pune, Maharashtra	30-11-2024	2.9	12-03-2026	The program engaged 2,000+ youth with high completion rates (98.1% foundation, 91.8% vocational), improving self-awareness and employability skills. Participants also reported effective training delivery and positive livelihood and social gains, including higher confidence, self-reliance, and improved social standing.
2	Advanced Homeopathic Practitioner training programme	The Other Song	Pan India	30-09-2025	2.7	12-03-2026	The program reached 2,180 learners, delivering universal satisfaction, strong female participation (74.4%), high interest in advanced training (72.8%), and near-universal endorsement (97.8%), with two-thirds rating mentorship highly.
3	Renewal and upgradation of Centre for translational cancer research (B-CTCR)	Prashanti Cancer Care Mission	Pune, Maharashtra	31-03-2024	5.9	12-03-2026	The program advanced integrated cancer care, research, and training in Pune by strengthening TNBC research through linked clinical and biobank systems, building skilled human resources via mentorship and collaboration, improving patient-centred services, and establishing sustainable, scalable models for evidence-based cancer care in India.
4	Strengthening rural livelihoods for sustainable development in Central Indian Himalayan Region	Aarohi	Nainital, Uttarakhand	30-04-2024	1.9	12-03-2026	The program supported 2,000 farmers in 30 Central Himalayan villages, driving near-universal adoption of sustainable practices, strong community participation, improved water access, and widespread recognition of the benefits of collective ecosystem management.
5	Youth Entrepreneurship Development Program	Bharatiya Yuva Shakti Trust	Pune, Aurangabad, Wardha -Maharashtra Udham Singh Nagar - Uttarakhand Sikar - Rajasthan	31-03-2026	9.9	12-03-2026	The program reached 39,363 entrepreneurs across three states, improving business capacity, delivering effective personalized mentoring, and boosting recognition and confidence through targeted support and contests.
6	Hostels and residential quarters at Shiksha Mandal's Bajaj Institute of Technology	Shiksha Mandal	Wardha, Maharashtra	31-03-2024	16.7	12-03-2026	The program supported 240 students by providing safe, affordable hostels and shared facilities, reducing commute barriers and improving attendance, academic continuity, campus engagement, and overall student well-being.

Sr. No.	Project Title	Implementing Agency	Location	Date of Completion of Project	Actual Amount Utilized (₹ in Cr)	Date of Impact Assessment Report	Highlights of the assessment
7	Providing healthcare to tribal & Rural communities of Gadchiroli	Society for Education, Action, and Research in Community Health	Gadchiroli, Maharashtra	31-03-2024	1.8	12-03-2026	The program reached 373,879 people in tribal and rural Gadchiroli, achieving high use of outpatient services, reliable diagnostic access, culturally sensitive care, and strengthened trust in hospital-based healthcare.
8	Research program on financial sector and sub-national economic reforms	Centre for Social and Economic Progress	Pan India	31-03-2024	5.0	12-03-2026	The program strengthened evidence-based policymaking nationwide by expanding research capacity, embedding multi-year cycles, informing national policy on critical minerals, and placing all outputs in the public domain to enhance accessibility and engagement.
9	Targeting the hard-core poor by developing them as entrepreneurs	Bandhan Konnagar	Udhm Singh Nagar, Uttarakhand	31-01-2024	2.4	12-03-2026	The program empowered 3,000 ultra-poor women in Uttarakhand to transition to sustainable self-employment, achieving high enterprise continuity, asset ownership, and strong confidence in livelihood stability and growth.
10	Renovation of Vinoba's Paunar Ashram	Brahma Vidya Mandir, Paunar Ashram	Wardha, Maharashtra	30-06-2023	1.8	12-03-2026	The program supported 28 resident sisters and engaged over 50,000 annual visitors at Paramdham Ashram, achieving full confidence in heritage safety, improved usability of restored spaces, and universal spiritual or educational benefit.
11	Construction of new Lecture Theatre Complex at Government Medical College & Hospital. (GMCHA)	Bajaj Adhyapan Sankul	Aurangabad, Maharashtra	31-03-2024	8.5	12-03-2026	The program enhanced medical education at GMCHA by delivering a modern lecture theatre complex that reduced overcrowding and improved comfort, visibility, and overall learning engagement.
12	The Satyamev Jayate Water Cup - Phase 2	Paani Foundation	Beed, Satara, Amravati, Aurangabad, Nandurbar and Washim - Maharashtra	30-06-2022	10.0	12-03-2026	The program supported 39,005 farmers in 944 drought-prone villages, strengthening water governance, collective farming, and improving living standards through enhanced planning and community resilience.
13	Promotion of sustainable livelihood for leprosy affected families	Sasakawa India Leprosy Foundation	Sangali, Solapur, Nashik - Maharashtra	14-02-2024	1.1	12-03-2026	The program supported 108 leprosy-affected families in Maharashtra, strengthening enterprises, improving household stability, and enhancing livelihoods through better skills, financial practices, and social acceptance.

5. (a) Average net profit of the Company as per section 135(5) ₹ 9,386.61 crore
- (b) Two percent of average net profit of the company as per section 135(5) ₹ 187.73 crore
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years Nil
- (d) Amount required to be set off for the financial year, if any Nil
- (e) Total CSR obligation for the financial year [(b)+(c) -(d)] ₹ 187.73 crore
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 25.86 crore
- (b) Amount spent in Administrative Overheads ₹ 8.95 crore
- (c) Amount spent on Impact Assessment, if applicable ₹ 0.51 crore
- (d) Direct expenses by Company ₹ 0.40 crore
- (d) Total amount spent for the financial Year [(a)+(b) +(c) +(d)] ₹ 35.72 crore
('spent' as clarified by MCA FAQ dated 25 August 2021)
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		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
₹ 35.72 crore	₹ 152.01 crore	27 April 2026		Nil: Not Applicable	

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

7. Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY2022-23	72.42 crore	0	0	0	0	0	0
2	FY2023-24	105.87 crore	0	87.26 crore	0	0	0	0
3	FY2024-25	133.74 crore	43.63 Crore	90.11 crore*	0	0	43.63 Crore**	0

*Does not include advance of ₹ 0.87 crore given by the Company

** Includes advance of ₹ 0.87 crore given by the Company

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

Furnishing the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year (2025-26)

Sr. No	Short particular of the property or asset(s) (including complete address and location of the property)	Pin Code of the property or asset(s)	Date of creation	Amount of CSR (amount spent in Cr.) FY 2025-26	Details of entity/authority/beneficiary of the registered owner		
					CSR registration number if applicable	Name	Registered address
1	Equipment and Furniture for setting up BEST Center at C. V. Raman Global University Add: C. V. Raman Global University, Mahura, Janla, Odisha	752054	20-03-2026	14.04	CSR00001725	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
2	Equipment and Furniture for setting up BEST Center at UPES, Dehradun Add: UPES (University of Petroleum & Energy Studies), P.O. Bidholi, Via Prem Nagar, Dehradun, Uttarakhand	248007	15-12-2025	14.81	CSR00001726	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
3	Equipment and Furniture for setting up BEST Center at SASTRA Add: Trichy–Thanjavur Road, Tirumalaisamudram, Thanjavur, Tamil Nadu	613401	17-03-2026	17.10	CSR00001727	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
4	Equipment and Furniture for setting up BEST Center at COEP Add: College of Engineering, Pune (COEP), Wellesley Road, Shivajinagar, Pune, Maharashtra	411005	13-03-2026	3.36	CSR00001728	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
5	Equipment and Furniture for setting up BEST Center at PES University Add: PES University, 100 Feet Ring Road BSK III Stage, Bangalore, Karnataka	560085	12-03-2026	1.72	CSR00001729	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
6	Equipment and Furniture for setting up BEST Center at GNIT Add: G Narayanamma Institute of Technology & Science for Women Shaikpet Rd, Ambedkar Nagar, Shaikpet, Hyderabad, Telangana	500104	13-03-2026	0.49	CSR00001730	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
7	Equipment and Furniture for setting up BEST Center at TCE Add: Thiagarajar College of Engineering (TCE), Thiruparankundram, Tamil Nadu	625015	17-03-2026	0.48	CSR00001731	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
8	Equipment and Furniture for setting up BEST Center at Mahindra University Add: Mahindra University, Survey No: 62/1A, Bahadurpally, Jeedimetla, Hyderabad, Telangana	500043	12-03-2026	0.88	CSR00001732	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
9	Equipment and Furniture for setting up BEST Center at Thapar Institute of Engineering & Technology Add: Thapar Institute of Engineering & Technology, Bhadson Rd, Adarsh Nagar, Prem Nagar, Patiala, Punjab	147004	17-03-2026	0.30	CSR00001733	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035

Sr. No	Short particular of the property or asset(s) (including complete address and location of the property)	Pin Code of the property or asset(s)	Date of creation	Amount of CSR (amount spent in Cr.) FY 2025-26	Details of entity/authority/beneficiary of the registered owner		
					CSR registration number if applicable	Name	Registered address
10	Equipment and Furniture for services at PRANA Add: 9th floor, Bajaj Brandview, Wakadewadi, Shivajinagar, Pune, Maharashtra	411003	06-02-2026	1.29	CSR00001735	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
11	Equipment & furniture for setting up STEP center-Hyderabad Add: Vignana jyothi Institute of Arts and sciences, Xavier Bhavan, Plot no:7, Road No:16, Lane No 1, Aswini colony, West Marredpally, Secunderabad, Telangana	500026	04-11-2025	0.11	CSR00001736	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
12	Equipment & furniture for setting up STEP center-Lucknow Add: Gautam Buddha Degree College Gauri Road Bijnaur, near CRPF camp, Bijnor, Lucknow, Uttar Pradesh	226002	02-02-2026	0.10	CSR00001737	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
13	Equipment & furniture for setting up STEP center-Prayagraj Add: United Tower, Above Bajaj Dealership, 53, Leader Rd, Miurabad, Prayagraj, Uttar Pradesh	211001	20-02-2026	0.10	CSR00001738	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
14	Equipment & furniture for setting up STEP center-Nashik Add: KVN Naik Shikshan Prasarak Sanstha's, Pharmacy college Building, Dongare Vasatigruh Parisar, Vasantao Naik Chowk, Canada Corner, Nashik, Maharashtra	422002	19-12-2025	0.10	CSR00001739	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
15	Equipment & furniture for setting up STEP center-Nagpur Add: Kaushal Vikas Kendra, Opposite Pardi fire brigade office, Tegi Bagh Pardi Nagpur, Maharashtra	440035	15-12-2025	0.10	CSR00001740	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
16	Equipment & furniture for setting up STEP center-Bhubaneswar Add: CV Raman Global university, Bidyannagar, Mahura, Janla, Bhubaneswar, Odisha	752054	05-12-2025	0.10	CSR00001741	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
17	Equipment & furniture for setting up STEP center Indore Add: Daksh Private ITI; Royal State, Kanadia Main Rd, Near Kaurna, Indore, Madhya Pradesh	452016	10-03-2026	0.10	CSR00001742	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
18	Equipment & furniture for setting up STEP center-Kanpur Add: Yadupati Singhania Industrial Training Centre, Township, Jay Kay Staff Colony, Kamla Nagar, Narainpurwa, Kanpur, Uttar Pradesh	208005	22-12-2025	0.21	CSR00001743	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035

Sr. No	Short particular of the property or asset(s) (including complete address and location of the property)	Pin Code of the property or asset(s)	Date of creation	Amount of CSR (amount spent in Cr.) FY 2025-26	Details of entity/authority/ beneficiary of the registered owner		
					CSR registration number if applicable	Name	Registered address
19	Equipment & furniture for setting up STEP center -Bhilwadi, Sangli Add: Babasaheb Chitale Mahavidyalaya, Bhilwadi, Tal Palus, Dist Sangli, Maharashtra	416303	05-11-2025	0.05	CSR00001744	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
20	Equipment & furniture for setting up STEP center - Madurai Add: Thiagarajar College of Engineering Thiruparankundram, Madurai, Tamil Nadu	625015	30-03-2026	0.10	CSR00001745	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
21	Equipment & furniture for setting up STEP center -Chhatrapati sambhajnagar Add: Chhatrapati Shahu College of engineering, Chatrapati Sambhajnagar, Paithan Rd, Kanchanwadi, Chhatrapati sambhajnagar, Maharashtra	431011	12-01-2026	0.10	CSR00001746	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
22	Equipment & furniture for setting up STEP center - Ballari Add: Government Industrial Training Institute, Aishwarya Colony, Cantonment, Ballari, Karnataka	583104	30-03-2026	0.10	CSR00001747	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
23	Equipment & furniture for setting up STEP center - Vijayapura Add: Government Industrial Training Institute, Solapur Rd, near BLDE College gate, Sholapur, Vijayapura, Karnataka	586103	16-03-2026	0.10	CSR00001748	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
24	Equipment & furniture for setting up STEP center - Mangaluru Add: Government Industrial Training Institute, Near KPT Jct, Kadri Hills, Kadri, Mangaluru, Karnataka	575004	30-03-2026	0.10	CSR00001749	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
25	Equipment & furniture for setting up STEP center - Jamshedpur Add: Tata Steel Foundation Community Centre, Nearby Bank of India, Bhalubasa, Jamshedpur, Jharkhand	831009	26-03-2026	0.05	CSR00001750	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
26	Equipment & furniture for setting up STEP center - Midnapore Add: Tata Steel Skill Development authority, Midnapore Government ITI, Rangamati, Dherua Midnapore Road, Paschim Midnapore, West Bengal	721102	23-03-2026	0.05	CSR00001751	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035
27	Equipment & furniture for setting up STEP center - Kolhapur Add: Dr. Bapuji Salunke Institute of Engineering & Technology, Warna colony, Kolhapur, Maharashtra	416003	30-03-2026	0.05	CSR00001752	Bajaj Auto Foundation	Survey No. 4272, Near Tongaonkar Hospital, Viveknagar, Akurdi, Pune – 411 035

Includes projects which have been completed in FY2025-26.

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135:
- Taking into account the commitments made by the Company for the ongoing CSR projects/ programs which are in progress and considering the project mode of CSR activity where the projects can extend beyond the financial year, there is no shortfall in the CSR expenditure mandated to be spent by the company during the financial year ended **31 March 2026**.
 - As per provisions of section 135(6) of the Companies Act, 2013 ("the Act"), any amount remaining unspent under Section 135(5) of the Act, pursuant to any ongoing project shall be transferred by the company within a period of 30 days from the end of the financial year to a special account to be opened by the company. Accordingly, such amount has been transferred by the Company to the specified account so opened within the prescribed period. As per the MCA circular dated **25 August 2021**, this amounts to meeting of the obligation and due compliance under Section 135 of the Act & hence there is no shortfall of spends.

Rajiv Bajaj

Managing Director & CEO and
Chairman of CSR Committee
DIN: 00018262

Pune: 06 May 2026

CORPORATE GOVERNANCE REPORT

Corporate governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct driven by the objective of creating and enhancing long-term value for all stakeholders of the Company.

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto ('the Listing Regulations, 2015'), given below are the corporate governance policies and practices of Bajaj Auto Ltd. ('the Company'/'Bajaj Auto'/'BAL') for the year 2025-26 (or 'FY2026').

Philosophy

For us, corporate governance is a reflection of principles entrenched in our vision & mission and embedded in our day-to-day business practices, leading to value-driven growth. The commitment of the Bajaj group to the highest standards of good governance practices predates SEBI and the provisions of the Listing Regulations, 2015. Ethical dealings, transparency, fairness, disclosure and accountability are fundamental canons of the Bajaj group. Bajaj Auto Ltd. maintains the same tradition and commitment, which guides us in pursuing our purpose and achieving excellence in corporate governance.

At Bajaj Auto, we strive to achieve business excellence through ethically driven business process and a firm commitment to the rich legacy of our values, while meeting the stakeholders' expectations. This Report gives a detailed overview of our governance framework.

The Governance Structure

Bajaj Auto's governance structure is based on the overall guidance of the Board of Directors and principles of freedom to the Executive Management within a given framework to ensure that the powers vested in the Executive Management are exercised with due care and responsibility so as to meet the expectations of all the stakeholders. In line with these principles, the Company has formed two tiers of governance structure viz.:

- 1. The Board of Directors and its Committees:** The Board conducts overall strategic supervision and control by setting goals and reporting mechanism and decision-making process with an intent to protect the interest and value creation for all the stakeholders. The Board lays down strategic goals and holds Management accountable for achieving them.

The Committees of the Board such as Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, etc. are focused on specific elements of the governance like audit and internal controls, financial reporting, risk management framework, appointment and remuneration of directors/senior management personnel, investors' grievance management, implementation and monitoring of CSR activities in furtherance to the Company's societal commitments.

- 2. Executive Management:** The Executive Management is lead by the Managing Director and CEO who is ably assisted by the executive directors and the heads of business development, finance, HR, R&D and other functional heads. The Executive Management is responsible for the day-to-day business, strategies, new projects and product development, financial and human resource management and policy matters.

Board of Directors

The Company's policy is to have an appropriate blend of executive directors, independent directors (including women directors) and non-executive non-independent directors to maintain independence of the Board and to separate the Board functions of governance from that of management. The Company has a non-executive Chairman (promoter), who heads the Board and oversees its overall conduct.

Composition

As per regulation 17(1)(b) of the Listing Regulations, 2015, where the chairman is non-executive director or a promoter, at least half of the Board of a company should consist of independent directors. The present composition of Bajaj Auto's Board meets the said requirement.

As on 31 March 2026, the Board consisted of eleven directors, of whom three (27%) were executive directors (including the Managing Director), two non-executive non-independent directors (18%) and six independent directors including two women independent directors (55%). The Board has no institutional nominee director.

Further the changes in the composition of the Board of Directors during FY2026 are mentioned in the *Directors' Report*.

Selection, Appointment and Tenure of Directors

The Nomination and Remuneration Committee facilitate the Board in identification and selection of the directors who shall be of high integrity with relevant expertise and experience so as to have well diverse Board. The directors are appointed or re-appointed with the approval of the members and shall remain in office in accordance with the provisions of the law.

Board Diversity Policy

In compliance with the provisions of the Listing Regulations, 2015, the Board through Nomination and Remuneration Committee has devised a Policy on Board diversity. The Board comprises adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company.

The directors are persons of eminence in areas such as business, industry, finance, economics, law, governance, etc. and bring with them a wide range of experience and skills which add value to the performance of the Board and the Company while ensuring the best interest of stakeholders. They take active part in the Board and Committee meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, governance, compliance, etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board. The directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality. The Board composition as at present meets with the above objective.

A brief profile of the directors is available on the website of the Company at <https://www.bajajauto.com/about-us/bajaj-team>

Number of meetings of the Board

During FY2026, the Board met seven times: 05 May 2025, 21 May 2025, 29 May 2025, 06 August 2025, 07 November 2025, 30 January 2026 and 18 March 2026. The gap between any two consecutive meetings was less than 120 days.

Attendance record of directors

Table 1: Composition of the Board and attendance record of directors for FY2026

Name of director	Category of director	Relationship with other directors	No. of shares held by director ⁽⁶⁾	No. of Board meetings attended	Attended the last Annual General Meeting held on 06 August 2025
Niraj Bajaj	Chairman, non-executive, non-independent director (Promoter)	–	872,979 ⁽⁵⁾	7 out of 7	Yes
Rajiv Bajaj ⁽¹⁾	Managing Director and CEO, executive director (Promoter)	Brother of Sanjiv Bajaj	878,001 ⁽⁵⁾	7 out of 7	Yes
Sanjiv Bajaj	Non-executive, non-independent director (Promoter)	Brother of Rajiv Bajaj	755,809 ⁽⁵⁾	6 out of 7	Yes
Pradeep Shrivastava ⁽³⁾	Executive director	–	11,088	6 out of 7	Yes
Dr. Naushad Forbes	Non-executive, independent director	–	3,500	7 out of 7	Yes
Anami N. Roy	Non-executive, independent director	–	0	7 out of 7	Yes
Rakesh Sharma ⁽⁴⁾	Executive director	–	6,328	7 out of 7	Yes
Pradip Shah	Non-executive, independent director	–	3,952	7 out of 7	Yes
Abhinav Bindra ⁽²⁾	Non-executive, independent director	–	0	7 out of 7	Yes
Vinita Bali	Non-executive, independent director	–	0	7 out of 7	Yes
Dr. Sangita Reddy	Non-executive, independent director	–	0	5 out of 7	Yes

Notes:

- Rajiv Bajaj was re-appointed as Managing Director and CEO for another term of five years commencing from 01 April 2025. The members have approved the said re-appointment vide special resolution passed on 30 April 2025 through postal ballot conducted by remote e-voting process.
- Abhinav Bindra was re-appointed as a Non-executive independent director for the second term of five years commencing from 20 May 2025. The members have approved the said re-appointment vide special resolution passed on 30 April 2025 through postal ballot conducted by remote e-voting process.
- The Board, at its meeting held on 18 March 2026, based on the recommendations of Nomination and Remuneration Committee, has approved the re-appointment of Pradeep Shrivastava as Whole-time director for another term of five years commencing from 01 April 2026. Approval of the members for his re-appointment is being sought by way of a postal ballot.
- The Board, at its meeting held on 06 May 2026, based on the recommendations of Nomination and Remuneration Committee, have approved the re-designation and appointment of Rakesh Sharma as Joint Managing Director w.e.f. 01 June 2026 subject to approval of the members of the Company at the ensuing Annual General Meeting.
- The equity shares also includes shares held in the capacity of trustee of private family trusts.
- None of the directors hold any convertible instrument. Pradeep Shrivastava and Rakesh Sharma, the Executive directors of the Company are entitled to employee stock options as per Bajaj Auto Employee Stock Option Scheme 2019, as amended.

Directorships and memberships of Board Committees

Table 2: Number of directorships/committee positions of directors as on 31 March 2026 (including the Company)

Name of the director	Directorships			Committee positions in listed and unlisted public limited companies	
	In equity listed companies	In unlisted public limited companies	In private limited companies	As member (including as chairperson)	As chairperson
Niraj Bajaj	3	4	7	1	0
Rajiv Bajaj	4	2	4	0	0
Sanjiv Bajaj	6	4	8	5	0
Pradeep Shrivastava	1	0	0	0	0
Dr. Naushad Forbes	6	1	6	6	1
Anami N. Roy	5	1	1	8	5
Rakesh Sharma	1	2	0	0	0
Pradip Shah	4	3	8	7	2
Abhinav Bindra	2	0	4	1	0
Vinita Bali	2	0	0	2	0
Dr. Sangita Reddy	3	6	10	0	0

Notes: 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; for reckoning the limit of private and public companies, directorships in dormant companies and companies under section 8 of the Companies Act, 2013 ('the Act') are excluded.

As per the declarations received, none of the directors serve as an independent director in more than seven equity listed companies or in more than three equity listed companies in case he or she is a whole-time director/managing director in any listed company.

Further, the Managing Director of Bajaj Auto does not serve as an independent director in any equity listed company.

For the purpose of considering the limit of the committees in which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of the Act have been excluded.

None of the directors was a member in more than ten committees nor a chairperson in more than five committees across all companies in which he/she was a director. Only audit committees and stakeholders' relationship committees are considered for the purpose of reckoning committee positions.

Notwithstanding the number of directorships, as has been highlighted herein, the outstanding attendance record and participation of the directors in Board and Committee meetings indicate their commitment and ability to devote adequate time to their responsibilities as the Company's fiduciaries.

Directorships held by directors in listed companies

Table 3: Name of listed companies where directors of the Company held directorships as on 31 March 2026 (including the Company)

Name of director	Name of listed companies	Category
Niraj Bajaj	a. Bajaj Auto Ltd.	Chairman, non-executive director
	b. Bajaj Holdings & Investment Ltd.	Vice-Chairman, non-executive, non-independent director
	c. Mukand Ltd.	Chairman and Managing Director, executive director
Rajiv Bajaj	a. Bajaj Auto Ltd.	Managing Director and CEO, executive director
	b. Bajaj Holdings & Investment Ltd.	Vice-Chairman, non-executive, non-independent director
	c. Bajaj Finserv Ltd.	Non-executive, non-independent director
	d. Bajaj Finance Ltd.	Non-executive, non-independent director

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Name of director	Name of listed companies	Category
Sanjiv Bajaj	a. Bajaj Auto Ltd.	Non-executive, non-independent director
	b. Bajaj Holdings & Investment Ltd.	Managing Director and CEO, executive director
	c. Bajaj Finserv Ltd.	Chairman and Managing Director, executive director
	d. Bajaj Finance Ltd.	Chairman, non-executive, non-independent director
	e. Maharashtra Scooters Ltd.	Chairman, non-executive, non-independent director
	f. Bajaj Housing Finance Ltd.	Chairman, non-executive, non-independent director
Pradeep Shrivastava	a. Bajaj Auto Ltd.	Executive director
Dr. Naushad Forbes	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent director
	c. Bajaj Finserv Ltd.	Non-executive, independent director
	d. Bajaj Finance Ltd.	Non-executive, independent director
	e. Zodiac Clothing Company Ltd.	Non-executive, independent director
	f. Pidilite Industries Ltd.	Non-executive, independent director
Anami N. Roy	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Bajaj Finserv Ltd.	Non-executive, independent director
	c. Bajaj Finance Ltd.	Non-executive, independent director
	d. Bajaj Housing Finance Ltd.	Non-executive, independent director
	e. Siemens Ltd.	Non-executive, independent director
Rakesh Sharma	a. Bajaj Auto Ltd.	Executive director
Pradip Shah	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent director
	c. Pfizer Ltd.	Chairman, non-executive, non-independent director
	d. BASF India Ltd.	Chairman, non-executive, non-independent director
Abhinav Bindra	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Bajaj Holdings & Investment Ltd.	Non-executive, independent director
Vinita Bali	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Syngene International Ltd.	Non-executive, non-independent director
Dr. Sangita Reddy	a. Bajaj Auto Ltd.	Non-executive, independent director
	b. Apollo Hospitals Enterprise Ltd.	Joint Managing Director
	c. Indraprastha Medical Corporation Ltd.	Non-executive, non-independent director

Independent Directors

The independent directors on the Board of the Company are highly experienced, competent and persons of repute in their respective fields, their collective wisdom and prudence brings an ideal mixture of expertise, professionalism, knowledge and experience to the table.

In accordance with the provisions of section 149(10) and (11) of the Act and regulation 25(2) of the Listing Regulations, 2015, the independent directors can hold office for two consecutive terms of maximum period of five years each on the Board of the Company. As regards the appointment and tenure of independent directors, the Company has complied with the provisions of the Act and the Listing Regulations, 2015.

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Act at the time of their appointment/re-appointment. The terms and conditions of appointment/re-appointment of independent directors are available on the Company's website at <https://www.bajajauto.com/investors/miscellaneous>

The Company has received declaration from all the independent directors stating that they meet the criteria of independence stipulated under section 149(6) of the Act read with rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and regulations 16 and 25 of the Listing Regulations, 2015.

The independent directors have also confirmed compliance with the provisions of section 150 of the Act read with rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, relating to inclusion of their name in the independent director's databank of the Indian Institute of Corporate Affairs.

Based on the declarations received from the independent directors, the Board is of the opinion that the independent directors fulfil the conditions of independence specified in the Listing Regulations, 2015 and the Act and are independent of the Management.

During the year under review, none of the independent directors of the Company have resigned before the expiry of their tenure.

Induction and Familiarisation programme

The directors are kept abreast on all business related matters having bearing on its operational and financial performance and future planning. These include risk assessment and minimisation procedures, CSR & sustainability interventions, succession plans, management development processes, and new initiatives proposed by the Company.

As and when a new director is appointed, as part of the process of induction, the Company has the practice of familiarising the new director with information on various aspects of the Company's business, including the following:

- Overview of the Company's business
- Meeting with the key executives of the Company
- Visit to the manufacturing plant
- Apprising with the Company's Code of Conduct for directors, Insider Trading Codes, etc.

To familiarise independent directors with the Company's operations, as required under regulation 25(7) of the Listing Regulations, 2015, the Company has held various programmes/presentations for the independent directors throughout the year on an ongoing and continuous basis. Details of these are placed on <https://www.bajajauto.com/investors/policies-codes>

During FY2026, the directors were updated extensively on the following through presentations/updates at Board meetings:

- Two-wheeler, Three-wheelers, EV business for Domestic and International Market.
- Update on KTM acquisition, restructuring process and related developments.
- Export Business.
- Annual business plan and its performance review.
- Risk management framework including functional/business risks, external risks and risk mitigation strategies.

- Succession planning and talent and leadership development.
- Fuel management in geopolitical crisis impacting the Company's operations.
- Internal controls, regulatory frameworks and compliance.

Orderly succession to Board and senior management

Succession planning is a critical element of the human resources strategy at the Company. The Company implemented a 'Project Velocity' on succession planning during the year.

One of the key functions of the Board of Directors is selecting, compensating, monitoring and when necessary, replacing the members of the Board of Directors and the senior managerial personnel including the KMPs. Further, the Nomination and Remuneration Committee is instrumental in identifying successors for Board members and senior management thereby aligning the succession plans with the Company's strategic and long-term goals.

Pursuant to regulation 17(4) of the Listing Regulations, 2015, the framework of succession planning for the Board and senior management was placed before the Board for its review. During the year under review, the Board of the Company has satisfied itself that the plans are in place for orderly succession of such appointments.

Core skills/Expertise/Competencies

For the effective functioning of the Board, the directors amongst themselves should have a balance of skills, experience and diversity of perspectives appropriate to the Company. The directors possess extensive knowledge and expertise in their areas of function which allows them to make effective contributions to the Board and its Committees.

As stipulated under schedule V of the Listing Regulations, 2015, core skills/expertise/competencies, the Board has identified the skills/expertise/competencies for its effective functioning as required in the context of the business and sector and those actually available with the Board. The details of which are given below:

1. Business and Industry, Management

Domain knowledge in business and understanding of business environment, optimising the development in the industry for improving the Company's business.

2. Strategic Insight

Ability to evaluate competitive corporate and business strategies and based thereon, contribute towards progressive refinement of the Company's strategies.

3. Financial Expertise

Understanding of financial policies and financial reporting processes, accounting, taxation, risk management, internal control, capital allocation, resource utilisation.

4. Governance and Compliance

Experience in developing governance and compliance practices, serving the best interests of all stakeholders, maintaining Board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

Table 4: The Chart/matrix of such core skills/expertise/competencies of each director as on the date of this Report is as under:

Name of director	Designation	Core skills/expertise/competencies of directors
Niraj Bajaj	Chairman	Business & Industry, Management & Strategy, Commercial, Financial Expertise, Governance & Compliance and such other areas.
Rajiv Bajaj	Managing Director and CEO	Business & Industry, Management & Strategy, Product Development, Manufacturing & Sales Operations, CSR & Sustainability.
Sanjiv Bajaj	Non-executive director	Business & Industry, Management & Strategy, Financial Expertise, Information Technology, Human Resources, Governance & Compliance.
Pradeep Shrivastava	Executive director	Management & Strategy, Manufacturing & Operations, Project Management, CSR & Sustainability.
Dr. Naushad Forbes	Independent director	Management & Strategy, Operations, Human Resources & Industrial Relations, Finance & Taxation, Governance & Compliance, CSR & Sustainability.
Anami N. Roy	Independent director	Human Resources & Industrial Relations, Governance & Compliance, Law, Banking, Investment & Treasury Management, CSR & Sustainability.
Rakesh Sharma	Executive director	Management & Strategy, Global Business Operations, Marketing & Sales, Project Management.
Pradip Shah	Independent director	Strategy, Finance & Taxation, Governance & Compliance and such other areas.
Abhinav Bindra	Independent director	Strategy, CSR & Sustainability, Academics & Education, Sports & Administration.
Vinita Bali	Independent director	Global Business Leadership, Brand Building, Innovation, Management & Strategy, CSR & Sustainability.
Dr. Sangita Reddy	Independent director	Business & Industry Management, Strategy, Governance & Compliance and CSR.

Performance Evaluation of the Board, its Committees, the Chairman and the Directors

Board Evaluation

The annual evaluation process of the Board, its Committees, Chairman and individual directors for FY2026 was conducted as per provisions of the Act and the Listing Regulations, 2015. With a view to maintain high level of confidentiality and ease of doing evaluation, the exercise was carried out online using secured web-based application. Each Board member filled up the online evaluation template on the functioning and overall level of engagement of the Board and its Committees, on parameters such as composition, execution of specific duties, quality, quantity and timeliness of flow of information, deliberations at the meeting, independence of judgement, decision-making, management actions etc. The evaluation templates were designed considering the guidelines issued under the Listing Regulations, 2015 and the Secretarial Standards and taking into consideration the suggestions given by the directors.

The parameters for performance evaluation of individual directors, *inter alia*, include ability to provide thought leadership across the role spectrum and contribution to Board cohesion, governance and organisational processes.

Feedback Mechanism

A one-on-one meeting of the individual directors with the Chairman of the Nomination and Remuneration Committee was also conducted as a part of self-appraisal and peer-group evaluation. The directors were also asked to provide their valuable feedback and suggestions on the overall functioning of the Board & its Committees and the areas of improvement for a higher degree of engagement with the Management.

Evaluation Results

The independent directors met on 18 March 2026 to review the performance evaluation of non-independent directors and the entire Board of Directors, including the Chairman, while considering the views of the executive and non-executive directors.

The independent directors were highly satisfied with the overall functioning of the Board and its various Committees, which displayed a high level of commitment and engagement. They also appreciated the exemplary leadership of the Chairman of the Board and its Committees in upholding and following the highest values and standards of corporate governance.

Post the review by the independent directors, the results were shared with the entire Board and its respective Committees. The Board expressed its satisfaction with the evaluation results and constructive feedback, which reflects very high degree of engagement of the Board and its Committees with the Management. The Board has also suggested various actionable requiring focused attention of the Management.

Based on the report of performance evaluation, the Board and Nomination and Remuneration Committee determined, as required under law that the term of independent directors may continue. The criteria for evaluation of independent directors, *inter alia*, includes attendance and participation, openness to ideas, perspectives and opinions, demonstrating highest level of integrity, independent views and judgement, etc.

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) and officers of the Company and its subsidiaries. The Board is of the opinion that the quantum and risks presently covered are adequate.

Certificate from Practising Company Secretary

The Company has received a certificate from Kumudini Bhalerao (FCS No. 6667, CP No. 6690) Partners of Makarand M. Joshi & Co., Practising Company Secretaries to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The certificate forms part of this Corporate Governance Report.

Meetings, Information supplied to the Board and Proceedings

Meetings

The Board generally meets five times in a year. Additional meetings are called as and when required. The maximum time interval between any two consecutive meetings of the Board did not exceed 120 days. In case of urgent business matters, approval of the Board/Committee is obtained by passing

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a circular resolution, as permitted by law and the same is noted in the subsequent meeting of the Board/Committee. The Company adheres to the Secretarial Standards on the Board and Committee meetings as prescribed by the Institute of Company Secretaries of India.

The annual calendar of meetings is broadly determined well before the beginning of the year to enable the directors to plan their schedule and attendance at the meeting.

All Board members are invited and encouraged to attend Committee meetings, even if they are not members.

Information supplied to the Board

In advance of each meeting, the Board is presented with relevant information in the form of agenda notes/presentation on various matters related to the working of the Company, especially those which require deliberation at the highest level. In addition to such items as required to be placed before the Board for its noting and/or approval, information is provided on various other significant items as well. Presentations are also made from time to time to the Board by different functional heads on important matters and key elements of each business. Directors have separate and independent access to the officers of the Company.

In terms of quality and importance, the information supplied by the Management to the Board of the Company is not just limited to the list of items mandated under regulation 17(7) read with part A of schedule II to the Listing Regulations, 2015.

The independent directors of the Company at their meeting held on 18 March 2026 have expressed satisfaction on the quality, quantity and timeliness of flow of information between the Company's Management and the Board and have confirmed that these significantly aid the Board to effectively and reasonably perform its duties.

Pursuant to various regulatory requirements and in compliance with applicable laws and keeping in view the business requirements, the Board is, *inter alia*, apprised on the following:

- Business plans, forecast, financial performance and strategic initiatives.
- Capital expenditure and updates.
- Internal financial controls.
- Succession planning and organisation structure.
- Details of incidence of frauds, if any and corrective action taken thereon.
- Performance of subsidiaries.
- Status of compliances with Companies Act, 2013, SEBI regulations & shareholder related matters and other related law(s).
- Various policies framed by Company and revised from time to time.
- Risk management system, Risk Management Policy and strategy followed.
- Awareness on cyber security.
- Changes in regulatory landscape.

To leverage technology and move towards paperless systems, the Company has, since several years, adopted a web-based application for transmitting Board/Committee meetings agenda and other enclosures. This application meets the high standards of security and integrity required for storage and transmission of Board/Committee documents in electronic form.

Proceedings

Apart from the Board members, the Chief Business Development Officer, Chief Financial Officer and Company Secretary attend all the Board meetings. Other senior management executives are invited as and when necessary.

At the meeting, apart from business plans, capex and investment proposal and financial results, development regarding new subsidiaries, impact of the new Labour Code, geopolitical crisis, data protection, all material developments, statutory and governance matters are presented to the Board/respective Committees. The Chairman of various Board Committees brief the Board on all the important matters discussed and decided at their respective Committee meetings, which are generally held prior to the Board meeting.

Minutes of proceedings of each Board and Committee meeting are recorded and draft minutes are circulated to Board/Committee members for their confirmation within 15 days from the date of meeting. The comments/suggestions of the Board/Committee members are invited and duly incorporated in the minutes after which these are entered in the minute book within 30 days from the date of meeting.

Independent Directors' Meeting

In compliance with schedule IV to the Act and regulation 25(3) of the Listing Regulations, 2015, the independent directors held their separate meeting on 18 March 2026, without the attendance of non-independent directors and members of Management.

All independent directors were present at the meeting.

The independent directors, *inter alia*, discussed on changes in the Board, report of performance evaluation of Board, its Committees and Chairman and reviewed the performance of non-independent directors and the Board as a whole and also the performance of Chairman of the Company taking into account the views of executive directors and non-executive directors, assessment of quality, quantity and timeliness of flow of information between the Company's Management and the Board, etc. and provided their views & expressed satisfaction on each of the matters.

In addition, the independent directors had a separate meeting with senior management personnel to deliberate on various matters concerning the Company's business.

Committees of the Board

The Company has six committees of the Board, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Duplicate Share Certificate Issuance Committee.

These Committees function under the direct supervision of the Board. Mostly, the Committee meetings are held prior to the Board meeting and the Chairman of the respective Committees briefs the Board about the deliberations and decisions taken at the Committee meetings.

Audit Committee

The Company has a duly constituted Audit Committee. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Act and the Listing Regulations, 2015. In compliance with the provisions of the Act and the Listing Regulations, 2015, all members of the Audit Committee are independent, non-executive directors, are financially literate and have accounting or related financial management expertise.

During FY2026, the Audit Committee met six times: 21 May 2025, 29 May 2025, 06 August 2025, 07 November 2025, 30 January 2026 and 18 March 2026.

Table 5: Composition of the Audit Committee and attendance of members at its meeting(s) held during FY2026

Name of member	Category	No. of meetings attended
Anami N. Roy	Chairman (non-executive, independent director)	6 out of 6
Dr. Naushad Forbes	Member (non-executive, independent director)	6 out of 6
Pradip Shah	Member (non-executive, independent director)	6 out of 6
Vinita Bali	Member (non-executive, independent director)	6 out of 6

In addition to members of the Audit Committee, these meetings were attended by the heads of finance and internal audit functions, the statutory auditors of the Company and such executives who were considered necessary for providing inputs to the Committee.

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

The Audit Committee, *inter alia*, discussed and deliberated on the internal audit reports, financial results, related party transactions including grant of omnibus approval, investment related reports, internal financial controls, utilisation of loans and/or advances from/investment by the Company in subsidiaries, whistle blower/PoSH complaints, impact due to the new Labour Code, Compliances under the Circular issued by the National Financial Reporting Authority (NFRA) etc.

Anami N. Roy, Chairman of the Audit Committee, was present at the previous Annual General Meeting of the Company held on 06 August 2025.

During the year the Company has adopted the Charter of Audit Committee, to ensuring the integrity of financial statements through its oversight of the Company's financial reporting process, internal control system and audit functions, this Charter essentially provided the following elements:

- Composition;
- Meetings and Quorum;
- Terms of Reference

The copy of the Charter is placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Terms of reference of the Audit Committee

The following terms of reference of the Audit Committee are in accordance with the Act and Listing Regulations, 2015:

Financial Statements:

1. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. To review, with the management, the quarterly financial statements before submission to the Board of Directors for approval.

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3. To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board of Directors for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of section 134(3)(c) of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgement by the management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
4. To review management discussion and analysis of financial condition and results of operations.
5. To review the financial statements, in particular, the investments made by the unlisted subsidiary(s) of the Company.

Audit:

6. To recommend to the Board of Directors for appointment, remuneration and terms of appointment of the auditors of the Company.
7. To approve availing of the permitted non-audit services rendered by the statutory auditors and approval of payment of fees thereof.
8. To review and monitor the auditor's independence and performance, and effectiveness of audit process.
9. To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems.
10. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
11. To discuss with internal auditors of any significant findings and follow up thereon.
12. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
13. To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
14. To review management letters/letters of internal control weaknesses issued by the statutory auditors.
15. To review the internal audit reports relating to internal control weaknesses.
16. To review the appointment, removal and terms of remuneration of the chief internal auditor.

Others:

17. To approve the transactions of the Company and its unlisted subsidiary(s) with related parties, as may be applicable, including any subsequent modifications thereto.
18. To review the utilisation of loans and/or advances from/investment by the Company in its subsidiary company exceeding ₹ 100 crore or 10% of the asset size of the subsidiary company, whichever is lower.

19. To scrutinise inter-corporate loans and investments.
20. To undertake valuation of undertakings or assets of the Company, wherever it is necessary.
21. To evaluate internal financial controls and risk management systems.
22. To review the functioning of the whistle blower mechanism.
23. To approve the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
24. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
25. To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
26. To review the investment policy.
27. To review, with the management, the statement of use/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutional placement and making appropriate recommendations to the Board of Directors to take up steps in this matter.
28. To review the statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1) of the Listing Regulations, 2015.
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of regulation 32(7) of the Listing Regulations, 2015.
29. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.
30. To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

Nomination and Remuneration Committee

The Company has a duly constituted Nomination and Remuneration Committee. The Committee also acts as a Compensation Committee for implementation of the Bajaj Auto Employee Stock Option Scheme 2019.

During FY2026, the Nomination and Remuneration Committee met three times: 29 May 2025, 07 November 2025 and 18 March 2026.

Table 6: Composition of Nomination and Remuneration Committee and attendance of members at its meeting(s) held during FY2026

Name of member	Category	No. of meetings attended
Dr. Naushad Forbes	Chairman (non-executive, independent director)	3 out of 3
Niraj Bajaj	Member (non-executive, non-independent director)	3 out of 3
Abhinav Bindra	Member (non-executive, independent director)	3 out of 3

The Company Secretary acts as the secretary to the Nomination and Remuneration Committee.

As provided under the terms of reference of the Nomination and Remuneration Committee, the members, *inter alia*, discussed and deliberated on appointment/re-appointment, performance assessment and payment of remuneration to directors and senior management and grant of stock options, etc.

Dr. Naushad Forbes, Chairman of the Nomination and Remuneration Committee, was present at the previous Annual General Meeting of the Company held on 06 August 2025.

During the year the Company has adopted the Charter of Nomination and Remuneration Committee, to enhancing board effectiveness, this Charter essentially provided the following elements:

- Composition;
- Meetings and Quorum;
- Terms of Reference.

The copy of the Charter is placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Terms of reference of the Nomination and Remuneration Committee

The following terms of reference of the Nomination and Remuneration Committee are in accordance with the Act and Listing Regulations, 2015:

Appointment & Re-appointment of Directors & Senior Management:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
2. To devise a policy on diversity of the Board of Directors.
3. To identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
4. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board of Directors and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board of Directors for appointment as an independent director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, the Committee may:

- a. consider candidates from a wide range of backgrounds, having due regard to diversity;
 - b. consider the time commitments of the candidates;
 - c. use the services of external agencies, if required.
5. To consider whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent director.

Performance evaluation:

6. To formulate criteria/manner for effective evaluation of performance of the Board of Directors, its committees and individual directors to be carried out either by the Committee or the Board or by an independent external agency and review its implementation and compliance.
7. To undertake the annual performance assessment of the key managerial personnel and other senior management employees.

Compensation:

8. To recommend to the Board of Directors the remuneration policy for the directors, key managerial personnel and other employees.

The Committee shall ensure the following while formulating the said policy:

- a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed pay and performance incentive reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
9. To recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management.
 10. To review and recommend to the Board of Directors the revision in the remuneration to be paid to the Managing Director & CEO and the executive director(s) based on their performance.

Compensation Committee:

11. To act as the Compensation Committee for administration of the employee stock option schemes and to perform such other functions in terms of the schemes or as may be required under the law or delegated by the Board of Directors, from time to time.

Others:

12. To carry out any other function(s) mandated by the Board of Directors, from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

Remuneration Policy

On the recommendation of the Nomination and Remuneration Committee, the Board has framed a Remuneration Policy. This policy, *inter alia*, provides (a) the criteria for determining qualifications, positive attributes and independence of directors (b) a policy on remuneration for directors, key managerial personnel and other employees and (c) details of the employee stock option scheme.

The policy is directed towards a compensation philosophy and structure that will reward and retain talent and provides for a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The said Remuneration Policy as in force is placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Stakeholders' Relationship Committee

The Board has a duly constituted Stakeholders' Relationship Committee to specifically oversee various shareholders' related matters.

During FY2026, the Stakeholders' Relationship Committee met on 30 January 2026 to review the status of various matters relating to investors' services. At the meeting, the Committee also reviewed the service standards of the Company's registrar and share transfer agent and the measures taken for timely and effective investors' grievance redressal that can facilitate better investor services and relations. The Board was apprised of all the major developments on investors' issues through various reports and statements furnished from time to time throughout the year.

Table 7: Composition of Stakeholders' Relationship Committee and attendance of members at its meeting(s) held during FY2026

Name of member	Category	Attendance at the meeting held on 30 January 2026
Pradip Shah	Chairman (non-executive, independent director)	Yes
Niraj Bajaj	Member (non-executive, non-independent director)	Yes
Abhinav Bindra	Member (non-executive, independent director)	Yes

Rajiv Gandhi, Company Secretary is the Compliance Officer and acts as the secretary to the Stakeholders' Relationship Committee.

The Committee expressed its satisfaction on the overall status of compliance and actions taken on various investor related matters.

Pradip Shah, Chairman of the Stakeholders' Relationship Committee, was present at the previous Annual General Meeting of the Company held on 06 August 2025.

Details of investors' grievance redressal

Table 8: Investors' complaints received and resolved during FY2026

Particulars	Attended/resolved during the FY 2026
Pending at the beginning of the year	0
Received during the year	27
Disposed of during the year	25
Pending at the end of the year	2 [#]

The Company has submitted its replies and the review by the SEBI is under process and no action remained to be taken on the Company's side at the year end.

More details on this subject and on shareholders' related matters including unclaimed suspense account have been furnished in *General Shareholder Information*.

Terms of reference of the Stakeholders' Relationship Committee

The terms of reference of the Committee are in accordance with the Act and Listing Regulations, 2015 and the same are as under:

1. To resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. Review measures taken for effective exercise of voting rights by shareholders.
3. Review adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent.
4. Review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Corporate Social Responsibility Committee

This is given as a separate chapter in the *Annual Report on CSR*.

Risk Management Committee

The Company has a duly constituted Risk Management Committee in compliance with the provisions of the Listing Regulation, 2015. The Board at its meeting held on 06 May 2026 has reviewed and adopted a revised Risk Management Policy. The Risk Management Committee oversees the overall risk management processes of the Company and ensures that the business risks are identified and addressed by the management.

During FY2026, the Risk Management Committee met two times: 29 May 2025 and 07 November 2025.

Table 9: Composition of Risk Management Committee and attendance of members at its meeting(s) held during FY2026

Name of member	Category	No. of meetings attended
Anami N. Roy	Chairman (non-executive, independent director)	2 out of 2
Pradip Shah	Member (non-executive, independent director)	2 out of 2
Dinesh Thapar	Member (chief financial officer)	2 out of 2

The Company Secretary acts as the secretary to the Risk Management Committee.

Terms of reference of the Risk Management Committee

The detailed terms of reference of the Risk Management Committee are in accordance with the Listing Regulations, 2015 and the same are as under:

1. To formulate a detailed Risk Management Policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems.
4. To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee.

7. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of directors.
8. To perform such other functions as the Board may deem fit from time to time, which shall also cover cyber security.

The Company has a Board approved risk management framework. The Committee and the Board periodically review the Company's risk assessment and minimisation procedures to ensure that Management identifies, controls and mitigates various risks associated with the business of the Company through a properly defined framework.

Duplicate Share Certificate Issuance Committee

To meet the requirement of section 46 of the Act read with rule 6 of the Companies (Share Capital and Debentures) Rules, 2014 and regulation 39 of the Listing Regulations, 2015, the Company has Duplicate Share Certificate Issuance Committee to approve issuing of letter of confirmation(s) in lieu of original share certificate(s) that were lost or misplaced, the composition of which is given in **Table 10** below.

Further, SEBI vide its circular HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated 30 January 2026, effective from 02 April 2026, prescribed the procedure for credit of securities issued pursuant to various service requests including requests related to issuance of Duplicate Share Certificate, in demat mode, directly into the demat account of the investor after necessary due diligence by RTA/Company.

Accordingly, the Committee will approve such request to proceed issuing Credit confirmation letter, that shall be send regarding successful dematerialisation of the securities.

Table 10: Composition of the Duplicate Share Certificate Issuance Committee and attendance of members at its meeting(s) held during FY2026

Name of member	Category	Attendance at the meeting held on 30 January 2026
Rajiv Bajaj	Chairman (Managing Director and CEO, executive director)	Yes
Pradeep Shrivastava	Member (executive director)	Yes
Rakesh Sharma	Member (executive director)	Yes

Recommendations of Committees of the Board

During FY2026, the Board of Directors accepted all the recommendations as and when received from its Committees on different matters.

Details of remuneration paid to directors during FY2026

Non-executive directors

The Company pays sitting fees of ₹ 100,000 per meeting to its non-executive directors for attending meetings of the Board and its Committees (except Duplicate Share Certificate Issuance Committee).

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The shareholders of the Company through a special resolution passed at the Annual General Meeting of the Company held on 22 July 2021, by way of an enabling provision, have accorded approval for payment of commission up to a sum not exceeding one percent of the net profits of the Company, calculated in accordance with the provisions of section 197 and 198 of the Act, to the non-executive directors, in the manner as may be decided by the Board of Directors from time to time during the five year term up to 31 March 2026. The approval for a further term upto 31 March 2031 forms part of the Notice of ensuing Annual General Meeting.

Consistent with this approval from the shareholders, the Company pays commission to the non-executive directors within the ceiling of one percent of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and distributed amongst the non-executive directors. At present, the commission is paid @ ₹ 315,000 per meeting of the Board and/or Committees.

The commission is paid after the audited financial statements are approved by the Board of Directors and adopted by the shareholders at the Annual General Meeting.

Compensation to the non-executive (including independent) directors reflects the time, effort, attendance and participation of such directors in the Board and Committee meetings. Payment to them is linked to their attendance.

The Company has adopted the Bajaj Auto Employee Stock Option Scheme 2019 ('the Scheme') for the benefit of the permanent employees and/or directors of the Company and/or its holding (if any, in future) and subsidiary company(ies), but excluding independent directors and any employee who is a promoter or belonging to the promoter group. During FY 2025, the Scheme was revised to expand the categories and base of the employees to include the employees of group and associate companies for grant of options in line with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Scheme also amended certain criteria relating to retirement, transfers/deputation, death/permanent incapacity.

Pecuniary relationship/transaction with non-executive directors

During FY2026, there were no pecuniary relationship or transactions of any non-executive directors with the Company, apart from their remuneration as directors.

During FY2026, the Company did not advance any loans to any of the non-executive directors and/or the Managing Director.

Criteria of making payments to non-executive directors

The Remuneration Policy disclosing the criteria of making payments to directors, key managerial personnel and employees is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Executive directors

Managing Director and Chief Executive Officer ('MD') and two Executive directors ('EDs') are paid salaries, perquisites and allowances, company's contribution to provident fund, etc. The executive directors are 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 them. The executive directors are also granted stock options in terms of the Bajaj Auto Employee Stock Option Scheme 2019, as amended.

During the year under review, none of the directors were paid any performance-linked incentive, apart from Pradeep Shrivastava and Rakesh Sharma, who are executive directors. The remuneration payable to the executive directors is benchmarked annually and is reviewed by the Nomination and Remuneration Committee ('NRC'). The revisions to the remuneration payable to the executive directors is reviewed by the NRC based on their performance evaluation, achievement of targets and performance of the Company.

The tenure of MD and EDs is of five years each from the date of their respective appointment/re-appointment with a notice period of ninety days. MD and EDs are also entitled to other perquisites and benefits mentioned in the agreement entered into by them with the Company.

Details of remuneration paid to the non-executive and executive directors are given below:

Table 11: Remuneration paid/payable to directors for FY2026

(Amount In ₹)

Name of director	Category	Sitting fees	Salary and perquisites	Commission	Total
Niraj Bajaj	Chairman, non-executive, non-independent director	1,100,000	–	3,465,000	4,565,000
Rajiv Bajaj	Managing Director and CEO, executive director	–	236,588,385	352,148,400	588,736,785
Sanjiv Bajaj	Non-executive, non-independent director	600,000	–	1,890,000	2,490,000
Pradeep Shrivastava*	Whole-time Director, executive director	–	210,969,553	–	210,969,553
Dr. Naushad Forbes	Non-executive, independent director	1,800,000	–	5,670,000	7,470,000
Anami N. Roy	Non-executive, independent director	1,500,000	–	4,725,000	6,225,000
Rakesh Sharma*	Whole-time Director, executive director	–	152,982,188	–	152,982,188
Pradip Shah	Non-executive, independent director	1,600,000	–	5,040,000	6,640,000
Abhinav Bindra	Non-executive, independent director	1,300,000	–	4,095,000	5,395,000
Vinita Bali	Non-executive, independent director	1,500,000	–	4,725,000	6,225,000
Dr. Sangita Reddy	Non-executive, independent director	500,000	–	1,575,000	2,075,000

Notes:

* Pradeep Shrivastava and Rakesh Sharma, the executive directors of the Company are entitled to employee stock options as per Bajaj Auto Employee Stock Option Scheme 2019, as amended. The above remuneration is exclusive of fair value of options granted as per Black Scholes model in the year of vesting.

Bajaj Auto Employee Stock Option Scheme 2019 ('BAL-ESOS 2019'/'the Scheme')

BAL-ESOS 2019 has been formulated by the Nomination and Remuneration Committee of the Board to provide competitive remuneration opportunities to employees of the Company, through annual and long-term incentive plans. During the year under review, 12,896 options were granted to each of the executive directors at a grant price of ₹ 8,849 being the closing market price on the NSE on the day preceding the day of grant. These grants will vest over a period of four years (25% every year) after a period of one year from the date of grant.

During FY 2025, the Scheme was revised to expand the categories and base of the employees to include the employees of group and associate companies for grant of options in line with the Securities and Exchange

Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Scheme also amended certain criteria relating to retirement, transfers/deputation, death/permanent incapacity.

During FY 2026, 240,230 equity shares allotted to Trustees of Bajaj Auto ESOP Trust in accordance with the Bajaj Auto Employee Stock Option Scheme 2019, as amended.

In terms of the Listing Regulations, 2015, the revised Scheme is available on the website of the Company at <https://www.bajajauto.com/investors/disclosures-under-regulation-46-of-the-sebi-lodr>

Senior Management

During the year under review, the particulars of the senior management pursuant to provisions of regulation 16(1)(d) of the Listing Regulations, 2015 and changes therein are as under:

Name of the senior management personnel	Designation
S Ravikumar	Chief Business Development Officer
Dinesh Thapar	Chief Financial Officer
Ravi Kyran Ramasamy	Chief Human Resources Officer
Baminee Viswanat	General Counsel
Kailash Zanzari	Chief Product Officer (effective from 01 May 2025)
Vijay Jerome	Chief Digital & Information Officer (effective from 07 November 2025)
Rajiv Gandhi	Company Secretary & Compliance Officer
Ramtilak Ananthan	Chief Technology Officer (up to 01 April 2025)

Disclosures

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

A. Details of Annual General Meetings (AGM) held during last three years

Details of AGM	Location	Date and time of AGM	Details of special resolution(s) passed at the AGM, if any
16th AGM* (Physical)	Conducted at the registered office of the Company at Mumbai-Pune Road, Akurdi, Pune 411035	25 July 2023 at 2:00 p.m.	1. Re-appointment of Rakesh Sharma as Whole-time director of the Company for a period of five years with effect from 01 January 2024.
17th AGM* (Physical)	Conducted at the registered office of the Company at Mumbai-Pune Road, Akurdi, Pune 411035	16 July 2024 at 2:00 p.m.	1. Modification to the Bajaj Auto Employee Stock Option Scheme 2019. 2. Approval to extend the benefits and grant of options to the employee(s) of associate and group company(ies), if any, in addition to holding and subsidiary company(ies) under Bajaj Auto Employee Stock Option Scheme 2019.
18th AGM* (Physical)	Conducted at the registered office of the Company at Mumbai-Pune Road, Akurdi, Pune 411035	06 August 2025 at 12:30 p.m.	No special resolution was passed at the AGM.

* In terms of the provisions of Listing Regulations, 2015, one way live webcast of the proceedings was also provided.

All resolutions proposed by the Board have been passed with requisite majority by the shareholders.

B. Details of special business passed through postal ballot during last year

During FY2026, the Company had sought approval of the members through postal ballot (special/ordinary resolutions) and the details of the same are given below:

Date of postal ballot notice	Items of special business	Votes (No. of shares and %)		Date of passing the resolution
		In favour	Against	
18 March 2025	Re-appointment of Rajivnayan Rahul Kumar Bajaj (DIN: 00018262) as Managing Director & Chief Executive Officer of the Company for a period of five years with effect from 01 April 2025. (Special Resolution)	201,064,466 (92.00%)	17,474,904 (7.99%)	30 April 2025
18 March 2025	Re-appointment of Abhinav Bindra (DIN: 00929250) as a non-executive Independent Director of the Company for a second term of five consecutive years with effect from 20 May 2025. (Special Resolution)	215,354,568 (98.51%)	3,244,237 (1.48%)	30 April 2025
10 July 2025	Approval of Material Related Party Transaction(s) between Bajaj Auto International Holdings BV, a wholly owned subsidiary of the Company and Pierer Bajaj AG, PIERER Mobility AG and KTM AG for restructuring support for KTM AG and its subsidiaries. (Ordinary Resolution)	86,735,411 (98.37%)	1,439,064 (1.63%)	16 August 2025

The Company had appointed Shyamprasad D Limaye, Practising Company Secretary (FCS No. 1587, CP No. 572) and Makarand M. Joshi (FCS No. 5533, CP No. 3662), or failing him, Kumudini Bhalerao (FCS No. 6667, CP No. 6690), Partners of Makarand M. Joshi & Co., Practising Company Secretaries, as the scrutiniser(s) for Postal Ballot Notice dated 18 March 2025 and 10 July 2025 respectively for conducting the postal ballot including remote e-voting process in a fair and transparent manner.

Other than those stated hereinabove, no special/ordinary resolution is proposed to be passed through the postal ballot up to the date of this Annual Report.

Procedure for Postal Ballot

- In compliance with the provisions of sections 108, 110 and other applicable provisions of the Act read with rules issued thereunder & the general circulars issued in this regard by the Ministry of Corporate Affairs ('MCA') and the Listing Regulations, 2015 the Company provided the facility to the members to exercise votes through electronic voting system ('remote e-voting') for postal ballot conducted during the year under review. The Company had engaged the services of its registrar and share transfer agent, i.e., KFin Technologies Ltd. for the purpose of providing remote e-voting facility to all its members.
- Postal ballot notices, *inter alia*, detailing the voting instructions were sent through email only, to all those members who had registered their email addresses with the Company/depositories, in view of the relaxation granted by MCA. 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. The notices of aforementioned postal ballot are available on the Company's website at <https://www.bajajauto.com/investors/disclosures>
- The Company also published notice in the newspapers for the information of the members. Voting rights were reckoned on the equity shares held by the members as on the cut-off date.

- Pursuant to the provisions of the Act, the Company had appointed a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submitted his consolidated report to the Chairman and the voting results were announced by the Chairman by placing the same along with the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges.

Related party transactions

All related party transactions (RPTs) entered into by the Company during the year under review, were on an arm's length basis and in the ordinary course of business and were not material in terms of regulation 23 of the Listing Regulations, 2015. Prior approval of the Audit Committee was obtained for all related party transactions. On a quarterly basis, details of such transactions were placed before the Audit Committee for noting/review.

During FY2026 approval of the shareholders' on *post-facto* basis was sought for the material Related Party Transaction(s) between Bajaj Auto International Holdings BV, a wholly owned subsidiary of the Company and Pierer Bajaj AG ('PBAG'), subsequently renamed 'Bajaj Auto International Holdings AG', PIERER Mobility AG ('PMAG'), subsequently renamed 'Bajaj Mobility AG' and KTM AG for restructuring support for KTM AG and its two subsidiaries. Details of the same are provided in the *Directors' Report* which forms part of this Annual Report. The RPTs undertaken by the Company were in compliance with the applicable provisions of the Act, the Listing Regulations, 2015 and as per the Company's Policy on materiality of & dealing with Related Party Transactions.

A statement showing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 (Ind AS-24) is set out separately in this Annual Report. Disclosures relating to RPTs on a half-yearly basis are filed with the stock exchanges.

The Policy on materiality of & dealing with Related Party Transactions was reviewed and revised by the Board during the year under review to incorporate the recent amendments to the Listing Regulations, 2015, the copy of which is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Subsidiary companies

The Company has two Indian subsidiaries, viz. Bajaj Auto Technology Ltd. and Bajaj Auto Credit Ltd. and overseas subsidiaries namely, PT. Bajaj Auto Indonesia, Bajaj Auto International Holdings BV ('BAIH BV'), Netherlands, Bajaj Auto (Thailand) Ltd., Bajaj Auto Spain, S. L.U. and Bajaj Do Brasil Comercio De Motocicletas Ltda. During the year, the Company through its wholly owned subsidiary BAIH BV, Netherlands acquired controlling stake in Bajaj Auto International Holdings AG (formerly Pierer Bajaj AG) ('BAIH AG'), Bajaj Mobility AG (formerly PIERER Mobility AG) ('BMAG') and KTM AG including its subsidiaries. Thereby BAIH AG, BMAG, KTM AG and their other group entities have become step-down subsidiaries of the Company. The details of acquisitions are provided in the *Directors' Report* which forms part of this Annual Report.

Material Subsidiaries

During FY 2026, none of these subsidiaries are 'material subsidiaries' as defined under regulation 16(1)(c) of the Listing Regulations, 2015, as amended.

However, based on the audited financial statements as on 31 March 2026, the Board of Directors has identified BAIH BV, BAIH AG, BMAG and KTM AG as material subsidiaries of the Company for FY2027, in accordance with regulation 16(1)(c) & 24(1) of the Listing Regulations, 2015 and the Company's Policy for determining material subsidiaries. The Company is in the process of establishing the necessary governance framework, oversight mechanisms and reporting processes for these entities, in line with applicable regulatory requirements.

The Company's Policy for determining Material Subsidiaries, in terms of the recent amendments to regulation 16(1)(c) of the Listing Regulations, 2015, is placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

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Pulsar

Provisions to the extent applicable and as required under regulation 24 of the Listing Regulations, 2015 with reference to subsidiary companies were duly complied with.

During the year, the Audit Committee reviewed the financial statements (in particular, the investments made) of its unlisted subsidiary companies, to the extent applicable. Minutes of the Board meetings of the subsidiary companies as well as a statement of significant transactions and arrangements entered into by the subsidiaries, as applicable, were regularly placed before the Board of the Company.

During FY2026, no company ceased to be the Company's subsidiary company or joint venture company.

Code of conduct

Regulation 17(5) of the Listing Regulations, 2015, requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of independent directors as laid down in the Act.

The Company has a Board approved Code of Conduct for Board members and senior management of the Company. Based on the review, the Code of Conduct was revised in line with the amendments to the applicable regulations and was duly approved by the Board at its meeting held on 18 March 2025. The updated Code has been placed on the Company's website at

<https://www.bajajauto.com/investors/policies-codes>

All directors and senior management personnel have affirmed compliance with the Code for FY2026. A declaration to this effect signed by the Managing Director and CEO is given in this Corporate Governance Report.

Disclosure of material transactions

Pursuant to regulation 26(5) of the Listing Regulations, 2015, senior management has made periodical 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. There was only one case involving a member of the senior management. In this instance, the disclosure was discussed, reviewed and found to be in order by the Board.

Review of legal compliance reports

The Company has in place a robust legal compliance reporting system and the same is reviewed from time to time.

The Board periodically reviews compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

Compliances by the Company

- There were no non-compliance of any legal requirements; nor has there been any penalty or stricture imposed on the Company by any stock exchange, the Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.
- The Company has complied with the requirements specified in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) of the Listing Regulations, 2015.
- The Managing Director and CEO and the CFO have certified to the Board regarding the financial statements and other such matters as required under regulation 17(8) read with part B of schedule II to the Listing Regulations, 2015.
- The Company has complied with all the disclosure requirements of Corporate Governance Report as specified under schedule V to the Listing Regulations, 2015.

- The Company has not been informed of any agreement under regulation 30A(1) read with clause 5A of paragraph A of part A of schedule III to the Listing Regulations, 2015. Accordingly, there were no disclosures under the said provisions to the stock exchanges.

Compliances regarding Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, ('SEBI PIT Regulations') the Company has a Board approved Code of Conduct to regulate, monitor and report trading by its Designated Persons and immediate relatives of 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 an employee concerned was observed, penalty was levied and the amount was remitted to the stipulated fund.

In order to spread awareness on prevention of insider trading and to aid the designated persons to fulfil their obligations under the SEBI PIT Regulations, the Company periodically circulates informatory emails along with the code and policies on Insider Trading, Do's and Dont's, etc. In addition to this, training sessions are conducted by the officials of secretarial department in order to educate and sensitise the designated persons. Online training followed by assessment has been initiated.

The Audit Committee and the Board at its meeting held on 18 March 2026 had reviewed the compliance in terms regulation 9A(4) of the SEBI PIT Regulations and confirmed that the systems for internal control with respect to the SEBI PIT Regulations are adequate and are operating effectively.

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

This disclosure is given in the *Directors' Report*.

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 Listing Regulations, 2015.

The Whistle Blower Policy/vigil mechanism provides a route for directors/employees to report, without fear of victimisation, any unethical behaviour, suspected or actual fraud, violation of the Company's code of conduct and instances of leak of unpublished price sensitive information, which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice.

The said policy has been appropriately communicated to the employees within the organisation and also has been placed on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

The directors in all cases and employees in appropriate cases have direct access to the Chairman of the Audit Committee. The Company affirms that no employee has been denied access to the Audit Committee, which is charged with overseeing this policy.

During the year under review, eleven complaints were received under the above mechanism. The cases investigated were mainly in nature of fraud, misbehaviour, undue pressure, vendor favouritism, violation and misrepresentation of company's policies/code of conduct etc. Appropriate actions have been taken in these matters and reporting the matter to the statutory auditors and the Audit Committee. The financial impact of the reported cases was insignificant and caused no material damages to the Company.

Dividend Distribution Policy

The Company has adopted a Dividend Distribution Policy. More particulars are given in the *Directors' Report*. The said policy is available on the Company's website at <https://www.bajajauto.com/investors/policies-codes>

Disclosures in financial statements

Suitable disclosures have been made in the financial statements, together with the Management's explanation in the event of any treatment being different from that prescribed in the Ind AS.

Disclosure of commodity price risk or foreign exchange risk and hedging activities

During FY2026, the Company neither traded in nor had any exposure in commodities markets.

The details of Company's foreign currency risk and hedging are provided in the notes to the standalone financial statements.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of the Listing Regulations, 2015

The Company has not raised funds through preferential allotment or qualified institutions placement during the year under review.

Disclosure of loans and advances in the nature of loans to firms/companies in which directors are interested.

During FY2026, the Company and its subsidiaries have not provided any loans and advances in the nature of loans to firms/companies in which its directors are interested in terms of provisions of section 184 of the Act.

Means of communication

- **Publication of financial results and other notices:** Quarterly, half-yearly and annual financial results of the Company and other public notices issued for the shareholders are published in leading English and Marathi language dailies, such as Financial Express and Kesari – Pune edition. An official press release is also issued. The half-yearly results are also sent via email to the shareholders, whose email addresses are registered with the Company.
- **Company website:** A separate dedicated section 'Shareholders' is maintained on the Company's website, viz. www.bajajauto.com for ease of access to the shareholders. The information required to be disseminated as per regulations 30 and 46 of the Listing Regulations, 2015 and the applicable provisions of the Act is made available on the Company's website. These more particularly include quarterly financial results, annual reports, press releases, earnings call transcripts, corporate governance policies and codes, shareholding pattern and other disclosures filed with the stock exchanges, details of the corporate contact persons and registrar and share transfer agent of the Company, etc.

- **Analysts/Institutional investors meet:** The Company conducts quarterly conference calls/ meetings with analysts/institutional investors immediately after declaration of financial results to brief them on the performance of the Company. In compliance with regulation 46 of the Listing Regulations, 2015, the schedule, audio recordings and transcripts of the analyst/institutional investor conference call are hosted on the Company's website besides being communicated to the stock exchanges.
- **Stock exchange(s) intimations:** All financial and other vital official news releases and documents under the Listing Regulations, 2015 are also communicated to BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE), where shares of the Company are listed, besides being placed on the Company's website.
- **Communication to investors:** Sections 20 and 136 of the Act read with the Companies (Accounts) Rules, 2014 and the applicable provisions of the Listing Regulations, 2015 permit companies to service delivery of documents electronically at the registered member's/shareholder's email addresses. During the year under review, the Company sent documents, such as notice calling the general meeting/postal ballot, audited financial statements, directors' report, auditors' report, credit of dividend intimation letters, half-yearly financial results etc. in electronic form at the email addresses provided by the shareholders and made available by them to the Company through the depositories. Shareholders desiring to receive the said documents in printed form continue to get the same upon request. The Company has a dedicated email address exclusively for investor services, viz. investors@bajajauto.co.in and the same is prominently displayed on the Company's website.

Statutory Auditors

S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) are the statutory auditors of the Company. Total fees paid by the Company and its subsidiaries, on a consolidated basis to the auditors including all entities in their network firm/network entity of which they are a part is given below:

Sr. No.	Particulars	₹ In Crore)	
		Statutory Audit Fee	Other Services
1	Bajaj Auto Ltd.	2.70	2.89
2	PT. Bajaj Auto Indonesia	-	-
3	Bajaj Auto International Holdings BV, Netherlands	-	-
4	Bajaj Auto (Thailand) Ltd.	0.08	-
5	Bajaj Auto Technology Ltd.	0.06	-
6	Bajaj Auto Credit Ltd.	-	-
7	Bajaj Auto Spain, S.L.U.	-	-
8	Bajaj Do Brasil Comercio De Motocicletas Ltda	-	-

Certificate on corporate governance

The Company has obtained the certificate from Devendra Deshpande, Practising Company Secretary (Membership No. FCS 6099, CP No. 6515) regarding compliance with the provisions relating to corporate governance laid down in part E of schedule V to the Listing Regulations, 2015. The certificate is annexed to this Corporate Governance Report.

Compliance of mandatory and discretionary requirements

Mandatory

The Company has complied with all the mandatory requirements of the Listing Regulations, 2015.

Discretionary

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

1. The Board

A Chairman's office has been made available for the non-executive Chairman. He is allowed reimbursement of expenses incurred in performance of his duties.

2. Shareholder rights

The annual financial results of the Company are sent to the shareholders and also posted on the Company's website; extracts of these results in the prescribed format are published in newspapers on an all-India basis.

As a part of good corporate governance practice, the Company sends its half yearly financial results to shareholders whose email addresses are registered with the depository participants through email after they are approved by the Board and disseminated to the stock exchanges.

3. Modified opinion(s) in audit report

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

4. Separate posts of Chairperson and the Managing Director

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

5. The internal auditor reports directly to the Audit Committee.

Policies

The Company has various policies and codes, duly approved by the Board. The same are reviewed periodically, to incorporate the changes required in terms of the amendments to the applicable laws or as per the changing business dynamics. The following contains the link to key policies and codes adopted by the Company:

Sr. No.	Name of Policy	Website Link
1	Whistle Blower Policy/Vigil Mechanism	https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/Whistle-Blower-Policy.ashx
2	Remuneration Policy	https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/BAL---Revised-Remuneration-Policy-25-Apr-2023.ashx
3	Policy of materiality of & dealing with related party transactions	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/final-rpt-policy.pdf
4	Policy for determining material subsidiaries	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/policy-for-determining-material-subsiidaries-7425.pdf
5	Policy on determination of materiality for disclosure of events or information	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/signed--bal-materiality-policy-06052026.pdf
6	Performance evaluation criteria for Board, committees of Board, and directors	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/bal-pe-criteria-28-january-2025.pdf

Sr. No.	Name of Policy	Website Link
7	Dividend Distribution Policy	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/dividend-distribution-policy---18-october-2023.pdf
8	Corporate Social Responsibility Policy	https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/BAL-Revised-CSR-Policy-29-April-2021.ashx
9	Code of practices and procedures for fair disclosure of unpublished price sensitive information	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/bal--code-for-fair-disclosure-of-upsi--29may2025.pdf
10	Code of Conduct for directors and senior management.	https://www.bajajauto.com/-/media/bajaj-auto/investors/codes-policies/corporate-governance/bal-code-for-directors-sr-mgt-18-mar-25.pdf
11	Archival Policy	https://www.bajajauto.com/-/media/bajaj-auto/Investors/Codes-Policies/Corporate-Governance/bal-policy-on-archival-of-disclosures.ashx

Report on corporate governance

This chapter, read together with the information given in the *Directors' Report* and the chapters on *Management Discussion and Analysis* and *General Shareholder Information*, constitute the compliance report on corporate governance for FY2026. The Company has been regularly forwarding the quarterly compliance report to the stock exchanges as required under regulation 27(2) of the Listing Regulations, 2015. During the year under review, no cyber security incidents or breaches or loss of data or documents were observed in quarterly compliance report.

Declaration by Chief Executive Officer (MD)

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

I, Rajiv Bajaj, Managing Director and CEO of Bajaj Auto Ltd. hereby declare that all the members of Board of Directors and Senior Management have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management of the Company for the year ended 31 March 2026.

Rajiv Bajaj
Managing Director and CEO
Pune: 06 May 2026

Annexure to the Corporate Governance Report

Certificate of compliance of conditions of Corporate Governance

[As per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,

The Members,

Bajaj Auto Ltd.,

Bajaj Auto Ltd. Complex, Mumbai - Pune Road,
Akurdi, Pune-411035

1. We have examined the compliance of conditions of Corporate Governance by Bajaj Auto Ltd. ('the Company') as stipulated under 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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations') ('Applicable criteria') for the year ended 31 March 2026 as required by the Company for annual submission to the stock exchange.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period as mentioned above *except that Bajaj Auto International Holdings BV (registered in the Netherlands), a wholly owned subsidiary of the Company has entered into material related party transaction with Pierer Bajaj AG, PIERER Mobility AG and KTM AG (registered in Austria) for restructuring support for KTM AG and its subsidiaries, related parties of the Company, without obtaining prior approval of the shareholders as per regulation 23 of the Listing Regulations. However, the transaction was subsequently approved by the shareholders.*
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

FOR DVD & ASSOCIATES
COMPANY SECRETARIES

Devendra V Deshpande
Proprietor
FCS No. 6099 CP No. 6515
PR NO: 7711/2026
Place: Pune
Date: 06 May 2026
UDIN: F006099H000287138

GENERAL SHAREHOLDER INFORMATION

19th Annual General Meeting (AGM)

Date	21 July 2026
Day	Tuesday
Time	12:30 p.m.
Venue/Mode	Registered office at Mumbai-Pune Road, Akurdi, Pune 411035
Remote e-voting starts	Thursday, 16 July 2026 at 9:00 a.m.
Remote e-voting ends	Monday, 20 July 2026 at 5:00 p.m.
E-voting at AGM	Tuesday, 21 July 2026
Financial Year	01 April to 31 March

Live webcast of the AGM

Pursuant to regulation 44(6) of the SEBI Regulations, 2015, top 100 listed entities shall, with effect from 01 April 2019, provide one-way live webcast of the proceedings of their AGM. Accordingly, as in the previous year, the Company has entered into an arrangement with KFin to facilitate live webcast of the proceedings of the ensuing 19th AGM scheduled on 21 July 2026.

Voting through electronic means

Pursuant to section 108 of the Act and the Rules made thereunder and provisions under the SEBI Listing Regulations, 2015, every listed company is required to provide its members, the facility to exercise their right to vote at general meetings by electronic means.

The Company has entered into an arrangement with KFin as the authorised agency for this purpose, to facilitate such e-voting for its members.

The shareholders will therefore be able to exercise their voting rights on the items put up in the Notice of AGM, through e-voting. Further, in accordance with the Companies (Management and Administration) Rules, 2014 and MCA circulars, the Company will also be making arrangements to provide for e-voting facility at the venue of the Annual General Meeting.

Shareholders, who are attending the meeting and who have not already cast their votes by remote e-voting shall only be able to exercise their right of voting at the meeting.

The cut-off date, as per the said Rules, shall be Tuesday, 14 July 2026 and the remote e-voting shall be open for a period of five days, from Thursday, 16 July 2026 (9.00 a.m.) till Monday, 20 July 2026 (5.00 p.m.). The Board have appointed Shri Vaibhav Dandawate (ACS No. 51538, CP No. 27947), or failing him, Ms. Deepti Kulkarni (ACS No. A34733, CP No. 22502), Partners of M/s. Makarand M Joshi & Co., Company Secretaries as the scrutiniser for the e-voting process.

The detailed procedure is given in the Notice of the 19th AGM and is also placed on the Company's website at <https://www.bajajauto.com/investors/annual-reports>

Financial calendar

Approval of audited annual results for year ending 31 March	April/May
Mailing of annual reports	June
Annual general meeting	July
Unaudited first quarter financial results	July
Unaudited second quarter financial results	October
Unaudited third quarter financial results	January/early February

Share transfer agent

The Company has appointed KFin Technologies Ltd. ('KFin'), as its registrar and share transfer agent for processing of share transfer/dematerialisation/rematerialisation and allied activities.

Issue of Letter of confirmation (to the extent permitted)/Confirmation Letter for request related to transmission, transposition, issue of duplicate share certificate(s) as well as requests for dematerialisation/rematerialisation are being processed in periodical cycles at KFin. Work related to dematerialisation/rematerialisation is handled by KFin through connectivity with National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL').

Review of service standards adhered by KFin with respect to share related activities

The Company has agreed service timelines and standards for various shareholder-related services with KFin. On an on-going basis, the secretarial team engages with officials of KFin at various levels for review of these standards. Periodic meetings and discussions are held to understand the concerns of shareholders, deviations, if any, in the timelines for processing service requests, best practices and other measures to strengthen shareholder-related services.

Record Date

The Company has fixed Friday, 29 May 2026 as the 'Record Date' for the purpose of determining the members eligible to receive dividend for the financial year 2025-26.

Dividend and date of dividend payment

The Board of directors has proposed a dividend of ₹ 150 per equity share (1500%) of the face value of ₹ 10 for the financial year 2025-26, subject to approval of members at the ensuing AGM.

Dividend on equity shares, if declared, at the AGM, will be credited/dispatched on or around 24 July 2026, as under:

- a) to all those shareholders holding shares in physical form, as per the details provided to the Company by the share transfer agent of the Company i.e., KFin, as of the closing hours on Friday, 29 May 2026 and
- b) to all those beneficial owners holding shares in electronic form as per beneficial ownership details provided to the Company by NSDL and CDSL, as of the closing hours on Friday, 29 May 2026.

Payment of dividend

The Securities and Exchange Board of India (SEBI) has issued a Gazette Notification dated 18 November 2025 notifying the SEBI (Listing Obligations and Disclosure Requirements) Fifth Amendment Regulations, 2025, which came into force on 19 November 2025, being the date of publication in the Official Gazette, require companies to use any electronic mode of payment approved by the Reserve Bank of India (RBI) for making payments to the members.

In view of the aforesaid amendment in Regulation 12 of SEBI Listing Regulations, with effect from 19 November 2025, all payments shall be made only through electronic mode. No physical warrants, cheques or demand drafts shall be issued towards payment of dividends, interest, redemption or repayment amounts.

Accordingly, the dividend, if declared, will be paid only through electronic mode, where the bank account details of the members are available and intimation regarding such remittance will be sent separately to the members.

The aforesaid SEBI circular and newspaper advertisement published in this regard are available on the shareholders section of Company's website at <https://www.bajajauto.com/investors/miscellaneous> and <https://www.bajajauto.com/investors/disclosures>

Members holding security in physical or demat form are requested to update their KYC details, including correct and updated bank account details with Registrar and Share Transfer Agent ('RTA') or their respective Depository Participants ('DPs') as applicable, to avoid any delay or non-receipt of aforesaid payments.

For the purpose of updation of KYC, the members are requested to send the details to Registrar & Transfer Agent (RTA) in the following forms:

Form	Purpose
ISR-1	To update PAN, address, mobile, email address and bank account details
ISR-2	Confirmation of Signature of securities holder by Bank
ISR-3	Declaration to Opt-Out of Nomination
SH-13	To register the nominee

The Company or KFin cannot act on any request received directly from the Members holding shares in demat form to update the KYC including any change of bank particulars. Such changes are to be intimated only to the DPs of the Members.

The said forms are available at <https://www.bajajauto.com/investors/miscellaneous>

Tax deducted at source (TDS) on dividend

Pursuant to the changes introduced by the Finance Act, 2020, w.e.f. 01 April 2020 as in the previous year, there will be no Dividend Distribution Tax payable by the Company. The dividend, if declared, will be taxable in the hands of the shareholders subject to tax deduction at source at the applicable rates. The TDS rate would vary depending on the residential status of the shareholders and the documents submitted by them and accepted by the Company. For the detailed process and formats of declaration, please refer to FAQs on Tax Deduction at Source on Dividends available on the Company's website at <https://www.bajajauto.com/investors/dividend>

Unclaimed dividends

As per section 124(5) of Companies Act, 2013, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a fund called the Investor Education and Protection Fund (the 'Fund') set up by the Central Government.

Accordingly, unpaid/unclaimed dividend for the financial years 2007-08 to 2017-18 has been already transferred by the Company to this said Fund from September 2015 onwards.

Unclaimed dividend amounting to ₹ 1,71,38,040/- in respect of financial year 2017-18 was transferred to the Fund in compliance with the provisions of Section 125 of the Act in September 2025.

Unpaid/unclaimed dividend for the financial year 2018-19 shall be due for transfer to the Fund in September 2026. Members are requested to verify their records and send their claim, if any, for the FY2018-19 before such amount become due for transfer. Communications are sent to 47 members, who have not yet claimed final dividend for FY2018-19, requesting them to claim the same as well as unpaid dividend, if any, for subsequent years.

Additionally, newspaper advertisements are published to enhance the visibility of these reminders. These details are also uploaded on website of the Company at <https://www.bajajauto.com/investors/disclosures>

As a measure to reduce the unclaimed dividend, efforts are being made on an ongoing basis to reach out to shareholders requesting them to submit necessary documents to enable them to claim their unpaid or unclaimed dividend.

The following are the details of unclaimed dividends which are due to be transferred to the Fund in the coming years including current year. Once again, members who have not claimed the dividends till date are requested to verify their records and send their claim, if any, before the same becomes due for transfer as per the table given below:

Year	Dividend Type	Date of Declaration AGM Date	Last date for claiming dividend	Due date for transfer
2018-2019	Final	26 July 2019	24 August 2026	23 September 2026
2019-2020	Interim (confirmed as Final)	09 March 2020	07 April 2027	06 May 2027
2020-2021	Final	22 July 2021	20 August 2028	19 September 2028
2021-2022	Final	26 July 2022	25 August 2029	24 September 2029
2022-2023	Final	25 July 2023	22 August 2030	21 September 2030
2023-2024	Final	16 July 2024	16 August 2031	15 September 2031
2024-2025	Final	06 August 2025	04 September 2032	04 October 2032

The Company has uploaded details of unclaimed dividend on its website at <https://www.bajajauto.com/investors/dividend>

Initiatives for reduction of unclaimed dividend

The Company with a view to reducing the quantum of unclaimed dividend has undertaken several steps as was taken in the last few years. These primarily included proactively reaching out to shareholders, sending periodic communications, advising the shareholders who approach the Company/KFin for other service requests to claim their dividend, if any, and remitting unpaid dividend, if any for KYC compliant folios. The amount is remitted based on the verification of the documents and bonafides of the claim.

To reduce the quantum of unclaimed dividends, the Company recently undertook an exercise to reconcile BENPOS master data with bank records. Following verification of relevant documents, shareholders' unpaid dividend aggregating to ₹ 1,928,508/- were successfully settled.

The Company has also participated in the 100 days Campaign "Saksham Niveshak" initiative by IEPF Authority. The first phase of the said campaign was commenced on 28 July 2025 and concluded on 06 November 2025. During this Campaign, all the shareholders who had not claimed their Dividend for any Financial Years from 2017-18 to 2024-25 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 can be paid to rightful claimant and transfer of shares to IEPF Authority can be prevented.

In this regard, several communications through letters and emails were made to the shareholders. The Second phase of the said campaign is also launched by IEPF Authority w.e.f. 01 April 2026.

The Company has uploaded all details of said campaign on its website at <https://www.bajajauto.com/investors/miscellaneous>

Additionally, newspaper advertisement issued to enhance the visibility. The copy of the newspaper advertisements is available on the Company's website at <https://www.bajajauto.com/investors/disclosures>

Transfer of shares to IEPF

Pursuant to section 124(6) of Companies Act, 2013 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 by the Company to the IEPF, within 30 days of such shares becoming due for transfer.

Accordingly, the Company will send individual letters through ordinary/speed post and e-mail to such shareholders, whose dividend from the year 2018-19 has remained unclaimed, requesting them to claim the amount of unpaid dividend on or before the date on which Company must transfer the related shares to the demat account of IEPF. The Company also publishes, on an annual basis, a notice in the newspapers intimating the shareholders regarding the said transfer. These details are also be made available on the Company's website <https://www.bajajauto.com/investors/disclosures>

During the year under review, the Company transferred 4,254 [previous year: 14,836] equity shares of the face value of ₹ 10 each relating to 69 shareholders [previous year: 20] to the demat Account of the IEPF Authority held with NSDL/CDSL. Details of such shareholders, whose shares are transferred to IEPF and their unpaid dividends for subsequent years are available on the website of the Company at <https://www.bajajauto.com/investors/dividend>

Shareholders can claim such unpaid dividends and underlying shares transferred to the Fund by following the procedure prescribed in the IEPF Rules. A link to the procedure to claim is available on the Company's website at <https://www.bajajauto.com/investors/miscellaneous>

Shareholders are requested to get in touch with the compliance officer for further details on the subject at investors@bajajauto.co.in

Share Transfer System

SEBI's amended regulation 40 of the Listing Regulations, 2015, prohibits the transfer of securities in physical form from 01 April 2019.

SEBI vide its Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated 30 January 2026, has provided a special window that has been opened by the Company for lodgement of transfer and dematerialisation request of physical securities which were sold/purchased prior to 01 April 2019. The special window has been opened for a period of 1 (one) year from 05 February 2026 to 04 February 2027.

This facility is available to those shareholders who purchased physical shares of the Company prior to 01 April 2019, and;

- had not lodged the shares for transfer; or
- had lodged the shares for transfer, but the same were rejected/returned/not attended due to deficiency in the documents/process/or otherwise.

Eligible shareholders are requested to submit the requisite documents complete in all aspects with the Company's Registrar and Transfer Agent on or before 04 February 2027.

During the year, the communication regarding above were made to the shareholders through social media, newspaper advertisements and the company's website. The copy of the said circular and advertisements are available on the company's website at

<https://www.bajajauto.com/investors/miscellaneous> and <https://www.bajajauto.com/investors/disclosures>

SEBI vide its master circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated 23 June 2025 has provided the guidelines to issue the securities in dematerialised form by issuing a 'Letter of Confirmation' in lieu of physical securities certificates to the securities holder/Claimant within 30 days of its receipt of such request after removing objections, if any.

Further, SEBI vide its circular HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated 30 January 2026, effective from 02 April 2026, prescribed the procedure for credit of securities issued pursuant to various service requests in demat mode, directly into the demat account of the investor after necessary due diligence by RTA/Company.

The details are also made available on the Company's website <https://www.bajajauto.com/investors/miscellaneous>.

The total number of shares transferred by issuing letter of confirmations during 2025-26 due to transmission/deletion of name cases was 30,726 shares versus 72,879 shares during 2024-25.

Dematerialisation/Rematerialisation of shares

During 2025-26, 141,455 shares were dematerialised, versus, 126,631 shares in 2024-25. Nil shares were rematerialized during 2025-26 versus Nil shares in 2024-25. Shares held in physical and electronic mode as on 31 March 2026 are in Table 1.

Table 1: Shares held in physical and electronic mode

Particulars	Position as on 31 March 2026			Position as on 31 March 2025			Net change during 2025-26		
	No. of Share holders	No. of shares	% to total share holding	No. of Share holders	No. of shares	% to total share holding	No. of Share holders	No. of shares	% to total share holding
Physical	426	718,440	0.26	474	800,908	0.29	(48)	(82,468)	(0.03)
Demat									
NSDL	132,346	204,944,184	73.32	138,398	204,009,376	73.05	(6,052)	934,808	0.28
CDSL	190,404	73,835,214	26.42	215,345	74,447,324	26.66	(24,941)	(612,110)	(0.24)
Sub-total	322,750	278,779,398	99.74	353,743	278,456,700	99.71	(30,993)	322,698	0.03
Total	323,176	279,497,838	100	354,217	279,257,608	100	(30,567)	240,230	-

Stock code

1. BSE Ltd., Mumbai	532977
2. National Stock Exchange of India Ltd.	BAJAJ-AUTO
3. ISIN for depositories (NSDL and CDSL)	INE917I01010

Listing on stock exchanges

Shares of the Company are currently listed on the following stock exchanges:

Name	Address
1. BSE Ltd. (BSE)	1st Floor, New Trading Ring Rotunda Building, P J Tower Dalal Street, Fort, Mumbai 400 001.
2. National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, 5th Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), Mumbai 400 051.

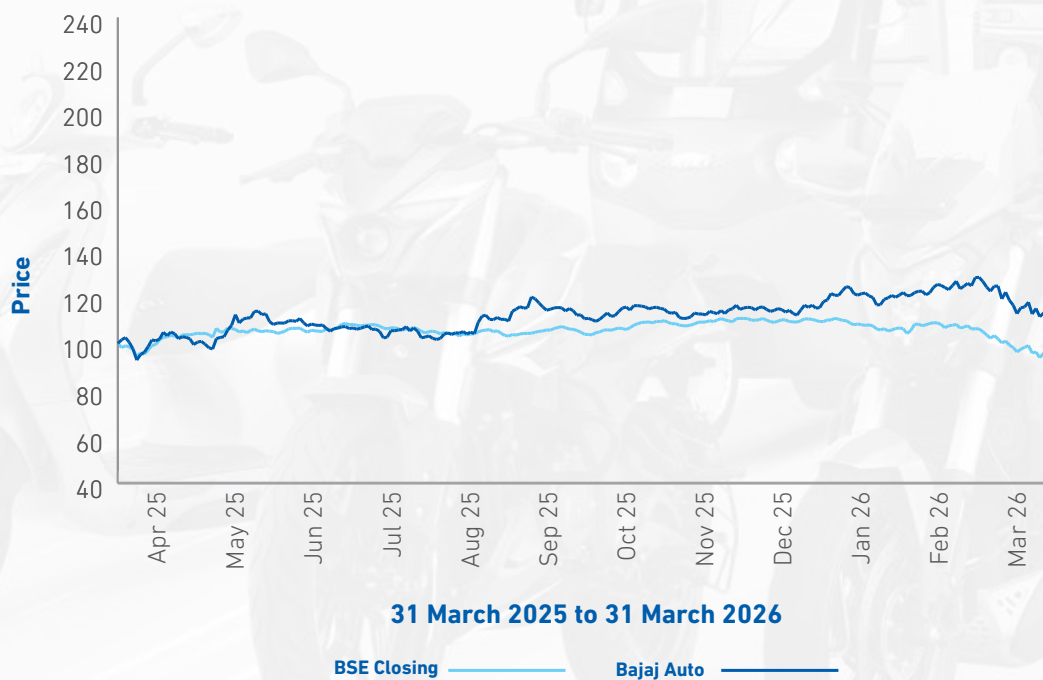
Pursuant to the SEBI Listing Regulations, 2015 the Company has entered into a Uniform Listing Agreement with BSE and NSE. For FY 2026, the listing fees payable to these stock exchanges have been paid in full.

Market price data

Table 2: Monthly highs and lows of Company's shares in FY2026 (₹ vis-à-vis BSE Sensex)

Month	BSE		NSE		Closing BSE Sensex
	High	Low	High	Low	
Apr-25	8,329.95	7,088.25	8,328.00	7,089.35	77,414.92
May-25	9,006.60	7,556.05	9,007.00	7,612.00	80,242.24
Jun-25	8,770.00	8,251.05	8,770.00	8,250.00	81,451.01
Jul-25	8,482.05	7,882.80	8,484.00	7,930.50	83,606.46
Aug-25	8,871.00	7,879.45	8,872.50	7,858.50	81,185.58
Sep-25	9,471.00	8,637.65	9,490.00	8,640.00	79,809.65
Oct-25	9,223.75	8,490.10	9,236.50	8,491.50	80,267.62
Nov-25	9,250.00	8,606.00	9,254.50	8,605.00	83,938.71
Dec-25	9,396.55	8,735.00	9,398.00	8,735.00	85,706.67
Jan-26	9,883.30	9,074.65	9,888.00	9,072.00	85,220.60
Feb-26	10,186.60	9,180.75	10,187.00	9,175.50	82,269.78
Mar-26	9,920.00	8,720.20	9,941.50	8,742.50	81,287.19

Bajaj Auto Ltd. stock performance Vs Bse Sensex, during 2025-26, indexed to 100 on 31 March 2025



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Distribution of shareholding

Table 3 gives details about the pattern of shareholding across various categories as on 31 March 2026, while Table 4 gives the data according to size classes.

Table 3: Distribution of shareholdings across Categories

Categories	As on 31 March 2026		As on 31 March 2025	
	No. of shares	% to total capital	No. of shares	% to total capital
Promoters	153,756,828	55.01	153,708,367	55.04
FPIs/FIIs	24,653,845	8.82	32,411,270	11.61
Mutual Funds	20,053,327	7.17	18,264,671	6.54
Nationalised and other banks	75,626	0.03	143,739	0.05
NRIs and OCBs	2,094,554	0.75	2,006,885	0.72
Others	78,863,658	28.22	72,722,676	26.04
Total	279,497,838	100.00	279,257,608	100.00

Table 4: Distribution of shareholding according to size class as on 31 March 2026

Category	No. of shareholders		Shares held in each class	
	Number	%	Number	%
1 to 500	316,575	97.96	6,139,495	2.20
501 to 1000	2,245	0.69	1,645,199	0.59
1001 to 2000	1,408	0.44	2,054,173	0.73
2001 to 3000	652	0.20	1,620,630	0.58
3001 to 4000	392	0.12	1,376,139	0.49
4001 to 5000	289	0.09	1,303,572	0.47
5001 to 10000	582	0.18	4,099,918	1.47
10001 and above	1,033	0.32	261,258,712	93.47
Total	323,176	100.00	279,497,838	100.00

Shareholders' and investors' grievances

The Board of directors of the Company has a stakeholders relationship committee to specifically look into and resolve grievances of security-holders on various matters.

Routine queries/complaints received from shareholders are promptly attended to and replied. Queries/complaints received during FY2026 were relating to dividend payment, issue of duplicate shares, Entitlement letter etc.

During the year, twenty-seven complaints were received from SEBI/Stock Exchanges/Investors that were resolved to the satisfaction of investors. As on 31 March 2026, there were two complaints which are under review by the SEBI and no action remained to be taken on the Company's side at the year end.

Green initiative

The Company believes in driving environmental initiatives. As a step in this direction, it availed of special services offered by NSDL/CDSL to update email addresses of shareholders holding shares with depository participant registered with these entities and who have not registered their email addresses. This will enable such shareholders to immediately receive various email communication from the Company from time to time including the Annual Report, dividend credit intimation etc. Shareholders who have not updated their email, are requested to do so by sending a request to the Company/KFin or their respective depository participant.

Also, the Company has availed of the special services offered by NSDL/CDSL for sending SMS per demat account where email address is not registered.

Demat suspense account with HDFC Bank for unclaimed shares

A) In accordance with the provisions contained in clause 5A of the erstwhile Listing Agreement (corresponding to regulation 39(4) of the SEBI Listing Regulations, 2015) as amended by SEBI through its circular dated 16 December 2010, the Company, during 2011-12, had sent three reminders to such shareholders whose shares were lying 'undelivered/unclaimed' with the Company; and then followed it by opening of the unclaimed share suspense demat account titled 'Bajaj Auto Ltd. – Unclaimed Suspense Account' with the HDFC Bank in April 2012.

After completing the necessary formalities, 44,375 shares held by 148 shareholders were transferred to this suspense account in April 2012. Voting rights on such shares remain frozen till the rightful owner claims these shares.

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, 2015.

The summary of this account for FY2026 is as follows:

Sr. No.	Particulars	No. of shareholders	Outstanding shares
i.	Aggregate no. of shareholders & the outstanding shares lying in the Unclaimed Suspense Account as on 01 April 2025	19	2,117
ii.	No. of shares transferred to Unclaimed Suspense Account during the year 2025-26	NIL	NIL
iii.	No. of shareholders who approached to the Company & the claim were settled [shares were transferred from the Unclaimed Suspense Account to shareholders during the year 2025-26]	NIL	NIL
iv.	Aggregate no. of shareholders & the outstanding shares lying in the Unclaimed Suspense Account as on 31 March 2026	19	2,117

B) In accordance with the SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022 on 'Issuance of Securities in dematerialized form in case of Investor Service Requests', the Letter of Confirmation which are not dematerialized within 120 days from the date of its issuance, the RTA/Issuer Companies credits the securities to the Suspense Escrow Demat Account of the Company. Pursuant to the said circular, the Company has opened a suspense escrow demat account with HDFC Bank. The position of the said demat account as on 31 March 2026 is as follows:

Sr. No.	Particulars	No. of shareholders	Outstanding shares
i.	Aggregate no. of shareholders & the outstanding shares lying in the Unclaimed Suspense Account as on 01 April 2025	3	13,790
ii.	No. of shares transferred to Unclaimed Suspense Account during the year 2025-26	5	3,310
iii.	No. of shareholders who approached to the Company & the claim were settled [shares were transferred from the Unclaimed Suspense Account to shareholders during the year 2025-26]	NIL	NIL
iv.	Aggregate no. of shareholders & the outstanding shares lying in the Unclaimed Suspense Account as on 31 March 2026	8	17,100

Certifications obtained from Practising Company Secretary

The Company has inter-alia obtained the following certifications by the Practising Company Secretary for share-related matters, as per the details given below:

Regulation	Frequency
Reconciliation of Share Capital under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018	Quarterly

Nomination

Details of nomination shall be furnished through hard copy or electronic mode with e-signatures as follows:

- i. Either,
 - Nomination through Form SH-13 as provided in the Rules 19(1) of Companies (Shares capital and debenture) Rules, 2014 or
 - 'Declaration to Opt-out', as per Form ISR-3
- ii. Securities holder(s) can change or cancel their nominee through Form SH-14
- iii. Nomination facility for shares held in electronic form is also available with depository participant.

The said forms are available on the website of the Company at <https://www.bajajauto.com/investors/miscellaneous>

Issuance of Securities in dematerialised form in case of Investor Service Requests

Pursuant to SEBI vide its master circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated 23 June 2025, mandated that the listed Companies shall issue the securities in dematerialized form only, while processing the following service requests:

- Issue of Duplicate securities certificate;
- Claim from Unclaimed Suspense account;
- Renewal/Exchange of securities certificate;
- Endorsement;
- Sub-division/Splitting of securities certificate;
- Consolidation of securities certificates/folios;
- Transmission;
- Transposition;

For enabling the shareholders to demat their securities, the Registrar and Share transfer Agent shall issue a 'Letter of Confirmation' in lieu of physical share certificates to physical shareholders for enabling them to dematerialise the securities.

Further, SEBI vide its circular HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated 30 January 2026, effective from 02 April 2026, prescribed the procedure for credit of securities issued pursuant to various service requests (applicable on all above mentioned service requests) in demat mode, directly into the demat account of the investor after necessary due diligence by RTA/Company.

The details are also made available on the Company's website
<https://www.bajajauto.com/investors/miscellaneous>.

Simplification of Procedure of Transmission of Securities

SEBI vide its circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated 23 June 2025, specified the operational guidelines for processing investors' service request (applicable on all above mentioned service requests) for the purpose of transmission of securities and formats of various documents which are required to be furnished for the processing of transmission of securities.

The procedure provided in this circular is duly followed by our registrar and share transfer agent while processing transmission service request. A link to the procedure is available on the Company's website at <https://www.bajajauto.com/investors/miscellaneous>

Simplification of Procedure for issuance of Duplicate Share Certificates

SEBI, vide circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated 25 May 2022, read with Para 22 of Master Circular for Registrars to an Issue and Share Transfer Agents ('RTAs') dated 23 June 2025 ('master circular'), prescribed the documentary, procedural requirements and threshold for such issuance.

With the objective of further simplifying the procedure of issuance of duplicate securities and to make it more efficient and investor friendly, SEBI vide its circular HO/38/13/11(3)2025-MIRSD-POD/I/1102/2025 dated 25 December 2025 reviewed the threshold and simplified the documentation for issuance of duplicate securities certificates.

The procedure provided in this circular is duly followed by our registrar and share transfer agent while processing Duplicate share certificates service request.

A link to the procedure is available on the Company's website at <https://www.bajajauto.com/investors/miscellaneous>

Further, the said circular also mandates the listed company to take special contingency policy from insurance company towards the risk arising out of the requirements relating to issuance of duplicate securities in order to safeguard and protect the interest of the listed company. The Company is in compliance with said circular.

Investor grievances redressal through the SEBI Complaints Redress System (SCORES) platform and Online Dispute Resolution (ODR)

SEBI vide its circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated 20 September 2023 stated that a complaint lodged in SCORES platform will automatically be forwarded to the concerned entity with a copy to designated body.

Entity will upload Action Taken Report (ATR) on SCORES within 21 days from the receipt of the Complaint. Failure which, the designated body will take cognizance of the complaint for first review of the resolution through SCORES and ask Company to submit ATR to the designated body. The complainant may seek a second review by SEBI of the Complaint within 15 calendar days from the date of the submission of the ATR by the Designated Body.

SEBI vide its press release PR No.06/2024 dated 01 April 2024, launched the new version of the SEBI Complaint Redress System (SCORES 2.0).

The details of the above circular and press release are available on your Company's website at <https://www.bajajauto.com/investors/miscellaneous>

Investors can lodge complaints only through new version of SCORES i.e. <https://scores.sebi.gov.in> from 01 April 2024.

In case a member is not satisfied with the resolution provided by the Company/RTA, then the online dispute resolution process can be initiated through the ODR portal at <https://smartodr.in/odr/login/>.

The link to the ODR Portal is also displayed on your Company's website at <https://www.bajajauto.com/investors/online-dispute-resolution>

As on 31 March 2026, no matters relating to your Company, were pending in SMART ODR mechanism.

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PULSAR N160

Pulsar

Outstanding convertible instruments/ADRs/ GDRs/warrants

The Company does not have any outstanding convertible instruments/ADRs/GDRs/warrants as on date of this report.

Investor Support Centre

Members may utilise the facility extended by the Registrar and Share Transfer Agent for raising queries pertaining to dividend, KYC updation, interest/redemption, etc. by visiting <https://ris.kfintech.com/clientservices/isc/>

Online Application by KFin for Investor Query, Service Request & Grievance

Members are hereby notified that our Registrar and Share Transfer Agent (RTA), KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), basis the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72) dated 08 June 2023, have launched an online application which can be accessed at <https://ris.kfintech.com> > Investor Services > Investor Support.

This android mobile application can be downloaded from the Google Play Store.

Members are requested to register/sign up, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>

Address for correspondence

Investors and shareholders can correspond with the share transfer agent or the registered office of the Company at the following address:

Share transfer agent

KFin Technologies Ltd.
(Previously known as KFin Technologies Pvt. Ltd.)

Registered Address: 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai, 400 070, Maharashtra.

CIN: L72400MH2017PLC444072

SEBI Registration No.: INR000000221

Address for Correspondence/Operations Centre:

KFin Technologies Ltd.

Unit: Bajaj Auto Ltd.

Selenium Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad 500 032, Telangana.

Email ID: einward.ris@kfintech.com
Toll Free/Phone Number: 1800 309 4001
WhatsApp Number: (91) 910 009 4099
Investor Support Centre: <https://kprism.kfintech.com/>
KFINTECH Corporate Website: <https://www.kfintech.com>
RTA Website: <https://ris.kfintech.com>
KPRISM (Mobile Application): <https://kprism.kfintech.com/signup>
RTA Search: <https://www.registrarsassociation.com/search>

Contact persons

Bhaskar Roy
Mohd. Mohsinuddin
Tel. No: (040) 6716 2222
Fax No: (040) 2300 1153
Toll free No: 1-800-309-4001
WhatsApp Number: (91) 910 009 4099
Email: einward.ris@kfintech.com
Website: www.kfintech.com or <https://ris.kfintech.com/>

Company

Bajaj Auto Ltd.

Mumbai-Pune Road,
Akurdi, Pune 411 035.

Company Secretary and Compliance officer

Rajiv Gandhi

Tel. No: (020) 6610 4486
Fax No: (020) 2740 7380
Email: investors@bajajauto.co.in
Website: www.bajajauto.com

Shareholders may get in touch with the Company Secretary for further assistance.

Certificate of non-disqualification of directors

(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 Auto Ltd.,

Bajaj Auto Ltd. Complex, Mumbai - Pune Road,
Akurdi, Pune-411035

We have examined the relevant disclosures provided by the directors (as enlisted in Table A) to Bajaj Auto Ltd. having CIN L65993PN2007PLC130076 and having registered office at Bajaj Auto Ltd. Complex, Mumbai - Pune Road, Akurdi, Pune-411035, Maharashtra, India, (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) 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	Date of appointment in Company
1.	Nirajkumar Ramkrishnaji Bajaj	00028261	30/01/2008
2.	Rajivnayan Rahul Kumar Bajaj	00018262	02/05/2007
3.	Sanjivnayan Rahul Kumar Bajaj	00014615	02/05/2007
4.	Pradeep Shrivastava	07464437	01/04/2016
5.	Rakesh Sharma	08262670	01/01/2019
6.	Dr. Naushad Darius Forbes	00630825	18/05/2017
7.	Anami Narayan Prema Roy	01361110	14/09/2017
8.	Pradip Panalal Shah	00066242	01/04/2019
9.	Abhinav Bindra	00929250	20/05/2020
10.	Vinita Bali	00032940	01/04/2024
11.	Dr. Sangita Reddy	00006285	16/07/2024

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

Kumudini Bhalerao
Partner
FCS No: 6667
CP No.: 6690
UDIN: F006667H000296506

Date: 06 May 2026
Place: Mumbai

**STANDALONE
FINANCIAL
STATEMENTS
2025-2026**

Independent Auditors' Report on the Standalone Financial Statements

To the Members of **Bajaj Auto Ltd.**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Bajaj Auto Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the '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 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 audit opinion on the standalone financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Chairman's letter, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance and Directors' Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Standalone Financial Statements

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

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

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

Independent Auditors' Report on the Standalone Financial Statements (Contd.)

Auditors' responsibilities for the audit of the standalone financial statements

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

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

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

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

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

Report on other legal and regulatory requirements

1. 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 1' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

Independent Auditors' Report on the Standalone Financial Statements (Contd.)

- (e) On the basis of the written representations received from the directors as on 31 March 2026 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;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 2' to this report;
- (g) In our opinion, the managerial remuneration for the year ended 31 March 2026 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the 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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 35 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 32 to the standalone financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 45(g) to the standalone financial statements, 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 or entity, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief and read with note 45(h) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
 As stated in note 34(b) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
 - vi. Based on our examination which included test checks, the Company has used 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 (refer note 45(l) to the standalone financial statements). 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 to the extent it was enabled and recorded in the prior years, as stated in note 45(l) to the standalone financial statements.

For S R B C & CO LLP
 Chartered Accountants
 ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
 Partner
 Membership Number: 105754
 UDIN: 26105754BFUHLR1821

Pune: 06 May 2026

Annexure 1 to Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on other legal and regulatory requirements' of our report of even date to the members of Bajaj Auto Ltd.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by management in accordance with a planned program of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all immovable properties included in Property, Plant and Equipment; and Investment Property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended 31 March 2026. Accordingly, the requirement to report on clause 3(i)(d) of the Order is not applicable to the Company.
- (e) Based on the information and explanations given to us, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the requirement to report on clause 3(i)(e) of the Order is not applicable to the Company.
- ii. (a) The management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion the frequency of verification by management is reasonable and the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed during such physical verification.
- (b) Based on the information and explanations given by the Management, the Company has not been sanctioned any working capital limits on the basis of security of current assets from banks or financial institutions during any point of time during the year. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) During the year the Company has provided loans to companies and loans/advances in the nature of loans to employee, the details of which are as follows:

Particulars	Amount (₹ in Crore)
Aggregate amount granted during the year	
a) Companies	
– Subsidiary	323.54
– Others	–
b) Employees	2.04
Balance outstanding as at Balance Sheet date	
a) Companies	
– Subsidiary	1,634.92
– Others	21.40
b) Employees	2.39

During the year the Company has not stood guarantee or provided security to any entity and hence not commented upon by us.

- (b) During the year the investments made and the terms and conditions of the grant of all loans to companies and loans/advances in the nature of loans to its employees are not prejudicial to the Company's interest. The Company has not stood guarantee or provided security in connection with loans or advances in the nature of loans during the year and hence not commented upon by us.
- (c) The Company has granted loans to companies and advances in the nature of loans during the year to its employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts are regular.

Annexure 1 to Independent Auditors' Report (Contd.)

- (d) In respect of loans to companies and advances in the nature of loans granted to employees during the year, there are no amounts overdue for more than ninety days. Accordingly, the requirement to report on clause 3(iii)(d) in respect of loans to companies and loan/advances in the nature of loans to its employees is not applicable.
- (e) In respect of loans to companies and loans/advances in the nature of loans granted to employees, there were no amounts which have fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the companies and to the same employees. Accordingly, the requirement to report on clause 3(iii)(e) in respect of loans to companies and loans/advances in nature of loans to its employees is not applicable.
- (f) In respect of loans to companies and loans/advances in the nature of loans granted to employees, there were no amounts granted which were either repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable.
- iv. The Company has not advanced any loans, guarantees or security to any entity covered by the provisions of section 185 of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company in respect of section 185 of the Companies Act, 2013, pertaining to these transactions. In respect of loans given and investments made, the Company has complied with the provisions of section 186 of the Companies Act, 2013.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues wherever applicable. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues wherever applicable, and which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Amount (₹ in Crore)	Period to which amount relates to	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	327.48	Various Years from 2010-11 to 2016-17	Supreme Court
	Excise Duty	1.43	Various Years from 1985-86 to 2001-02	High Court
	Excise Duty	1.37	Various Years from 1983-84 to 2014-15	Custom Excise and Service Tax Appellate Tribunal
	Excise Duty	0.34	Various Years from 1991-92 to 2016-17	Commissioner Appeals
Central Sales Tax Act, 1956 and Sales Tax Act of various States	Sales Tax	63.18	Various Years from 2000-01 to 2017-18	Appellate Tribunal
	Sales Tax	0.25	Financial Year 2009-10	Appellate Authority
	Sales Tax	0.17	Financial Year 2015-16	Adjudicating authority
	Sales Tax	34.63	Various Years from 1998-99 to 2017-18	Appellate Authority
The Income Tax Act, 1961	Income Tax	539.05	Various years from Financial year 2007-08, 2008-09, 2010-11 to 2011-12 and FY 2019-20	Income Tax Appellate Tribunal
	Income Tax	162.70	Various years from Financial Year 2017-18, 2018-19 and 2021-22	Commissioner of Income-Tax (Appeals)
	Income Tax	29.72	FY 2009-10	Income Tax Appellate Tribunal and High court
	Income Tax	43.40	FY 2020-2021	High Court

Annexure 1 to Independent Auditors' Report (Contd.)

Name of the Statute	Nature of dues	Amount (₹ in Crore)	Period to which amount relates to	Forum where the dispute is pending
The Customs Act, 1962	Customs Duty	3.85	Financial Year 1984-85 and 1985-86	High Court
	Customs Duty	5.13	Various Years from FY 2019-2025	Commissioner of Customs
	Customs Duty	5.50	Various Years from 1977-78 to 2013-14	Assistant Commissioner of Customs
Goods and Service Tax Act, 2017	Goods and Service Tax	13.05	FY 2017-18 to FY 2020-21	Joint Commissioner (Appeals)
	Goods and Service Tax	265.07	FY 2020-21	High Court
	Goods and Service Tax	47.32	Various Years from 2017-2022	Commissioner (Appeals)
Octroi	Octroi Duty	12.67	Various Years from 1988-89 to 2004-05 and from 2012-13 to 2016-17	High Court

Note: The amounts disclosed above are net of the payments made to the respective authorities where the dispute is pending.

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a)/(c) The Company has not defaulted in the repayment of loans (including sales-tax deferral) and interest thereon to any lender during the year. Further, the Company did not have any term loans or interest due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) and 3(ix)(c) of the Order is not applicable to the Company.
- (b) Based on the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates. The Company did not have any joint venture during the year. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. The Company did not have any joint venture during the year. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor/cost auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirements to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

Annexure 1 to Independent Auditors' Report (Contd.)

- xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a)/(b)/(c)
- The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Further, the Company is not engaged in any Non-Banking Financial or Housing Finance activities and is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, and according to the information and explanation given to us, in the Group (in accordance with Core Investment Companies (Reserve Bank) Directions, 2016) there are 20 companies forming part of the Group of the Company which are CICs (These are unregistered CICs as per Para 8.1/9.1 of Notification No. RBI/2020-21/24 dated 13 August 2020 of the Reserve Bank of India).
- xvii. The Company has not incurred cash losses in the current year and immediately preceding financial year respectively. Accordingly, the requirement to report on clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 42 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 in compliance with second proviso to sub section 5 of section 135 of the Companies Act, 2013. This matter has been disclosed in note 29 to the standalone financial statements.
- (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 29 to the standalone financial statements.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 26105754BFUHLR1821

Pune: 06 May 2026

Annexure 2 to Independent Auditors' Report

Referred to in paragraph 2(f) under the heading 'Report on other legal and regulatory requirements' of our report of even date to the members of Bajaj Auto Ltd.

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

We have audited the internal financial controls with reference to standalone financial statements of Bajaj Auto Limited (the 'Company') as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditors' responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of internal financial controls with reference to these standalone financial statements

A company's internal financial controls with reference to standalone 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 standalone 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.

Annexure 2 to Independent Auditors' Report (Contd.)

Inherent limitations of internal financial controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 26105754BFUHLR1821
Pune: 06 May 2026

Balance Sheet

(₹ In Crore)

Particulars	Note No.	As at 31 March	
		2026	2025
ASSETS			
Non-current assets			
Property, plant and equipment	2	3,466.55	3,500.17
Capital work-in-progress	2	43.08	26.02
Investment property	3	48.31	47.78
Intangible assets	4	17.89	2.81
Intangible assets under development	4	55.25	2.24
Investments in subsidiaries	5A	5,703.88	4,201.95
Financial assets			
Investments	5B	16,936.64	18,784.83
Loans	6	1,635.71	1,082.14
Other financial assets	7	30.64	29.38
Income tax assets (net)		1,154.07	1,237.61
Other non-current assets	8	64.91	86.66
		29,156.93	29,001.59
Current assets			
Inventories	9	2,353.70	1,957.90
Financial assets			
Investments	5B	7,472.75	5,583.45
Trade receivables	10	2,712.20	2,282.64
Cash and cash equivalents	11	1,220.56	813.42
Other bank balances	12	80.47	515.13
Loans	6	23.00	2.55
Other financial assets	7	1,513.50	1,486.95
Other current assets	8	1,353.00	785.27
		16,729.18	13,427.31
Total		45,886.11	42,428.90

Balance Sheet (Contd.)

(₹ In Crore)

Particulars	Note No.	As at 31 March	
		2026	2025
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	279.50	279.26
Other equity	14	34,695.17	31,867.68
		34,974.67	32,146.94
Non-current liabilities			
Financial liabilities			
Sales tax deferral	15	73.30	127.64
Provisions	16	52.86	0.45
Deferred tax liabilities (net)	17	965.35	1,123.03
Government grant		25.38	28.04
Other non-current liabilities	18	0.02	0.05
		1,116.91	1,279.21
Current liabilities			
Financial liabilities			
Borrowings	19	–	800.00
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	222.11	246.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	7,134.12	6,021.52
Other financial liabilities	21	749.68	680.07
Other current liabilities	22	994.90	772.74
Provisions	16	470.76	251.06
Government grant		2.65	2.65
Current tax liabilities (net)		220.31	228.60
		9,794.53	9,002.75
Total		45,886.11	42,428.90

Summary of material accounting policies followed by the Company

1

The accompanying notes are an integral part of the standalone financial statements.

On behalf of the Board of Directors

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Dinesh Thapar
Chief Financial Officer

Niraj Bajaj
Chairman
(DIN: 00028261)

Rajiv Bajaj
Managing Director
(DIN: 00018262)

per Paul Alvares
Partner
Membership Number: 105754
Pune: 06 May 2026

Rajiv Gandhi
Company Secretary

Anami N. Roy
Chairman – Audit Committee
(DIN: 01361110)

Statement of Profit and Loss

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March	
		2026	2025
Revenue from contracts with customers		56,113.68	48,247.22
Other operating revenue		2,618.80	1,763.09
Revenue from operations	23	58,732.48	50,010.31
Other income	24	1,562.92	1,420.94
Total income		60,295.40	51,431.25
Expenses			
Cost of raw materials and components consumed		38,250.44	32,265.79
Purchase of traded goods		3,254.63	3,036.47
Changes in inventories of finished goods, work-in-progress and traded goods	25	(319.33)	35.18
Employee benefits expense	26	1,664.25	1,579.44
Finance costs	27	35.93	67.72
Depreciation and amortisation expense	28	448.21	400.09
Other expenses	29	3,938.30	3,044.34
Expenses, included in above items, capitalised		(72.42)	(49.67)
Total expenses		47,200.01	40,379.36
Profit before exceptional items and tax		13,095.39	11,051.89
Exceptional items (net) - (gain)/loss	29A	23.80	-
Profit before tax		13,071.59	11,051.89
Tax expense			
Current tax		3,194.75	2,559.04
Deferred tax		67.61	130.17
Deferred tax – Exceptional Item		(15.43)	211.26
Total tax expense	30	3,246.93	2,900.47
Profit for the year		9,824.66	8,151.42

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 gains/(losses) of defined benefit plans		(0.11)	23.72
Tax impact on above		0.03	(5.97)
Changes in fair value of FVTOCI equity instruments		(1,467.35)	1,474.17
Tax impact on above	45m	209.83	(268.68)
Items that will be reclassified to profit or loss			
Valuation gains/(losses) on derivative hedging instruments		-	-
Tax impact on above		-	-
Other comprehensive income for the year (net of tax)		(1,257.60)	1,223.24
Total comprehensive income for the year		8,567.06	9,374.66
Earnings per share (in ₹)	31		
Basic Earnings per share (in ₹)		352.0	292.1
Diluted Earnings per share (in ₹)		351.5	291.5
(Nominal value per share ₹ 10)			
Summary of material accounting policies followed by the Company	1		

The accompanying notes are an integral part of the standalone financial statements.

On behalf of the Board of Directors

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

Niraj Bajaj

Chairman

(DIN: 00028261)

Rajiv Bajaj
Managing Director
(DIN: 00018262)

Dinesh Thapar
Chief Financial Officer

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

per Paul Alvares
Partner

Membership Number: 105754

Pune: 06 May 2026

Rajiv Gandhi
Company Secretary

Statement Of Changes In Equity

A. Equity share capital

(₹ In Crore)

For the year ended 31 March

Particulars	Note No.	For the year ended 31 March	
		2026	2025
At the beginning of the year		279.26	279.18
Changes in equity share capital due to prior period errors		–	–
Restated balance at the beginning of the current reporting period		279.26	279.18
Changes in equity share capital during the year		0.24	0.08
At the end of the year	13	279.50	279.26

Statement Of Changes In Equity (Contd.)

B. Other equity

(₹ In Crore)

Particulars	Note No.	Reserves and surplus		Other reserves					Total other equity
		General reserve	Retained earnings	FVTOCI reserve equity instruments	Securities premium	Capital redemption reserve	Share based payments reserve	Treasury shares	
Balance as at 31 March 2024	14	6,389.60	16,416.32	1,665.71	86.31	10.41	102.46	(89.49)	24,581.32
Profit for the year		-	8,151.42	-	-	-	-	-	8,151.42
Other comprehensive income (net of tax)		-	17.75	1,205.49	-	-	-	-	1,223.24
Total comprehensive income for the year ended 31 March 2025		-	8,169.17	1,205.49	-	-	-	-	9,374.66
Transactions with owners in their capacity as owners									
Recognition of share based payments to employees		-	-	-	-	-	64.87	-	64.87
Securities premium on issue of shares		-	-	-	29.26	-	-	-	29.26
Treasury shares held by ESOP Trust		-	-	-	-	-	-	51.01	51.01
Transfer of share based payment reserve to free reserve		-	67.89	-	-	-	(67.89)	-	-
Final dividend for the year ended 31 March 2024		-	(2,233.44)	-	-	-	-	-	(2,233.44)
Balance as at 31 March 2025	14	6,389.60	22,419.94	2,871.20	115.57	10.41	99.44	(38.48)	31,867.68
Profit for the year		-	9,824.66	-	-	-	-	-	9,824.66
Other comprehensive income (net of tax)		-	(0.08)	(1,257.52)	-	-	-	-	(1,257.60)
Total comprehensive income for year ended 31 March 2026		-	9,824.58	(1,257.52)	-	-	-	-	8,567.06
Transactions with owners in their capacity as owners									
Recognition of share based payments to employees		-	-	-	-	-	70.60	-	70.60
Securities premium on issue of shares		-	-	-	93.24	-	-	-	93.24
Treasury shares held by ESOP Trust		-	-	-	-	-	-	(39.00)	(39.00)
Transfer of share based payment reserve to free reserve		-	6.46	-	-	-	(6.46)	-	-
Final dividend for the year ended 31 March 2025		-	(5,864.41)	-	-	-	-	-	(5,864.41)
Balance as at 31 March 2026	14	6,389.60	26,386.57	1,613.68	208.81	10.41	163.58	(77.48)	34,695.17

Summary of material accounting policies followed by the Company

1

The accompanying notes are an integral part of the standalone financial statements.

On behalf of the Board of Directors

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
Pune: 06 May 2026

Dinesh Thapar
Chief Financial Officer

Rajiv Gandhi
Company Secretary

Niraj Bajaj
Chairman
(DIN: 00028261)

Rajiv Bajaj
Managing Director
(DIN: 00018262)

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

Statement Of Cash Flows

(₹ In Crore)

For the year ended 31 March

Particulars	2026	2025
I. Operating activities		
Profit before tax	13,071.59	11,051.89
Adjustments to reconcile profit before tax to net cash flows:		
Add:		
i) Depreciation and amortisation expense	448.21	400.09
ii) Loss on property, plant and equipment sold, demolished, discarded and scrapped	3.28	2.28
iii) Provision for doubtful debts and advances	3.97	(4.92)
iv) Bad debts written off	0.11	6.82
v) Share based payment to employees	70.60	64.87
vi) Exchange loss/(gain) on cash and cash equivalents	0.88	6.71
vii) Exchange loss/(gain) on trade receivables	(41.92)	0.07
viii) Exchange loss/(gain) on import payables	3.30	0.51
ix) Exchange loss/(gain) on borrowings	-	16.44
x) Exchange loss/(gain) on loans given	(252.35)	(16.02)
xi) Loss/(gain) on fair valuation of derivative instrument	10.49	-
xii) Interest adjustment on Government grant	1.99	1.79
xiii) Interest income on Income-tax refund	(33.92)	-
xiv) Interest expense	33.94	65.93
	248.58	544.57
Less:		
i) Investment income included in above:		
Interest income on fixed income securities	166.53	123.81
Interest income on fixed deposits	55.91	87.29
Interest income on loans	105.50	7.64
Interest income on exchange traded funds	432.53	436.49
Interest income on fixed maturity plans	52.77	49.55
Profit/(loss) on sale of other investments, net	12.79	31.05
Gain on valuation and realisation of mutual funds measured at fair value through profit or loss	484.34	633.28
Dividend income on other strategic investments	32.55	30.10
Amortisation of premium/discount on acquisition of fixed income securities	(6.16)	1.35
	1,336.76	1,400.56
ii) Government grants	2.65	2.65
iii) Surplus on sale of property, plant and equipment	4.08	3.23
iv) Gain on NPV settlement of deferred sales tax	34.53	-
	(1,378.02)	(1,406.44)
	11,942.15	10,190.02
Change in assets and liabilities		
i) (Increase)/decrease in inventories	(395.80)	(262.28)
ii) (Increase)/decrease in trade receivables	(391.72)	(162.21)
iii) (Increase)/decrease in loans and other assets	(736.53)	(867.26)
iv) Increase/(decrease) in liabilities and provisions	1,628.81	1,048.93
	104.76	(242.82)
Annuity payments (net) to VRS/Welfare scheme optees	(0.09)	(0.12)
Net cash flow from operating activities before income-tax	12,046.82	9,947.08
Income-tax paid (net of refunds)	(3,085.58)	(2,680.35)
Net cash flow from/(used in) operating activities	8,961.24	7,266.73
Carried forward	8,961.24	7,266.73

Statement Of Cash Flows (Contd.)

(₹ In Crore)

For the year ended 31 March

Particulars	For the year ended 31 March	
	2026	2025
Brought forward	8,961.24	7,266.73
II. Investing activities		
i) Investment in subsidiaries	(1,501.93)	(2,113.53)
ii) Sale of investments	7,781.31	2,387.57
iii) Purchase of investments	(8,848.93)	(4,047.32)
iv) Sale/(purchase) of liquid mutual funds, etc., net	535.38	1,279.91
v) Addition to investment property	(1.66)	-
vi) Changes in treasury shares by ESOP trust	(39.00)	51.01
vii) (Increase)/decrease in other bank balances	(15.32)	22.88
viii) Deposits with Banks placed	-	(750.00)
ix) Deposits with Banks redeemed	750.00	1,041.50
x) Purchase of property, plant and equipment (including advances)	(430.38)	(725.31)
xi) Sale proceeds of property plant and equipment	10.24	6.38
xii) Loans given	(323.54)	(1,064.41)
xiii) Expenditure on intangible assets (including under development)	(70.71)	(2.80)
	(2,154.54)	(3,914.12)
xiv) Investment income		
Interest income on fixed income securities	166.53	123.81
Interest income on fixed deposits	55.91	87.29
Interest income on loans	105.50	7.64
Dividend income on other strategic investments	32.55	30.10
	360.49	248.84
(Increase)/decrease in interest receivable	(142.32)	24.30
	218.17	273.14
Net cash flow from/(used in) investing activities	(1,936.37)	(3,640.98)
Carried forward	7,024.87	3,625.75

Statement Of Cash Flows (Contd.)

(₹ In Crore)

For the year ended 31 March

Particulars	For the year ended 31 March	
	2026	2025
Brought forward	7,024.87	3,625.75
III. Financing activities		
i) Short term bank loan taken/(repaid)	(800.00)	(50.49)
ii) Interest expense	(33.94)	(65.93)
iii) Equity share buy-back (including tax and expenses)	-	(931.84)
iv) Change in sales tax deferral liability	(0.02)	0.01
v) Repayment of deferred sales tax liability (NPV basis)	(21.79)	-
vi) Issue of capital (including securities premium)	93.48	29.34
vii) Dividend paid (including payment of earlier unclaimed dividend)	(5,854.58)	(2,235.32)
Net cash flow from/(used in) financing activities	(6,616.85)	(3,254.23)
Net change in cash and cash equivalents	408.02	371.52
Cash and cash equivalents at the beginning of the year	813.42	448.61
Add/(Less): Effects of exchange (loss)/gain on cash and cash equivalents	(0.88)	(6.71)
Cash and cash equivalents at the end of the year [See note 11]	1,220.56	813.42
Change in liability arising from financing activity:		
At the beginning of the year	800.00	834.05
Changes from financing cash flows	(800.00)	(50.49)
Foreign exchange movement	-	16.44
As at the end of the year	-	800.00

As per our report of even date

On behalf of the Board of Directors

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
Pune: 06 May 2026

Dinesh Thapar
Chief Financial Officer

Rajiv Gandhi
Company Secretary

Niraj Bajaj
Chairman
(DIN: 00028261)

Rajiv Bajaj
Managing Director
(DIN: 00018262)

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

Notes to standalone financial statements for the year ended 31 March 2026

Corporate information

Bajaj Auto Ltd. (the 'Company') (CIN L65993PN2007PLC130076) is a company limited by shares, incorporated and domiciled in India. The Company is engaged in the business of development, manufacturing and distribution of automobiles such as motorcycles, commercial vehicles, electric vehicles etc. and parts thereof. The Company sells its products in India as well as in various other global markets. The registered office of the Company is located at Mumbai-Pune Road, Akurdi, Pune 411035.

The standalone financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on 06 May 2026.

1 Summary of material accounting policies followed by the Company

Statement of compliance and basis of preparation

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

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities (including derivative instruments) that are measured at fair value (refer accounting policy on financial instruments for details).

The financial statements are presented in INR, which is also the Company's functional currency, and all values are rounded to the nearest crore (INR 0,000,000), except when otherwise indicated.

All assets and liabilities, other than deferred tax assets and liabilities, have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for current and non-current classification of assets and liabilities.

Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Use of estimates, judgments and assumptions

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes and in the relevant notes together with information about basis of calculation for each affected line item in the financial statements:

- a) Valuation of investments [Refer note 1.6 and note 32]
- b) Derivative instruments [Refer note 1.7 and note 7]
- c) Revenue and trade receivables [Refer note 1.2, note 10 and note 23]
- d) Provisions and Contingent liabilities [Refer note 1.13, note 16 and note 35]
- e) Residual value and useful life of property, plant and equipment, intangible assets and Investment Property [Refer note 1.3]
- f) Share based payments (Employee stock option plan) [Refer note 43]

2 Revenue from contracts with customers

Revenue is recognised when control of goods (vehicles or parts) or services have been transferred to the customer; at an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods or services. Amounts disclosed as revenue are net of goods and service tax (GST).

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

Sale of Goods (vehicles or parts)

The Company has determined that our customers for the sale of goods are generally dealers and distributors. Transfer of control, and therefore revenue recognition, generally corresponds to the date when the goods are released to the carrier responsible for transporting them to the customer in the following manner:

- Domestic sales are recognised at the time of dispatch from the point of sale and payment is due at the point of sale;
- Export sales are recognised on the date when shipped on board as per terms of sale and are initially recorded at the relevant exchange rates prevailing on the date of the transaction. Payment terms with customers vary depending upon the contractual terms of each contract.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration and consideration payable to customers) allocated to that performance obligation. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, consideration payable to the customer and the existence of significant financing components (if any).

Variable consideration

If the consideration in a contract includes a variable amount (like volume rebates/incentives, cash discounts, subventions etc.), the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The estimate of variable consideration for expected future volume rebates/incentives, cash discounts, subventions etc. are made on the most likely amount method.

Consideration payable to the customer

Consideration payable to a customer includes cash amounts that the Company pays, or expects to pay, to the customer.

Financing component

Generally, the Company receives short term advances from its customers. The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less. In cases where the Company does not receive short term advances from its customers, the terms of contract with customers do not contain any express or implied payment terms which would indicate the existence of a significant financing component.

Principal versus agent consideration in respect of freight

The Company, on behalf of its customers, dispatches goods to agreed locations for an agreed fee. The Company has determined that the performance obligation of the Company is to arrange for those goods and services (Company is an agent) to the customers and hence the amount charged to the customer offset by freight charges paid to the freight service providers is shown as revenue and disclosed as other operating income or other operating expenses, depending upon the results of the offsetting.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

Advance received from customers

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

Other operating revenue

Interest charged to dealers for payment beyond due date and Royalty income is recognised on accrual basis in accordance with the substance of their relevant agreements. In respect of Government Grants recognised as Other operating revenue, refer to accounting policy no. 1.15 'Government Grants'

3 Property, plant and equipment and depreciation/amortisation

A. Property, plant and equipment

- i) Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment except land are carried at historical cost of acquisition, construction or manufacturing, as the case may be, less accumulated depreciation and amortisation. Freehold land is carried at cost of acquisition.
- ii) Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended. Such cost includes the cost of replacing part of the plant and equipment, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.
- iii) Costs incurred to manufacture/construct property, plant and equipment are reduced from the total expense under the head 'Expenses, included in above items, capitalised' in the Statement of Profit and Loss.
- iv) Land and buildings acquired/constructed, not intended to be used in the operations of the Company and held for earning long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, are categorised as investment property.
- v) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- vi) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

(a) Leasehold land

Premium on leasehold land is amortised over the period of lease.

(b) Other tangible assets

- i. a. Depreciation is provided on a pro rata basis on straight line method to allocate the cost, net of residual value over the estimated useful lives of the assets.

The estimated useful lives are as follows:

Asset class	Useful life
Buildings	03-60 years
Water pumps, reservoirs and mains	05-15 years
Plant and machinery	10-15 years
Computers and IT Equipment	03-06 years
Dies and Moulds	03-08 years
Electric installations	10 years

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

Asset class	Useful life
Factory equipment's	08-15 years
Furniture	10 years
Office equipment	05-13 years
Electric fittings	10 Years
Vehicles (including prototype)	1.5-10 Years

- b. Where a significant component (in terms of cost) of an asset has an estimated economic useful life shorter than that of its corresponding asset, the component is depreciated over its shorter life.
- c. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- ii. Assets which are depreciated over useful life/residual value different than those indicated by Schedule II are as under:

Asset class	As per Schedule II	Useful life
Aircraft	20 years	10 years
PDC Dies	8 years	3 years
Factory equipment	15 years	10 years

- iii. Depreciation on additions is being provided on pro rata basis from the first date of such month of such additions.
- iv. Depreciation on assets sold, discarded or demolished during the year is being provided up to the month in which such assets are sold, discarded or demolished.

4 Intangible assets

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Technical know-how

A. Technical know-how acquired

Technical know-how acquired is stated at acquisition cost less accumulated amortisation and impairment losses, if any. Acquired technical know-how is amortised equally over a period of estimated useful life.

B. Technical know-how developed by the Company

- i. Expenditure on research and development activities is recognised as an expense in the period in which it is incurred unless the recognition criteria are met. Research costs are expensed as incurred. Development expenditure on an individual project are recognised as an intangible asset when the Company can demonstrate:

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
 - Its intention to complete and its ability and intention to use or sell the asset
 - How the asset will generate future economic benefits
 - The availability of resources to complete the asset
 - The ability to measure reliably the expenditure during development
- ii. Costs incurred to develop an intangible asset are reduced from total expenses and disclosed under the head 'Expenses, included in above items, capitalised' in the Statement of Profit and Loss.

C. Amortisation of technical know-how

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

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

The cost of technical know-how developed is amortised equally over its estimated useful life i.e. generally three years from the date of commencement of commercial production.

5 Investment property

Property which is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are expensed when incurred.

Depreciation on investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the Management, corresponds to those prescribed by Schedule II- Part 'C' of the Companies Act, 2013.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

6 Investments, financial assets and financial liabilities

A. Investment in subsidiaries and associate

Interest in subsidiaries and associate are recognised at cost less impairment (if any). Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

B. Other investments and financial assets

i. Classification

The company classifies its financial assets at initial recognition in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets classified as 'measured at fair value', gains and losses 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.

ii. Measurement

Initial Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

At initial recognition, the Company measures a financial asset at its fair value including, in the case of 'a financial asset not at FVTPL', transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at 'FVTPL' are expensed in the Statement of Profit and Loss, when incurred.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer accounting policy no.2 'Revenue from contracts with customers'.

For a financial asset to be classified and subsequently measured at amortised cost or FVTOCI (excluding equity instruments which are measured at FVTOCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent Measurement

Subsequent measurement of financial assets depends on the Company's business model for managing the financial asset and the cash flow characteristics of the financial asset. There are three measurement categories into which the Company classifies its financial instruments:

Subsequently measured at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

- b) 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.

Financial assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost e.g. debentures, bonds, fixed maturity plans, trade receivables etc.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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. Interest income from trade receivables is included in Other operating income in the Statement of Profit and Loss; whilst interest income from the remaining financial assets is included in Other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. A gain or 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.

In case of fixed maturity plans (FMP), they are measured at amortised cost, if the Company intends to hold the FMPs to maturity. Further, the Company applies amortised cost for those FMPs where the Company is able to demonstrate that the underlying instruments in the portfolio would fulfill the SPPI test and the churn in the underlying portfolio is negligible. These conditions are assessed at each Balance Sheet date. If these conditions are not fulfilled, then FMPs are valued at FVTPL.

The Company intends to hold its investment in open ended target maturity funds (i.e. exchange traded funds/ETF) till maturity. It may be noted that these funds have a pre-determined maturity date. These funds follow a passive buy and hold strategy; in which the existing underlying investment bonds are expected to be held till maturity unless sold for meeting redemptions or rebalancing requirements as stated in the scheme document. In our view, such strategy mitigates intermittent price volatility in open ended target maturity funds' underlying investments; and investors who remain invested until maturity are expected to mitigate the market/volatility risk to a large extent. These funds can invest only in plain vanilla INR bonds with fixed coupon and maturity; and cannot invest in floating rate bonds. Based on this, the Company believes that the investments in open ended target maturity funds meet the requirements of SPPI test as per the requirements of Ind AS 109.

Subsequently measured at FVTOCI:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading, if any, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

iii. Impairment of financial assets

The Company assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortised cost for e.g., debt securities, deposits, trade receivables and bank balances. 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.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECL) at each reporting date, right from its initial recognition.

In respect of other financial assets (e.: debt securities, deposits, bank balances etc), the Company generally invests in instruments with high credit rating and consequently low credit risk. In the unlikely event that the credit risk increases significantly from inception of investment, lifetime ECL is used for recognising impairment loss on such assets.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument over the expected life of the financial instrument.

ECL impairment loss allowance (or reversal) recognised during the period 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. The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost and trade receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments based on shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument.

However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

iv. Derecognition of financial assets

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset or the rights to receive cash flows from the financial asset have expired. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

v. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

The Company applies amortised cost, where it has ability to demonstrate that the underlying instruments in the portfolio fulfill the solely payments of principal and interest ('SPPI') test and the churn in the portfolio is negligible.

C. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of borrowings in nature of bank overdrafts/credit facilities and payables, net of directly attributable transaction costs.

The Company's financial liabilities includes trade and other payables, borrowings in nature of bank overdrafts/credit facilities. For purposes of subsequent measurement, financial liabilities are classified at amortised cost.

7 Derivative and hedging activities

The Company uses derivative financial instruments such as range forward and par forward currency contracts to hedge its foreign currency risks. Such derivative instruments are initially recognised at fair value on the date at which the derivative contract is entered and are subsequently re-measured at fair value as at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Fair value remeasurements are recognised in the Statement of Profit and Loss in the period in which fair value changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

The company documents its risk management objectives and strategy for undertaking various hedge transactions. In terms thereof, the Company designates their derivatives as hedges of foreign exchange risks associated with the cash flow of highly probable forecast transactions (viz. export sales).

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than or equal to 12 months.

Cash flow hedges that qualify for hedge accounting –

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, within other gains/(losses).

For hedge accounting, hedges are classified as Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

When forward contracts are used to hedge forecast transactions, the Company designates them in entirety as the hedging instrument. Any gains or losses arising from changes in the fair value for the effective portion of cash flow hedges is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

Where option contracts are used to hedge forecast transactions, the Company designates intrinsic value of the option contract as hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contract are recognised in the cash flow hedging reserve within equity. The changes in time value of the option contracts that relate to the hedged items are recognised through other comprehensive income in 'Costs of hedging reserve' within equity.

When a hedging instrument expires, or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time is recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Statement of Profit and Loss. When a hedging instrument is unexercised and expires, the cumulative gain or loss is reversed within equity with the corresponding effect to the hedge receivable/payable.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

If the hedge ratio for risk management is no longer optimal, but risk management objectives remain unchanged and hedge continues to qualify for hedge accounting, the hedge relationships are re-balanced so that the hedge ratio aligns. Consequently, hedge ineffectiveness is computed and accounted for in the Statement of Profit and Loss immediately.

8. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Impairment loss of non-financial assets, if any are recognised in the Statement of profit and loss.

9 Foreign currency transactions

- i) Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency').
- ii) On initial recognition, all foreign currency transactions are recorded at the foreign exchange rate on the date of the transaction.
- iii) Monetary assets and liabilities in foreign currency outstanding at the close of the financial year are revalued at the appropriate exchange rates prevailing at the close of the year.
- iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss.
- v) Property, Plant & Equipment purchased at liaison offices in foreign exchange are recorded at their historical cost computed with reference to the average rate of foreign exchange remitted to the liaison office.
- vi) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

10 Inventories

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

- i) Finished stocks of vehicles and auto spare parts and stocks of work-in-progress are valued at cost of manufacturing or net realisable value whichever is lower. Cost is calculated on a weighted average basis.
- ii) Stores, packing materials and tools which does not meet the recognition criteria of property, plant and equipment are valued at cost arrived at on a weighted average basis or net realisable value, whichever is lower.
- iii) Raw materials and components are valued at cost arrived at on a weighted average basis or net realisable value, whichever is lower.
- iv) Inventory of machinery spares and maintenance materials not being material are expensed in the year of purchase.
- v) Goods in transit are stated at actual cost incurred up to the date of Balance Sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

11 Employee benefits

a) Privilege leave entitlements

Privilege leave 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, subject to terms and conditions of the scheme, the accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

b) Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policy and Debt fund of the Life Insurance Corporation of India (LIC) and Bajaj Allianz Life Insurance Company Ltd. (BALIC). However, any deficit in plan assets managed by LIC and BALIC as compared to the liability based on an independent actuarial valuation is recognised as a liability.

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service cost arising on account of amendments to defined benefit plans, including those pursuant to implementation of the new wage code, is recognised in the Statement of Profit and Loss in the period of such amendment. The same represents the change in the defined benefit obligation on account of the plan amendment.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

c) Provident fund contributions

are made to Company's Provident Fund Trust. The contributions are accounted for as defined benefit plans and the contributions are recognised as employee benefit expense when an employee renders the related service. Deficits, if any, of the fund as compared to liability based on an independent actuarial valuation is to be additionally contributed by the Company and hence recognised as a liability.

12 Taxation

- 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, 2025; 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.
- 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 OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

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

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Services Tax (GST)/value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/non-current assets/liabilities in the Balance Sheet.

13 Provisions and contingent liabilities

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

14 Leases including investment properties

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

As a lessee

a) Short term leases and leases of low value assets

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

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income

15 Government grant and Incentives

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

When loans or similar assistance are provided by Governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a Government grant. The loan or assistance is initially recognised and measured at fair value and the Government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

16 Dividends

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

17 Cash and cash equivalents

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

18 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources.

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Managing Director who is the Chief Operating Decision Maker. The Core Management Committee examines performance both from a product as well as from a geographical perspective and has identified three operative reportable segments from which significant risks and rewards are derived viz. Automotive business and Investments and Others.

20 Borrowing cost

Borrowing costs are expensed in the period in which they are incurred. There are no general and specific borrowing costs incurred by the Company that are directly attributable to the acquisition, construction or production of a qualifying asset during the year.

21 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company has set policies and procedures for both recurring and non-recurring fair value measurement of financial assets, which includes valuation techniques and inputs to use for each case.

For fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 1.1)
- Quantitative disclosures of fair value measurement hierarchy (note 32)
- Investment properties (note 3)
- Financial instruments (including those carried at amortised cost) (note 32)

22 Other Income

a) Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Company and that the amount of the dividend can be measured reliably.

b) Other income

The Company recognises other income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent revenue is reasonably certain and can be reliably measured.

23 Share based payment arrangements

Certain employees (including senior executives) of the Company receive part of their remuneration in the form of employee stock options (ESOP).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in note 43.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

1 Summary of material accounting policies followed by the Company (Contd.)

That cost is recognised, together with a corresponding increase in share-based payment reserve in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of ESOPs, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an ESOP, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an ESOP and lead to an immediate expensing of an ESOP unless there are also service and/or performance conditions.

No expense is recognised for ESOPs that do not ultimately vest because non-market performance and/or service conditions have not been met. Where ESOPs include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

24 Treasury shares

The Company has created an ESOP Trust (the 'Trust') for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The Trust purchases shares of the Company from the market or is issued shares by the Company, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust 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 or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Share options exercised during the reporting period are settled with treasury shares.

25 Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

26 Changes in accounting policies and disclosures

New and amended standards

Several amendments and interpretations apply for the first time annual periods beginning on or after 1 April 2025, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

2 Property, plant and equipment

Current year

(₹ In Crore)

Particulars	Gross block (a)			As at 31 March 2026	Depreciation			Net block	
	As at 1 April 2025	Additions	Deductions/ adjustments		As at 1 April 2025	Deductions	For the year (b)	As at 31 March 2026	As at 31 March 2026
Land freehold	19.97	-	-	19.97	-	-	-	-	19.97
Land leasehold (Right-of-use assets)	146.47	-	1.98	144.49	-	-	-	-	144.49
Buildings	1,480.54	22.74	-	1,503.28	480.64	-	40.09	520.73	982.55
Waterpumps, reservoirs and mains	23.26	0.12	-	23.38	16.06	-	0.55	16.61	6.77
Plant and machinery	1,851.14	99.24	51.79	1,898.59	1,121.85	46.12	87.02	1,162.75	735.84
Computers and IT Equipment	113.78	31.77	11.30	134.25	84.88	11.29	17.02	90.61	43.64
Dies and jigs	1,404.00	187.20	11.59	1,579.61	742.30	10.54	154.06	885.82	693.79
Electric installations	107.67	7.16	0.26	114.57	78.37	0.26	3.51	81.62	32.95
Factory equipment	622.27	33.63	3.57	652.33	352.98	2.61	33.71	384.08	268.25
Furniture	57.21	10.40	0.45	67.16	43.65	0.48	3.79	46.96	20.20
Office equipment	70.39	1.83	0.36	71.86	55.09	0.36	5.70	60.43	11.43
Electric fittings	60.52	0.81	0.24	61.09	35.81	0.24	3.55	39.12	21.97
Vehicles and aircraft	789.80	25.35	32.58	782.57	235.22	30.83	93.48	297.87	484.70
Total	6,747.02	420.25	114.12	7,053.15	3,246.85	102.73	442.48	3,586.60	3,466.55
Capital work-in-progress	26.02	36.62	19.56	43.08	-	-	-	-	43.08

(a) At cost, except leasehold land which is at cost, less amounts written off.

(b) Refer note 1 clause 3 of summary of material accounting policies.

(c) No revaluation has been done during the year with respect to property, plant and equipment.

(d) No assets acquired or transferred as part of business combination.

Ageing Schedule for Capital work-in-progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	36.62	6.45	0.01	-	43.08
Projects temporarily suspended	-	-	-	-	-
Total	36.62	6.45	0.01	-	43.08

There are no delayed and overrun projects.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

2 Property, plant and equipment (Contd.)

Previous year

Particulars	Gross block (a)				Depreciation			Net block	
	As at 1 April 2024	As at 1 April 2024	Deductions/ adjustments	As at 31 March 2025	As at 1 April 2024	Deductions	For the year (b)	As at 31 March 2025	As at 31 March 2025
		Additions							
Land freehold	19.97	-	-	19.97	-	-	-	-	19.97
Land leasehold (Right-of-use assets)	148.45	-	1.98	146.47	-	-	-	-	146.47
Buildings	1,401.42	79.18	0.06	1,480.54	442.15	0.03	38.52	480.64	999.90
Waterpumps, reservoirs and mains	20.06	3.20	-	23.26	15.65	-	0.41	16.06	7.20
Plant and machinery	1,688.43	182.18	19.47	1,851.14	1,062.28	16.11	75.68	1,121.85	729.29
Computers and IT Equipment	89.92	23.90	0.04	113.78	75.82	0.04	9.10	84.88	28.90
Dies and jigs	1,040.43	364.48	0.91	1,404.00	628.26	0.88	114.92	742.30	661.70
Electric installations	97.60	10.07	-	107.67	75.56	-	2.81	78.37	29.30
Factory equipment	589.87	33.66	1.26	622.27	321.09	1.17	33.06	352.98	269.29
Furniture	54.02	3.38	0.19	57.21	38.34	0.15	5.46	43.65	13.56
Office equipment	66.76	4.40	0.77	70.39	50.36	0.76	5.49	55.09	15.30
Electric fittings	58.00	2.71	0.19	60.52	32.23	0.19	3.77	35.81	24.71
Vehicles and aircraft	756.66	46.70	13.56	789.80	152.00	11.69	94.91	235.22	554.58
Total	6,031.59	753.86	38.43	6,747.02	2,893.74	31.02	384.13	3,246.85	3,500.17
Capital work-in-progress	24.29	24.23	22.50	26.02	-	-	-	-	26.02

(a) At cost, except leasehold land which is at cost, less amounts written off.

(b) Refer note 1 clause 3 of summary of material accounting policies.

(c) No revaluation has been done during the year with respect to property, plant and equipment.

(d) No assets acquired or transferred as part of business combination.

Ageing Schedule for Capital work-in-progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	24.39	1.63	-	-	26.02
Projects temporarily suspended	-	-	-	-	-
Total	24.39	1.63	-	-	26.02

There are no delayed and overrun projects.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

3 Investment property

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Gross carrying amount		
Opening balance	69.67	69.67
Additions	1.66	–
Closing balance	71.33	69.67
Accumulated depreciation		
Opening balance	21.89	20.77
Depreciation charge	1.13	1.12
Closing balance	23.02	21.89
Net carrying amount	48.31	47.78

i) Amounts recognised in the Statement of Profit and Loss for investment properties

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Rental income	21.18	19.70
Direct operating expenses from property that generated rental income	(0.05)	(0.36)
Direct operating expenses from property that did not generate rental income	–	–
Profit from investment properties before depreciation	21.13	19.34
Depreciation	(1.13)	(1.12)
Profit from investment property	20.00	18.22

ii) Contractual obligations

The Company has no restrictions on the realisability of its investment property. There are no contractual obligations to purchase, construct or develop investment property as at the year end.

iii) Leasing arrangements

Investment property is leased out to various tenants under operating leases. Disclosure on future rent receivable is included in Note 40.

iv) Fair value

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Investment property	238.78	234.09

Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties. Since investment properties leased out by the Company are cancellable and non-cancellable leases, the market rate for sale/purchase of such premises are representative of fair values. Company'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 locations determined by an independent registered valuer, as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules 2017, and consequently classified as a level 2 valuation.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

4 Intangible assets

Current year

(₹ In Crore)

Particulars	Gross block			As at 31 March 2026	Amortisation			As at 31 March 2026	Net block	
	As at 1 April 2025	Additions	Deductions/ adjustments		As at 1 April 2025	Deductions	For the year		As at 31 March 2026	As at 31 March 2026
	Intangible assets									
Technical know-how developed	131.29	12.35	-	143.64	131.29	-	0.92	132.21	11.43	
Software	3.76	5.19	-	8.95	0.95	-	1.68	2.63	6.32	
Brands and Trademarks	-	0.16	-	0.16	-	-	0.02	0.02	0.14	
Total Intangible assets	135.05	17.70	-	152.75	132.24	-	2.62	134.86	17.89	
Intangible assets under development	2.24	53.01	-	55.25	-	-	-	-	55.25	

(a) No revaluation has been done during the year with respect to intangible assets.

Ageing schedule for Intangible assets under development

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	53.01	1.79	0.45	-	55.25
Projects temporarily suspended	-	-	-	-	-
Total	53.01	1.79	0.45	-	55.25

There are no delayed and overrun projects.

4 Intangible assets

Previous year

(₹ In Crore)

Particulars	Gross block			As at 31 March 2025	Amortisation			As at 31 March 2025	Net block	
	As at 1 April 2024	Additions	Deductions/ adjustments		As at 1 April 2024	Deductions	For the year		As at 31 March 2025	As at 31 March 2025
	Intangible assets									
Technical know-how developed	131.29	-	-	131.29	119.38	-	11.91	131.29	-	
Software	-	3.76	-	3.76	-	-	0.95	0.95	2.81	
Total Intangible assets	131.29	3.76	-	135.05	119.38	-	12.86	132.24	2.81	
Intangible assets under development	3.20	1.79	2.75	2.24	-	-	-	-	2.24	

(a) No revaluation has been done during the year with respect to intangible assets.

Ageing schedule for Intangible assets under development

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	2.24	-	-	-	2.24
Projects temporarily suspended	-	-	-	-	-
Total	2.24	-	-	-	2.24

There are no delayed and overrun projects.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

5 Investments

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
(A) Investment in subsidiaries				
Investment carried at cost				
In subsidiaries				
Unquoted:				
3,230,000 (1,980,000) Equity Shares of Euro 100 each in Bajaj Auto International Holding B V Amsterdam, Netherlands	2,420.66	1,218.72	-	-
449,997 (449,997) Equity Shares of 100 Thai Baht each in Bajaj Auto (Thailand) Ltd	10.54	10.54	-	-
411,875 (411,875) Equity Shares of US \$ 3 each in P T. Bajaj Auto Indonesia	6.17	6.17	-	-
Less: Provision for diminution in the value of investment	(2.17)	(2.17)	-	-
Net value of investment in P T. Bajaj Auto Indonesia after provision for diminution	4.00	4.00	-	-
470,000,000 (470,000,000) Equity Shares of ₹ 10 each in Bajaj Auto Technology Ltd. (earlier known as Chetak Technology Ltd.)	470.00	470.00	-	-
57,500,000 (57,500,000) Equity Shares of Reais 1 each in Bajaj do Brasil Comercio De Motocicletas Ltda	93.52	93.52	-	-
2700,000,000 (2400,000,000) Equity Shares of ₹ 10 each in Bajaj Auto Credit Ltd. (earlier known as Bajaj Auto Consumer Finance Ltd.)	2,700.00	2,400.00	-	-
6,000 (6,000) Equity Shares of 100 Euro each in Bajaj Auto Spain S.L.U.	5.16	5.17	-	-
Total (A)	5,703.88	4,201.95	-	-
(B) Other Investments				
Investment carried at Fair Value through OCI				
In Equities:				
Quoted:				
3,500,000 (3,500,000) Equity Shares of ₹ 10 each in Bajaj Holdings & Investments Ltd.	3,061.10	4,365.57	-	-
Unquoted:				
23,924 (23,924) Compulsorily Convertible Preference Shares of ₹ 100 each in Yulu Bikes Private Ltd.	98.20	261.08	-	-
100 (100) Equity Shares of ₹ 1 each in Yulu Bikes Private Ltd.	0.10	0.10	-	-
In Alternative Investment Fund				
Unquoted:				
60 (-) Units of LUMIS LABS Fund - CARET CL A2	2.98	-	-	-
Fair Value	3,162.38	4,626.75	-	-
Carried over	3,162.38	4,626.75	-	-

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Brought over	3,162.38	4,626.75	-	-
Investment carried at amortised cost				
In Subordinated Debentures				
Unquoted:				
20,000 (-) 8% Bajaj Auto Credit Ltd. of ₹ 100,000 each	200.00	-	-	-
30,000 (-) 8% Bajaj Auto Credit Ltd. of ₹ 100,000 each	300.00	-	-	-
Amortised Cost	500.00	-	-	-
In Bonds				
Quoted:				
58,000 (-) 7.77% Power Finance Corporation of ₹ 100,000 each	-	-	581.89	-
30,000 (-) 7.55% Power Finance Corporation of ₹ 100,000 each	-	-	300.74	-
950 (-) 7.13% Power Finance Corporation of ₹ 1,000,000 each	-	-	94.95	-
46,000 (-) 7.22% National Housing Bank of ₹ 100,000 each	-	-	460.01	-
35,500 (-) 7.40% National Housing Bank of ₹ 100,000 each	-	-	355.23	-
44,000 (-) 7.64% Rural Electrification Corporation of ₹ 100,000 each	-	-	440.09	-
42,000 (-) 7.56% Rural Electrification Corporation of ₹ 100,000 each	-	-	419.78	-
1,200 (-) 7.84% HDB Financial Services of ₹ 1,000,000 each	-	-	119.95	-
500 (500) 8.18% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	51.81	52.40	-	-
1,750 (1,750) 8.24% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	182.53	184.76	-	-
4,550 (4,550) 7.43% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	468.75	471.85	-	-
700 (700) 7.10% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	71.69	72.08	-	-
600 (600) 6.87% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	60.67	60.82	-	-
2,800 (2,800) 6.39% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	278.37	278.10	-	-
750 (750) 6.42% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	74.13	73.95	-	-
250 (250) 6.44% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	24.75	24.70	-	-
1,900 (1,900) 6.49% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	189.90	189.83	-	-
250 (250) 6.85% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	25.12	25.14	-	-
Amortised Cost	1,427.72	1,433.63	2,772.64	-
Carried over	5,090.10	6,060.38	2,772.64	-

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Brought over	5,090.10	6,060.38	2,772.64	-
In Government securities:				
Quoted:				
- (10,000,000) 6.49% Gujarat State Development Loan 2029 of ₹ 100 each	-	100.22	-	-
- (5,000,000) 6.57% Gujarat State Development Loan 2031 of ₹ 100 each	-	50.10	-	-
- (10,000,000) 6.53% Karnataka State Development Loan 2030 of ₹ 100 each	-	100.26	-	-
- (4,150,000) 6.54% Karnataka State Development Loan 2030 of ₹ 100 each	-	41.53	-	-
- (7,500,000) 6.96% Karnataka State Development Loan 2031 of ₹ 100 each	-	75.44	-	-
Amortised Cost	-	367.55	-	-
In Commercial Paper:				
Unquoted:				
6,000 (-) Commercial Paper of ₹ 500,000 each of HDB Financial Services - 07.07.2026	-	-	294.10	-
Amortised Cost	-	-	294.10	-
In Fixed Deposits:				
Unquoted:				
- 8.18% Bajaj Finance Ltd. Fixed Deposit	-	-	-	250.00
- 8.00% Bajaj Finance Ltd. Fixed Deposit	-	-	-	30.00
- 6.70% Bajaj Finance Ltd. Fixed Deposit	-	-	400.00	-
- 6.70% Bajaj Finance Ltd. Fixed Deposit	-	-	200.00	-
- 6.65% Bajaj Finance Ltd. Fixed Deposit	-	-	145.00	-
Amortised Cost	-	-	745.00	280.00
In Fixed maturity plans				
Unquoted:				
44,000,000 (44,000,000) Units of Aditya Birla Sun Life Fixed Term Plan - Series - TQ (1879 Days) - Direct Growth	56.05	52.78	-	-
48,000,000 (-) Units of Bandhan Fixed Term Plan Series 179 - Direct Growth	82.48	-	-	-
50,000,000 (50,000,000) Units of HDFC Fixed Maturity Plan- Series 46 (1861 Days) - Direct Growth	63.37	59.78	-	-
63,000,000 (-) Units of ICICI Prudential Fixed Maturity Plan - Series 85 10 Years Plan I - Direct Growth	107.75	-	-	-
Carried over	309.65	112.56	-	-
Carried over	5,090.10	6,427.93	3,811.74	280.00

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Brought over	5,090.10	6,427.93	3,811.74	280.00
In Fixed maturity plans (Contd.)				
Unquoted: (Contd.)				
Brought over	309.65	112.56	-	-
74,996,250 (74,996,250) Units of Kotak Fixed Maturity Plan - Series 292 - Direct Growth	-	92.55	98.05	-
44,997,750 (44,997,750) Units of Nippon India Fixed Horizon Fund XLIII -Series 1 - Direct Growth	-	55.29	58.52	-
29,998,500 (29,998,500) Units of Nippon India Fixed Horizon Fund XLIII -Series 5 - Direct Growth	38.65	36.32	-	-
74,996,250 (74,996,250) Units of SBI Fixed Maturity Plan - Series 49 (1823 Days) - Direct Growth	-	92.25	97.70	-
60,000,000 (60,000,000) Units of SBI Fixed Maturity Plan - Series 51 (1846 Days) - Direct Growth	-	73.02	77.18	-
25,000,000 (25,000,000) Units of SBI Fixed Maturity Plan - Series 52 (1848 Days) - Direct Growth	-	30.27	31.96	-
60,000,000 (60,000,000) Units of SBI Fixed Maturity Plan - Series 53 (1839 Days) - Direct Growth	-	72.59	76.73	-
7,500,000 (7,500,000) Units of SBI Fixed Maturity Plan - Series 54 (1842 Days) - Direct Growth	-	9.11	9.65	-
50,000,000 (50,000,000) Units of SBI Fixed Maturity Plan - Series 55 (1849 Days) - Direct Growth	-	60.41	63.92	-
52,500,000 (52,500,000) Units of SBI Fixed Maturity Plan - Series 57 (1835 Days) - Direct Growth	-	63.24	66.91	-
50,000,000 (50,000,000) Units of SBI Fixed Maturity Plan - Series 58 (1842 Days) - Direct Growth	-	60.72	64.47	-
40,000,000 (40,000,000) Units of SBI Fixed Maturity Plan - Series 60 (1878 Days) - Direct Growth	50.77	47.92	-	-
65,000,000 (65,000,000) Units of SBI Fixed Maturity Plan (FMP) - Series 61 (1927 Days) - Direct Growth	82.74	77.93	-	-
Amortised Cost	481.81	884.18	645.09	-
In Exchange Traded Funds				
Quoted:				
- (8,724,846) Edelweiss Mutual Fund Bharat Bond ETF April 2025	-	-	-	1,117.86
15,940,436 (15,940,436) Edelweiss Mutual Fund Bharat Bond ETF - April 2030	2,506.66	2,349.39	-	-
3,565,094 (3,565,094) Edelweiss Mutual Fund Bharat Bond ETF - April 2031	502.80	471.18	-	-
4,282,638 (4,282,638) Edelweiss Mutual Fund Bharat Bond ETF - April 2032	565.88	529.37	-	-
- (43,000,000) Nippon India ETF Nifty SDL - April 2026	-	552.61	-	-
Carried over	3,575.34	3,902.55	-	1,117.86
Carried over	5,571.91	7,312.11	4,456.83	280.00

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Brought over	5,571.91	7,312.11	4,456.83	280.00
In Exchange Traded Funds (Contd.)				
Quoted: (Contd.)				
Brought over	3575.34	3902.55	-	1,117.86
205,847,653 (205,847,653) Nippon India Nifty AAA CPSE Bond Plus SDL Apr 2027 Maturity 60:40 Index Fund	262.54	245.32	-	-
48,828,497 (48,828,497) Nippon India Nifty SDL Plus G-Sec Jun 2028 70:30 Index Fund	61.86	57.63	-	-
263,770,566 (263,770,566) Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund	-	319.49	338.21	-
166,093,651 (166,093,651) Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund	213.02	200.71	-	-
226,004,362 (226,004,362) Aditya Birla Sun Life Crisil IBX SDL Plus AAA PSU Apr 2027 60:40 Index Fund	288.34	269.87	-	-
76,795,997 (76,795,997) Aditya Birla Sun Life Crisil IBX GILT Plus SDL Apr 2028 50:50 Index Fund	98.68	92.04	-	-
113,891,937 (113,891,937) Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund	145.80	137.24	-	-
20,000,000 (20,000,000) Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund	26.39	24.68	-	-
48,396,620 (48,396,620) Kotak Nifty SDL Plus AAA PSU Bond Jul 2028 60:40 Index Fund	61.99	57.72	-	-
298,359,352 (298,359,352) SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund	-	359.35	380.75	-
183,849,514 (183,849,514) Axis Crisil IBX SDL 2027 Debt Index Fund	234.64	219.69	-	-
192,038,100 (192,038,100) HSBC Crisil IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund	246.85	230.18	-	-
191,980,955 (191,980,955) DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund	246.92	230.23	-	-
81,937,188 (81,937,188) ICICI Prudential Nifty SDL Dec 2028 Index Fund	106.15	98.60	-	-
63,868,446 (63,868,446) ICICI Prudential Nifty SDL Sep 2027 Index Fund	81.72	76.89	-	-
Amortised Cost	5,650.24	6,522.19	718.96	1,117.86
Investment carried at fair value through profit or loss				
In Short Term Funds				
Quoted:				
44,276,723 (-) Units of Axis Income Plus Arbitrage Active FoF - Direct Plan - Growth	67.54	-	-	-
34,631,684 (34,631,684) Units of DSP Banking and PSU Debt Fund - Direct Plan - Growth	88.36	84.62	-	-
22,236,948 (-) Units of DSP Income Plus Arbitrage Omni FoF - Direct Plan - Growth	51.62	-	-	-
Carried over	207.52	84.62	-	-
Carried over	11,222.15	13,834.30	5,175.79	1,397.86

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Brought over	11,222.15	13,834.30	5,175.79	1,397.86
In Short Term Funds (Contd.)				
Quoted: (Contd.)				
Brought over	207.52	84.62	-	-
673,225,624 (673,225,624) Units of Bandhan Corporate Bond Fund - Direct Plan-Growth (erstwhile IDFC Corporate Bond Fund-Direct Plan-Growth)	1,382.11	1,302.87	-	-
14,296,498 (14,296,498) Units of Bandhan Bond Fund - Short Term-Direct Plan-Growth (erstwhile IDFC Bond Fund-Direct Plan-Growth)	90.80	85.44	-	-
117,182,739 (117,182,739) Units of Bandhan Banking & PSU Debt Fund - Direct Plan - Growth (erstwhile IDFC Banking & PSU Debt Fund - Direct Plan - Growth)	307.51	290.48	-	-
18,914,853 (-) Units of Bandhan Income Plus Arbitrage Active FoF - Direct Plan - Growth	90.49	-	-	-
171,472,479 (-) Units of Kotak Income Plus Arbitrage Omni FoF - Direct Plan - Growth	220.40	-	-	-
30,603,467 (30,603,467) Units of Kotak Bond Short Term Plan-Direct Plan - Growth	182.24	171.52	-	-
22,032,838 (-) Units of HSBC Income Plus Arbitrage Active FoF - Direct Plan - Growth	51.84	-	-	-
30,779,648 (30,779,648) Units of HSBC Short Duration Fund - Direct Plan- Growth	89.46	84.30	-	-
122,864,287 (122,864,287) Units of Nippon India Floating Rate Fund - Short Term-Direct Plan - Growth	607.75	570.06	-	-
146,141,389 (146,141,389) Units of ICICI Prudential Bond Fund - Direct Plan-Growth	632.64	610.15	-	-
449,031,864 (449,031,864) Units of HDFC Corporate Bond Fund - Direct Plan-Growth	1,532.71	1,461.22	-	-
116,201,242 (116,201,242) Units of HSBC Banking & PSU Debt Fund - Direct Plan - Growth	306.94	289.87	-	-
Fair Value	5,702.41	4,950.53	-	-
In Short Duration Bond Funds				
Quoted:				
211,215,073 (132,151,678) Units of Aditya Birla Sun Life CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	230.57	135.20
161,608,341 (-) Units of Aditya Birla Sun Life CRISIL-IBX Financial Services 9 to 12 Months Debt Index Fund - Direct Plan - Growth	-	-	173.05	-
19,440,313 (-) Units of Axis CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	20.04	-
16,786,810 (58,528,134) Units of Bandhan Money Manager Fund - Direct Plan - Growth	-	-	76.75	250.50
Carried over	-	-	500.41	385.70
Carried over	16,924.56	18,784.83	5,175.79	1,397.86

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Brought over	16,924.56	18,784.83	5,175.79	1,397.86
In Short Duration Bond Funds (Contd.)				
Quoted: (Contd.)				
Brought over	-	-	500.41	385.70
37,408,699 (-) Units of Bandhan CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	40.11	-
650,000 (-) Units of Bajaj Finserv Low Duration Fund - Direct Plan - Growth	-	-	65.29	-
- (48,894,814) Units of Edelweiss Money Market Fund - Direct Plan - Growth	-	-	-	150.30
- (497,759) Units of Edelweiss Low Duration Fund - Direct Plan - Growth	-	-	-	50.03
132,531,831 (-) Units of HDFC CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	140.49	-
- (46,938,133) Units of Kotak Nifty AAA Bond Jun 2025 HTM Index Fund - Direct Plan - Growth	-	-	-	50.60
- (49,750,749) Units of Kotak CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	-	50.08
99,011,324 (-) Units of Kotak CRISIL-IBX Financial Services 9 to 12 Months Debt Index Fund - Direct Plan - Growth	-	-	101.70	-
40,547,481 (-) Units of Kotak CRISIL IBX AAA Financial Services Index - Sep 2027 Fund - Direct Plan - Growth	-	-	45.52	-
28,243,139 (-) Units of Kotak CRISIL-IBX AAA Bond Financial Services Index - Dec 2026 Fund - Direct Plan - Growth	-	-	30.58	-
79,880,024 (-) Units of Nippon CRISIL-IBX Financial Services 9 to 12 Months Debt Index Fund - Direct Plan - Growth	-	-	80.16	-
19,981,218 (-) Units of Nippon CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	20.06	-
- (44,907,042) Units of ICICI Prudential CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	-	45.07
Fair Value	-	-	1,024.32	731.78
In Arbitrage Funds				
Quoted:				
44,679,438 (254,900,813) Units of Bandhan Arbitrage Fund - Direct Plan - Growth	-	-	164.40	879.67
- (49,438,933) Units of Bajaj Finserv Arbitrage Fund - Direct Plan - Growth	-	-	-	55.31
77,195,645 (509,540,461) Units of DSP Arbitrage Fund - Direct Plan - Growth	-	-	126.56	783.72
227,842,209 (227,842,209) Units of Edelweiss Arbitrage Fund - Direct Plan - Growth	-	-	497.13	465.79
- (154,725,978) Units of HSBC Arbitrage Fund - Direct Plan - Growth	-	-	-	309.08
Fair Value	-	-	788.09	2,493.57
Carried over	16,924.56	18,784.83	6,988.20	4,623.21

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

Particulars	(₹ In Crore)			
	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Brought over	16,924.56	18,784.83	6,988.20	4,623.21
In Liquid & Overnight mutual funds				
Quoted:				
392,135 (-) Units of HDFC Liquid Fund - Direct Plan - Growth	-	-	212.14	-
2,265,433 (4,051,431) Units of Bajaj Finserv Liquid Fund - Direct Plan - Growth	-	-	272.41	458.64
- (736,150) Units of UTI Overnight Fund - Direct Plan - Growth	-	-	-	257.29
- (3,219,398) Units of Nippon India Overnight Fund - Direct Plan - Growth	-	-	-	44.15
- (1,481,406) Units of Axis Overnight Fund - Direct Plan - Growth	-	-	-	200.16
Fair Value	-	-	484.55	960.24
In Equities:				
Unquoted:				
69,020 (-) Equity Shares of ₹ 10 each in Clean Max Godavari Private Ltd.	12.08	-	-	-
Fair Value	12.08	-	-	-
Total (B)	16,936.64	18,784.83	7,472.75	5,583.45
Total (A+B)	22,640.52	22,986.78	7,472.75	5,583.45
Aggregate provision for diminution in value of investments	2.17	2.17	-	-

Particulars	(₹ In Crore)			
	Book value		Market value	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Quoted	21,630.03	22,942.92	21,576.16	22,942.70
Unquoted	8,483.24	5,627.31	NA	NA
Total	30,113.27	28,570.23		

Notes to Investments

- Investments made by the Company other than those with a maturity of less than one year, are intended to be held for long-term. On an assessment of the expected credit loss due to significant changes in risk profile, no material provisions are required to be made.
- In absence of an active market and non availability of quotes on a recognised stock exchange, investment in fixed maturity plans and subordinated bonds though listed on recognised stock exchanges are disclosed as unquoted. Other mutual funds, though unlisted, are quoted on recognised stock exchanges at their previous day NAVs which is the quote for the day.
- Refer note 1 (6) for accounting policy on investments and note 33 for credit risk management related to investments.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

6 Loans

(Unsecured, considered good, unless stated otherwise)

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Employee loans	0.79	1.71	1.60	2.55
Loans	–	21.40	21.40	–
Loans to related party [See note 39]	1,634.92	1,059.03	–	–
	1,635.71	1,082.14	23.00	2.55

Details of loans

Name of the party	Maturity Date	Rate of Interest p.a.	Secured/ Unsecured	Closing balance		Maximum balance	
				As at 31 March		During the year	
				2026	2025	2026	2025
Yulu Bikes Private Ltd.	31 Dec 2026	10.6%	Unsecured	21.40	21.40	21.40	21.40
Bajaj Auto International Holdings BV (Subsidiary)	21 Feb 2028	3-month Euribor + 425 bps/ Effective 1st January 2026 12m Euribor + 425bps	Unsecured	1,634.92	1,059.03	1,634.92	1,059.03

Loan have been granted for general corporate purpose in the ordinary course of business

7 Other financial assets

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Bank balances [See note 12]	–	0.02	–	300.00
Security deposits*	30.64	29.36	–	–
Interest receivable on investments	–	–	176.83	75.18
Interest receivable on loans, deposits etc.	–	–	49.80	8.60
Mark-to-market gains on derivative instruments [See note 32]	–	–	–	2.51
Incentives receivable from Government	–	–	1,133.94	983.14
Other receivable and advances	–	–	152.93	117.52
	30.64	29.38	1,513.50	1,486.95

* Security deposits include a sum of ₹ 2.17 crore (previous year ₹ 1.92 crore) against use of premises on a Leave License basis, placed with directors and their relatives, jointly and severally. [See note 39]

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

8 Other assets

(Unsecured, considered good, unless stated otherwise)

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Capital advances	26.37	33.30	–	–
Security deposits	7.59	7.45	–	–
Advances recoverable				
Other advances	30.95	27.05	289.21	263.78
Doubtful advances	4.03	4.03	–	–
	34.98	31.08	289.21	263.78
Less: Provision for doubtful advances	4.03	4.03	–	–
	30.95	27.05	289.21	263.78
Gratuity asset [See note 38]	–	18.86	–	–
GST/VAT credit/refund receivable	–	–	990.81	473.74
Export incentives receivable	–	–	72.98	47.75
	64.91	86.66	1,353.00	785.27

9 Inventories

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Raw materials and components (includes in transit ₹ 179.2 crore (previous year ₹ 196.8 crore))	1,250.57	1,185.38
Work-in-progress	80.86	56.42
Finished goods	983.75	688.86
Stores, spares and packing material	37.35	22.54
Loose tools	1.17	4.70
	2,353.70	1,957.90

Amount recognised in Statement of Profit and Loss

Write-downs of inventories to net realisable value/reversal of provision for write-down, resulted in net loss/(gain) of ₹ 101.92 crore [Previous year – ₹ (45.90) crore]. These were recognised as an expense/(income) during the year in the Statement of Profit and Loss.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

10 Trade receivables

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Unsecured, considered good	–	–	2,712.20	2,282.64
Receivables which have significant increase in credit risk	18.43	14.45	–	–
	18.43	14.45	2,712.20	2,282.64
Less: Allowance for bad and doubtful receivable [See note 33(A)]	18.43	14.45	–	–
	–	–	2,712.20	2,282.64
	–	–	2,712.20	2,282.64

No trade receivable are due from directors or other officers of the company either severally or jointly with any other person. No trade receivable are due from firms or private companies in which any director is a partner, a director or a member except as disclosed in note 39.

(₹ In Crore)

Outstanding for following periods from due date of payment

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
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Ageing schedule as at 31 March 2026

i) Undisputed trade receivables – considered good	2,707.03	0.77	1.67	2.73	–	2,712.20
ii) Undisputed trade receivables – which have significant increase in credit risk	2.13	7.22	0.98	0.45	0.70	11.48
iii) Disputed trade receivables - considered good	–	–	–	–	–	–
iv) Disputed trade receivables - which have significant increase in credit risk	0.01	0.14	0.20	0.02	6.58	6.95
	2,709.17	8.13	2.85	3.20	7.28	2,730.63

(₹ In Crore)

Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2025	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) Undisputed trade receivables – considered good	2,279.22	0.51	2.84	–	0.07	2,282.64
ii) Undisputed trade receivables – which have significant increase in credit risk	5.33	0.90	0.56	0.56	0.50	7.85
iii) Disputed trade receivables - considered good	–	–	–	–	–	–
iv) Disputed trade receivables - which have significant increase in credit risk	–	–	–	0.02	6.58	6.60
	2,284.55	1.41	3.40	0.58	7.15	2,297.09

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

11 Cash and cash equivalents

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Balances with banks	900.55	578.39
Cash on hand	0.01	0.03
Cash equivalents		
Fixed Deposits with original maturity of less than three months	320.00	235.00
	1,220.56	813.42

12 Other bank balances

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Unclaimed dividend & unspent CSR accounts	-	-	80.45	65.13
Deposits with remaining maturity for more than twelve months	-	0.02		
Deposits with remaining maturity for less than twelve months	-	-	-	300.00
Deposits with original maturity of more than three months but less than twelve months	-	-	0.02	450.00
	-	0.02	80.47	815.13
Amount disclosed under 'other financial assets' [See note 7]	-	(0.02)	-	(300.00)
	-	-	80.47	515.13

13 Equity share capital

Particulars	As at 31 March 2026		As at 31 March 2025	
	Nos.	₹ in Crore	Nos.	₹ in Crore
Authorised				
Equity shares of ₹ 10 each	300,000,000	300.00	300,000,000	300.00
Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 10 each	279,497,838	279.50	279,257,608	279.26
	279,497,838	279.50	279,257,608	279.26

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

13 Equity share capital (Contd.)

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	279,257,608	279.26	279,179,756	279.18
Issued during the year*	240,230	0.24	77,852	0.08
Outstanding at the end of the year	279,497,838	279.50	279,257,608	279.26

* Issued to ESOP trust by the Company for ESOP.

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The interim dividend declared by the Board of Directors; and the 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.

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 ₹ 10 each fully paid				
Bajaj Holdings & Investment Ltd.	95,547,251	34.19%	95,547,251	34.21%
Jamnala Sons Pvt. Ltd.	25,960,841	9.29%	25,960,841	9.30%

d. Shareholding of promoters

Promoter name	No. of shares	% of total shares	% change during the year
For 2025-26			
Shekhar Bajaj	6,020	0.00%	0.00%
Madhur Bajaj	-	0.00%	(0.07%)
Niraj Bajaj	42,103	0.02%	0.00%
Rajiv Bajaj	745,001	0.27%	0.00%
Sanjiv Bajaj	200,000	0.07%	(0.04%)
Bajaj Holdings & Investment Ltd.	95,547,251	34.19%	(0.03%)

Promoter name	No. of shares*	% of total shares	% change during the year*
For 2024-25			
Shekhar Bajaj	6,020	0.00%	0.00%
Madhur Bajaj	197,561	0.07%	0.00%
Niraj Bajaj	42,103	0.02%	0.00%
Rajiv Bajaj	745,001	0.27%	0.00%
Sanjiv Bajaj	3,23,233	0.12%	0.00%
Bajaj Holdings & Investment Ltd.	95,547,251	34.21%	(0.01%)

* There is no change in number of shares held however percentage of shareholding by the promoters is changed pursuant to increase on account of issue of 77,852 equity shares of the Company made during the year for ESOP.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

14 Other equity

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Reserves and surplus:		
General reserve		
Balance as at the beginning of the year	6,389.60	6,389.60
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Balance as at the end of the year	6,389.60	6,389.60
Retained earnings		
Balance as at the beginning of the year	22,419.94	16,416.32
Profit for the year	9,824.66	8,151.42
Items of other comprehensive income recognised directly in retained earnings		
Actuarial gains/(losses) of defined benefit plans	(0.08)	17.75
Add: Amount transferred from Share based payment reserve	6.46	67.89
Less: Appropriations		
Final dividend for the year ended 31 March 2025/2024	5,864.41	2,233.44
Total appropriations	5,864.41	2,233.44
Balance as at the end of the year	26,386.57	22,419.94
Other reserves:		
FVTOCI reserve		
Balance as at the beginning of the year	2,871.20	1,665.71
Net (losses)/gains on FVTOCI equity securities	(1,257.52)	1,205.49
Balance as at the end of the year	1,613.68	2,871.20
Securities premium		
Balance as at the beginning of the year	115.57	86.31
Add: Recognised during the year	93.24	29.26
Balance as at the end of the year	208.81	115.57
Capital redemption reserve		
Balance as at the beginning of the year	10.41	10.41
Add: Changes during the year	-	-
Balance as at the end of the year	10.41	10.41
Share based payment reserve		
Balance as at the beginning of the year	99.44	102.46
Add: Recognised during the year	70.60	64.87
Less: Amount transferred to retained earnings	(6.46)	(67.89)
Balance as at the end of the year	163.58	99.44
Treasury shares		
Balance as at the beginning of the year	(38.48)	(89.49)
Add: Changes during the year	(39.00)	51.01
Balance as at the end of the year	(77.48)	(38.48)
	34,695.17	31,867.68

Nature and purpose of reserve:

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

14 Other equity (Contd.)

General reserve

General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained earnings

Retained earnings is a free reserve. This is the accumulated profit earned by the Company till date, less transfer to general reserve, dividend and other distributions made to the shareholders.

FVTOCI reserve

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI reserve within equity.

Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This can be utilised only for limited purposes in accordance with the provisions of Companies Act 2013

Capital redemption reserve

As per section 69 of the Companies Act 2013, where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to the capital redemption reserve account. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

Share based payment reserve

Share based payment reserve is created as required by Ind AS 102 'Share Based Payments' on the employee stock option scheme operated by the Company for its employees.

Treasury shares

The reserve for shares of the Company held by the Bajaj Auto ESOP Trust (ESOP Trust). Company has issued employees stock option scheme for its employees. The equity shares of the Company have been purchased and held by ESOP Trust. Trust to transfer in the name of employees at the time of exercise of option by employees.

15 Sales tax deferral

Particulars	As at 31 March	
	2026	2025
Unsecured		
Sales tax deferral liability, an incentive under Package Scheme of Incentives 1983 and 1993 - interest free, partially prepaid	73.30	127.64
	73.30	127.64

The exemption of interest on the sales tax liability deferred for payment is considered as a Government grant and measured at an internal rate of return available for pre-payment of the liability as per the sales tax rules. [See note 33 and 29A]

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

16 Provisions

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Provision for employee benefits [See note 38]				
Provision for gratuity	52.56	–	–	–
Provision for compensated absences	–	–	140.55	132.81
Provision for welfare scheme	0.30	0.45	–	–
	52.86	0.45	140.55	132.81
Other provisions				
Provision for warranties	–	–	330.21	118.25
	52.86	0.45	470.76	251.06

Provision for warranties

Provision is made for estimated warranty claims in respect of vehicles sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information; and any recent trends that may suggest future claims could differ from historical amounts.

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
At the beginning of the year	118.25	56.89
Arising during the year	250.35	154.46
Utilised during the year	38.39	93.10
At the end of the year	330.21	118.25

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

17 Deferred tax liabilities (net)

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Deferred tax liabilities		
On account of timing difference in		
Property, plant and equipment	220.70	198.06
Employee benefits:		
Defined benefit plans provisions	–	5.16
Financial instruments :		
Mutual funds including fixed maturity plans, ETFs	547.40	502.47
Financial assets at FVTOCI	269.26	479.09
Others	–	4.03
	816.66	985.59
Gross deferred tax liabilities	1,037.36	1,188.81
Deferred tax assets		
On account of timing difference in		
Employee benefits:		
Welfare scheme costs and others	0.08	0.11
Bonus provisions	1.72	1.72
Provision for privilege leave etc.	35.37	33.42
Defined benefit plans provisions	12.81	–
	49.98	35.25
Financial instruments:		
Amortisation on acquisition/liquidation of fixed income securities	4.27	13.77
Other items:		
Provision for bad/doubtful debts and advances	5.65	4.65
Taxes, duties, others etc.	12.11	12.11
	17.76	16.76
Gross deferred tax assets	72.01	65.78
	965.35	1,123.03

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

17 Deferred tax liabilities (net) (Contd.)

Movement in deferred tax liabilities (net):

Particulars	(₹ In Crore)				
	Property, plant and equipment	Financial instruments	Employee benefits	Other items	Total
At 31 March 2024	178.56	380.30	(33.92)	(18.00)	506.94
Charged/(credited)					
- to profit and loss	19.50	322.84	(2.13)	1.24	341.45
- to other comprehensive income	–	268.68	5.96	–	274.64
At 31 March 2025	198.06	971.82	(30.09)	(16.76)	1,123.03
Charged/(credited)					
- to profit and loss	22.64	(155.40)	(19.89)	(1.00)	(153.65)
- to other comprehensive income	–	(4.03)	–	–	(4.03)
At 31 March 2026	220.70	812.39	(49.98)	(17.76)	965.35

18 Other non-current liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Annuity payable to VRS/Welfare scheme optees	0.02	0.05
	0.02	0.05

19 Borrowings

Particulars	Interest Rate	Maturity Date	(₹ In Crore)	
			As at 31 March	
			2026	2025
Unsecured				
INR loan, from a bank as packing credit facility against exports	1M T-bill + 43 bps	20 June 2025	–	800.00
			–	800.00

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

20 Trade payables

Particulars	As at 31 March	
	2026	2025
Total outstanding dues of micro enterprises and small enterprises (see note 44 for details of dues to micro and small enterprises)	222.11	246.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,134.12	6,021.52
	7,356.23	6,267.63

(₹ In Crore)

Due - Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2026	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises (MSME)	-	222.11	-	-	-	-	222.11
(ii) Others	1,339.41	5,154.62	584.01	35.44	14.80	5.84	7,134.12
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	1,339.41	5,376.73	584.01	35.44	14.80	5.84	7,356.23

(₹ In Crore)

Due - Outstanding for following periods from due date of payment

Ageing schedule as at 31 March 2025	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises (MSME)	-	246.11	-	-	-	-	246.11
(ii) Others	1,021.21	3,780.75	1,191.58	22.68	1.47	3.83	6,021.52
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	1,021.21	4,026.86	1,191.58	22.68	1.47	3.83	6,267.63

21 Other financial liabilities

Particulars	As at 31 March	
	2026	2025
Security deposits	217.25	126.40
Unclaimed dividend	37.70	27.87
Valuation loss on derivative instrument [See note 32]	10.49	-
Directors' remuneration and commission payable [see note 39]	38.33	38.43
Employee benefits payable	255.80	286.25
Other payables	190.11	201.12
	749.68	680.07

Refer note 32 for financial liabilities measured at amortised cost.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

22 Other current liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Annuity payable to VRS/Welfare scheme optees	0.03	0.09
Advance received from customers	639.68	392.88
Taxes and duties payable	135.87	134.44
Other payables	219.32	245.33
	994.90	772.74

23 Revenue from operations

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Revenue from operations		
Revenue from contracts with customers		
Sale of products	56,113.68	48,247.22
Other operating revenue		
Scrap sales	51.56	26.41
Export incentives	571.56	468.62
Government Incentives (PSI/PLI)	1,040.09	527.30
Royalty	496.05	415.08
Rent [See note 40]	47.80	48.17
Insurance claims	0.91	0.26
Miscellaneous receipts	284.50	158.11
Government grants	2.65	2.65
Interest income on financial services to dealers	123.68	116.49
	2,618.80	1,763.09
	58,732.48	50,010.31

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

23 Revenue from operations (Contd.)

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
a. Revenue from contracts with customers (Goods transferred at a point in time)		
India	35,697.65	31,993.08
Outside India	20,416.03	16,254.14
Total revenue from contracts with customers	56,113.68	48,247.22
b. Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price		
Revenue as per contracted price	56,757.01	48,787.49
Adjustments:		
Cash discounts and target incentives	(421.19)	(368.25)
Sales promotion expenses (primarily vehicle discounts)	(222.14)	(172.02)
Revenue from contracts with customers	56,113.68	48,247.22
c. Contract Balances		
Refer note 10 for Trade Receivable		
Contract liabilities are advances received from customers for delivery of goods. (refer note 22)		
All contract liabilities at the beginning of the year are recognised as revenue during the year		
d. Performance Obligation		
Refer note 2 of accounting policy		

24 Other income

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Investment income		
Interest income on fixed income securities	166.53	123.81
Amortisation of (premium)/discount on acquisition of fixed income securities	(6.16)	1.35
Interest income on fixed deposits	55.91	87.29
Interest income on loans	105.50	7.64
Interest income on exchange traded funds	432.53	436.49
Interest income on fixed maturity plans	52.77	49.55
Interest income from financial assets including amortised cost	807.08	706.13
Dividend income on other strategic investments [see note 39]	32.55	30.10
Gain on valuation and realisation of mutual funds measured at FVTPL	484.34	633.28
Profit/(loss) on sale of other investments, net, measured at amortised cost	12.79	31.05
	1,336.76	1,400.56
Others		
Surplus on sale of property, plant and equipment	4.08	3.23
Interest on tax refunds/credits	33.92	17.15
Gains on exchange fluctuations	188.16	-
	226.16	20.38
	1,562.92	1,420.94

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

25 Changes in inventories

Particulars	(₹ In Crore)		
	For the year ended 31 March		(Increase)/ decrease
	2026	2025	
Inventories at the end of the year			
Work-in-progress	80.86	56.42	(24.44)
Finished goods and traded goods	983.75	688.86	(294.89)
	<u>1,064.61</u>	<u>745.28</u>	<u>(319.33)</u>
Inventories at the beginning of the year			
Work-in-progress	56.42	84.63	28.21
Finished goods and traded goods	688.86	695.83	6.97
	<u>745.28</u>	<u>780.46</u>	<u>35.18</u>
	<u>(319.33)</u>	<u>35.18</u>	

26 Employee benefits expense

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Salaries, wages and bonus to employees [See note 39]	1,401.31	1,332.37
Contribution to provident and other funds [See note 38 & 39]	98.32	92.84
Share based payment to employees [See note 14 & 43]	70.60	64.87
Staff welfare expenses	94.02	89.36
	<u>1,664.25</u>	<u>1,579.44</u>

27 Finance costs

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Interest expense	33.94	65.93
Interest adjustment on Government grant	1.99	1.79
	<u>35.93</u>	<u>67.72</u>

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

28 Depreciation and amortisation expense

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Depreciation on property, plant and equipment	442.48	384.13
Depreciation on investment property	1.13	1.12
Amortisation of intangible asset	2.62	12.86
Amortisation of leasehold land	1.98	1.98
	448.21	400.09

29 Other expenses

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Stores and tools consumed	195.71	199.00
Power, fuel and water	193.48	176.94
Rent	18.43	16.99
Repairs to buildings	47.56	46.76
Repairs to machinery	181.64	129.05
Other repairs	29.15	26.52
Insurance	20.09	19.26
Rates and taxes	10.33	15.98
Payment to auditor	4.00	2.15
Directors' fees and travelling expenses	1.01	1.02
Commission to non-executive directors	3.12	3.21
Travelling expenses	61.38	59.01
R&D expenses	244.57	59.63
Royalty	213.97	136.91
Miscellaneous expenses	616.55	523.69
Loss on exchange fluctuations	-	2.19
Packing material consumed	509.15	411.73
Freight and forwarding expenses	271.60	185.86
Advertisement	646.97	508.40
Vehicle service charges and other expenses	416.61	288.18
Sales promotion expenses	57.89	45.36
Donation to political party (Paid to Bharatiya Janata Party)	-	25.00
Expenditure towards Corporate Social Responsibility (CSR) activities	187.73	157.32
Bad debts and other irrecoverable debit balances written off	0.11	6.82
Loss on property, plant and equipment sold, demolished, discarded and scrapped	3.28	2.28
Provision for doubtful debts and advances, net (includes expected credit loss on trade receivables)	3.97	(4.92)
	3,938.30	3,044.34

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

29 Other expenses (Contd.)

Payment to auditor

Particulars	For the year ended 31 March	
	2026	2025
(₹ In Crore)		
As auditor		
Audit fee	1.60	1.04
Tax audit fee	0.10	0.10
Limited review	1.00	0.66
Other services (certification fees)	1.14	0.34
Reimbursement of expenses	0.16	0.01
	4.00	2.15

Expenditure towards Corporate Social Responsibility (CSR) activities

Particulars	For the year ended 31 March	
	2026	2025
(₹ In Crore)		
a) Detail of spends		
i) Gross amount required to be spent by the Company during the year	187.73	157.32
ii) Amount of expenditure incurred	187.73	157.32
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities		
Poverty, Health, Sanitation, Water	6.68	1.64
Education, Special Education, Vocation, Livelihoods	14.03	9.78
Environment, Soil And Water, Protection of Flora and fauna	4.95	3.85
Heritage, Art, Culture, Handicrafts, Public Libraries, Sports	0.20	0.18
Rural Development	-	-
Gender/Women, Orphans, Homes & Hostels, Day Care	-	-
Others (including provision for unspent)	161.87	141.87
Total	187.73	157.32
No funds relating to other than identified and ongoing projects are required to be transferred to specified funds.		
b) Amount spent in cash during the year on:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	187.73	157.32
	187.73	157.32

Details of ongoing projects

Opening balance		Amount required to be spent	Amount spent during the year			Closing balance	
With Company	In separate CSR unspent account (includes advances given)		From Company's bank account	From separate CSR unspent account	Amount transferred to CSR unspent account	With Company	In separate CSR unspent account (includes advances given)
133.74	87.26	187.73	35.72	177.37	133.74	152.01	43.63

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

29A Exceptional items

Particulars	For the year ended 31 March	
	2026	2025
Gain on Sales Tax Deferral NPV payment	(34.53)	—
Impact of New Wage Code - expense	58.33	—
	23.80	—

Exceptional items for the year ended 31 March 2026, represent a net charge of ₹ 23.80 crore, comprising

- (i) The Government of India has notified the Code on Wages,2019; Industrial Relations Code,2020; Code on Social Security,2020; and Occupational Safety, Health and Working Conditions Code,2020 (collectively, 'Labour Codes') on 21 November 2025. Based on the revised definition of wages under the Labour Codes, the Company has recognised net charge of ₹ 58.33 crore on account of impact of Labour Codes. The impact relating to Labour Codes is subject to finalisation of rules and requisite approvals. Deferred Tax Asset recognised for this exceptional item of expenditure is ₹ 15.43 crore.
- (ii) Gain of ₹ 34.53 crore on prepayment of deferral incentive/loan at net present value (NPV) against a carrying amount of ₹ 56.33 crore.

30 Tax expense

Particulars	For the year ended 31 March	
	2026	2025
(a) Tax expense		
Current tax		
Current tax on profits for the year	3,194.75	2,559.04
Deferred tax		
Decrease/(increase) in deferred tax assets	(11.39)	10.28
(Decrease)/increase in deferred tax liabilities	63.57	331.15
Total deferred tax expense/(benefit)	52.18	341.43
Tax expenses	3,246.93	2,900.47

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

30 Tax expense (Contd.)

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate		
Profit before tax	13,071.59	11,051.89
Tax at the Indian tax rate of 25.17% (Previous year - 25.17%)	3,289.85	2,781.54
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Corporate social responsibility expenditure and donations	47.25	45.89
- Rate difference in amortisation of fixed income securities	0.71	(0.47)
- Others	12.69	26.86
- One time impact due to change in tax rates *	-	211.26
Tax effect of amounts which are deductible (non taxable) in calculating taxable income:		
- Dividend received on strategic investment	(8.19)	(7.58)
- Income from investments taxed at lower rates	(94.17)	(156.17)
- Disallowance of expenditure incurred on rented property (net)	(1.21)	(0.86)
Tax expense	3,246.93	2,900.47

*The Company invests its surplus funds into a range of asset classes including debt mutual funds, index funds and fixed maturity plans. In compliance with Ind AS 12, the Company was making accounting provisions for Deferred Tax as per applicable law (taking cognizance of the indexation impact) on changes in fair value on these investments.

The Finance (No. 2) Act, 2024 withdrew the indexation benefit on long-term capital gains on debt mutual funds which were purchased prior to 1 April 2023 and the tax rate with respect to long-term capital gains for the said asset class was changed from 20% plus surcharge and cess (with indexation) to 12.5% plus surcharge and cess (without indexation).

Due to withdrawal of the indexation benefit and change in tax rate, the accounting provision for Deferred Tax created on Investment Income has been consequently increased by ₹ 211.26 crore as a cumulative one-time provision while computing the profit after tax for the year ended 31 March 2025. It is to be noted that only a provision is being made in the books of accounts at this point of time to record the Deferred Tax in line with the applicable accounting standards and the recently enacted tax change. The actual payment of tax would be made at the time of redemption of this asset class. The cash outflow towards tax could be different at the time of redemption depending on the actual gain and prevailing tax regulations.

31 Earnings Per Share (EPS)

Basic EPS are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS are calculated by dividing the profit attributable to owners of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	For the year ended 31 March	
	2026	2025
a. Profit for the year (₹ In Crore)	9,824.66	8,151.42
b. Weighted average number of equity shares for basic earnings per share	279,096,661	279,103,387
Effect of dilution:		
Employee stock options	418,500	511,554
c. Weighted average number of equity shares for diluted earnings per share	279,515,161	279,614,941
Earnings per share (Basic) ₹ (a/b)	352.0	292.1
Earnings per share (Diluted) ₹ (a/c)	351.5	291.5
Face value per share (₹)	10.0	10.0

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

32 Fair value measurement

i) Financial instruments by category

(₹ In Crore)

Particulars	31 March 2026			31 March 2025		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Equity	12.08	3,159.40	-	-	4,626.75	-
- Bonds	-	-	4,200.36	-	-	1,433.63
- Subordinated Debentures	-	-	500.00	-	-	-
- Government securities	-	-	-	-	-	367.55
- Commercial Papers	-	-	294.10	-	-	-
- Fixed maturity plans	-	-	1,126.90	-	-	884.18
- Exchange traded funds	-	-	6,369.20	-	-	7,640.05
- Fixed deposits	-	-	745.00	-	-	280.00
- Short-term funds	5,702.42	-	-	4,950.53	-	-
- Short duration bond funds	1,024.31	-	-	731.78	-	-
- Liquid mutual funds	484.55	-	-	960.24	-	-
- Alternate Investment fund	-	2.98	-	-	-	-
- Arbitrage Funds	788.09	-	-	2,493.57	-	-
- Derivative Asset	-	-	-	2.51	-	-
Trade receivables	-	-	2,712.20	-	-	2,282.64
Loans	21.40	-	1,637.31	21.40	-	1,063.29
Other financial assets	-	-	1,544.14	-	-	1,513.82
Cash and cash equivalents	-	-	1,220.56	-	-	813.42
Other bank balances	-	-	80.47	-	-	515.13
Total financial assets	8,032.85	3,162.38	20,430.24	9,160.03	4,626.75	16,793.71
Financial liabilities						
Borrowings	-	-	-	-	-	800.00
Sales tax deferral	-	-	73.30	-	-	127.64
Trade payables	-	-	7,356.23	-	-	6,267.63
Other financial liabilities	10.49	-	739.19	-	-	680.07
Total financial liabilities	10.49	-	8,168.72	-	-	7,875.34

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

32 Fair value measurement (Contd.)

ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets/liabilities measured at fair value-recurring fair value measurements at 31 March 2026

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL					
- Short-term funds	5	5,702.42	-	-	5,702.42
- Short duration bond funds	5	1,024.31	-	-	1,024.31
- Liquid mutual funds	5	484.55	-	-	484.55
- Arbitrage funds	5	788.09	-	-	788.09
- Derivative Asset	7	-	-	-	-
- Loans	6	-	21.40	-	21.40
- Equity investment	5	-	-	12.08	12.08
Financial investments at FVTOCI					
- Equity investment	5	3,061.10	98.30	-	3,159.40
- Alternate Investment fund	5	-	-	2.98	2.98
Total financial assets		11,060.47	119.70	15.06	11,195.23

Assets disclosed at fair value - At 31 March 2026

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	3	-	238.78	-	238.78

Financial assets/liabilities measured at fair value-recurring fair value measurements At 31 March 2025

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL					
- Short-term mutual funds	5	4,950.53	-	-	4,950.53
- Short duration bond funds	5	731.78	-	-	731.78
- Liquid mutual funds	5	960.24	-	-	960.24
- Arbitrage funds	5	2,493.57	-	-	2,493.57
- Derivative Asset	7	-	2.51	-	2.51
- Loans	6	-	21.40	-	21.40
Financial investments at FVTOCI					
- Equity investment	5	4,365.57	261.18	-	4,626.75
Total financial assets		13,501.69	285.09	-	13,786.78

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

32 Fair value measurement (Contd.)

Assets disclosed at fair value - At 31 March 2025

(₹ In Crore)					
Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	3	-	234.09	-	234.09

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would include rates/values/valuation references published periodically by BSE, NSE etc. basis which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be, that have quoted price/rate/value.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation Techniques used to determine fair value

Valuation Techniques used to determine fair value include

- Open ended mutual funds at NAV's/rates declared and/or quoted
- Derivative instruments at values determined by counter parties/banks using market observable data

Investment in equity instruments fair valued at Level 3 pertains to investment in equity share of special purpose vehicle (SPV) entity under solar power generation agreement with Clean Max Godavari Private Limited. This investment has been made in current financial year and are expected to generate benefits in the form of savings in energy costs over the contracted period. Management has assessed that based on the present value of estimated future cash flows from the said project, the carrying value approximates its fair value.

iii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	(₹ In Crore)			
	31 March 2026		31 March 2025	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial assets				
Investments				
Bonds	4,200.36	4,152.30	1,433.63	1,403.15
Government securities	-	-	367.55	362.30
Fixed maturity plans	1,126.90	1,149.47	884.18	891.68
Exchange traded funds	6,369.20	6,363.38	7,640.05	7,675.55
Total financial assets	11,696.46	11,665.15	10,325.41	10,332.68

The carrying amounts of commercial paper, subordinated debentures, fixed deposits, trade receivables, trade payables, other financial assets/liabilities, other bank balances and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. The fair value of non-current financial assets/liabilities also approximate their carrying values.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

33 Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk (including foreign exchange risk). In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments such as foreign exchange forward contracts and foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the Company is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost and fair value through profit or loss	Credit ratings	Diversification of counterparties, diversification of investment limits, monitoring of counterparties basis credit rating
	Derivative financial instruments	Credit ratings	Deal with reputed banks holding high credit risk rating.
	Trade receivables	Credit Limit and Ageing analysis	No. of overdue days, monitoring of credit limits
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk- Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR	Sensitivity analysis	Forward foreign exchange contracts and foreign currency options.

The Board of Directors provide guiding principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of available funds. The Company's risk management is carried out by a treasury department as per such policies approved by the Board of Directors. Accordingly, Company's treasury department identifies, evaluates and hedges 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 and cash equivalents, derivative financial instruments, financial assets measured at amortised cost, financial assets measured at fair value through profit or loss and trade receivables. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk management

For Derivative instruments exposures are extended with multiple banks holding high credit risk ratings.

In regard to Trade receivables, which are typically unsecured, credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom credit is extended in the normal course of business. The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Accordingly, impairment loss allowance is recognised based on lifetime expected credit losses at each reporting date, right from its initial recognition. The provision rates are based on days past due; and the calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

33 Financial risk management (Contd.)

Set out below is the information about the credit risk exposure of the Company's trade receivables using provision matrix:

Particulars	As at 31 March	
	2026	2025
Estimated total gross carrying amount	2,730.63	2,297.09
ECL	(18.43)	(14.45)
Net carrying amount	2,712.20	2,282.64

Reconciliation of impairment allowance – Trade receivable

Particulars	(₹ In Crore)
Impairment allowance as on 31 March 2024	19.37
Changes in loss allowance	(4.92)
Impairment allowance as on 31 March 2025	14.45
Changes in loss allowance	3.98
Impairment allowance as on 31 March 2026	18.43

For other financial assets, the Company has an investment policy which allows the Company to invest only with counterparties having a credit rating equal to or above AA+ and A1+. The Company reviews the creditworthiness of these counterparties on an on-going basis. Counter party limits maybe updated as and when required, subject to approval of Board of Directors.

B) Liquidity risk

The Company's principal source of liquidity are 'cash and cash equivalents' and cash flows that are generated from operations. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period. The Company has no outstanding long-term borrowings except sales tax deferral liability amounting to ₹ 73.30 crore which are interest free and are repayable after 7 years from the Balance Sheet date. Additionally, the Company has invested its surplus funds in fixed income securities or instruments of similar profile thereby ensuring safety of capital and availability of liquidity as and when required. Hence the Company carries a negligible liquidity risk.

Particulars	As at 31 March	
	2026	2025
The Company had		
Net working capital funds	6,934.65	4,424.56
which includes;		
i) Cash and cash equivalents	1,220.56	813.42
ii) Current investments	7,472.75	5,583.45
iii) Other bank balances	80.47	515.13

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

33 Financial risk management (Contd.)

The table below summarises the contractual maturities of financial liabilities as at 31 March 2026 and 31 March 2025:

Maturities of financial liabilities

(₹ In Crore)

Particulars	Less than and equal to 1 year	More than 1 year	Total
As on 31 March 2026			
Non-derivatives			
Sales tax deferral	–	73.30	73.30
Trade payables	7,356.23	–	7,356.23
Other financial liabilities	749.68	–	749.68
Total non-derivative liabilities	8,105.91	73.30	8,179.21
As on 31 March 2025			
Non-derivatives			
Sales tax deferral	–	127.64	127.64
Trade payables	6,267.63	–	6,267.63
Short-term borrowings	800.00	–	800.00
Other financial liabilities	680.07	–	680.07
Total non-derivative liabilities	7,747.70	127.64	7,875.34

C) Market risk

(i) Foreign currency risk

The Company has significant exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through sensitivity analysis. The primary objective for forex hedging against anticipated foreign currency risks will be to hedge the Company's highly probable foreign currency cash flows arising from such transactions (thus reducing volatility of cash flow and profit).

The Company's risk management policy permits the use of plain foreign exchange forward contracts and foreign currency option contracts including Foreign Currency - INR Option Cost Reduction Structures to hedge forecasted sales.

The Company also imports certain materials the value of which is not material as compared to value of exports. Currently, Company does not hedge this exposure. Nevertheless, Company may wish to hedge such exposures.

The Company uses a combination of foreign currency option contracts and foreign exchange forward contracts to hedge its exposure in foreign currency risk. The Company designates forward contracts in entirety and intrinsic value of foreign currency option contracts as the hedging instrument. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised through other comprehensive income in the 'Cash flow hedging reserve' within equity. The change in time value that relate to the hedged item (aligned time value) is recognised through other comprehensive income in 'Costs of hedging reserve' within equity. Amount recognised in equity is reclassified to profit or loss when the hedged item (i.e. forecasted export sales) affects statement of profit or loss. The ineffective portion of change in fair value of the hedging instrument and any residual time value (the non-aligned portion), if any, is recognised in the Statement of Profit and Loss immediately.

The intrinsic value of foreign exchange option contracts is determined with reference to the relevant spot market exchange rate. The differential between the contracted strike rate and the spot market exchange rate is defined as the intrinsic value. Time value of the option is the difference between fair value of the option and the intrinsic value.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

33 Financial risk management (Contd.)

Derivative

The Company enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk. These contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

The fair values (Mark-to-market/MTM) of foreign currency forward contracts outstanding as on 31 March 2026 and 31 March 2025 are as follows:

For foreign currency loan receivable:

Particulars	31 March 2026		31 March 2025	
	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)
Foreign currency forward contract	150.00	(10.49)	115.00	2.51
Total	150.00	(10.49)	115.00	2.51

Open exposure

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	As at 31 March 2026		As at 31 March 2025	
	(USD Million)	(₹ in Crore)	(USD Million)	(₹ in Crore)
Receivables	122.58	1,162.49	59.81	511.23
Others (EEFC balances and Int Receivable)	87.60	830.75	51.07	436.52
Payables	(23.47)	(222.58)	(33.47)	(286.08)
Total	186.71	1,770.66	77.41	661.67

Sensitivity analysis

For the year ended 31 March 2026 and 31 March 2025, every 5% percentage point appreciation in the exchange rate between the Indian rupee and U.S. Dollar, would have affected the Company's profit before tax and equity by approximately ₹ 88.53 crore and ₹ 33.08 crore respectively. 5% depreciation of the Indian rupee and U.S. Dollar would lead to an equal but opposite effect.

Sensitivity analysis is computed based on the changes in the receivables and payables in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Impact of hedging activities

- Disclosure of effects of hedge accounting on financial position: NIL
- Disclosure of effects of hedge accounting on financial performance:

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

33 Financial risk management (Contd.)

Cash flow hedge as on 31 March 2026:

The company does not have any outstanding foreign exchange contracts in the nature of Cash flow hedge as on 31 March 2026. The details of impact for foreign exchange contracts taken during the year is as follows:

Type of hedge	Nominal value (₹ In Crore)	Hedge ratio*	Amount reclassified to profit or loss (₹ In Crore)	Line item affected in the Statement of Profit and Loss because of the reclassification (₹ In Crore)
Foreign currency options	3,737.47	1:1	87.59	Revenue

The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, so a qualitative assessment of effectiveness is performed. During the year ended 31 March 2026, the Company did not have any hedging instruments with terms which were not aligned with those of the hedged items.

Therefore, no ineffectiveness is recognised in the Statement of Profit and Loss during the year ended 31 March 2026.

Cash flow hedge as on 31 March 2025:

During the year the Company did not undertake any foreign exchange hedging contracts in the nature of Cash flow hedge. The company does not have any outstanding foreign exchange contracts in the nature of Cash flow hedge as on 31 March 2025.

* The foreign exchange forward and option contracts are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1.

Maturity of outstanding contracts

The details in respect of the maturity of outstanding foreign exchange forward contracts are given below:

On foreign currency loan receivable:

Particulars	31 March 2026		31 March 2025	
	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)
Not later than 3 months	150.00	(10.49)	115.00	2.51
Total	150.00	(10.49)	115.00	2.51

(ii) Other risks

The Company has deployed its surplus funds into various financial instruments including units of mutual funds, bonds, fixed maturity plans, exchange traded funds, index funds etc. The Company is exposed to price risk on such investments, which arises on account of movement in interest rates, liquidity and credit quality of underlying securities.

The Company has invested its surplus funds primarily in debt based mutual funds and fixed maturity plans. The value of investment in these mutual fund schemes is reflected though Net Asset Value (NAV) declared by the Asset Management Company on daily basis. The Company has not performed a sensitivity analysis on these mutual funds based on estimated fluctuations in their NAV as in management's opinion, such analysis would not display a correct picture.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

34 Capital management

a) Objectives, policies and processes of capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company is not exposed to any regulatory imposed capital requirements.

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

Particulars	As at 31 March	
	2026	2025
Equity	34,974.67	32,146.94
Less: Tangible and other assets	5,399.50	4,735.60
Working capital (excluding investments)	(538.10)	(1,158.89)
Investments in subsidiaries	5,703.88	4,201.95
Investments in debt and similar investments	24,409.39	24,368.28

No changes were made in the objectives, policies and processes of capital management during the year.

b) Dividends distributed and proposed

Particulars	As at 31 March	
	2026	2025
Dividends recognised in the financial statements		
Final dividend for the year ended 31 March 2025 of ₹ 210 (31 March 2024 - ₹ 80) per equity share, declared and paid	5,864.41	2,233.44
Dividends not recognised at the end of the reporting period		
Directors have recommended the payment of a final dividend of ₹ 150 per equity share (31 March 2025 - ₹ 210). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	4,192.47	5,864.41

c) Approval of Buyback

Pursuant to the provisions of the Companies Act, 2013 ('Act') and the rules made thereunder, as amended, applicable provisions of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ('Buyback Regulations') and other applicable laws, the Board of Directors of the Company, at its meeting held today, i.e., Wednesday, 06 May 2026, recommends buy-back of up to 4,694,000 fully paid-up equity shares of the Company having face value of ₹ 10/- (Indian Rupees Ten only) each ('Equity Shares') (representing up to 1.68% of the total number of Equity Shares in the paid-up equity share capital of the Company), at a price of ₹ 12,000 (Indian Rupees Twelve thousand only) per equity share payable in cash for an aggregate amount of up to ₹ 5,632.80 crore (Indian Rupees Five Thousand Six Hundred Thirty Two Crore And Eighty Lakh Only) (excluding transaction costs such as brokerage cost, fees, turnover charges, expenses incurred or to be incurred for the buyback like filing fees payable to the Securities and Exchange Board of India, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses, applicable taxes such as securities transaction tax, good and service tax, stamp duty, etc. and other incidental and related expenses, etc.) on a proportionate basis through the 'Tender Offer' route as prescribed under the Buyback Regulations and other applicable law, from the equity shareholders/beneficial owners of the equity shares of the Company as on the record date, subject to approval of shareholders.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

35 Contingent liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
a. Claims against the Company not acknowledged as debts	231.55	214.38
b. Excise, Service tax, GST and Customs matters under dispute	676.92	634.38
c. Income-tax matters	1,089.12	1,091.80
d. Value Added Tax (VAT)/Sales Tax matters under dispute	93.33	93.28
e. Claims made by temporary workmen Pending before various judicial/appellate authorities in respect of similar matters adjudicated by the Supreme Court. The matter is contingent on the facts and evidence presented before the courts/ adjudicating authorities and not necessarily likely to be influenced by the Supreme Court's order	Liability unascertained	Liability unascertained

In all the cases mentioned above, outflow is not probable and hence not provided by the Company.

36 Capital commitments

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Capital commitments, net of capital advances	178.55	128.58
Investments related commitments	5.53	322.32

37 Segment information

Segment information based on consolidated financial statements is given in note 44 to consolidated financial statements, which are attached to these financial statements.

The Company's Core Management Committee (CMC), examines the Group's performance both from a product and geographical perspective and has identified three reportable operative business segments. The Group's significant source of risk and rewards are derived from Automotive business, Investments and Financing business, the performance of which is reviewed by the committee on a periodic basis and hence considered as individual operative segments.

The business segments comprise the following:

- i. Automotive
- ii. Investments
- iii. Financing
- iv. Others

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

38 Employee benefits

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

Funded schemes

Gratuity

The Company provides for gratuity and ex-gratia payments, if applicable, to employees. The gratuity and ex-gratia benefit (if any) payable to the employees of the Company is greater or equal to the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time, including consequent changes arising from the Code on Social Security, 2020 and related rules). Employees who are in continuous service for period as specified under the Act are eligible for gratuity and ex-gratia, if any. This plan is a funded plan and the Company makes contributions to approved gratuity fund.

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation (DBO)	526.13	457.23
Fair value of plan assets	(473.57)	(477.55)
Net funded obligation	52.56	(20.32)
Amount not recognised due to asset ceiling	-	1.46
Net defined benefit liability/(asset) recognised in Balance Sheet	52.56	(18.86)
Expense recognised in the Statement of Profit and Loss		
Current service cost	29.18	27.93
Past service cost (See note 29A)	58.33	-
Interest on net defined benefit liability/(asset)	(1.20)	(1.91)
Total expense charged to Statement of Profit and Loss	86.31	26.02
Amount recorded as Other Comprehensive Income		
Opening amount recognised in OCI outside Statement of Profit and Loss	(2.72)	21.00
Remeasurements during the period due to		
Changes in financial assumptions	(5.20)	10.23
Changes in demographic assumptions	-	(10.51)
Experience adjustments	7.67	(10.21)
Actual return on plan assets less interest on plan assets	(0.81)	(9.53)
Adjustment to recognise the effect of asset ceiling	(1.55)	(3.70)
Closing amount recognised in OCI outside Statement of Profit and Loss	(2.61)	(2.72)

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	(18.86)	(19.09)
Expense charged to Statement of Profit and Loss	86.31	26.02
Amount recognised outside Statement of Profit and Loss	0.11	(23.72)
Employer contributions	(15.00)	(2.07)
Closing net defined benefit liability/(asset)	52.56	(18.86)

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

38 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

Particulars	As at 31 March	
	2026	2025
(₹ In Crore)		
Movement in benefit obligation		
Opening of defined benefit obligation	457.23	471.15
Current service cost	29.18	27.93
Past service cost	58.33	-
Interest on defined benefit obligation	28.52	29.76
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	(5.20)	10.23
Actuarial loss/(gain) arising from change in demographic assumptions	-	(10.51)
Actuarial loss/(gain) arising on account of experience changes	7.67	(10.21)
Benefits paid	(49.60)	(54.44)
Liabilities assumed/(settled)	-	(6.68)
Closing of defined benefit obligation	526.13	457.23

Particulars	As at 31 March	
	2026	2025
(₹ In Crore)		
Movement in plan assets		
Opening fair value of plan assets	477.55	495.05
Employer contributions	15.00	2.07
Interest on plan assets	29.81	32.02
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	0.81	9.53
Benefits paid	(49.60)	(54.44)
Assets acquired/(settled)	-	(6.68)
Closing fair value of plan assets	473.57	477.55

Particulars	As at 31 March	
	2026	2025
(₹ In Crore)		
Disaggregation of assets		
Category of assets		
Insurer managed funds.	473.57	477.55
Others	-	-
Grand Total	473.57	477.55

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

38 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

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 (DBO) at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	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	(2.66%)	2.55%	(2.79%)	2.86%
Impact of decrease in 50 bps on DBO	2.82%	(2.42%)	2.96%	-2.73%
Junior staff				
Impact of increase in 50 bps on DBO	(3.56%)	3.11%	-3.49%	3.66%
Impact of decrease in 50 bps on DBO	3.86%	(2.84%)	3.79%	(3.41%)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Funding arrangement and policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to 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 ₹ 40 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:

Particulars	Less than a year	Between 1 - 2 years	Between 3 - 5 years	Over 5 years	Total
31 March 2026					
Senior staff	84.31	23.98	51.76	234.66	394.71
Junior staff	78.56	32.41	68.76	397.88	577.61
31 March 2025					
Senior staff	41.11	48.61	52.42	206.95	349.09
Junior staff	73.35	30.77	56.37	324.42	484.91

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

38 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

	As at 31 March	
Weighted average duration of defined benefit obligation (in years)	2026	2025
Senior Staff	5.47	5.75
Junior Staff	7.42	7.27

	As at 31 March	
Principal Actuarial Assumptions (Expressed as Weighted Averages)	2026	2025
Discount rate (p.a.)	7.00%	6.85%
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.

Provident Fund:

	(₹ In Crore)	
	As at 31 March	
Particulars	2026	2025
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation	1,641.06	1,571.04
Fair Value of Plan Assets	(1,692.52)	(1,600.19)
Net funded obligation	(51.46)	(29.15)
Amount not recognised due to asset ceiling	51.46	29.15
Net defined benefit liability/(asset) recognised in Balance Sheet	-	-
Expense recognised in the Statement of Profit and Loss		
Current service cost	47.98	45.85
Total expenses charged to Statement of Profit and Loss	47.98	45.85
Amount recorded as Other Comprehensive Income		
Opening amount recognised in OCI outside Statement of Profit and Loss		
Remeasurements during the period due to		
▢ Changes in financial assumptions	71.58	48.76
▢ Changes in demographic assumptions	-	-
▢ Experience adjustments	(50.21)	(28.22)
▢ Actual return on plan assets less interest on plan assets	(41.69)	4.28
▢ Adjustment to recognise the effect of asset ceiling	20.32	(24.82)
Closing amount recognised in OCI outside Statement of Profit and Loss	-	-

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

38 Employee benefits (Contd.)

Funded schemes (Contd.)

Provident Fund: (Contd)

Particulars	As at 31 March	
	2026	2025
(₹ In Crore)		
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	-	-
Expense charged to Statement of Profit and Loss	47.98	45.85
Employer contributions	(47.98)	(45.85)
Closing net defined benefit liability/(asset)	-	-
Movement in benefit obligation		
Opening of defined benefit obligation	1,571.04	1,516.11
Current service cost	47.98	45.85
Interest on defined benefit obligation	105.66	106.56
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	71.58	48.76
Actuarial loss/(gain) arising on account of experience changes	(50.21)	(28.22)
Employee contributions	81.15	80.53
Benefits paid	(183.79)	(176.61)
Liabilities assumed/(settled)	(2.35)	(21.94)
Closing defined benefit obligation	1,641.06	1,571.04
Movement in plan assets		
Opening fair value of plan assets	1,600.19	1,566.45
Interest on plan assets	107.65	110.19
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	41.69	(4.28)
Employer contributions during the period	47.98	45.85
Employee contributions during the period	81.15	80.53
Benefits paid	(183.79)	(176.61)
Assets acquired/(settled)	(2.35)	(21.94)
Closing fair value of plan assets	1,692.52	1,600.19

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

38 Employee benefits (Contd.)

Funded schemes (Contd.)

Provident Fund: (Contd.)

(₹ In Crore)

As at 31 March

Particulars	2026	2025
Disaggregation of assets		
Quoted		
Government debt instruments	1,001.52	1,007.27
Other debt instruments	560.35	499.57
Others	66.87	30.08
Unquoted		
Other debt instruments	-	-
Others	63.78	63.26
	1,692.52	1,600.18

As at 31 March

Particulars	2026	2025
Key actuarial assumptions		
Discount rate (p.a.)	7.00%	6.85%
Future derived return on assets (p.a.)	8.38%	8.22%
Discount rate for the remaining term to maturity of the investment (p.a.)	6.55%	6.55%
Average historic yield on the investment (p.a.)	7.93%	7.92%
Guaranteed rate of return (p.a.)	8.25%	8.25%

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

38 Employee benefits (Contd.)

Unfunded schemes

Compensated absences

The compensated absences cover the Company's liability for casual, exigency and earned leave.

Entire amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Particulars	Compensated Absences	
	As at 31 March 2026	As at 31 March 2025
Present value of unfunded obligations	140.55	132.81
Expense recognised in the Statement of Profit and Loss	18.23	(4.47)
Discount rate (p.a.)	7.00%	6.85%
Salary escalation rate (p.a.) - senior staff	10.00%	10.00%
Salary escalation rate (p.a.) - junior staff	10.00%	10.00%

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Compensated absences expected to be settled after twelve months	112.53	103.30

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Amount recognised in the Statement of Profit and Loss		
Defined contribution plans:		
Superannuation paid to trust	8.33	8.37
Pension fund paid to Government authorities	7.75	8.70
Others	0.96	1.19
Defined benefit plans:		
Gratuity (including exceptional items - See note 29A)	86.31	26.02
Provident fund paid to trust	47.98	45.85
Others	5.32	2.71
	156.65	92.84

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

39 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24

Related party where control exists

Subsidiaries:

Sr. No	Name of the Entity	Sr. No	Name of the Entity
1	Bajaj Auto International Holdings BV	39	KTM Australia Pty Ltd.
2	PT Bajaj Auto Indonesia	40	HQVA Pty Ltd.
3	Bajaj Auto (Thailand) Limited	41	KTM Motorcycles Distributers NZ Limited
4	Bajaj Do Brasil Comercio De Motocicletas Ltda	42	KTM do Brasil Ltda
5	Bajaj Auto Spain, SL	43	KTM (SHANGHAI) MOTO CO. LTD.
6	Bajaj Auto Technology Limited (BATL), earlier known as Chetak Technology Ltd.	44	Husqvarna Mobility GmbH
7	Bajaj Auto Credit Limited	45	KTM Informatics GmbH
8	Bajaj Auto International Holdings AG earlier known as Pierer Bajaj AG	46	KTM Racing GmbH
9	Bajaj Mobility AG earlier known as PIERER Mobility AG	47	KTM MotoGP Racing GmbH
10	KTM AG	48	KTM Offroad Racing GmbH
11	KTM Sportmotorcycle GmbH	49	KTM Racing North America, Inc.
12	KTM North America Inc.	50	PIERER Produktion GmbH
13	Husqvarna Mobility North America, Inc. earlier known as Husqvarna Motorcycles North America, Inc.	51	KTM Beteiligungs GmbH
14	Husqvarna Motorsports Inc.	52	KTM Immobilien GmbH
15	KTM Motorsports Inc.	53	KTM Logistikzentrum GmbH
16	WP Suspension North America Inc	54	KTM Sportmotorcycle India Private Limited (Company is under liquidation)
17	KTM Canada Inc	55	KTM Motohall GmbH
18	PIERER IMMOREAL NORTH AMERICA LLC	56	WP Immobilien GmbH
19	KTM Japan K.K.	57	KTM Components GmbH
20	KTM Motorcycles S.A. Pty. Ltd.	58	KTM Forschungs & Entwicklungs GmbH
21	KTM Sportmotorcycle Mexico C.V. de S.A.	59	Cero Design Studio S.L.
22	KTM Sportmotorcycle Deutschland GmbH	60	CFMOTO Motorcycles Distributions GmbH
23	KTM Switzerland Ltd.	61	WP Suspension GmbH
24	KTM Sportmotorcycle UK Ltd.	62	GASGAS GmbH
25	KTM-Sportmotorcycle Espana S.L.	63	GASGAS Motorcycles Espana SLU
26	KTM Sportmotorcycle France SAS	64	Avocodo GmbH
27	KTM Sportmotorcycle Italia S.r.l.	65	PIERER New Mobility GmbH
28	KTM-Sportmotorcycle Nederland B.V.	66	PIERER New Mobility Deutschland GmbH
29	KTM Sportmotorcycle Scandinavia AB	67	PIERER New Mobility North America Inc
30	KTM Sportmotorcycle Benelux S.A.	68	PIERER NEW MOBILITY AUSTRALIA PTY LTD
31	KTM Sportmotorcycle Hungaria Kft.	69	PIERER New Mobility Bulgaria OOD
32	KTM Central East Europe s.r.o.	70	PIERER New Mobility S.A. Pty Ltd.
33	KTM Osterreich GmbH	71	Felt Bicycles GmbH
34	KTM Nordic Oy	72	PIERER E-Commerce GmbH
35	KTM Sportmotorcycle d.o.o.	73	PIERER E-Commerce North America Inc
36	KTM Czech Republic s.r.o.	74	Platin 1483. GmbH (Company is under liquidation)
37	KTM Sportmotorcycle SEA PTE. Ltd.	75	PIERER & MAXCOM MOBILITY OOD
38	KTM Australia Holding Pty Ltd.		

Related parties listed from Sr. No. 8 to 75 were associates in the previous year and became subsidiaries with effect from 18 November 2025. Accordingly, transactions disclosed for the previous year pertain to the period when they were associates, while current year disclosures include transactions for periods when they were both associates and subsidiaries.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

39 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24

(₹ In Crore)

Name of related party and Nature of relationship	Nature of transaction	2025-26		2024-25	
		Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
A Subsidiaries:					
PT.Bajaj Auto Indonesia (99.25% shares held by Bajaj Auto Ltd.)	Contribution to equity (411,875 shares of USD 3 each)	-	6.17	-	6.17
	Provision for diminution in value of investment	-	(2.17)	-	(2.17)
Bajaj Auto International Holdings BV (Fully owned subsidiary)	Contribution to equity (3,230,000 shares of Euro 100 each)	1,201.94	2,420.66	-	1,218.72
	Contribution to capital and/or Loan Amount*	323.54	1,366.56	1,043.02	1,043.02
	Interest income on loan	103.24	26.18	7.07	7.07
Bajaj Auto (Thailand) Ltd. (Fully owned subsidiary)	Contribution to equity (449,997 shares of THB 100 each)	-	10.54	-	10.54
	Services received	-	-	13.78	(4.23)
Bajaj Auto Technology Ltd. (Fully owned subsidiary)	Contribution to equity (470,000,000 shares of ₹ 10 each)	-	470.00	-	470.00
	Services received (including royalty, reimbursement of expenses etc)				
	- Billed	217.46	-	76.96	(20.13)
	- Unbilled	74.98	(74.98)	10.66	(10.66)
	Services rendered (including reimbursement of expenses)				
	- Billed	23.48	-	25.12	-
	- Unbilled	-	-	7.82	7.82
	Advance given	-	37.35	-	-
	Purchases	0.03	-	0.65	-
	Purchase of intangible assets	27.01	(7.94)	-	-
Bajaj Auto Credit Ltd. (Fully owned subsidiary)	Contribution to capital (2,700,000,000 shares of ₹ 10 each)	300.00	2,700.00	2,105.00	2,400.00
	Investment in Subordinated Debentures	500.00	500.00	-	-
	Interest on Subordinated Debentures	19.29	19.29	-	-
	Service received (including reimbursement of expenses)	20.70	-	0.11	-
	Service rendered (including reimbursement of expenses)	33.31	4.94	15.81	-
Bajaj Do Brasil Comercio De Motocicletas Ltda (Fully owned subsidiary)	Contribution to equity (57,500,000 shares of Reais 1 each)	-	93.52	8.53	93.52
	Sale of material	492.21	316.47	327.03	200.05
Bajaj Auto Spain S.L.U. (Fully owned subsidiary)	Contribution to equity (6,000 shares of Euro 100 each)	-	5.16	-	5.16
	Services received	0.48	-	15.37	(0.59)
KTM AG	Sale of vehicles and material	129.67	55.88	102.22	(91.15)
	Services rendered and other debits	0.57	-	9.46	-
	Purchases (including purchase of accessories and other capital items), merchant purchase and other credits	1.06	-	1.76	-
KTM Sportmotorcycle GmbH	Sale of vehicles and material	1,368.71	160.64	452.60	59.37
	Royalty paid and payable				
	- Billed	33.28	-	24.43	-
	- Unbilled	15.97	(15.97)	11.10	(11.10)
	Services rendered and other debits	14.35	-	0.24	-
	Purchases (including purchase of accessories and other capital items), merchant purchase and other credits	1.43	-	2.83	-
KTM Sportmotorcycle India Pvt. Ltd.	Royalty paid and payable				
	- Billed	10.80	-	6.23	-
	- Unbilled	-	-	2.79	(2.79)
	Services rendered and other debits				
	- Billed	7.91	-	4.98	(0.42)
	- Unbilled	-	-	1.65	1.65
	Purchases (including purchase of accessories and other capital items), merchant purchase and other credits	0.02	-	-	-
KTM Forschungs & Entwicklungs GmbH	Sale of vehicles and material	0.07	0.21	2.13	0.11
KTM Australia PTY	Sale of vehicles and material	0.17	-	-	-

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

39 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24 (Contd.)

(₹ In Crore)

Name of related party and Nature of relationship	Nature of transaction	2025-26		2024-25	
		Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
Husqvarna Motorcycles GmbH	Sale of vehicles and material	16.50	(0.02)	89.43	(0.20)
	Royalty paid and payable				
	- Billed	0.09	-	0.47	-
	- Unbilled	-	-	0.05	(0.05)
	Purchase of accessories and other credits	-	-	0.02	-
KTM North America	Sale of vehicles and material	62.09	0.78	-	-
B Associates, joint ventures and investing parties:					
Bajaj Holdings & Investment Ltd.	Investment in shares by BHIL (95,547,251 shares of ₹. 10 each)	-	(95.55)	-	(95.55)
(Investing party - holds 34.21% shares of Bajaj Auto Ltd.)	Purchase of shares by BAL (3,500,000 shares of ₹. 10 each)	-	1,111.49	-	1,111.49
	Dividend paid	2,006.49	-	764.38	-
	Dividend received	32.55	-	30.10	-
	Business support service received	30.74	-	33.54	-
	Business support service rendered	2.67	-	1.28	-
C Key management personnel and their relatives:					
Rajiv Bajaj (Managing Director)	Short-term employee benefits (including Commission)	55.14	(35.21)	54.85	(35.21)
	Post-employment benefits	3.73	-	3.73	-
	Rent paid for premises	3.40	-	3.24	-
	Deposit paid against premises taken on lease	-	1.92	-	1.92
Pradeep Shrivastava (Executive Director)	Short-term employee benefits	20.03	-	27.34	-
	Post-employment benefits	1.07	-	0.99	-
	Equity shares issued pursuant to stock option scheme	4.29	-	10.53	-
	Fair value of stock options granted	2.88	-	2.62	-
Rakesh Sharma (Executive Director)	Short-term employee benefits	14.35	-	15.94	-
	Post-employment benefits	0.95	-	0.87	-
	Equity shares issued pursuant to stock option scheme	-	-	1.20	-
	Fair value of stock options granted	2.88	-	2.62	-
Sanjiv Bajaj	Sitting fees	0.06	-	0.08	-
	Commission	0.19	(0.19)	0.25	(0.25)
Niraj Bajaj (Chairman)	Sitting Fees	0.11	-	0.13	-
	Commission	0.35	(0.35)	0.41	(0.41)
Rishabhayan Bajaj	Remuneration including perquisites	0.57	-	0.44	-
D Other entities/persons: (Employee benefit plans, independent directors, and entities where persons under Ind AS 24 para 9(a) hold significant influence, control, joint control, or acts as KMP)					
Bajaj Finserv Ltd.	Business support service rendered	0.04	-	0.11	-
Bajaj Finance Ltd.	Investment in shares by BFL (150 shares of ₹ 10 each) - ₹ 1,500	-	-	-	-
	Service rendered	31.69	(0.08)	30.30	(0.06)
	Service received	6.93	0.03	1.68	(0.33)
	Security deposit received	-	(0.21)	-	(0.21)
	Investment in fixed deposit	745.00	745.00	-	280.00
	(Redemption) of fixed deposit	(280.00)	-	(220.00)	-
	Interest income/(reversal) on fixed deposit	31.33	22.30	29.76	15.39
	Dividend paid	-	-	-	-
Bajaj General Insurance Co. Ltd. (earlier known as Bajaj Allianz General Insurance Co. Ltd.)	Insurance premiums paid	24.80	4.97	26.21	12.66
	Claims received/receivable	2.89	-	0.26	-

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

39 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24 (Contd.)

(₹ In Crore)

Name of related party and Nature of relationship	Nature of transaction	2025-26		2024-25	
		Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
Bajaj Life Insurance Co. Ltd. (earlier known as Bajaj Allianz Life Insurance Co. Ltd.)	Investment in shares by BALIC (125,000 shares of ₹ 10 each)	-	(0.13)	-	(0.13)
	Insurance premiums paid/(refunded)	0.98	-	1.26	-
	Dividend paid	2.63	-	1.00	-
Bajaj Housing Finance Ltd.	Services rendered	3.04	-	2.38	-
	Security deposit received	-	(0.03)	-	(0.03)
Bajaj Electricals Ltd.	Purchases (including services received)	-	(0.11)	-	(0.11)
Hind Musafir Agency Ltd.	Services received	-	-	12.36	(0.02)
Hindustan Housing Co. Ltd.	Maintenance charges paid	0.26	-	0.23	0.03
Maharashtra Scooters Ltd.	Investment in shares by MSL (6,927,794 shares of ₹ 10 each)	-	(6.93)	-	(6.88)
	Dividend paid	144.47	-	55.03	-
	Purchases	-	-	0.18	-
	Services rendered	0.01	-	0.03	-
Rishabh Family Trust	Rent paid for premises	1.14	-	0.36	(0.32)
	Security deposit paid	0.25	0.25	-	-
Bajaj Auto Holdings Ltd.	Business Support Services Rendered	0.01	-	-	-
Forbes Marshall Pvt Ltd.	Purchases of spare, accessories and others	-	-	0.06	-
Bajaj Auto Employees Group Gratuity Fund	Gratuity contribution	14.32	-	3.70	-
Bajaj Auto Senior Staff Group Gratuity Fund	Gratuity contribution	6.00	-	1.00	-
Bajaj Auto Employees Superannuation Fund	Superannuation contribution	8.33	-	8.37	-
Bajaj Auto Limited Provident Fund	Provident fund contribution (Employer's share)	47.98	(3.29)	45.85	(1.15)
Kiska GmbH	Services received	-	-	1.90	-
Naushad D Forbes	Sitting fees	0.18	-	0.18	-
	Commission	0.57	(0.57)	0.57	(0.57)
Anami N. Roy	Sitting fees	0.15	-	0.16	(0.01)
	Commission	0.47	(0.47)	0.50	(0.50)
Pradip Shah	Sitting fees	0.16	-	0.17	(0.01)
	Commission	0.50	(0.50)	0.54	(0.54)
Vinita Bali	Sitting fees	0.15	-	0.11	-
	Commission	0.47	(0.47)	0.35	(0.35)
Abhinav Bindra	Sitting fees	0.13	-	0.15	-
	Commission	0.41	(0.41)	0.47	(0.47)
Sangita Reddy	Sitting fees	0.05	-	0.04	-
	Commission	0.16	(0.16)	0.13	(0.13)
Indian School of Business	Services received	0.11	-	-	-

Transaction values are excluding taxes and duties.

Transactions where the Company act as an intermediary and passed through Company's books of accounts are not in nature of related party transaction and hence are not disclosed.

Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions between the related parties. In other cases, disclosure has been made only when there have been transactions with those parties.

Related parties as defined under clause 9 of the Indian Accounting Standard - 24 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company.

All above transactions are in the ordinary course of business and on arms' length basis. All outstanding balances are unsecured, repayable in cash, and no impairment or provision has been recorded against such balances.

Outstanding balances denominated in foreign currency are disclosed based on the amounts recorded at the date of the underlying transaction. These disclosures do not include the impact of subsequent foreign exchange remeasurement/revaluation, if any, as at the reporting date.

Short-term employee benefits, including remuneration to directors, key managerial personnel and other related parties, are disclosed in accordance with the Companies Act, 2013.

*The loan has been/will be utilised by Bajaj Auto International Holdings BV (BAIHV) for the purpose for which it was obtained (refer footnote to note 6 of standalone financial statements for details, terms, and conditions). The outstanding amount does not reflect the impact of forex mark-to-market (MTM) changes.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

40 Lease

As a lessor

The Company has given premises on operating leases. These lease arrangements range for a period between ten months to ten years and include both cancellable and non cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

The total future minimum lease rentals for non-cancellable leases, receivable at the Balance Sheet date is as under:

Particulars	As at 31 March	
	2026	2025
Receivable		
Within one year	40.16	36.91
After one year but not more than five years	60.26	58.63
More than five years	0.40	0.93
	100.82	96.47

41 Expenditure incurred on Research and Development

Particulars	For the year ended 31 March	
	2026	2025
a. Revenue expenditure - charged to Statement of Profit and Loss	566.76	574.10
b. Revenue expenditure - capitalised	-	-
c. Capital expenditure - excluding building	126.05	51.56
d. Capital expenditure - building	-	-
	692.81	625.66

42 Ratios

Particulars	Remarks	Numerator	Denominator	As at/For the year ended 31 March	
				2026	2025
(a) Current ratio		Current assets	Current liabilities	1.71	1.49
(b) Debt equity ratio	As no outstanding debt hence no Debt equity ratio applicable	Total debt	Shareholder's equity	-	0.02
(c) Debt service coverage ratio	As no outstanding debt hence no Debt servicing obligation	Earnings for debt service	Debt service	-	9.93
(d) Return on equity ratio		Profit after tax	Average shareholder's equity	29.3%	28.6%
(e) Inventory turnover ratio		Material cost	Avg. inventory	19.10	19.34
(f) Trade receivables turnover ratio		Revenue from contracts with customers	Avg. trade receivables	22.47	21.91
(g) Trade payables turnover ratio		Purchases	Trade payables	6.11	6.06
(h) Net capital turnover ratio	Decrease is due to higher total income and increase in working capital	Total income	Working capital	8.69	11.62
(i) Net profit ratio		Profit after tax	Total income	16.3%	15.8%
(j) Return on capital employed		Profit before tax	Capital employed	36.3%	33.1%
(k) Return on investments		Profit before tax	Average shareholder's equity	38.9%	38.8%

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

43 Share based payments (Employee stock option plans)

The Board of Directors at its meeting held on 30 January 2019, approved an Employee Stock Options Scheme ('ESOS'). Pursuant to the scheme stock options up to a maximum of 0.17% of the then issued equity capital of the Company aggregating to 5,000,000 equity shares of the face value of ₹ 10 each can be issued in a manner provided in the SEBI (Share Based Employee Benefits) Regulations, 2014 as amended. The shareholders of the Company vide their special resolution passed through postal ballot on 13 March 2019 approved the issue of equity shares of the Company under one or more Employee Stock Option Scheme(s).

The Nomination and Remuneration Committee of the Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. The details of grants made as of 31 March 2026 are given in below tables:

Particulars	31 March 2026					
	17 May 2019	29 April 2021	27 April 2022	25 April 2023	18 April 2024	29 May 2025
Grant date	17 May 2019	29 April 2021	27 April 2022	25 April 2023	18 April 2024	29 May 2025
No. of options granted	2,87,636	2,77,116	4,47,692	4,75,268	3,12,128	3,80,048
Exercise price (₹)	2,942.65	3,889.75	3,892.10	4,332.10	8,919.15	8,849.00
Weighted average fair value (₹)	827.52	1,091.44	959.75	1,143.72	3,029.51	2,360.01
Total for all grants		No. of options	Range of fair value (₹)	Weighted average fair value (₹)	Weighted average remaining contractual life (years)	
Outstanding at the beginning of the year		12,27,981	663.31 - 3550.05	1,015.83	5.36	
Granted during the year		3,80,048	1939.71 - 2732.98	2,360.01	6.48	
Cancelled during the year		31,295	854.21 - 3550.05	2,300.76	NA	
Expired during the year		-	-	-	NA	
Exercised during the year		1,33,366	663.31 - 2367.83	1,070.89	NA	
Outstanding at the end of the year		14,43,368	790.94 - 3550.05	1,801.12	5.03	
Vested and exercisable at the end of the year		5,36,425	790.94 - 2367.83	1,201.16	3.25	

Method used for accounting for share based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black Scholes model. The key assumptions used in Black Scholes model for calculating fair value as on the date of grants are:

Grant date	Risk Free interest rate	Expected life	Expected volatility	Dividend yield	Price of the underlying share in the market at the time of the option grant (₹)
17 May 2019	6.88% to 7.26%	3.51-6.51 years	22.18% to 23.79%	2.04%	2,942.65
29 April 2021	5.18% to 6.08%	3.51-6.51 years	29.35% to 26.65%	2.06%	3,889.75
27 April 2022	6.15% to 6.82%	3.51-6.51 years	26.03% to 28.79%	3.60%	3,892.10
25 April 2023	6.87% to 7.00%	3.51-6.51 years	25.93% to 28.37%	3.22%	4,332.10
18 April 2024	7.06% to 7.08%	3.50-6.51 years	23.79% to 26.42%	0.90%	8,919.15
29 May 2025	5.79% to 5.98%	3.50-6.51 years	25.26% to 27.18%	2.37%	8,849.00

For the year ended 31 March 2026, the Company has accounted expense of ₹ 70.60 crore as employee benefit expenses (See note 26) on the aforesaid employee stock option plan (Previous year ₹ 64.87 crore). The balance in employee stock option outstanding account is ₹ 163.58 crore as of 31 March 2026 (Previous year ₹ 99.44 crore).

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

44 MSME disclosure

Considering the Company has been extended credit period upto 45 days by its vendors and payments being released on a timely basis, there is no liability towards interest on delayed payments under 'The Micro, Small and Medium Enterprises Development Act 2006' during the year. There is also no amount of outstanding interest in this regard, brought forward from previous years. Information in this regard is on basis of intimation received, on requests made by the Company, with regards to registration of vendors under the said Act.

45 Miscellaneous

- a. There have been no material events after the reporting date that require disclosure in these financial statements.
- b. Amounts less than ₹ 50,000 have been shown at actual against respective line items statutorily required to be disclosed.
- c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d. The Company has performed the assessment to identify transactions with struck off companies as at 31 March 2026 and 31 March 2025 and identified no company with any transactions.
- e. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- f. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person other than disclosed in note 6.
- g. 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 or entity, 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 except as stated below. The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 and the Companies Act, 2013 for the said transactions, and these transactions are not violative of the Prevention of Money-Laundering Act, 2002.

For the year ended 31 March 2026

The Company on 03 April 2025 has advanced loan of ₹ 324 crore (Euro 35 million) and on 16 May 2025 invested ₹ 1,202 crore (Euro 125 million) in equity shares of Bajaj Auto International Holding B.V. (Netherlands) ('BAIHBV'), a wholly owned subsidiary.

Of this (including Euro 15 million out of previous year balance), BAIHBV further invested in convertible bonds amounting to ₹ 467 crore (Euro 50 million) on 03 April 2025 and ₹ 1,209 crore (Euro 125 million) on 22 May 2025 in its subsidiary Bajaj Auto International Holding AG ('BAIH AG').

BAIH AG, in turn, invested in its subsidiary, Bajaj Mobility AG, Austria, which ultimately deployed the funds into KTM AG, Austria (a subsidiary of Bajaj Mobility AG), to facilitate the funding requirements of KTM AG towards the phased resumption of production and its operating costs. The said transactions has been executed within the framework defined by the Administrator in Austria.

For the year ended 31 March 2025

The Company on 24 February 2025 has advanced loan of ₹ 1,043 crore (Euro 115 million) (excluding impact of forex mark-to-market (MTM) changes) to Bajaj Auto International Holding B.V. (Netherlands) ('BAIHBV'), a wholly owned subsidiary. Of this, BAIHBV further granted a loan amounting of ₹ 456 crore (Euro 50 million) on 24 February 2025 and invested in convertible bonds amounting to ₹ 460 crore (Euro 50 million) on 31 March 2025 ultimately into KTM AG, Austria (subsidiary of Bajaj Mobility AG, Austria) through its associate Bajaj Auto International Holdings AG – to Bajaj Mobility AG, Austria (subsidiary of Bajaj Auto International Holdings AG, Austria) to facilitate the funding needs of KTM AG, Austria towards the phased resumption of production at KTM AG and its operating costs. The said transactions has been executed within the framework defined by the Administrator in Austria.

- h. No funds have been received by the Company from any person or entity, 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.
- i. The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- j. The Company has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.

Notes to standalone financial statements for the year ended 31 March 2026 (Contd.)

45 Miscellaneous (Contd.)

- k. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- l. **31 March 2026:** The Company has used accounting software SAP-S4 HANA 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, audit trail feature has not been tampered with in respect of accounting software where the audit trail has been enabled. Additionally, the Company has recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013. Further, in respect of the FY 2024-25, the Company has preserved the requirements of recording audit trail to the extent it was enabled and recorded in prior year.
- 31 March 2025:** The Company has used accounting software SAP-S4 HANA 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, audit trail feature has not been tampered with in respect of accounting software where the audit trail has been enabled. Additionally, the Company has recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013. Further, in respect of the FY 2023-24, the Company has preserved the requirements of recording audit trail to the extent it was enabled and recorded in prior year.
- m. The Company holds investment in Bajaj Holdings & Investment Limited (listed entity) and Yulu Bikes Private Limited. Changes in fair value in respect of these investments is accounted for in other comprehensive income. In compliance with Ind AS 12, the Company was making accounting provisions for Deferred Tax as per applicable law on changes in fair value on this investment. For the listed entity, the Finance (No. 2) Act, 2024 changed the tax rate with respect to long-term capital gains from 10% plus surcharge and cess to 12.5% plus surcharge and cess.
- Further, for the unlisted entity, the said Act withdrew the indexation benefit on long-term capital gains and the tax rate was changed from 20% plus surcharge and cess (with indexation) to 12.5% plus surcharge and cess (without indexation). Due to the aforesaid changes, the accounting provision for Deferred Tax created on changes in fair value has been consequently increased by ₹ 75.80 crore while computing the other comprehensive income for the year ended 31 March 2025.
- It is to be noted that only a provision is being made in the books of accounts at this point of time to record the Deferred Tax, in line with the applicable accounting standards and the recently enacted tax change. The actual payment of tax would be made at the time of sale/transfer of these investments. The cash outflow towards tax could be different at the time of sale/transfer depending on the actual gain and prevailing tax regulations.
- n. The Ministry of Environment, Forest and Climate Change (MoEFCC) issued the Environment Protection (End-of-Life Vehicles) Rules, 2025 (ELV rules), effective from 1 April 2025. In accordance with ELV rules, Extended Producer Responsibility (EPR) obligations are imposed on producers (including 'vehicle manufacturers') for the scrapping of End-of-Life Vehicles. As the pricing mechanism for EPR certificates has not yet been notified by MoEFCC, amongst other things, the Company is currently unable to reliably estimate its obligation and believes that it will be able to estimate the same once all the measurement framework for determining the reliable estimate is established.
- o. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- p. Figures for previous year/period have been regrouped wherever necessary.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
Pune: 06 May 2026

Dinesh Thapar
Chief Financial Officer

Rajiv Gandhi
Company Secretary

On behalf of the Board of Directors

Niraj Bajaj
Chairman
(DIN: 00028261)

Rajiv Bajaj
Managing Director
(DIN: 00018262)

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

**CONSOLIDATED
FINANCIAL
STATEMENTS
2025-2026**

Independent Auditors' Report on the Consolidated Financial Statements

To the Members of **Bajaj Auto Ltd.**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Bajaj Auto Limited (hereinafter referred to as 'the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates comprising of the consolidated Balance Sheet as at 31 March 2026, the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

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 and on the other financial information of the subsidiaries and its associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31 March 2026. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter

How our audit addressed the key audit matter

Accounting for business combination (acquisition of controlling stake in KTM Group) (as described in Note 1 (B.3) and Note 46 of the consolidated financial statements)

On 18 November 2025, the Group, through its wholly owned subsidiary Bajaj Auto International Holdings BV ('BAIH'), acquired remaining 50.1% equity shares of its erstwhile associate, Bajaj Auto International Holdings AG (formerly known as Pierer Bajaj AG) ('BAIHAG'). As a result of this transaction, BAIHAG became a wholly owned subsidiary of the Group.

Consequent to the above acquisition and resultant change in control, the Group now also holds an effective 74.9% equity interest in Bajaj Mobility AG and KTM AG (collectively referred to as the 'KTM Group') through BAIHAG.

Our audit procedures and/or procedures performed by independent auditor of BAIHAG amongst others included the following:

- Obtained an understanding of the acquisition structure and transaction documents, including call option agreement, to assess management's conclusion that the transaction meets the definition of a business combination under Ind AS 103;
- Evaluated management's identification of the acquisition date, determination of control, and computation of purchase consideration, including the completeness and accuracy of amounts recognized;
- Assessed the process and internal controls implemented by the Group for identifying and recognising the assets acquired and liabilities assumed and recognising non-controlling interest;

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

Key audit matter

The management has determined that the aforesaid acquisition qualifies as a business combination and has accounted for the same in accordance with Ind AS 103, 'Business Combinations'. Accordingly, the Group has recognised identifiable assets acquired, liabilities assumed and non-controlling interest at their respective fair values as at the acquisition date, with the excess of fair value of net identifiable assets recognised over the consideration transferred as capital reserve.

Accounting for business combinations is an area of significant complexity and involves substantial judgement by management, including the identification of assets acquired and liabilities assumed, accounting for non-controlling interest, determination of the acquisition date, selection and application of appropriate valuation techniques, and use of significant assumptions and estimates. The process also requires involvement of senior management and external valuation specialists for fair value measurement of assets and liabilities.

Given the degree of management judgement, estimation uncertainty, and the materiality of the amounts involved, we identified the accounting for this business combination as a Key Audit Matter.

How our audit addressed the key audit matter

- Involved valuation specialists to assist in evaluating the valuation methodologies, key assumptions (including discount rates, growth rates, forecast cash flows, and market comparables), and underlying data used by management in determining the fair value of identifiable assets and liabilities of KTM Group and fair value of previously held 49.9% stake in BAIHAG to arrive at purchase consideration;
- Performed procedures to test the arithmetical accuracy of the fair value calculations and the resulting capital reserve recognised on acquisition;
- Evaluated the reasonableness of management's judgements and estimates, with particular focus on significant assumptions that are sensitive to changes and could have a material impact on the Group's financial statements.
- Reviewed the adequacy and appropriateness of disclosures made in the consolidated financial statements in accordance with the requirements of Ind AS 103.

Impairment of Loans to customers under financing activity based on expected credit loss model as described in note 1(B.9) and note 6 of the consolidated financial statements

Loans to customers under financing activity, represents a significant portion of the total assets of the Group and are conducted through Bajaj Auto Credit Limited ('BACL'), a wholly owned subsidiary. The Group has Loans to customers under financing activity aggregating to ₹ 18,449.55 crore as at 31 March 2026.

As per the expected credit loss (ECL) model of the Group developed in accordance with the principles set out in Ind-AS 109 on Financial Instruments, the Group is required to estimate the ECL based on past experience and future considerations. This involves application of a significant degree of estimation and judgement by the management, inter alia, for portfolio segmentation, determination of staging; estimation of probability of defaults (PD), loss given default (LGD), exposure at default (EAD); and forward-looking factors in estimating ECL.

In view of the above and the overall significance of the impairment allowance to the consolidated financial statements, it is considered as a Key Audit Matter.

Our audit procedures and/or procedures performed by independent auditor of the subsidiary amongst others included the following:

- Read and assessed the Group's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the subsidiary's Board of Directors pursuant to Reserve Bank of India guidelines.
- Obtained an understanding of the methodology adopted by the management to determine PD, LGD, EAD for various loans products and tested the same on a sample basis.
- Evaluated design and implementation and tested operating effectiveness of the controls in the process of impairment of loans to customers.
- Evaluated the reasonableness of the Management estimates and related assumptions and tested the controls around data extraction and validation.
- Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing loans to assess whether any significant increase in credit risk (SICR) or loss indicators were present requiring them to be classified under higher stages.
- Tested the inputs used on a sample basis and the arithmetical accuracy of the ECL computation.
- Assessed disclosures included in the consolidated financial statements in respect of impairment loss allowance.

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

Key audit matter

How our audit addressed the key audit matter

Derecognition of trade receivables under factoring arrangements (as described in note 10 of the consolidated financial statements)

The BAIHAG Group enters into non-recourse factoring arrangements for its trade receivables with various banks/financial institutions. As at 31 March 2026, the Group derecognised trade receivables amounting to ₹ 889.49 crore. The Group derecognises the receivables from its books if it transfers substantially all the risks and rewards of ownership of the financial asset (i.e. receivables). The assessment of derecognition of trade receivables under the factoring arrangements is complex and requires significant judgement. Accordingly, this has been identified as a key audit matter in our audit of the consolidated financial statements.

Our audit procedures and/or procedures performed by independent auditor of the subsidiary amongst others included the following:

- Evaluated the assessment made by management in respect of transfer of substantially all risks and rewards of ownership of the financial asset under the factoring contracts;
- Read factoring contracts to understand the terms and assessed if they qualify as non-recourse arrangements and further assessed if the accounting treatment is as per the requirements of Ind AS 109, 'Financial Instruments';
- Assessed the adequacy of disclosures in the consolidated financial statements for compliance with the relevant accounting standard requirements.

Other information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Chairman's letter, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance and Directors' Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including and its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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 their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors/those charged with governance of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's responsibilities for the audit of the consolidated financial statements

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 auditor's report that includes our opinion. Reasonable

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

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.

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

- Identify and assess the risks of material misstatement of the 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.
- 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 financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditor's 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 auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the 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.

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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31 March 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

We did not audit the financial statements and other financial information, in respect of 73 subsidiaries, whose financial statements include total assets of ₹ 39,190.53 crore as at 31 March 2026, and total revenues of ₹ 5,334.56 crore and net cash outflows of ₹ 116.82 crore for the year ended on that date. These financial statement and other financial information have been audited by other

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 1,038.07 crore for the year ended 31 March 2026, as considered in the consolidated financial statements, in respect of 5 associates (including 1 erstwhile associate), whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. 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, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the report(s) of such other auditors.

Certain of these subsidiaries and associates are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associates located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above 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.

Report on other legal and regulatory requirements

- As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph are as given below on the matters as specified as in paragraph 3(xi) of the Order. The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.

Qualification and adverse remarks by the auditor in the Companies (Audit Report) Order, 2020 (CARO) reports of the companies included in the consolidated financial statements are:

S. No	Name	CIN	Nature of relationship	Clause number of CARO report which is qualified or adverse
1	Bajaj Auto Credit Ltd.	U65929PN2021PLC206668	Subsidiary	Clause iii (c)
2	Bajaj Auto Credit Ltd.	U65929PN2021PLC206668	Subsidiary	Clause iii (d)
3	Bajaj Auto Credit Ltd.	U65929PN2021PLC206668	Subsidiary	Clause xi (a)
4	Bajaj Auto Credit Ltd.	U65929PN2021PLC206668	Subsidiary	Clause xi (c)

- As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - We/the other auditors whose report we have relied upon 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;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164 (2) of the Act. The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 1' to this report. The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary incorporated in India, the managerial remuneration for the year ended 31 March 2026 has been paid/provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated financial statements – Refer Note 38 to the consolidated financial statements;
 - ii. Provision has been in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – refer note 18 to the consolidated financial statements in respect of such items as it related to the Group.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended 31 March 2026.
 - iv.
 - a) The respective managements of the Holding Company and its subsidiaries 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 respectively that, to the best of its knowledge and belief, other than as disclosed in the note 50(g) to the consolidated financial statements, 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 to or in any other person or entity, 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 respective Holding Company or any of such subsidiaries ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its subsidiaries 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, respectively that, to the best of its knowledge and belief, and read with note 50(h) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

- v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 37(b) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi) Based on our examination which included test checks, the Holding Company and its subsidiaries incorporated in India have used 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 as referred in note 50(l) to the consolidated financial statements. 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 Holding Company and its subsidiaries incorporated in India as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior years, as stated in note 50(l) to the consolidated financial statements.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 26105754VJIKHF7233
Pune: 06 May 2026

Annexure 1 to Independent Auditors' Report

Referred to in paragraph 2(f) under the heading 'Report on other legal and regulatory requirements' of our report of even date to the members of Bajaj Auto Ltd.

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

In conjunction with our audit of the consolidated financial statements of Bajaj Auto Limited (hereinafter referred to as the 'Holding Company') as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group'), which are companies incorporated in India, as of that date.

Management's responsibility for internal financial controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

Auditor's responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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 consolidated financial statements.

Meaning of internal financial controls with reference to consolidated financial statements

A company's internal financial control with reference to 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 control with reference to 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 consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to 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 consolidated financial

Annexure 1 to Independent Auditors' Report (Contd.)

statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to One (1) subsidiary, which is company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India. The Holding Company did not have any associate company, incorporated in India and did not exercise joint control over any entity incorporated in India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 26105754VJIKHF7233
Pune: 06 May 2026

Consolidated Balance Sheet

(₹ In Crore)

Particulars	Note No.	As at 31 March	
		2026	2025
ASSETS			
Non-current assets			
Property, plant and equipment	2	7,727.31	3,588.74
Capital work-in-progress	2	120.32	29.20
Investment property	3	48.31	47.78
Intangible assets	4	4,185.38	40.07
Intangible assets under development	4	1,400.73	31.60
Investments in associate	5A	169.18	3,688.27
Financial assets			
Investments	5B	16,661.34	19,323.58
Loans	6	10,887.85	6,450.97
Other financial assets	7	364.08	124.83
Deferred tax assets (net)	20	309.01	88.69
Income tax assets (net)		1,230.16	1,251.90
Other non-current assets	8	67.51	87.05
		43,171.18	34,752.68
Current assets			
Inventories	9	6,294.49	2,077.36
Financial assets			
Investments	5B	7,811.66	5,902.02
Trade receivables	10	3,473.44	2,125.22
Cash and cash equivalents	11	2,989.97	2,331.53
Other bank balances	12	81.92	516.07
Loans	6	7,936.17	3,465.19
Other financial assets	7	2,710.95	2,167.73
Other current assets	8	2,678.53	860.81
		33,977.13	19,445.93
Asset held for sale	43	74.68	-
Total		77,222.99	54,198.61

Consolidated Balance Sheet (Contd.)

(₹ In Crore)

Particulars	Note No.	As at 31 March	
		2026	2025
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	279.50	279.26
Other equity	14	38,552.49	34,909.48
Equity attributable to owners of the Company		38,831.99	35,188.74
Non-controlling interest	15	1,388.43	0.01
Total equity		40,220.42	35,188.75
Non-current liabilities			
Financial liabilities			
Borrowings	16	15,338.94	6,082.74
Lease liabilities	24	469.07	-
Sales tax deferral	17	73.30	127.64
Other financial liabilities	18	69.95	50.22
Provisions	19	367.64	14.33
Deferred tax liabilities (net)	20	1,304.30	1,123.03
Government grant		25.38	28.04
Other non-current liabilities	21	15.83	0.05
		17,664.41	7,426.05
Current liabilities			
Financial liabilities			
Borrowings	16	6,641.65	3,153.78
Lease liabilities	24	190.19	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	22	222.94	253.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	8,581.07	6,119.15
Other financial liabilities	18	1,344.02	743.57
Other current liabilities	23	1,243.82	813.61
Provisions	19	699.12	261.72
Government grant		2.65	2.65
Current tax liabilities (net)		412.70	235.77
		19,338.16	11,583.81
Total		77,222.99	54,198.61

Summary of material accounting policies followed by the Group

1

The accompanying notes are an integral part of the consolidated financial statements

On behalf of the Board of Directors

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Niraj Bajaj
Chairman
(DIN: 00028261)

Dinesh Thapar
Chief Financial Officer

Rajiv Bajaj
Managing Director
(DIN: 00018262)

per Paul Alvares
Partner
Membership Number: 105754
Pune: 6 May 2026

Rajiv Gandhi
Company Secretary

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

Consolidated Statement of Profit and Loss

(₹ In Crore)

Particulars	Note No.	For the year ended 31 March	
		2026	2025
Revenue from contracts with customers & financial services		60,386.43	49,266.95
Other operating revenue		2,518.57	1,727.60
Total Revenue from operations	25	62,905.00	50,994.55
Other income	26	2,182.22	1,474.41
Total income		65,087.22	52,468.96
Expenses			
Cost of raw materials and components consumed		38,760.86	32,194.31
Purchase of traded goods		3,254.63	3,036.47
Changes in inventories of finished goods, work-in-progress and traded goods	27	394.37	28.41
Employee benefits expense	28	2,461.44	1,925.80
Finance costs	29	1,168.59	388.90
Depreciation and amortisation expense	30	644.69	414.23
Other expenses	31	5,112.78	3,439.05
Expenses, included in above items, capitalised		(140.15)	(97.22)
Total expenses		51,657.21	41,329.95
Share of profits/(loss) of associate (net)	49	560.74	(915.48)
Profit before exceptional items and tax		13,990.75	10,223.53
Exceptional items (net) - (gain)/loss	32	39.21	-
Profit before tax		13,951.54	10,223.53
Tax expense			
Current tax		3,631.70	2,623.85
Deferred tax		(235.35)	63.69
Deferred tax- Exceptional Item		(19.31)	211.26
Total tax expense	33	3,377.04	2,898.80
Profit after tax		10,574.50	7,324.73
Profit/(loss) attributable to non-controlling interest		(169.71)	-
Profit for the year		10,744.21	7,324.73

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 gains/(losses) of defined benefit plans		(2.00)	20.53
Tax impact on above		0.50	(5.06)
Changes in fair value of FVTOCI equity instruments		(1,467.35)	1,474.17
Tax impact on above	50m	209.83	(268.68)
Bargain Purchase gain on step acquisition		21.83	-
Items that will be reclassified to profit or loss			
Valuation gains/(losses) on derivative hedging instruments		35.51	(32.43)
Tax impact on above		(8.20)	8.15
Changes in fair value of FVTOCI debt instruments		(9.75)	0.52
Tax impact on above		2.45	(0.13)
Foreign currency translation as share of associate of subsidiary		(6.03)	(5.87)
Change in foreign currency translation reserve of subsidiary		(138.42)	123.79
Other comprehensive income (net of tax)		(1,361.63)	1,314.99
Total comprehensive income for the year (net of tax)		9,212.87	8,639.72
Profit attributable to:			
Owners of the Company		10,744.21	7,324.73
Non-controlling interest		(169.71)	-
		10,574.50	7,324.73
Other comprehensive income attributable to:			
Owners of the Company		(1,361.63)	1,314.99
Non-controlling interest		-	-
		(1,361.63)	1,314.99
Total comprehensive income attributable to:			
Owners of the Company		9,382.58	8,639.72
Non-controlling interest		(169.71)	-
		9,212.87	8,639.72
Earnings per share (in ₹) attributable to owners of the parent	34		
Basic Earnings per share (in ₹)		385.0	262.4
Diluted Earnings per share (in ₹)		384.4	262.0
(Nominal value per share ₹ 10 (previous year ₹ 10))			

Summary of material accounting policies followed by the Group

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

On behalf of the Board of Directors

Dinesh Thapar
Chief Financial Officer

Niraj Bajaj
Chairman
(DIN: 00028261)

Rajiv Bajaj
Managing Director
(DIN: 00018262)

per Paul Alvares
Partner
Membership Number: 105754
Pune: 6 May 2026

Rajiv Gandhi
Company Secretary

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

Consolidated Statement Of Changes In Equity

A. Equity share capital

Particulars	Note No.	Year ended 31 March 2026		Year ended 31 March 2025	
		Number	(₹ In Crore)	Number	(₹ In Crore)
At the beginning of the year		279,257,608	279.26	279,179,756	279.18
Changes in equity share capital due to prior period errors		-	-	-	-
Restated balance at the beginning of the current reporting period		279,257,608	279.26	279,179,756	279.18
Changes in equity share capital (net)		240,230	0.24	77,852	0.08
At the end of the year	13	279,497,838	279.50	279,257,608	279.26

Consolidated Statement of Changes in Equity (Contd.)

B. Other equity

(₹ In Crore)

Particulars	Note No.	Attributable to owners													Total other equity	Non-controlling interest
		Reserves and surplus				Other reserves										
		General reserve	Retained earnings	Cash flow hedging reserve	Statutory Reserves	Foreign exchange difference of subsidiary on paid-up capital	Foreign currency translation reserve	FVTOCI reserve	Capital Reserve	Securities premium	Capital redemption reserve	Share based payments reserve	Treasury shares			
Balance as at 31 March 2024	14	6,389.60	19,666.70	-	-	0.28	787.95	1,665.71	63.14	86.31	10.41	102.62	(89.49)	28,683.23	0.01	
Profit for the year		-	7,324.73	-	-	-	-	-	-	-	-	-	-	7,324.73	-	
Other comprehensive income (net of tax)		-	9.60	(24.28)	-	(0.01)	123.80	1,205.88	-	-	-	-	-	1,314.99	-	
Total comprehensive income for the year ended 31 March 2025		-	7,334.33	(24.28)	-	(0.01)	123.80	1,205.88	-	-	-	-	-	8,639.72	-	
Transactions with owners in their capacity as owners																
Recognition of share based payments to employees		-	-	-	-	-	-	-	-	-	-	64.71	-	64.71	-	
Transfer of share based payment reserve to free reserve		-	67.89	-	-	-	-	-	-	-	-	(67.89)	-	-	-	
Securities premium on issue of shares		-	-	-	-	-	-	-	-	29.26	-	-	-	29.26	-	
Treasury shares held by ESOP Trust		-	-	-	-	-	-	-	-	-	-	-	51.01	51.01	-	
Final dividend for the year ended 31 March 2024		-	(2,233.44)	-	-	-	-	-	-	-	-	-	-	(2,233.44)	-	
Adjustments on account of change in share of net assets of associate		-	(325.01)	-	-	-	-	-	-	-	-	-	-	(325.01)	-	
Transfer to statutory reserve		-	(11.66)	-	11.66	-	-	-	-	-	-	-	-	-	-	
Balance as at 31 March 2025	14	6,389.60	24,498.81	(24.28)	11.66	0.27	911.75	2,871.59	63.14	115.57	10.41	99.44	(38.48)	34,909.48	0.01	
Profit for the year		-	10,744.21	-	-	-	-	-	-	-	-	-	-	10,744.21	(169.71)	
Other comprehensive income (net of tax)		-	(1.50)	27.31	-	0.03	(144.48)	(1,264.82)	21.83	-	-	-	-	(1,361.63)	-	
Total comprehensive income for the year ended 31 March 2026		-	10,742.71	27.31	-	0.03	(144.48)	(1,264.82)	21.83	-	-	-	-	9,382.58	(169.71)	
Transactions with owners in their capacity as owners																
Recognition of share based payments to employees		-	-	-	-	-	-	-	-	-	-	70.60	-	70.60	-	
Transfer of share based payment reserve to free reserve		-	6.46	-	-	-	-	-	-	-	-	(6.46)	-	-	-	
Securities premium on issue of shares		-	-	-	-	-	-	-	-	93.24	-	-	-	93.24	-	
Treasury shares held by ESOP Trust		-	-	-	-	-	-	-	-	-	-	-	(39.00)	(39.00)	-	
Final dividend for the year ended 31 March 2025		-	(5,864.41)	-	-	-	-	-	-	-	-	-	-	(5,864.41)	-	
Transfer to statutory reserve		-	(132.97)	-	132.97	-	-	-	-	-	-	-	-	-	-	
Addition/Adjustments in NCI due to acquisition of subsidiary		-	-	-	-	-	-	-	-	-	-	-	-	-	1,558.13	
Balance as at 31 March 2026	14	6,389.60	29,250.60	3.03	144.63	0.30	767.27	1,606.77	84.97	208.81	10.41	163.58	(77.48)	38,552.49	1,388.43	

Note: There are no changes in accounting policies or prior period errors during the current or previous year.

Summary of material accounting policies followed by the Group

1

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
Pune: 06 May 2026

Dinesh Thapar
Chief Financial Officer

Rajiv Gandhi
Company Secretary

On behalf of the Board of Directors

Niraj Bajaj
Chairman
(DIN: 00028261)

Rajiv Bajaj
Managing Director
(DIN: 00018262)

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

Consolidated Statement Of Cash Flows

(₹ In Crore)

For the year ended 31 March

Particulars	2026	2025
I. Operating activities		
Profit before tax	13,951.54	10,223.53
Adjustments to reconcile profit before tax to net cash flows:		
Add:		
i) Depreciation and amortisation expense	644.69	414.23
ii) Loss on property, plant and equipment sold, demolished, discarded and scrapped	36.14	2.35
iii) Provision/Impairment for doubtful debts and advances/loans	546.81	142.42
iv) Bad debts written off	12.09	6.82
v) Share based payment to employees	74.65	67.32
vi) Exchange loss/(gain) on cash and cash equivalents	0.88	6.71
vii) Exchange loss/(gain) on trade receivables	(41.92)	0.07
viii) Exchange loss/(gain) on import payables	3.30	0.51
ix) Exchange loss/(gain) on borrowings	-	16.44
x) Interest adjustment on Government grant	1.99	1.79
xi) Interest income on Income-tax refund	(34.53)	-
xii) Interest expense (excluding financial services business)	258.22	66.30
	1,502.32	724.96
Less:		
i) Investment income included in above:		
Interest income on fixed income securities	147.24	123.81
Interest income on fixed deposits	102.47	124.78
Interest income on loans	568.39	8.38
Interest income on exchange traded funds	432.53	436.49
Interest income on fixed maturity plans	52.77	49.55
Profit/(loss) on sale of other investments, net	12.79	31.05
Gain on valuation and realisation of mutual funds measured at fair value through profit or loss	486.49	648.28
Dividend income on other strategic investments	32.55	30.10
Amortisation of premium/discount on acquisition of fixed income securities	(6.16)	1.35
	1,829.07	1,453.79
ii) Share of profits/(loss) of associate	560.74	(915.48)
iii) Government grants	2.65	2.65
iv) Gain on NPV settlement of deferred sales tax	34.53	-
v) Surplus on sale of property, plant and equipment	4.08	3.23
	(2,431.07)	(544.19)
	13,022.79	10,404.30
Change in assets and liabilities		
i) (Increase)/decrease in inventories	639.02	(388.61)
ii) (Increase)/decrease in trade receivables	1,346.44	(51.64)
iii) (Increase)/decrease in loans and other assets	(10,370.85)	(9,848.16)
iv) Increase/(decrease) in liabilities and provisions	1,388.83	1,228.70
	(6,996.56)	(9,059.71)
Annuity payments (net) to VRS/Welfare scheme optees	(0.09)	(0.12)
Net cash flow from operating activities before income tax	6,026.14	1,344.47
Income tax paid	(3,429.54)	(2,750.04)
Net cash flow from/(used in) operating activities	2,596.60	(1,405.57)
Carried forward	2,596.60	(1,405.57)

Consolidated Statement Of Cash Flows (Contd.)

(₹ In Crore)

For the year ended 31 March

Particulars	For the year ended 31 March	
	2026	2025
Brought forward	2,596.60	(1,405.57)
II. Investing activities		
i) Sale of investments	25,834.52	9,803.85
ii) Purchase of investments	(26,617.14)	(11,896.59)
iii) Sale/(purchase) of liquid mutual funds, etc., net	536.30	1,425.49
iv) Addition to investment property	(1.66)	-
v) Loans given	(7,702.59)	(518.68)
vi) Changes in treasury shares by ESOP trust	(39.00)	51.01
vii) (Increase)/decrease in other bank balances	(15.32)	22.88
viii) Deposits with Banks placed	(290.65)	(2,808.72)
ix) Deposits with Banks redeemed	1,296.65	3,424.53
x) Purchase of property, plant and equipment (including advances)	(560.39)	(813.54)
xi) Sale proceeds of property plant and equipment	10.24	6.38
xii) Cash and cash equivalent acquired net of consideration paid for business combination	355.34	-
xiii) Expenditure on intangible assets (including under development)	(161.93)	(60.30)
	(7,355.63)	(1,363.69)
xiv) Investment income		
Interest income on fixed income securities	147.24	123.81
Interest income on fixed deposits	102.47	124.78
Interest income on loans	162.00	8.38
Dividend income on other strategic investments	32.55	30.10
	444.26	287.07
(Increase)/decrease in interest receivable	(122.51)	20.35
	321.75	307.42
Net cash flow from/(used in) investing activities	(7,033.88)	(1,056.27)
Carried forward	(4,437.28)	(2,461.84)

Consolidated Statement Of Cash Flows (Contd.)

(₹ In Crore)

For the year ended 31 March

Particulars	2026	2025
Brought forward	(4,437.28)	(2,461.84)
III. Financing activities		
i) Interest expense (excluding financial services business)	(258.22)	(66.30)
ii) Change in sales tax deferral liability	(0.02)	0.01
iii) Repayment of deferred sales tax liability (NPV basis)	(21.79)	-
iv) Proceeds from borrowings	23,266.49	8,945.14
v) Repayment of borrowings	(12,584.96)	(1,510.96)
vi) Proceeds from Debt Securities	2,453.45	-
vii) (Repayment) of Debt Securities	(1,990.00)	-
viii) Equity share buy-back (incl. tax and expenses)	-	(931.84)
ix) Issue of capital (including securities premium)	93.43	29.34
x) Payment of principal portion of lease liabilities	(24.35)	-
xi) Dividend paid (including payment of earlier unclaimed dividend)	(5,854.58)	(2,235.32)
Net cash flow from/(used in) financing activities	5,079.45	4,230.07
IV. Change in foreign currency translation arising on consolidation	-	9.56
Net change in cash and cash equivalents	642.17	1,777.79
Cash and cash equivalents at the beginning of the year	2,331.53	560.45
Add/(Less): Effects of exchange (loss)/gain on cash and cash equivalents	16.27	(6.71)
Cash and cash equivalents at the end of the year [See note 11]	2,989.97	2,331.53
For change in liability arising from financing activity (See note 37a)		

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
Pune: 06 May 2026

Dinesh Thapar
Chief Financial Officer

Rajiv Gandhi
Company Secretary

On behalf of the Board of Directors

Niraj Bajaj
Chairman
(DIN: 00028261)

Rajiv Bajaj
Managing Director
(DIN: 00018262)

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

Notes to consolidated financial statements for the year ended 31 March 2026

1 Corporate information

A. Bajaj Auto Limited (the 'Company' or the 'Parent Company') (CIN - L65993PN2007PLC130076) is a company limited by shares, incorporated and domiciled in India. The Parent Company, its subsidiaries (collectively, the 'Group') and its associates are engaged in the business of development, manufacturing and distribution of automobiles such as motorcycles, commercial vehicles, electric vehicles etc. and parts thereof and providing financing services for automobiles. The Group sells its automobile products in India as well as in various other global markets. The registered office of the Parent Company is located at Mumbai-Pune Road, Akurdi, Pune 411035.

The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Group on 06 May 2026.

For details of subsidiaries of Bajaj Auto Ltd., consolidated in accordance with Ind AS 110 'Consolidated Financial Statements' and associates of Bajaj Auto Ltd., in accordance with Ind AS 28 'Investment in Associates and Joint Ventures' and included in these consolidated financial statements refer note 45.

B. Summary of material accounting policies followed by the Group

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 and other relevant provisions of the Act, on an accrual basis.

The Consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities (including derivative instruments) that are measured at fair value in accordance with Ind AS.

The Consolidated financial statements are presented in INR, which is also the Group's functional currency and all values are rounded to the nearest crore (INR 0,000,000), except when otherwise indicated.

All assets and liabilities, other than deferred tax assets and liabilities, have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for current and non-current classification of assets and liabilities.

Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

B.1 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries, being the entities that it controls. Control is evidenced where the Company has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries/associates used in preparation of consolidated financial statements are of the same reporting year as the parent company except for financial statements of Bajaj Auto ('Thailand') Ltd. ('BA Thailand'), Bajaj Auto Spain S.L.U. ('BASL'), Bajaj Do Brasil Comercio De Motocicletas Ltda ('Bajaj Brasil'); and Bajaj Auto International Holdings AG including its subsidiaries/associates (jointly referred as 'BAIHAG-Group') whose end of reporting period is different from that of parent company. The Group consolidates financial information of these companies with a three months' time lag as adjusted for the effects of significant transaction or events that occur between the date of those financial statements and the date of consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group. For non-wholly owned subsidiaries, a share of the profit/loss for the financial year and net assets is attributed to the non-controlling interests as shown in the consolidated Statement of Profit and Loss and consolidated balance sheet even if this results in the non-controlling interests having a deficit balance. For acquisitions of additional interests in subsidiaries, where there is no change in control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. The financial statements of subsidiaries acquired or disposed

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

off during the year are included in the consolidated Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. Intragroup balances and transactions, and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated unless costs cannot be recovered.

B.2 Investment in associates

Investments in associates are accounted for using the equity method. An associate is an entity over which the Group is in a position to exercise significant influence over operating and financial policies. The considerations made in determining whether significant influence is being exercised are similar to those necessary to determine control over the subsidiaries. Goodwill arising on the acquisition of associates is included in the carrying value of investments in associate.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit and Loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the Statement of Profit and Loss.

The financial statements of the associates which have a different reporting period are prepared with a three months' time lag for consolidation into the Group financial statements. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss. Any changes in the value of previously held equity interest which were recognised in other comprehensive income in prior reporting periods are recognised on the same basis as would be required if the Group had disposed directly previously held equity interest.

B.3 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received, with the exception of the costs of issuing debt or equity securities that are recognised in accordance with Ind AS 32 and Ind AS 109.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate. Any changes in the value of previously held equity interest which were recognised in other comprehensive income in prior reporting periods are recognised on the same basis as would be required if the Group had disposed directly previously held equity interest.

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 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.

Contingent consideration, if any, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration, if any, meets the definition of financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

B.4 Use of estimates, judgements and assumptions

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes and in the relevant notes together with information about basis of calculation for each affected line item in the financial statements:

- Valuation of investments [Refer note B.9 and note 39]
- Derivative instruments [Refer note B.10 and note 7]
- Revenue and trade receivables [Refer note B.5, note 10 and note 25]

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

- Provisions and Contingent liabilities [Refer note B.16, note 19 and note 38]
- Residual value and useful life of property, plant and equipment, intangible assets and Investment Property [Refer note B.6]
- Recognition of deferred tax asset to the extent of offsetting against deferred tax liabilities and the availability of positive tax results [Refer note B.15 and note 20]
- Recognition of right of use assets [Refer note B.17 and note 2]
- Recognition of Intangible assets and its useful life. [Refer note B.7 and note 4]
- Employee benefits obligations [Refer note B.14 and note 41]
- Share based payments [Refer B.24 and note 36]
- Impairment of non-financial assets [Refer note B.11]
- Business combinations [Refer note B.3 and 46]
- Derecognition of financial assets [Refer note B.9 (iv) and note 10]
- Other disclosures relating to the Group's exposure to risks and uncertainties include:
 - Capital management [Refer note 37]
 - Financial risk management objectives and policies [Refer note 40]
 - Sensitivity analyses disclosures [Refer note 40]

B.5 Revenue from Operations

A) Automotive business – Revenue from contracts with customers

Revenue is recognised when control of goods (vehicles or parts) or services have been transferred to the customer; at an amount that reflects the consideration which the Group expects to be entitled in exchange for those goods or services. Amounts disclosed as revenue are net of goods and service tax (GST) or value added tax (VAT), as applicable.

Sale of Goods (vehicles or parts)

The Group has determined that, in case of sale of goods transfer of control, and therefore revenue recognition, generally corresponds to the date when the goods are released to the carrier responsible for transporting them to the customer in the following manner:

- Domestic sales are recognised at the time of dispatch from the point of sale;
- Export sales are recognised on the date when shipped on board as per terms of sale and are initially recorded at the relevant exchange rates prevailing on the date of the transaction

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration and consideration payable to customers) allocated to that performance obligation. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, consideration payable to the customer and the existence of significant financing components (if any).

Variable consideration

If the consideration in a contract includes a variable amount (like volume rebates/incentives, cash discounts, subventions etc.), the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The estimate of variable consideration for expected future volume rebates/incentives, cash discounts, subventions etc. are made on the most likely amount method.

Consideration payable to the customer

Consideration payable to a customer includes cash amounts that the Group pays, or expects to pay, to the customer.

Financing component

Generally, the Group receives short term advances from its customers. The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less. In cases where the Group does not receive short term advances from its customers,

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

the terms of contract with customers do not contain any express or implied payment terms which would indicate the existence of a significant financing component.

Principal versus agent consideration in respect of freight

The Group, on behalf of its customers, dispatches goods to agreed locations for an agreed fee. The Group has determined that the performance obligation of the Group is to arrange for those goods and services (Group is an agent) to the customers and hence the amount charged to the customer offset by freight charges paid to the freight service providers is shown as revenue and disclosed as other operating income or other operating expenses, depending upon the results of the offsetting.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

Advance received from customers

A contract liability is the obligation to transfer goods to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is received, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

B) Financial services business

Income from financial services business:

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 (FVOCI). The Group recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit impaired assets. Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

Fees and commission income:

The Group recognises:

- Service and administration charges on completion of contracted service;
- Bounce and penal charges on realisation;
- Insurance commission income on delivery of services to the customer;
- Income on loan foreclosure and prepayment on realisation.

Net gain on fair value changes

The Group designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL). The Group recognises gains/loss on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis and unrealised gain/loss on fair value change of financial assets measured at FVTPL.

C) Other operating revenue

Interest charged to dealers for payment beyond due date and Royalty income is recognised on accrual basis in accordance with the substance of their relevant agreements. In respect of Government Grants recognised as Other operating revenue, refer to accounting policy section no. B.18 'Government Grants'

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

B.6 Property, plant and equipment, Capital work in progress and depreciation/amortisation

A. Property, plant and equipment and Capital work in progress

- i) Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment except land are carried at historical cost of acquisition, construction or manufacturing, as the case may be, less accumulated depreciation. Freehold land is carried at cost of acquisition.
- ii) Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended. Such cost includes the cost of replacing part of the plant and equipment, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.
- iii) The cost of property, plant and equipments acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, such assets are carried at cost less any accumulated depreciation and accumulated impairment loss.
- iv) Costs incurred to manufacture/construct property, plant and equipment are reduced from the total expense under the head 'Expenses, included in above items, capitalised' in the Statement of Profit and Loss.
- v) Land and buildings acquired/constructed, not intended to be used in the operations of the Group and held for earning long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, are categorised as investment property.
- vi) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- vii) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

Tangible assets

- i. Depreciation is provided on a pro rata basis on straight line method to allocate the cost, net of residual value over the estimated useful lives of the assets.

The estimated useful lives are as follows:

Asset class	Useful life
Buildings	03-60 years
Water pumps, reservoirs and mains	05-15 years
Plant and machinery	10-15 years
Computers and IT Equipment	03-06 years
Dies and Moulds	03-08 years
Electric installations	10 years
Factory equipment's	08-15 years
Furniture	10 years
Office equipment	05-13 years
Electric fittings	10 Years
Vehicles and Aircrafts (including prototype)	1.5-10 Years

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

Where a significant component (in terms of cost) of an asset has an estimated economic useful life shorter than that of its corresponding asset, the component is depreciated over its shorter life.

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

- ii. Assets which are depreciated over useful life/residual value different than those indicated by Schedule II are as under:

Asset class	As per Schedule II	Useful life
Aircraft	20 years	10 years
PDC Dies	8 years	3 years
Factory equipment	15 years	10 years

- iii. Depreciation on additions is being provided on pro rata basis from the date of such month of such additions.
- iv. Depreciation on assets sold, discarded or demolished during the year is being provided up to the month in which such assets are sold, discarded or demolished.
- v. The Group reviews the estimated residual values and expected useful lives of property, plant and equipment at least annually. In particular, it considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Group considers climate-related matters, including physical and transition risks. Specifically, it determines whether climate-related legislation and regulations might impact either the useful life or residual values.

B.7 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

i) Trademarks

Trademarks acquired separately or through business combinations are recognised as intangible assets when it is probable that future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. On initial recognition, trademarks are measured at cost, which includes Purchase price (including non-refundable taxes and duties), or fair value at the acquisition date in case of acquisition through a business combination and any directly attributable costs incurred to prepare the asset for its intended use.

After initial recognition, trademarks are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The Group has assessed the trademark as having a definite useful life of 30 years, based expected period of economic benefits, industry practices and brand longevity considerations. Accordingly, trademark is amortised over period of 30 years on straight line method, which reflects the pattern in which the economic benefits of the asset are expected to be consumed.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

ii) Technical know-how

a) Technical know-how acquired

Technical know-how acquired is stated at acquisition cost less accumulated amortisation and impairment losses, if any. On the date of acquisition, technical know-how acquired through business combination is measured at the acquisition date fair value. After such initial recognition, technical know-how acquired are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

b) Technical know-how developed by the Group (Research and Development costs)

Expenditure on research and development activities is recognised as an expense in the period in which it is incurred unless the recognition criteria are met. Research costs are expensed as incurred. Development expenditure on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

c) Costs incurred to develop an intangible asset are reduced from total expenses and disclosed under the head 'Expenses, included in above items, capitalised' in the Statement of Profit and Loss. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

d) Amortisation of technical know-how:

Scheduled amortisation is carried out according to the straight-line method on the basis of a useful life of three to five years which is based on underlying product life cycles of developed/acquired technical know how. The scheduled amortisation of capitalised development costs that can be clearly assigned to specific products or processes takes place with the start of series production.

During the period of development, the asset is tested for impairment annually.

iii) Customer relationships

Customer relationships acquired through business combinations are recognised as intangible assets when they meet the recognition criteria under IndAS 103 and IndAS 38. On initial recognition, such assets are measured at their fair value at the acquisition date.

Subsequent to initial recognition, customer relationships are carried at cost (being the fair value at acquisition) less accumulated amortisation and impairment losses, if any.

Based on management's assessment of customer attrition patterns and historical retention analysis, the Group has determined that the useful life of customer relationships is 9 years from the date of acquisition. Accordingly, the asset is amortised on a straight-line basis over this period, which reflects the expected pattern of consumption of economic benefits.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

B.8 Investment property

Property which is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are expensed when incurred.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

Depreciation on investment property is provided on a pro rata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the Management, corresponds to those prescribed by Schedule II- Part 'C' of the Companies Act, 2013.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

B.9 Investments, financial assets and financial liabilities

(i) Classification

The Group classifies its financial assets at initial recognition in the following measurement categories:

- a. those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b. those to be measured at amortised cost.

The classification is done depending upon the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets classified as 'measured at fair value', gains and losses 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.

(ii) Measurement

Initial Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

At initial recognition, the Group measures a financial asset at its fair value including, in the case of 'a financial asset not at FVTPL', transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at 'FVTPL' are expensed in the Statement of Profit and Loss, when incurred.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer accounting policy section no. B.5A 'Revenue from contracts with customers'.

For a financial asset to be classified and subsequently measured at amortised cost or FVTOCI (excluding equity instruments which are measured at FVTOCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent Measurement

Subsequent measurement of financial assets depends on the Group's business model for managing the financial asset and the cash flow characteristics of the financial asset.

Subsequent measurement for automotive business

There are three measurement categories into which the Group classifies its financial instruments:

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

Subsequently measured at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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.

Financial assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost e.g. debentures, bonds, fixed maturity plans, trade receivables etc.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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. Interest income from trade receivables is included in Other operating income in the Statement of Profit and Loss; whilst interest income from the remaining financial assets is included in Other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. A gain or 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.

In case of fixed maturity plans (FMP), they are measured at amortised cost, if the Group intends to hold the FMPs to maturity. Further, the Group applies amortised cost for those FMPs where the Group is able to demonstrate that the underlying instruments in the portfolio would fulfill the SPPI test and the churn in the underlying portfolio is negligible. These conditions are assessed at each balance sheet date. If these conditions are not fulfilled, then FMPs are valued at FVTPL.

The Group intends to hold its investment in open ended target maturity funds (i.e. exchange traded funds/ETF) till maturity. It may be noted that these funds have a pre-determined maturity date. These funds follow a passive buy and hold strategy; in which the existing underlying investment bonds are expected to be held till maturity unless sold for meeting redemptions or rebalancing requirements as stated in the scheme document. In the group's view, such strategy mitigates intermittent price volatility in open ended target maturity funds' underlying investments; and investors who remain invested until maturity are expected to mitigate the market/volatility risk to a large extent. These funds can invest only in plain vanilla INR bonds with fixed coupon and maturity; and cannot invest in floating rate bonds. Based on this, the Group believes that the investments in open ended target maturity funds meet the requirements of SPPI test as per the requirements of Ind AS 109.

Subsequently measured at FVTOCI:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading, if any, are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Subsequently measured at FVTPL:

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

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

Subsequent measurement for financial services business

There are three measurement categories into which the Group classifies its financial instruments:

At amortised cost

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR (Effective Interest Rates). For the purpose of SPPI (Solely payment of Principal and Interest) test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form. The EIR amortization is included in finance income in the profit and loss statement. The losses arising from impairment are recognised in the profit and loss statement.

Accordingly, the Group measures bank balances, loans, trade receivables and other financial instruments at amortised cost for its financial service business.

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

Unamortised transaction incomes and impairment allowance on Financial asset is included under the head 'Loans'. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

At fair value through Other Comprehensive Income (FVTOCI)

After initial measurement, basis assessment of the business model as 'Contractual cash flows of Asset collected through hold and sell model and SPPI', such financial assets are classified to be measured at FVTOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI.

The EIR amortization is included in finance income in the profit and loss statement. The losses arising from impairment are recognised in the profit and loss statement. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealised gain/loss is recorded in other comprehensive income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual gain/loss realised is recorded in the profit and loss statement and the unrealised gain/losses recorded in OCI are recycled to the Statement of Profit and Loss.

At fair value through profit and loss (FVTPL)

Financial asset, which does not meet the criteria for categorisation at amortised cost or FVTOCI, is classified as at FVTPL. In addition, the Group may elect to classify a financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(iii) Impairment of financial assets

a. Automotive business

The Group assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortised cost for e.g., debt securities, deposits, trade receivables and bank balances. 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.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECL) at each reporting date, right from its initial recognition.

In respect of other financial assets (e.: debt securities, deposits, bank balances etc), the Group generally invests in instruments with high credit rating and consequently low credit risk. In the unlikely event that the credit risk increases significantly from inception of investment, lifetime ECL is used for recognising impairment loss on such assets.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument over the expected life of the financial instrument.

ECL impairment loss allowance (or reversal) recognised during the period 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. The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost and trade receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments based on shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument.

However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

b. Financial services business

Expected credit losses (ECL) are recognised for applicable financial assets held under amortised cost.

Financial assets where no significant increase in credit risk has been observed since inception are considered to be in 'stage 1' for which a 12 month ECL is recognised. Financial assets that are considered to have significant increase in credit risk since inception are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Life time ECL is recognised for stage 2 and stage 3 financial assets.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial assets ('lifetime ECL').

Financial assets are written off in full, when there is no realistic prospect of recovery. The Group may apply enforcement activities to certain qualifying financial assets written off.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

Treatment of the different stages of financial assets and the methodology of determination of ECL:

a. Credit impaired (stage 3)

The Group recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether:

- Contractual payments of principal and/or interest are past due for more than 90 days;
- The loan is otherwise considered to be in default.

Loan accounts where principal and/or interest are past due for more than 90 days along with all other loans of such customer, continue to be classified as stage 3, till overdue across all loan accounts are cleared.

b. Significant increase in credit risk (stage 2)

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure. However, unless identified at an earlier stage, any overdue of more than 1 day past due and up to 90 days past due as on the reporting date is considered as an indication of financial assets to have suffered a significant increase in credit risk.

The measurement of risk of defaults under stage 2 is computed on homogenous portfolios, generally by nature of loans, tenors, underlying collateral, geographies and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioural trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioural trends, credit transition probabilities and macroeconomic conditions. The assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

c. Without significant increase in credit risk since initial recognition (stage 1)

ECL resulting from default events that are possible in the next 12 months are recognised for financial assets in stage 1. The Group has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using behavioural analysis and other performance indicators, determined statistically.

d. Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including past events, current conditions and current profile of customers.

Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors. In addition, the estimation of ECL takes into account the time value of money.

The 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 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 a periodical basis by using the available incremental and recent information, except where this information does not represent the future outcome.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

(iv) Derecognition of financial assets

A financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset or the rights to receive cash flows from the financial asset have expired. Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

In relation to non-recourse factoring arrangements of trade receivables, the Group in its BAIHAG sub-group enters into agreements whereby trade receivables are sold to financial institutions without recourse. Under such arrangements, the Group assesses whether the contractual terms result in a transfer of substantially all credit risk, late payment risk, and other risks and rewards associated with the receivables.

Significant judgements and estimates:

The assessment of derecognition, particularly in non-recourse factoring arrangements, involves significant judgement. The Group evaluates the substance of the transaction, including:

- whether any credit enhancement, guarantees, or implicit obligations are retained,
- the extent of exposure to variability in cash flows,
- whether there is any continuing involvement in the receivables, and
- the commercial rationale and contractual terms of the factoring agreement.

Judgement is required to determine whether the Group has retained substantially all risks and rewards (in which case derecognition is not appropriate), transferred them (leading to derecognition), or neither transferred nor retained substantially all risks and rewards (where control assessment is required). In such cases, the Group assesses whether it has retained control over the financial asset.

Estimates may also be required in evaluating potential exposure to losses, including assessment of historical default patterns, credit quality of customers, and contractual recourse provisions, if any, embedded in the arrangement.

Based on this evaluation, where the Group concludes that substantially all risks and rewards have been transferred and there is no continuing involvement, the receivables are derecognised and any resulting gain or loss is recognised in the statement of profit and loss. Otherwise, the receivables continue to be recognised to the extent of the Group's continuing involvement.

(v) Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The Group applies amortised cost, where it has ability to demonstrate that the underlying instruments in the portfolio fulfill the solely payments of principal and interest ('SPPI') test and the churn in the portfolio is negligible.

B.10 Derivative and hedging activities

The Group uses derivative financial instruments such as range forward, Cross Currency Interest Rate Swaps (CCIRS), Interest rate swap (IRS) and par forward currency contracts to hedge its foreign currency risks. Such derivative instruments are initially recognised at fair value on the date at which the derivative contract is entered and are subsequently re-measured at fair value as at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

value is negative. Fair value remeasurements are recognised in the Statement of Profit and Loss in the period in which fair value changes. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

The Group documents its risk management objectives and strategy for undertaking various hedge transactions. In terms thereof, the Group designates their derivatives as hedges of foreign exchange risks associated with the cash flow of highly probable forecast transactions (viz. export sales).

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than or equal to 12 months.

Cash flow hedges that qualify for hedge accounting –

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, within other gains/(losses).

For hedge accounting, hedges are classified as Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

When forward contracts are used to hedge forecast transactions, the Group designates them in entirety as the hedging instrument. Any gains or losses arising from changes in the fair value for the effective portion of cash flow hedges is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

Where option contracts are used to hedge forecast transactions, the Group designates intrinsic value of the option contract as hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contract are recognised in the cash flow hedging reserve within equity. The changes in time value of the option contracts that relate to the hedged items are recognised through other comprehensive income in 'Costs of hedging reserve' within equity.

When a hedging instrument expires, or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time is recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the Statement of Profit and Loss. When a hedging instrument is unexercised and expires, the cumulative gain or loss is reversed within equity with the corresponding effect to the hedge receivable/payable.

If the hedge ratio for risk management is no longer optimal, but risk management objectives remain unchanged and hedge continues to qualify for hedge accounting, the hedge relationships are re-balanced so that the hedge ratio aligns. Consequently, hedge ineffectiveness is computed and accounted for in the Statement of Profit and Loss immediately.

B.11 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Impairment loss of non-financial assets, if any are recognised in the Statement of profit and loss.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

B.12 Foreign currency transactions

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

i) Transaction and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI and accumulated in equity in a separate reserve, viz., Foreign Currency Translation Reserve. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These differences are recognised in OCI and accumulated in equity in a separate reserve, viz., Hedge Reserve until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss.

Certain foreign operations, as referred to in section B.1 of this accounting policy, do not prepare additional financial statements as of the Parent's reporting date. Accordingly, the Group uses the financial statements of the foreign operations drawn up to their respective reporting dates. Assets and liabilities of foreign operations are translated into

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

Indian Rupees at the exchange rate prevailing at the end of the reporting period of the foreign operation. Adjustments are made for significant changes in exchange rates up to the Parent's reporting date, in line with Ind AS 110 requirements. The same approach is applied when accounting for investments in associates under the equity method in accordance with Ind AS 28.

B.13 Inventories

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

- i) Finished stocks of vehicles and auto spare parts and stocks of work-in-progress are valued at cost of manufacturing or net realisable value whichever is lower. Cost is calculated on a weighted average basis.
- ii) Stores, packing materials and tools which does not meet the recognition criteria of property, plant and equipment are valued at cost arrived at on a weighted average basis or net realisable value, whichever is lower.
- iii) Raw materials and components are valued at cost arrived at on a weighted average basis or net realisable value, whichever is lower.
- iv) Inventory of machinery spares and maintenance materials not being material are expensed in the year of purchase.
- v) Goods in transit are stated at actual cost incurred up to the date of Balance Sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

B.14 Employee benefits

A) Privilege leave entitlements

Privilege leave 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, subject to terms and conditions of the scheme, the accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

B) Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policy and Debt fund of the Life Insurance Corporation of India (LIC) and Bajaj Allianz Life Insurance Company Ltd. (BALIC). However, any deficit in plan assets managed by LIC and BALIC as compared to the liability based on an independent actuarial valuation is recognised as a liability.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method in conformity with the principles and manner of computation specified in Ind AS 19.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Past service costs are recognised in profit or loss on the earlier of either the date of the plan amendment or curtailment, or the date that the Group recognises related restructuring costs.

- C) Provident fund contributions** in relations to employees of Holding Company are made to Holding Company's Provident Fund Trust. The contributions are accounted for as defined benefit plans and the contributions are recognised as employee benefit expense when an employee renders the related service. Deficits, if any, of the fund as compared to liability based on an independent actuarial valuation is to be additionally contributed by the Group and hence recognised as a liability.

Provident fund contributions in relation to employees of Indian Companies forming part of Group (except Holding Company) are made to the Recognised Employees' Provident Fund (RPF) scheme administered by the Government of India in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. For employees of the Group's foreign operations, the Group contributes to social security schemes as mandated by the respective local laws and regulations. Contributions to provident fund and social security schemes are disclosed under 'Employee Benefits Expense'. Since both schemes are administered by government authorities, the Company does not carry any actuarial risk or obligation for future benefits beyond its statutory contributions. Accordingly, contributions are accounted for as defined contribution plans.

D) Severance payments

Due to legal regulations, the BAIHAG-Group is obliged to make a severance payment to all employees in Austria whose employment relationship began before January 1, 2003 upon termination by the employer or at the time of retirement. This performance-based obligation depends on the number of years of service and the relevant salary at the time of severance pay and amounts to between two and twelve months' salary. Estimates are made when recognizing and measuring liabilities for severance payments. Assumptions are made on the following factors: expected values, demographic assumptions such as the retirement age of women/men and employee turnover, as well as financial assumptions such as the actuarial interest rate and future wage and salary trends. This obligation is calculated annually by actuaries in conformity with the principles and manner of computation specified in Ind AS 19. Refer note 41(ii).

For all employment relationships established in Austria after 31 December 2002, the Group pays 1.53% of the salary per month into a company employee provision fund, in which the contributions are invested in an employee's account and paid out to him or passed on as an entitlement upon termination of the employment relationship. The Group is only obliged to pay the contributions that are recognised in the expenditure for which they were paid in the financial year for which they were paid (defined contribution obligation).

E) Jubilee Bonuses

On the basis of collective agreements, companies of the BAIHAG-Group are obliged to pay jubilee bonuses to employees in Austria in accordance with the achievement of certain years of service (from 25 years of service) (performance-oriented obligation). The obligations for claims from anniversary bonuses is calculated by Actuaries in conformity with the principles and manner of computation specified in Ind AS 19. Refer note 41(ii)

B.15 Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

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

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

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences. However, where certainty of future taxable profits is not established, deferred tax assets are recognised only to the extent of deferred tax liabilities arising from taxable temporary differences that either will reverse in the same period as the deductible temporary differences, or will reverse in a period in which the deferred tax asset can be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Services Tax (GST)/value added taxes (VAT) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/VAT paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ii. When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/non-current assets/liabilities in the balance sheet.

B.16 Provisions and contingent liabilities

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

B.17 Leases

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the right-of-use asset). Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. In case of acquisitions due to Business Combinations, the right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the favourable terms of the lease relative to market terms. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

If ownership of the right-of-use asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section B.11 Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate ('IBR') at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short term leases and low value leases

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

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

B.18 Government grant and Incentives

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

When loans or similar assistance are provided by Governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a Government grant. The loan or assistance is initially recognised and measured at fair value and the Government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Investment grants from the public sector in BAIHAG Group companies are treated as compensation for the associated depreciation. Accordingly, such grants are reduced from acquisition costs of related property, plant and equipment.

B.19 Dividends

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

B.20 Cash and cash equivalents

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

B.21 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources.

For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

B.22 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group has set policies and procedures for both recurring and non-recurring fair value measurement of financial assets, which includes valuation techniques and inputs to use for each case.

For fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note B.4)
- Quantitative disclosures of fair value measurement hierarchy (note 39)
- Investment properties (note 3)
- Financial instruments (including those carried at amortised cost) (note 39)

B.23 Other income

i) Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Group and that the amount of the dividend can be measured reliably.

ii) Other income

The Group recognises other income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent revenue is reasonably certain and can be reliably measured.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

B.24 Share based payment

Certain employees (including senior executives) of the Group receive part of their remuneration in the form of employee stock options (ESOP).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. Further details including the assumptions and models used for estimating fair value for share-based payment transactions are given in note 36.

That cost is recognised, together with a corresponding increase in share-based payment reserve in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of ESOPs, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an ESOP, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an ESOP and lead to an immediate expensing of an ESOP unless there are also service and/or performance conditions.

No expense is recognised for ESOPs that do not ultimately vest because non-market performance and/or service conditions have not been met. Where ESOPs include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

B.25 Treasury shares

The Group has created an ESOP Trust (the 'Trust') for providing share-based payment to its employees. The Group uses the Trust as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The Trust purchases shares of the Group from the market or is issued shares by the Group, for giving shares to employees. The Group treats Trust as its extension and shares held by the Trust 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 or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Share options exercised during the reporting period are settled with treasury shares.

B.26 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Managing Director who is the Chief Operating Decision Maker. The Core Management Committee examines performance both from a product as well as from a geographical perspective and has identified three operative reportable segments from which significant risks and rewards are derived viz. Automotive business and Investments and Financing.

B.27 Borrowing cost

a. Automotive business

Borrowing costs are expensed in the period in which they are incurred. There are no general and specific borrowing costs incurred by the Group that are directly attributable to the acquisition, construction or production of a qualifying asset during the year.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

B Summary of material accounting policies followed by the Group (Contd.)

b. Financial services business

Finance Cost - pertaining to financing Borrowing costs on financial liabilities are recognised using the EIR method as per Ind AS 109 'Financial Instruments'.

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as recovery charges are recognised in the Statement of Profit and Loss on an accrual basis.

B.28 Changes in accounting policies and disclosures

New and amended standards

Certain accounting standards, amendments and interpretations apply for the first time annual periods beginning on or after 1 April 2025, but do not have an impact on the financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2 Property, plant and equipment (including right-of-use assets) Current year

(₹ In Crore)

Particulars	Gross block					As at 31 Mar 2026	Depreciation				Net block	
	As at 1 April 2025	Additions	Additions due to acquisition	Deductions/ adjustments	Foreign currency translations		As at 1 April 2025	Deductions/ adjustments	For the year	Foreign currency translations	As at 31 Mar 2026	As at 31 Mar 2026
	(i)	(ii)	(iii)	(iv)	(v)		(vi)	(vii)	(viii)	(ix)	(x)	(xi)=(vii)- (viii)+(ix)+(x)
(i) Property, plant and equipment and Right-of-use assets												
Land freehold	19.97	-	550.52	-	8.70	579.19	-	-	-	-	-	579.19
Land leasehold (Right-of-use assets)	146.47	4.19	74.39	-	1.13	226.18	-	2.19	-	2.19	223.99	223.99
Buildings	1,510.94	25.33	1,684.43	11.69	41.96	3,250.97	484.39	53.20	(1.54)	536.05	2,714.92	2,714.92
Buildings (Right-of-use assets)	-	-	140.22	-	8.88	149.10	-	4.07	-	4.07	145.03	145.03
Waterpumps, reservoirs and mains	23.26	0.12	-	-	-	23.38	16.06	0.55	-	16.61	6.77	6.77
Plant and machinery	1,884.25	113.11	917.59	62.53	30.24	2,882.66	1,123.63	46.63	103.03	0.22	1,180.25	1,702.41
Plant and machinery (Right-of-use assets)	-	-	198.81	-	3.20	202.01	-	2.94	-	2.94	199.07	199.07
Computers and IT Equipment	137.29	43.92	28.97	21.54	0.63	189.27	89.48	11.29	26.81	(0.03)	104.97	84.30
Computers and IT Equipment (Right-of-use assets)	-	10.00	11.10	-	0.16	21.26	-	0.84	-	0.84	20.42	20.42
Dies and moulds	1,404.00	201.22	-	11.59	2.01	1,595.64	742.30	10.54	155.85	-	887.61	708.03
Dies and moulds (Right-of-use assets)	-	-	45.04	0.02	7.91	52.93	-	8.13	-	8.13	44.80	44.80
Electric installations	107.69	8.69	-	0.26	-	116.12	78.37	0.26	3.52	-	81.63	34.49
Factory equipment	632.12	43.91	84.02	3.57	2.55	759.03	354.17	2.61	38.10	0.08	389.74	369.29
Factory equipment (Right-of-use assets)	-	-	1.40	-	0.02	1.42	-	0.04	-	0.04	1.38	1.38
Furniture	59.74	13.25	-	0.45	0.24	72.78	43.95	0.45	4.36	0.06	47.92	24.86
Office equipment	72.18	7.09	182.32	0.36	45.70	306.93	56.59	0.36	17.50	(1.50)	72.23	234.70
Office equipment (Right-of-use assets)	-	0.17	24.76	-	1.00	25.93	-	1.30	-	1.30	24.63	24.63
Electric fittings	60.52	0.81	-	0.24	-	61.09	35.81	0.24	3.55	-	39.12	21.97
Vehicles and aircraft	790.89	26.04	29.08	32.74	0.70	813.97	235.83	30.33	95.13	0.02	300.65	513.32
Vehicles and aircraft (Right-of-use assets)	-	2.05	73.99	-	1.96	78.00	-	4.26	-	4.26	73.74	73.74
Total	6,849.32	499.90	4,046.64	144.99	156.99	11,407.86	3,260.58	102.71	525.37	(2.69)	3,680.55	7,727.31
(ii) Capital work-in-progress	29.20	50.96	73.60	35.22	1.78	120.32	-	-	-	-	-	120.32

(a) At cost (less Depreciation), except freehold land which is at cost.

(b) No revaluation has been done during the year with respect to property, plant and equipment.

(c) For additions due to acquisition refer note 46.

(d) The group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

(e) As of the balance sheet date, property, plant and equipment in the amount of ₹ 604.72 crore were secured by pledge deeds entered and deposited in the land register, primarily for liabilities to banks.

(f) For disclosure related to right-of-use assets and corresponding lease liabilities see note 24.

Ageing Schedule for Capital work-in-progress

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	114.94	5.37	0.01	-	120.32
Projects temporarily suspended	-	-	-	-	-
Total	114.94	5.37	0.01	-	120.32

There are no delayed and overrun projects.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

2 Property, plant and equipment (including right-of-use assets) (Contd.)

Previous year

Particulars	Gross block				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
	(i)	(ii)	(iii)	(iv)=(i)+(ii)-(iii)	(v)	(vi)	(vii)	(viii)=(v)-(vi)+(vii)	
(i) Property, plant and equipment									
Land freehold	19.97	-	-	19.97	-	-	-	-	19.97
Land leasehold (Right-of-use assets)	148.45	-	1.98	146.47	-	-	-	-	146.47
Buildings	1,401.42	109.58	0.06	1,510.94	442.16	0.04	42.27	484.39	1,026.55
Waterpumps, reservoirs and mains	20.06	3.20	-	23.26	15.65	-	0.41	16.06	7.20
Plant and machinery	1,689.91	213.81	19.47	1,884.25	1,062.70	16.10	77.03	1,123.63	760.62
Computers and IT Equipment	93.60	43.73	0.04	137.29	76.75	0.04	12.78	89.48	47.81
Dies and moulds	1,040.42	364.49	0.91	1,404.00	628.25	0.87	114.92	742.30	661.70
Electric installations	97.60	10.09	-	107.69	75.56	-	2.81	78.37	29.32
Factory equipment	594.39	38.99	1.26	632.12	321.46	1.18	33.89	354.17	277.95
Furniture	54.59	5.34	0.19	59.74	38.47	0.15	5.63	43.95	15.79
Office equipment	68.55	4.40	0.77	72.18	51.48	0.76	5.87	56.59	15.59
Electric fittings	58.00	2.71	0.19	60.52	32.23	0.19	3.77	35.81	24.71
Vehicles and aircraft	757.64	47.03	13.78	790.89	152.43	11.84	95.24	235.83	555.06
Total	6,044.60	843.37	38.65	6,849.32	2,897.14	31.17	394.62	3,260.58	3,588.74
(ii) Capital work-in-progress	28.23	29.98	29.01	29.20	-	-	-	-	29.20

- (a) At cost, except leasehold land which is at cost, less depreciation.
- (b) No revaluation has been done during the year with respect to property, plant and equipment.
- (c) No assets acquired or transferred as part of business combination.

Ageing Schedule for Capital work-in-progress

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	27.57	1.63	-	-	29.20
Projects temporarily suspended	-	-	-	-	-
Total	27.57	1.63	-	-	29.20

There are no delayed and overrun projects.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

3 Investment property

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Gross carrying amount		
Opening balance	69.67	69.67
Additions	1.66	–
Closing balance	71.33	69.67
Accumulated depreciation		
Opening balance	21.89	20.77
Depreciation charge	1.13	1.12
Closing balance	23.02	21.89
Net carrying amount	48.31	47.78

i) Amounts recognised in the Statement of Profit and Loss for investment properties

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Rental income	21.18	19.70
Direct operating expenses from property that generated rental income	(0.05)	(0.36)
Direct operating expenses from property that did not generate rental income	–	–
Profit from investment properties before depreciation	21.13	19.34
Depreciation	(1.13)	(1.12)
Net profit from investment property	20.00	18.22

ii) Contractual obligations

The Group has no restrictions on the realisability of its investment property. There are no contractual obligations to purchase, construct or develop investment property as at the year end.

iii) Leasing arrangements

Investment property is leased out to various tenants under operating leases. Disclosure on future rent receivable is included in Note 24.

iv) Fair value

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Investment property	238.78	234.09

Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties. Since investment properties leased out by the Group are cancellable and non-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 locations determined by an independent registered valuer, as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules 2017, and consequently classified as a level 2 valuation.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

4 Intangible assets

Current year

(₹ In Crore)

Particulars	Gross block					As at 31 March 2026	Amortisation				Net block	
	As at 1 April 2025	Additions	Additions due to acquisition	Deductions/ adjustments	Foreign currency translations		As at 1 April 2025	Deductions/ adjustments	For the year	Foreign currency translations	As at 31 March 2026	As at 31 Mar 2026
	(i)	(ii)	(iii)	(iv)	(v)	(vi)=(i)+(ii)+(iii)-(iv)+(v)	(vii)	(viii)	(ix)	(x)	(xi)=(vii)-(viii)+(ix)+(x)	
Intangible assets												
Technical know-how developed/acquired	149.48	271.17	121.79	-	2.53	544.97	133.07	-	54.34	0.17	187.58	357.39
Customer relationships	-	-	751.74	-	14.49	766.23	-	-	7.09	-	7.09	759.14
Trademarks	-	0.15	2,799.87	-	54.45	2,854.47	-	-	8.40	-	8.40	2,846.07
Software	26.90	6.45	251.52	15.35	4.86	274.38	3.24	-	48.36	-	51.60	222.78
Total Intangible assets	176.38	277.77	3,924.92	15.35	76.33	4,440.05	136.31	-	118.19	0.17	254.67	4,185.38
Intangible assets under development	31.60	104.37	1,442.30	205.27	27.73	1,400.73	-	-	-	-	-	1,400.73

- (a) No revaluation has been done during the year with respect to intangible assets.
- (b) In accordance with IndAS 20, investment grants from the public sector are to be treated as compensation for the associated depreciation. The net method according to IndAS 20.24 (reduction of acquisition and production costs resulting in lower depreciation offset) is used.
- (c) There are no restrictions over the title of the Group's intangible assets, nor are any intangible assets pledged as security for liabilities.
- (d) For additions due to acquisition refer note 4c.

Ageing schedule for Intangible assets under development

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	84.50	187.46	246.67	882.10	1,400.73
Projects temporarily suspended	-	-	-	-	-
Total	84.50	187.46	246.67	882.10	1,400.73

There are no delayed and overrun projects.

4 Intangible assets

Previous year

(₹ In Crore)

Particulars	Gross block					As at 31 March 2025	Amortisation				Net block	
	As at 1 April 2024	Additions	Additions due to acquisition	Deductions/ adjustments	Foreign currency translations		As at 1 April 2024	Deductions/ adjustments	For the year	Foreign currency translations	As at 31 March 2025	As at 31 Mar 2025
	(i)	(ii)	(iii)	(iv)	(v)	(vi)=(i)+(ii)+(iii)-(iv)+(v)	(vii)	(viii)	(ix)	(x)	(xi)=(vii)-(viii)+(ix)+(x)	
Intangible assets												
Technical know-how developed/acquired	131.30	18.18	-	-	-	149.48	119.38	-	13.69	-	133.07	16.41
Software	9.51	17.39	-	-	-	26.90	0.42	-	2.82	-	3.24	23.66
Total Intangible assets	140.81	35.57	-	-	-	176.38	119.80	-	16.51	-	136.31	40.07
Intangible assets under development	6.87	39.64	-	14.91	-	31.60	-	-	-	-	-	31.60

- (a) No revaluation had been done during the previous year with respect to intangible assets.
- (b) There were no restrictions over the title of the Group's intangible assets, nor were any intangible assets pledged as security for liabilities.

Ageing schedule for Intangible assets under development

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	31.60	-	-	-	31.60
Projects temporarily suspended	-	-	-	-	-
Total	31.60	-	-	-	31.60

There are no delayed and overrun projects.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

5 Investments

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
(A) Investments in associates (accounted at equity method) (Unquoted)				
49,900 equity shares of Euro 1 each in Bajaj Auto International Holdings AG (earlier known as Pierer Bajaj AG)	–	3,688.27	–	–
49% equity held in CFMOTO-KTMR2R Motorcycles Company Limited	168.85	–	–	–
40% equity held in KTM Asia Motorcycle Manufacturing Inc	–	–	–	–
20% equity held in LX Media GmbH	0.33	–	–	–
20% equity held in KISKA GmbH	13.74	–	–	–
Less: Kiska GmbH (classified as held for sale)*	(13.74)	–	–	–
Total (A)	169.18	3,688.27	–	–
(B) Other investments				
Investment carried at fair value through other comprehensive income				
In equities (Quoted)				
– 3,500,000 Equity Shares of ₹ 10 each in Bajaj Holdings & Investments Ltd.	3,061.10	4,365.57	–	–
In equities (Unquoted)				
– 23,924 Compulsorily Convertible Preference Shares of ₹ 100 each in Yulu Bikes Private Ltd.	98.20	261.08	–	–
– 100 Equity Shares of ₹ 1 each in Yulu Bikes Private Ltd.	0.10	0.10	–	–
	98.30	261.18	–	–
Investment in SDL (State development loan) bond (Unquoted)	224.70	78.30	–	–
Investment in Alternative Investment Fund (Unquoted)				
– 60 Units of LUMIS LABS Fund - CARET CL A2	2.98	–	–	–
Investment carried at amortised cost (Quoted)				
In Government Securities				
(-)/(10,000,000) 6.49% Gujarat State Development Loan 2029 of ₹ 100 each	–	100.22	–	–
(-)/(5,000,000) 6.57% Gujarat State Development Loan 2031 of ₹ 100 each	–	50.10	–	–
(-)/(10,000,000) 6.53% Karnataka State Development Loan 2030 of ₹ 100 each	–	100.26	–	–
(-)/(4,150,000) 6.54% Karnataka State Development Loan 2030 of ₹ 100 each	–	41.53	–	–
(-)/(7,500,000) 6.96% Karnataka State Development Loan 2031 of ₹ 100 each	–	75.44	–	–
	–	367.55	–	–

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
In Bonds				
58,000/(-) 7.77% Power Finance Corporation of ₹ 100,000 each	-	-	581.89	-
30,000/(-) 7.55% Power Finance Corporation of ₹ 100,000 each	-	-	300.74	-
950/(-) 7.13% Power Finance Corporation of ₹ 1,000,000 each	-	-	94.95	-
46,000/(-) 7.22% National Housing Bank of ₹ 100,000 each	-	-	460.01	-
35,500/(-) 7.40% National Housing Bank of ₹ 100,000 each	-	-	355.23	-
44,000/(-) 7.64% Rural Electrification Corporation of ₹ 100,000 each	-	-	440.09	-
42,000/(-) 7.56% Rural Electrification Corporation of ₹ 100,000 each	-	-	419.78	-
1,200/(-) 7.84% HDB Financial Services of ₹ 1,000,000 each	-	-	119.95	-
500/(500) 8.18% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	51.81	52.40	-	-
1,750/(1,750) 8.24% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	182.53	184.76	-	-
4,550/(4,550) 7.43% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	468.75	471.85	-	-
700/(700) 7.10% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	71.69	72.08	-	-
600/(600) 6.87% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	60.67	60.82	-	-
2,800/(2,800) 6.39% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	278.37	278.10	-	-
750/(750) 6.42% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	74.13	73.95	-	-
250/(250) 6.44% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	24.75	24.70	-	-
1,900/(1,900) 6.49% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	189.90	189.83	-	-
250/(250) 6.85% National Bank for Agriculture and Rural Development of ₹ 1,000,000 each	25.12	25.14	-	-
	1,427.72	1,433.63	2,772.64	-
In Fixed deposits other than banks (Unquoted)				
8.18% Bajaj Finance Ltd. Fixed Deposit	-	-	-	250.00
8.05% Bajaj Finance Ltd. Fixed Deposit	-	-	-	210.00
8.00% Bajaj Finance Ltd. Fixed Deposit	-	-	-	30.00
7.35% Bajaj Finance Ltd. Fixed Deposit	-	-	-	13.50
7.30% Bajaj Finance Ltd. Fixed Deposit	-	-	45.00	-
6.75% Bajaj Finance Ltd. Fixed Deposit	-	-	225.30	-
6.70% Bajaj Finance Ltd. Fixed Deposit	-	-	400.00	-
6.70% Bajaj Finance Ltd. Fixed Deposit	-	-	226.50	-
6.65% Bajaj Finance Ltd. Fixed Deposit	-	-	145.00	-
	-	-	1,041.80	503.50

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
In Commercial paper (Unquoted)				
6,000/(-) Commercial Paper of Rs 500,000 each of HDB Financial Services - 07.07.2026	-	-	294.10	-
In Exchange traded funds (Quoted)				
(-)/(8,724,846) Edelweiss Mutual Fund Bharat Bond ETF April 2025	-	-	-	1,117.86
15,940,436/(15,940,436) Edelweiss Mutual Fund Bharat Bond ETF - April 2030	2,506.66	2,349.39	-	-
3,565,094/(3,565,094) Edelweiss Mutual Fund Bharat Bond ETF - April 2031	502.80	471.18	-	-
4,282,638/(4,282,638) Edelweiss Mutual Fund Bharat Bond ETF - April 2032	565.88	529.37	-	-
(-)/(43,000,000) Nippon India ETF Nifty SDL - April 2026	-	552.61	-	-
205,847,653/(205,847,653) Nippon India Nifty AAA CPSE Bond Plus SDL Apr 2027 Maturity 60:40 Index Fund	262.54	245.32	-	-
48,828,497/(48,828,497) Nippon India Nifty SDL Plus G-Sec Jun 2028 70:30 Index Fund	61.86	57.63	-	-
263,770,566/(263,770,566) Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund	-	319.49	338.21	-
166,093,651/(166,093,651) Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund	213.02	200.71	-	-
226,004,362/(226,004,362) Aditya Birla Sun Life Crisil IBX SDL Plus AAA PSU Apr 2027 60:40 Index Fund	288.34	269.87	-	-
76,795,997/(76,795,997) Aditya Birla Sun Life Crisil IBX GILT Plus SDL Apr 2028 50:50 Index Fund	98.68	92.04	-	-
113,891,937/(113,891,937) Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund	145.80	137.24	-	-
20,000,000/(20,000,000) Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund	26.39	24.68	-	-
48,396,620/(48,396,620) Kotak Nifty SDL Plus AAA PSU Bond Jul 2028 60:40 Index Fund	61.99	57.72	-	-
298,359,352/(298,359,352) SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund	-	359.35	380.75	-
183,849,514/(183,849,514) Axis Crisil IBX SDL 2027 Debt Index Fund	234.64	219.69	-	-
192,038,100/(192,038,100) HSBC Crisil IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund	246.85	230.18	-	-
191,980,955/(191,980,955) DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund	246.92	230.23	-	-
81,937,188/(81,937,188) ICICI Prudential Nifty SDL Dec 2028 Index Fund	106.15	98.60	-	-
63,868,446/(63,868,446) ICICI Prudential Nifty SDL Sep 2027 Index Fund	81.72	76.89	-	-
	5,650.24	6,522.19	718.96	1,117.86

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
In Fixed maturity plans (Unquoted)				
44,000,000/(44,000,000) Units of Aditya Birla Sun Life Fixed Term Plan - Series - TQ (1879 Days) - Direct Growth	56.05	52.78	-	-
48,000,000/(-) Units of Bandhan Fixed Term Plan Series 179 - Direct Growth	82.48	-	-	-
50,000,000/(50,000,000) Units of HDFC Fixed Maturity Plan- Series 46 (1861 Days) - Direct Growth	63.37	59.78	-	-
63,000,000/(-) Units of ICICI Prudential Fixed Maturity Plan - Series 85 10 Years Plan I - Direct Growth	107.75	-	-	-
74,996,250/(74,996,250) Units of Kotak Fixed Maturity Plan- Series 292 - Direct Growth	-	92.55	98.05	-
44,997,750/(44,997,750) Units of Nippon India Fixed Horizon Fund XLIII -Series 1 - Direct Growth	-	55.29	58.52	-
29,998,500/(29,998,500) Units of Nippon India Fixed Horizon Fund XLIII -Series 5 - Direct Growth	38.65	36.32	-	-
74,996,250/(74,996,250) Units of SBI Fixed Maturity Plan - Series 49 (1823 Days) - Direct Growth	-	92.25	97.70	-
60,000,000/(60,000,000) Units of SBI Fixed Maturity Plan - Series 51 (1846 Days) - Direct Growth	-	73.02	77.18	-
25,000,000/(25,000,000) Units of SBI Fixed Maturity Plan - Series 52 (1848 Days) - Direct Growth	-	30.27	31.96	-
60,000,000/(60,000,000) Units of SBI Fixed Maturity Plan - Series 53 (1839 Days) - Direct Growth	-	72.59	76.73	-
7,500,000/(7,500,000) Units of SBI Fixed Maturity Plan - Series 54 (1842 Days) - Direct Growth	-	9.11	9.65	-
50,000,000/(50,000,000) Units of SBI Fixed Maturity Plan - Series 55 (1849 Days) - Direct Growth	-	60.41	63.92	-
52,500,000/(52,500,000) Units of SBI Fixed Maturity Plan - Series 57 (1835 Days) - Direct Growth	-	63.24	66.91	-
50,000,000/(50,000,000) Units of SBI Fixed Maturity Plan - Series 58 (1842 Days) - Direct Growth	-	60.72	64.47	-
40,000,000/(40,000,000) Units of SBI Fixed Maturity Plan - Series 60 (1878 Days) - Direct Growth	50.77	47.92	-	-
65,000,000/(65,000,000) Units of SBI Fixed Maturity Plan (FMP) - Series 61 (1927 Days) - Direct Growth	82.74	77.93	-	-
	481.81	884.18	645.09	-
Investment carried at fair value through profit or loss				
In Mutual fund units (Quoted)				
44,276,723/(-) Units of Axis Income Plus Arbitrage Active FoF - Direct Plan - Growth	67.54	-	-	-
34,631,684/(34,631,684) Units of DSP Banking & PSU Debt Fund - Direct Plan - Growth	88.36	84.62	-	-
22,236,948/(-) Units of DSP Income Plus Arbitrage Omni FoF - Direct Plan - Growth	51.62	-	-	-
673,225,624/(673,225,624) Units of Bandhan Corporate Bond Fund - Direct Plan-Growth (erstwhile IDFC Corporate Bond Fund-Direct Plan-Growth)	1,382.11	1,302.87	-	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
14,296,498/(14,296,498) Units of Bandhan Bond Fund - Short Term-Direct Plan-Growth (erstwhile IDFC Bond Fund-Direct Plan-Growth)	90.80	85.44	-	-
117,182,739/(117,182,739) Units of Bandhan Banking & PSU Debt Fund - Direct Plan - Growth (erstwhile IDFC Banking & & PSU Debt Fund - Direct Plan - Growth)	307.51	290.48	-	-
18,914,853/(-) Units of Bandhan Income Plus Arbitrage Active FoF - Direct Plan - Growth	90.49	-	-	-
171,472,479/(-) Units of Kotak Income Plus Arbitrage Omni FoF - Direct Plan - Growth	220.40	-	-	-
30,603,467/(30,603,467) Units of Kotak Bond Short Term Plan-Direct Plan - Growth	182.24	171.52	-	-
22,032,838/(-) Units of HSBC Income Plus Arbitrage Active FoF - Direct Plan - Growth	51.84	-	-	-
30,779,648/(30,779,648) Units of HSBC Short Duration Fund - Direct Plan- Growth	89.46	84.30	-	-
122,864,287/(122,864,287) Units of Nippon India Floating Rate Fund - Short Term-Direct Plan - Growth	607.75	570.06	-	-
146,141,389/(146,141,389) Units of ICICI Prudential Bond Fund - Direct Plan-Growth	632.64	610.15	-	-
449,031,864/(449,031,864) Units of HDFC Corporate Bond Fund - Direct Plan-Growth	1,532.71	1,461.22	-	-
116,201,242/(116,201,242) Units of HSBC Banking & PSU Debt Fund - Direct Plan- Growth	306.94	289.87	-	-
	5,702.41	4,950.53	-	-
In Short Duration Bond Funds (Quoted)				
211,215,073/(132,151,678) Units of Aditya Birla Sun Life CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	230.57	135.20
161,608,341/(-) Units of Aditya Birla Sun Life CRISIL-IBX Financial Services 9 to 12 Months Debt Index Fund - Direct Plan - Growth	-	-	173.05	-
19,440,313/(-) Units of Axis CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	20.04	-
16,786,810/(58,528,134) Units of Bandhan Money Manager Fund - Direct Plan - Growth	-	-	76.75	250.50
37,408,699/(-) Units of Bandhan CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	40.11	-
650,000/(-) Units of Bajaj Finserv Low Duration Fund - Direct Plan - Growth	-	-	65.29	-
(-)/(48,894,814) Units of Edelweiss Money Market Fund - Direct Plan - Growth	-	-	-	150.30
(-)/(497,759) Units of Edelweiss Low Duration Fund - Direct Plan - Growth	-	-	-	50.03
132,531,831/(-) Units of HDFC CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	140.49	-
(-)/(46,938,133) Units of Kotak Nifty AAA Bond Jun 2025 HTM Index Fund - Direct Plan - Growth	-	-	-	50.60
(-)/(49,750,749) Units of Kotak CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	-	50.08

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
99,011,324/(-) Units of Kotak CRISIL-IBX Financial Services 9 to 12 Months Debt Index Fund - Direct Plan - Growth	-	-	101.70	-
40,547,481/(-) Units of Kotak CRISIL IBX AAA Financial Services Index - Sep 2027 Fund - Direct Plan - Growth	-	-	45.52	-
28,243,139/(-) Units of Kotak CRISIL-IBX AAA Bond Financial Services Index - Dec 2026 Fund - Direct Plan - Growth	-	-	30.58	-
79,880,024/(-) Units of Nippon CRISIL-IBX Financial Services 9 to 12 Months Debt Index Fund - Direct Plan - Growth	-	-	80.16	-
19,981,218/(-) Units of Nippon CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	20.06	-
(-)/(44,907,042) Units of ICICI Prudential CRISIL-IBX Financial Services 3 to 6 Months Debt Index Fund - Direct Plan - Growth	-	-	-	45.07
44,679,438/(254,900,813) Units of Bandhan Arbitrage Fund - Direct Plan - Growth	-	-	164.40	879.67
(-)/(49,438,933) Units of Bajaj Finserv Arbitrage Fund - Direct Plan - Growth	-	-	-	55.31
77,195,645/(509,540,461) Units of DSP Arbitrage Fund - Direct Plan - Growth	-	-	126.56	783.72
227,842,209/(227,842,209) Units of Edelweiss Arbitrage Fund - Direct Plan - Growth	-	-	497.13	465.79
(-)/(154,725,978) Units of HSBC Arbitrage Fund - Direct Plan - Growth	-	-	-	309.08
392,135/(-) Units of HDFC Liquid Fund - Direct Plan - Growth	-	-	212.14	-
2,265,433/(4,051,431) Units of Bajaj Finserv Liquid Fund - Direct Plan - Growth	-	-	272.41	458.64
(-)/(736,150) Units of UTI Overnight Fund - Direct Plan - Growth	-	-	-	257.29
(-)/(3,219,398) Units of Nippon India Overnight Fund - Direct Plan - Growth	-	-	-	44.15
(-)/(1,481,406) Units of Axis Overnight Fund - Direct Plan - Growth	-	-	-	200.16
26,149,441/(22,947,339) Bandhan Ultra Short term Fund - Direct Plan -Growth	-	-	42.11	34.69
Others	-	-	-	60.38
	-	-	2,339.07	4,280.66

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

5 Investments (Contd.)

(₹ In Crore)

Particulars	Non-current investments		Current investments	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
In Equities (Unquoted)				
69,020/(-) Equity Shares of ₹ 10 each in Clean Max Godavari Private Limited	12.08	-	-	-
Investment in optionally convertible redeemable non-cumulative bonds of EURO 100,000 each (Unquoted)	-	460.45	-	-
Total (B)	16,661.34	19,323.58	7,811.66	5,902.02
Total (A)+(B)	16,830.52	23,011.85	7,811.66	5,902.02
Quoted	15,841.47	17,639.47	5,830.67	5,398.52
Unquoted	989.05	5,372.38	1,980.99	503.50
	16,830.52	23,011.85	7,811.66	5,902.02

Notes to Investments

- Investments made by the Group other than those with a maturity of less than one year, are intended to be held for long-term. On an assessment of the expected credit loss due to significant changes in risk profile, no material provisions are required to be made.
 - In absence of an active market and non availability of quotes on a recognised stock exchange, investment in fixed maturity plans though listed on recognised stock exchanges are disclosed as unquoted. Other mutual funds, though unlisted, are quoted on recognised stock exchanges at their previous day NAVs which is the quote for the day.
- * At the end of December 2025, the Group has made the strategic decision to sell the 20% share in KISKA GmbH. Accordingly, the Group has classified and valued these shares as 'held for sale' because pre-contractual agreements have already been reached with the majority shareholder in KISKA GmbH. By contract dated 14 January 2026, the share in KISKA GmbH held for sale was sold to the previous majority shareholder, Loxone GmbH, at a balance sheet value of ₹ 13.73 crore. Since, the entity is consolidated as a part of BAIHAG Group with 3 months lag, balance of assets held for sale presented is as 31 December 2025. (Refer section B.1 of Material Accounting Policies)

6 Loans

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Employee loans	0.92	1.94	1.70	2.59
Loan to related party (see note 42)	-	460.44	-	36.84
Loans (considered good)*	321.97	21.40	49.88	-
Loans Receivable (financing service business)**				
Secured term loans to customers under financing (against hypothecation of vehicles)	10,856.05	6,049.87	7,978.63	3,453.41
Less: Impairment loss allowance	291.09	82.68	94.04	27.65
	10,564.96	5,967.19	7,884.59	3,425.76
	10,887.85	6,450.97	7,936.17	3,465.19

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

6 Loans (Contd.)

* Details of loans

(₹ In Crore)

Name of party	Maturity Date	Rate of Interest p.a.	Secured/ Unsecured	Closing balance		Maximum balance	
				As at 31 March		As at 31 March	
				2026	2025	2026	2025
Pierer Konzerngesellschaft mBH (PIKO)	30 Jun 2027	9.00%	Secured	319.90	–	322.20	–
Bajaj Auto International Holdings AG (BAIH AG) (Formerly known as 'Pierer Bajaj AG' or 'PBAG')	31 Dec 2025	3-month Euribor + 200 bps	Unsecured	–	36.84	–	71.90
Bajaj Auto International Holdings AG (BAIH AG) (Formerly known as 'Pierer Bajaj AG' or 'PBAG')	25 Feb 2028	12-month Euribor + 800 bps	Unsecured	–	460.44	–	460.44
Yulu Bikes Private Limited	31 Dec 2026	10.6%	Unsecured	21.40	21.40	21.40	21.40

Above Yulu loans have been granted for general corporate purpose in the ordinary course of business. Other loans are pertaining to acquisition & restructuring exercise of KTM entities.

** Financial Business Loan Summary:

a) Summary of EIR impact on loans of financing business

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Total gross loan	18,941.95	9,577.11
Less: EIR impact	(107.27)	(73.83)
Total for gross term loan net of EIR impact	18,834.68	9,503.28

b) Summary of loans by stage distribution

Particulars	As at 31 March 2026			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	17,996.55	488.92	349.21	18,834.68
Less: Impairment loss allowance	(172.38)	(49.63)	(163.12)	(385.13)
Net carrying amount	17,824.17	439.29	186.09	18,449.55

Particulars	As at 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	9,240.92	186.28	76.08	9,503.28
Less: Impairment loss allowance	(55.46)	(20.65)	(34.22)	(110.33)
Net carrying amount	9,185.46	165.63	41.86	9,392.95

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

6 Loans (Contd.)

c) Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to loans:

Particulars	For the year ended 31 March 2026							
	Stage 1		Stage 2		Stage 3		Total	
	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance
As at 1 April 2025	9,240.92	55.44	186.29	20.66	76.08	34.24	9,503.29	110.34
Transfer during the Year								
transfer to Stage 1	19.80	1.88	(19.18)	(1.66)	(0.62)	(0.22)	–	–
transfer to Stage 2	(380.72)	(3.58)	380.98	3.67	(0.26)	(0.09)	–	–
transfer to Stage 3	(495.36)	(5.91)	(146.05)	(17.35)	641.41	23.26	–	–
	(856.28)	(7.61)	215.75	(15.34)	640.53	22.95	–	–
Impact of Change in Credit Risk on Account of Stage movement	–	(1.74)	–	24.35	–	296.59	–	319.20
New credit exposures net of repayments	12,778.73	119.20	187.22	20.50	74.04	31.86	13,039.99	171.56
Repayment net of additional disbursement	(3,166.82)	7.09	(100.34)	(0.54)	(191.63)	27.29	(3,458.79)	33.84
Amount written off during the year	–	–	–	–	(249.81)	(249.81)	(249.81)	(249.81)
As at 31 March 2026	17,996.55	172.38	488.92	49.63	349.21	163.12	18,834.68	385.13

Particulars	For the year ended 31 March 2025							
	Stage 1		Stage 2		Stage 3		Total	
	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance	Term loan (Gross)	Impairment loss allowance
As at 1 April 2024	710.69	3.08	0.15	0.01	–	–	710.84	3.09
Transfer during the Year								
transfer to Stage 1	0.01	–	(0.01)	–	–	–	–	–
transfer to Stage 2	(24.31)	(0.11)	24.31	0.11	–	–	–	–
transfer to Stage 3	–	–	–	–	–	–	–	–
	(24.30)	(0.11)	24.30	0.11	–	–	–	–
Impact of Change in Credit Risk on Account of Stage movement	–	–	–	1.95	–	15.79	–	17.74
New credit exposures net of repayments	8,781.67	51.46	165.92	18.58	91.99	57.29	9,039.58	127.33
Repayment net of additional disbursement	(227.14)	1.03	(4.09)	–	23.13	0.18	(208.10)	1.21
Amount written off during the year	–	–	–	–	(39.04)	(39.04)	(39.04)	(39.04)
As at 31 March 2025	9,240.92	55.46	186.28	20.65	76.08	34.22	9,503.28	110.33

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

6 Loans (Contd.)

Break-up of financial business loans details:

Particulars	As at 31 March	
	2026	2025
Loans considered good - Secured	17,996.55	9,240.92
Loans considered good - unsecured	-	-
Loans with significant increase in credit risk	488.92	186.28
Loans - credit impaired	349.21	76.08
Subtotal	18,834.68	9,503.28
Loss allowance	(385.13)	(110.33)
Total	18,449.55	9,392.95

See note 40 for disclosures related to credit risk, impairment of financial services receivables under expected credit loss model and related disclosure.

7 Other financial assets

(Unsecured, good, unless stated otherwise)

Particulars	At amortised costs			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
At amortised costs				
Bank deposits [See note 12]*	-	92.11	290.48	514.18
Security deposits **	126.68	31.58	21.43	-
Interest receivable on investments	-	-	166.67	83.97
Interest receivable on loans, deposits etc.	-	-	48.73	8.92
Incentives receivable from Government	-	-	1,284.18	986.76
Other advances***	-	-	596.52	559.85
Other receivables	5.94	-	302.94	11.54
At fair value through profit and loss				
Mark-to-market gains on derivative instruments # [See note 40]	-	-	-	2.51
At fair value through OCI				
Mark-to-market gains on derivative instruments # [See note 40]	231.46	1.14	-	-
	364.08	124.83	2,710.95	2,167.73

* The current balance ₹ 290.48 crore as at 31 March 2026 represents a mandatory deposit maintained under the Wells Fargo program. The program is a structured arrangement with Wells Fargo that requires the BAIHAG Group to hold a fixed deposit balance as part of its participation. This deposit is classified as restricted cash, as it is not available for immediate use or conversion. Any withdrawal or conversion of the deposit would result in termination of the program.

** Security deposits include a sum as at 31 March 2026 of ₹ 2.17 crore (previous year ₹ 1.92 crore) against use of premises on a Leave License basis, placed with directors and their relatives, jointly and severally. [See note 42]

*** It includes ₹ 448.73 crores (previous year ₹ 444.37 crore) short term interest free advances provided to dealers of holding company which are adjusted against loan disbursements of the financial service business of the Group.

31 March 2026 Derivative transactions comprises Cross Currency Interest Rate Swaps (CCIRS). The Company undertakes such transactions for hedging interest/foreign exchange risk on borrowings. The Asset Liability Management Committee periodically monitors and reviews the risks involved. The notional amount for CCIRS represents underlying foreign currency borrowings for which the Company has entered to hedge the variable interest rate and foreign exchange risks.

31 March 2025: Forward contract receivable are derivative instruments measured at fair value through profit and loss which reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

8 Other assets

(Unsecured, good, unless stated otherwise)

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Capital advances	26.70	33.30	–	–
Security deposits	7.59	7.45	–	–
Advances recoverable in cash or kind				
Other advances	30.95	27.44	1,381.55	318.81
Doubtful advances	4.03	4.03	–	–
	34.98	31.47	1,381.55	318.81
Less : Provision for doubtful advances	4.03	4.03	–	–
	30.95	27.44	1,381.55	318.81
Gratuity asset [See note 41]	–	18.86	–	–
GST /VAT credit/refund receivable & others	–	–	1,220.38	494.25
Other assets	2.27	–	–	–
Incentives receivable from government authorities	–	–	76.60	47.75
	67.51	87.05	2,678.53	860.81

9 Inventories

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Raw materials and components (includes in transit ₹ 371.05 crore [previous year ₹ 196.80 crore])	2,402.89	1,289.96
Work-in-progress	411.94	56.42
Finished goods	3,441.11	703.74
Stores, spares and packing material	37.36	22.54
Loose tools	1.19	4.70
	6,294.49	2,077.36

Amount recognised in profit and loss

As at 31 March 2026 write-downs of inventories to net realisable value/reversal of provision for write-down, resulted in net loss/ (gain) of ₹ 707.71 crore [Previous year – ₹ (45.34) crore].

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

10 Trade receivables

(₹ In Crore)

Particulars	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Unsecured, considered good	-	-	3,473.44	2,125.22
Receivables which have significant increase in credit risk	18.43	14.45	162.89	-
	18.43	14.45	3,636.33	2,125.22
Less: Allowance for bad and doubtful receivable [Note 40]	18.43	14.45	162.89	-
	-	-	3,473.44	2,125.22

The BAIHAG group and its subsidiaries has derecognized trade receivables in connection with the factoring program in accordance with the provisions of IndAS 109. As part of the factoring program, monthly revolving insured trade receivables are sold up to a maximum volume of ₹ 1,054.68 crore. Trade receivables amounting to ₹ 889.49 crore were factored on non recourse basis and were outstanding as at 31 December, 2025. Up to a contractually defined amount, the BAIHAG group and its subsidiaries continues to bear a risk from credit risk-related defaults. At the time of the sale, the expected loss is generally recognized as a liability. The carrying amount of the ongoing exposure amounts to ₹ 26.68 crore and is shown under the other financial liabilities. The carrying amount is the fair value of the ongoing exposure.

(₹ In Crore)

Outstanding for following periods from due date of payments

Ageing schedule as at 31 March 2026	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed trade receivables – considered good	3,468.27	0.77	1.67	2.66	0.07	3,473.44
ii) Undisputed trade receivables – which have significant increase in credit risk	60.59	29.70	82.93	0.45	0.70	174.37
iii) Disputed trade receivables - considered good	-	-	-	-	-	-
iv) Disputed trade receivables - which have significant increase in credit risk	0.01	0.14	0.20	-	6.60	6.95
	3,528.87	30.61	84.80	3.11	7.37	3,654.76

(₹ In Crore)

Outstanding for following periods from due date of payments

Ageing schedule as at 31 March 2025	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed trade receivables – considered good	2,121.80	0.51	2.84	-	0.07	2,125.22
ii) Undisputed trade receivables – which have significant increase in credit risk	5.33	0.90	0.56	0.56	0.50	7.85
iii) Disputed trade receivables – considered good	-	-	-	-	-	-
iv) Disputed trade receivables – which have significant increase in credit risk	-	-	-	0.02	6.58	6.60
	2,127.13	1.41	3.40	0.58	7.15	2,139.67

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

11 Cash and cash equivalents

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Balances with banks	2,552.01	1,245.58
Cash on hand	0.74	0.03
Cash equivalents		
Fixed Deposits with original maturity of less than three months from date of acquisition	437.22	1,085.92
	2,989.97	2,331.53

12 Other bank balances

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Unclaimed dividend & unspent CSR accounts	-	-	80.45	65.13
Deposits with original maturity of more than three months but less than twelve months	-	-	1.47	450.94
Deposits with remaining maturity for more than twelve months	-	92.11	-	-
Deposits with remaining maturity for less than twelve months	-	-	290.48	514.18
	-	92.11	372.40	1,030.25
Amount disclosed under 'other financial assets' [See note 7]	-	(92.11)	(290.48)	(514.18)
	-	-	81.92	516.07

13 Equity share capital

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Authorised		
300,000,000 equity shares of ₹ 10 each (31 March 2025: 300,000,000 equity shares of ₹ 10 each)	300.00	300.00
Issued, subscribed and fully paid-up shares		
279,497,838 equity shares of ₹ 10 each (31 March 2025: 279,257,608 equity shares of ₹ 10 each)	279.50	279.26
	279.50	279.26

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

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	279,257,608	279.26	279,179,756	279.18
Issued during the year*	240,230	0.24	77,852	0.08
Bought back during the year**	-	-	-	-
Outstanding at the end of the year	279,497,838	279.50	279,257,608	279.26

* Issued to ESOP trust by the Company for ESOP.

** Pursuant to the provisions of the Companies Act, 2013 ('Act') and the rules made thereunder, as amended, applicable provisions of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ('Buyback Regulations') and other applicable laws, the Board of Directors of the Company, at its meeting held on 06 May 2026, recommended buy-back of up to 4,694,000 fully paid-up equity shares of the Company having face value of ₹ 10/- (Indian Rupees Ten only) each ('Equity Shares') (representing up to 1.68% of the total number of Equity Shares in the paid-up equity share capital of the Company), at a price of ₹ 12,000 (Indian Rupees Twelve thousand only) per equity share payable in cash for an aggregate amount of up to ₹ 5,633 crore/- (Indian Rupees Five thousand six hundred and thirty three crore only) (excluding transaction costs such as brokerage cost, fees, turnover charges, expenses incurred or to be incurred for the buyback like filing fees payable to the Securities and Exchange Board of India, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses, applicable taxes such as securities transaction tax, good and service tax, stamp duty, etc. and other incidental and related expenses, etc.) on a proportionate basis through the 'Tender Offer' route as prescribed under the Buyback Regulations and other applicable law, from the equity shareholders/ beneficial owners of the equity shares of the company as on the record date, subject to approval of shareholders.

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The interim dividend declared by the Board of Directors; and the 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.

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 ₹ 10 each fully paid				
Bajaj Holdings & Investment Ltd.	95,547,251	34.19%	95,547,251	34.21%
Jamnial Sons Pvt. Ltd.	25,960,841	9.29%	25,960,841	9.30%

d. Shareholding of promoters

Promoter name	No. of shares	% of total shares	% change during the year
For FY2025-26			
Shekhar Bajaj	6,020	0.00%	0.00%
Madhur Bajaj	-	0.00%	(0.07%)
Niraj Bajaj	42,103	0.02%	0.00%
Rajiv Bajaj	7,45,001	0.27%	0.00%
Sanjiv Bajaj	2,00,000	0.07%	(0.04%)
Bajaj Holdings & Investment Limited	95,547,251	34.19%	(0.03%)

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

13 Equity share capital (Contd.)

Promoter name	No. of shares	% of total shares	% change during the year*
For FY2024-25			
Shekhar Bajaj	6,020	0.00%	0.00%
Madhur Bajaj	1,97,561	0.07%	0.00%
Niraj Bajaj	42,103	0.02%	0.00%
Rajiv Bajaj	745,001	0.27%	0.00%
Sanjiv Bajaj	323,233	0.12%	0.00%
Bajaj Holdings & Investment Ltd.	95,547,251	34.21%	(0.01%)

* There is no change in number of shares held however percentage of shareholding by the promoters is changed pursuant to increase on account of issue of 77,852 equity shares of the Company made during the year for ESOP.

14 Other equity

Particulars	As at 31 March	
	2026	2025
(₹ In Crore)		
Reserves and surplus:		
General reserve		
Balance as at the beginning of the year	6,389.60	6,389.60
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Balance as at the end of the year	6,389.60	6,389.60
Retained earnings		
Balance as at the beginning of the year	24,498.81	19,666.70
Profit for the year	10,744.21	7,324.73
Items of other comprehensive income recognised directly in retained earnings		
Actuarial gains/(losses) of defined benefit plans	(1.50)	15.47
Less: Adjustments on account of change in share of net assets of associate	-	(330.88)
Add: Amount transferred from Share based payment reserve	6.46	67.89
Less: Appropriations		
Transfer to statutory reserve	132.97	11.66
Final dividend for the year ended 31 March 2025/2024	5,864.41	2,233.44
Total appropriations	5,997.38	2,245.10
Balance as at the end of the year	29,250.60	24,498.81
Other reserves:		
Statutory reserve	144.63	11.66
Cash flow hedging reserve [See note 40]	3.03	(24.28)
Foreign exchange difference of subsidiary on paid-up capital	0.30	0.27
Foreign currency translation reserve	767.27	911.75
Capital Reserve (Refer notes below)	84.97	63.14

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

14 Other equity (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
FVTOCI reserve		
Balance as at the beginning of the year	2,871.59	1,665.71
Net (losses)/gains on FVTOCI equity/debt securities	(1,264.82)	1,205.88
Balance as at the end of the year	1,606.77	2,871.59
Securities premium		
Balance as at the beginning of the year	115.57	86.31
Add: Recognised during the year	93.24	29.26
Balance as at the end of the year	208.81	115.57
Capital redemption reserve		
Balance as at the beginning of the year	10.41	10.41
Add: Recognised during the year	-	-
Balance as at the end of the year	10.41	10.41
Share based payment reserve		
Balance as at the beginning of the year	99.44	102.62
Add: Recognised during the year	70.60	64.71
Less: Transfer to retained earnings	(6.46)	(67.89)
Balance as at the end of the year	163.58	99.44
Treasury shares		
Balance as at the beginning of the year	(38.48)	(89.49)
Add: Changes during the year	(39.00)	51.01
Balance as at the end of the year	(77.48)	(38.48)
	38,552.49	34,909.48

Nature and purpose of reserve:

General reserve

General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained earnings

Retained earnings is a free reserve. This is the accumulated profit earned by the Group till date, less transfer to general reserve, dividend and other distributions made to the shareholders.

Foreign exchange difference of subsidiary on paid-up capital

This reserve represents the foreign exchange difference due to rate on the date of receipt vis-à-vis date of share certificate issued.

Foreign currency translation reserve

This reserve represents the foreign exchange differences on converting subsidiaries financials into INR, including other adjustments on consolidation.

FVTOCI reserve

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI reserve within equity.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

14 Other equity (Contd.)

Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium.

Cash flow hedging reserve

It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

Capital redemption reserve

As per section 69 of the Companies Act 2013, where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to the capital redemption reserve account. The capital redemption reserve account may be applied by the Group, in paying up unissued shares of the Group to be issued to members of the Group as fully paid bonus shares.

Share based payment reserve

Share based payment reserve is created as required by Ind AS 102 'Share Based Payments' on the employee stock option scheme operated by the Company for its employees.

Capital reserve

Capital reserve mainly represent fair value gains/(losses) on swapping of stake in associate entity pursuant to buy back. During the year, the Company acquired additional shares in Bajaj Auto International Holdings AG (earlier known as Pierer Bajaj AG), resulting in 100% control and reclassification from associate to subsidiary. The acquisition led to a bargain purchase gain of ₹ 21.83 crore, which has been recognised in other comprehensive income and transferred to capital reserve in accordance with Ind AS 103.

Statutory reserve

For its financing subsidiary, every year the company transfers sum of not less than twenty percent of net profit of that year to the statutory reserve fund created pursuant to section 45IC(1) of the Reserve Bank of India Act, 1934. No appropriation of any sum from the reserve fund is permitted except for the purpose as may be specified by the Reserve Bank of India from time to time.

Treasury shares

The reserve for shares of the Company held by the Bajaj Auto ESOP Trust (ESOP Trust). Company has issued employees stock option scheme for its employees. The equity shares of the Company have been purchased and held by ESOP Trust. Trust to transfer in the name of employees at the time of exercise of option by employees.

15 Non-Controlling Interest

Particulars	(₹ In Crore)	
	Current	
	As at 31 March	
	2026	2025
Opening balance	0.01	0.01
Additions/adjustment during the year due to acquisition (see note 46)	1,533.30	–
Add/Less: FCTR	24.83	–
Share of profit/(loss) for the year	(169.71)	–
	1,388.43	0.01

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

16 Borrowings

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Secured				
Term loan from banks (refer note (i) for details)				
– INR loans	7,480.75	4,199.95	5,652.40	2,339.17
– Foreign currency loan	2,369.57	1,882.79	39.70	–
Secured NCD (7.25%, 50,000 NCD of ₹ 100,000 each)	500.00	–	–	–
Interest accrued but not due	–	–	25.90	14.61
Other Loans				
Unsecured				
Term loan from banks				
– Foreign currency loan	4,988.61	–	871.94	–
Loan from Related parties	–	–	42.62	–
Interest accrued but not due on loan from related parties	0.01	–	9.09	–
INR loan, from a bank as packing credit facility against exports	–	–	–	800.00
	15,338.94	6,082.74	6,641.65	3,153.78
Current borrowings includes:				
Current maturities of long term borrowings				
Secured			5,718.00	2,353.78
Unsecured			51.71	–
			5,769.71	2,353.78

(i) Details of loans:

Particulars	Maturity Date	Secured/Unsecured	Interest Rate	(₹ In Crore)	Repayment Terms
FY 2025-26					
Term loan 1	31-Dec-29	Secured	7.15%-7.90%	1,285.18	Quarterly
Term loan 2	15-Mar-27	Secured	6.13% - 7.10%	400.00	Bullet
Term loan 3	11-Nov-27	Secured	6.15% - 8.20%	291.67	Quarterly
Term loan 4	27-Nov-28	Secured	5.4% - 8.52%	1,258.83	Quarterly
Term loan 5 (Foreign currency loan) (ECB)	26-Mar-29	Secured	7.75% - 8.60%	2,081.77	5 quarterly installments before maturity
Term loan 6	26-Mar-30	Secured	5.4% - 8.50%	1,111.79	Quarterly
Term loan 7	14-Oct-27	Secured	8.14%	500.00	5 monthly installments before maturity
Term loan 8	23-Feb-29	Secured	7.50%	500.00	Bullet
Term loan 9	26-Sep-29	Secured	7.25%-8.70%	1,199.58	Quarterly
Term loan 10	30-Aug-28	Secured	7.42% -8.38%	1,166.66	Quarterly
Term loan 11	29-Sep-27	Secured	7.71% - 8.10%	468.72	Quarterly
Term loan 12	18-Jun-26	Secured	7.35%	250.00	Bullet
Term loan 13	22-Jan-28	Secured	7.45%-7.61%	160.00	Half yearly
Term loan 14	31-Jul-28	Secured	7.01%-7.40%	1,286.62	Quarterly
Term loan 15	30-Sep-28	Secured	7.20%-7.45%	832.88	Quarterly
Term loan 16	29-Dec-28	Secured	7.55%-7.8%	674.58	Quarterly
Term loan 17	15-Aug-28	Secured	7.50%	340.91	Quarterly
Term loan 18	18-Nov-29	Secured	7.4%-7.53%	1,405.99	Quarterly
Unsecured Bank loan of Euro 473 million*	2027-2031	Unsecured	EURIBOR+1.40	4988.58	Quarterly (Starting June 2027)
Unsecured Bank loan of Euro 50 million	19-May-26	Unsecured	EURIBOR+1.50	544.98	Repayable in Full
Unsecured Bank loan of Euro 30 million	18-May-26	Unsecured	EURIBOR+1.35	326.99	Repayable in Full

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

16 Borrowings (Contd.)

(i) Details of loans:

Particulars	Maturity Date	Secured/ Unsecured	Interest Rate	(₹ In Crore)	Repayment Terms
1.05% Oberbank Secured loans	30-Jun-29	Secured	1.05%	34.83	Half-yearly
4.03% Pierer Industrie	31-Dec-26	Unsecured	4.03%	42.62	Repayable in Full
8.35% Mortgage loan - Nuveen	10-Apr-56	Secured	8.35%	147.18	Half-yearly
5.79% Oberbank Secured loans	30-Jun-29	Secured	5.79%	96.76	Half-yearly
4.12% Oberbank Secured loans	30-Jun-42	Secured	4.12%	35.71	Half-yearly
2.24% Mortgage loan - RLB	31-Jul-26	Secured	2.24%	4.44	Half-yearly
2.24% Mortgage loan - SPK	31-Jul-26	Secured	2.24%	8.57	Half-yearly
Non-convertible Debenture- Secured (NCD)	27-Nov-28	Secured	7.25%	500.00	Repayable in Full
Less: Impact of EIR				(0.25)	
Total				21945.59	

a) Term loans other than ECB is denominated in indian currency and secured against loans and book debts.

b) External commercial borrowing is denominated in foreign currency and secured against loans and book debts.

c) Other than Term loans, ECB and NCD, loans of BAIHAG group are secured by property, plant and equipment as specified under notes to accounts 2(e).

* On 26 February 2026 BAIHAG has entered into a new loans of BAIHAG group agreement of Euro 550 million with international banking consortium consisting of J.P. Morgan SE, HSBC, DBS Bank Limited and MUFG Bank Ltd. The BAIHAG Group has obtained a sanctioned borrowing facility from its lenders amounting to Euro 550 million. As at the reporting date, the BAIHAG group has utilised approximately Euro 473 million of the sanctioned limit, with the balance remaining unutilised.

The borrowing has been accounted as significant transactions between 31 December 2025 and the date of these financial statement in accordance with Paragraph B93 of IndAS 110. The BAIHAG Group's financing arrangements are subject to certain financial covenants, compliance with which is required throughout the tenure of the facilities at BAIHAG level. The principal covenants are as follows:

- Ratio of total net debt to consolidated EBITDA shall not exceed; (4.5:1 - June 2027, 3.5:1 - December 27 to June 2028, 2.5:1 December 2028 to June 2030).
- Ratio of consolidated EBITDA to consolidated net finance charges shall not be less than; (2:1 - June 2027, 3:1 - December 27 to June 2028, 4:1 December 2028 to June 2029).
- Consolidated net worth shall not at any time be less than zero.

The Borrower and BAIHAG Group entities shall not create or permit any security over their assets, except for permitted liens and arrangements in the ordinary course of business. The BAIHAG Group shall not enter into sale-and-leaseback transactions, dispose receivables on recourse terms, enter title retention or preferential arrangements, or permit set-off/combination of accounts, where such transactions are primarily for raising indebtedness or financing asset acquisitions.

The covenant would be tested at the end of each reporting period or the relevant date as mentioned in the agreement. The BAIHAG Group currently has no indication that it will have difficulty complying with this covenant.

- The borrowings pertaining to financial service business of the Group, has unutilised ₹ 1000 crore of the sanctioned limit. Also, these borrowings are subject to major covenants as, Shareholding of Holding Company to be atleast 51% and CRAR to be maintained as per regulatory guidelines.

- The other loans do not carry any significant covenant.

Particulars	Maturity Date	Secured/ Unsecured	Interest Rate	(₹ In Crore)	Repayment Terms
FY 2024-25					
Term loan 1	02-Sep-28	Secured	7.80%- 8.03%	874.98	Quarterly
Term loan 2	16-Mar-26	Secured	7.62% - 7.77%	400.00	Bullet
Term loan 3	30-Nov-28	Secured	8.50%- 8.55%	468.75	Quarterly
Term loan 4	11-Nov-27	Secured	7.85% - 8.42%	491.67	Quarterly
Term loan 5 (Foreign currency loan)	26-Mar-29	Secured	7.75% - 8.60%	1,882.79	5 quarterly instalments before maturity
Term loan 6	20-Mar-28	Secured	7.20% - 8.70%	770.83	Quarterly
Term loan 7	29-Sep-27	Secured	8.50% - 8.60%	1,045.83	Quarterly
Term loan 8	14-Oct-27	Secured	8.14%	500.00	5 monthly instalments before maturity
Term loan 9	31-Dec-28	Secured	8.60% - 8.70%	374.98	Quarterly
Term loan 10	28-Mar-28	Secured	8.38%	500.00	Quarterly
Term loan 11	29-Sep-27	Secured	8.10% - 8.60%	625.00	Quarterly
Term loan 12	29-Feb-28	Secured	8.40%	487.49	Quarterly
Packing credit facility	20-Jun-25	Secured	1m T-bill+43 bps	800.00	Repayable in Full
Less: Impact of EIR				(0.41)	
Total				9,221.91	

a) Term loans other than ECB is denominated in indian currency and secured against loans and book debts.

b) External commercial borrowing is denominated in foreign currency and secured against loans and book debts.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

17 Sales tax deferral

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Unsecured		
Sales tax deferral liability/loan, an incentive under Package Scheme of Incentives 1983 and 1993 - interest free, partially prepaid	73.30	127.64
	73.30	127.64

The exemption of interest on the sales tax liability deferred for payment is considered as a Government grant and measured at an internal rate of return available for pre-payment of the liability as per the sales tax rules. [See note 40]

18 Other financial liabilities

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Security deposits	55.33	-	217.57	126.40
Unclaimed dividend	-	-	37.70	27.87
Directors' remuneration and commission payable	-	-	38.33	38.43
Employee benefits payable	-	-	443.91	329.01
Derivative financial liability * [See note 40]	14.62	18.56	10.49	-
Other payables	-	31.66	596.02	221.86
	69.95	50.22	1,344.02	743.57

Refer note 39 for financial liabilities measured at amortised cost.

* Derivative transactions includes Cross Currency Interest Rate Swaps (CCIRS) and Interest rate swap (IRS). The Company undertakes such transactions for hedging interest/foreign exchange risk on borrowings. The Asset Liability Management Committee periodically monitors and reviews the risks involved. The notional amount for CCIRS represents underlying foreign currency borrowings for which the Company has entered to hedge the variable interest rate and foreign exchange risks. The notional amount for IRS represents underlying India currency borrowings for which the Company has entered to hedge the variable interest rate risks.

19 Provisions

Particulars	(₹ In Crore)			
	Non-current		Current	
	As at 31 March		As at 31 March	
	2026	2025	2026	2025
Provision for employee benefits [See note 41 of financial statements]				
Provision for gratuity	71.33	5.24	-	-
Provision for compensated absences	-	8.64	238.12	141.00
Provision for severance	226.37	-	12.09	-
Provision for anniversary bonus	69.53	-	-	-
Provision for welfare scheme	0.41	0.45	-	-
	367.64	14.33	250.21	141.00
Other provisions				
Provision for warranties	-	-	448.91	120.72
	-	-	448.91	120.72
	367.64	14.33	699.12	261.72

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

19 Provisions (Contd.)

Provision for warranties

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
At the beginning of the year	120.72	56.90
Arising during the year	253.87	156.92
Add: Additions due to acquisitions	112.48	–
Utilised during the year	38.16	93.10
At the end of the year	448.91	120.72
Current portion	448.91	120.72
Non-current portion	–	–

20 Deferred tax assets/liabilities

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Deferred tax liabilities	892.06	1,123.03
Add: Addition due to acquisitions	412.24	–
	1,304.30	1,123.03
Deferred tax assets	309.01	88.69
Net Deferred Tax liabilities	995.29	1,034.34

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Deferred tax liabilities		
On account of timing difference in		
Property, plant and equipment	588.93	198.06
Intangible assets	1,240.84	–
Employee benefits:		
Defined benefit plans provisions - P&L	–	4.06
Defined benefit plans provisions - OCI	1.07	1.10
Financial instruments:		
Mutual funds including fixed maturity plans, ETFs	547.45	502.47
Fair valuation of derivative hedging contracts	–	4.03
Financial assets at FVTOCI	269.26	479.09
Gross deferred tax liabilities	2,647.55	1,188.81

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

20 Deferred tax assets/liabilities (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Deferred tax assets		
On account of timing difference in		
Property, plant and equipment	101.50	–
Inventories	128.48	–
Trade payables	128.97	–
Receivables and other short-term assets	57.70	–
Financial instruments:		
Financial instruments measured at amortised cost	27.00	–
Employee benefits:		
Bonus provisions	19.48	2.40
Provision for privilege leave etc.	57.71	37.65
Defined benefit plans provisions - P&L	18.27	0.34
Defined benefit plans provisions - OCI	2.82	1.24
Welfare scheme costs & others	0.08	0.11
	542.01	41.74
Other items:		
Un-utilised tax loss	21.13	41.87
Deferred Income	–	18.58
Expected Credit Loss	87.05	25.31
Investments in subsidiaries ('Siebentel' from AT tax law)*	921.28	–
Amortisation on acquisition/liquidation of fixed income securities	4.27	13.77
Taxes, duties, others etc.	58.76	0.27
Provision for bad/doubtful debts and advances	5.65	0.82
Taxes, duties, others etc.	12.11	12.11
	1,110.25	112.73
Gross deferred tax assets	1,652.26	154.47
Net deferred tax	(995.29)	(1,034.34)

* This pertains to deferred tax assets recognised on carry forward tax losses (in BAIHAG Group) to the extent of offsetting against deferred tax liabilities. The tax losses in Austria can be carryforward indefinitely

Movement in deferred tax liabilities (net):

	₹ In Crore
At 1 April 2024	493.13
Charged/(credited)	
– to profit & loss	274.95
– to other comprehensive income	265.72
Foreign currency translations	0.54
At 31 March 2025	1,034.34

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

20 Deferred tax assets/liabilities (Contd.)

Movement in deferred tax liabilities (net):	₹ In Crore
Net Deferred taxes liabilities due to acquisition (see note 46)	412.24
Charged/(credited)	
– to profit & loss	(254.66)
– to other comprehensive income	(204.58)
Foreign currency translations	7.95
At 31 March 2026	995.29

21 Other non-current liabilities

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Annuity payable to VRS/Welfare scheme optees	0.02	0.05
Other payables	15.81	–
	15.83	0.05

22 Trade payables

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Total outstanding dues of micro enterprises and small enterprises	222.94	253.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	8,581.07	6,119.15
	8,804.01	6,372.71

Ageing schedule as at 31 March 2026

Particulars	(₹ In Crore)						
	Due – Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro enterprises and small enterprises (MSME)	–	222.54	0.40	–	–	–	222.94
(ii) Others	1,489.37	6,053.65	981.49	35.92	14.80	5.84	8,581.07
(iii) Disputed dues - MSME	–	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–	–
	1,489.37	6,276.19	981.89	35.92	14.80	5.84	8,804.01

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

22 Trade payables (Contd.)

Ageing schedule as at 31 March 2025

(₹ In Crore)

Particulars	Unbilled	Not due	Due – Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	–	253.56	–	–	–	–	253.56
(ii) Others	1,127.72	3,786.51	1,176.91	22.71	1.47	3.83	6,119.15
(iii) Disputed dues – MSME	–	–	–	–	–	–	–
(iv) Disputed dues – Others	–	–	–	–	–	–	–
	1,127.72	4,040.07	1,176.91	22.71	1.47	3.83	6,372.71

23 Other current liabilities

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Annuity payable to VRS/Welfare scheme optees	0.03	0.09
Advance received from customers	672.22	392.88
Taxes and duties payable	316.39	168.16
Other payables	255.18	252.48
	1,243.82	813.61

24 Lease

Group as a lessee

The Group has concluded rental and leasing agreements for the use of land, operational and administrative buildings, offices and storage areas, machines (including CNC machines) and in the area of the vehicle fleet. The group also rents IT equipment with contractual terms of between one and five years. These rental and leasing agreements are either short-term or (or and) they are based on items of low value. In addition, leasing contracts for tools (special leasing) and machines are concluded with a term of 3-10 years.

Right-of-use assets (Refer note 2 for details)

Lease Liabilities

(₹ In Crore)

Particulars	As at 31 March 2026
As at 01 April 2025	–
Additions due to acquisitions (see note 46)	620.94
Additions (other than acquisitions)	16.19
Add: Accretion of interest	1.38
Less: Payments	(24.35)
Foreign currency translations	45.10
As at 31 March 2026	659.26
Non-Current	469.07
Current	190.19
	659.26

The maturity analysis of undiscounted lease liabilities based on contractual payments:

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

24 Lease (Contd.)

Particulars	(₹ In Crore)			Total
	< 1 year	>1 to 5 years	> 5 years	
Minimum lease payments	184.09	400.47	165.60	750.16
	184.09	400.47	165.60	750.16

For Foreign entities, the effective interest rate for lease liabilities is 3.38%, with maturity between 2026-2058.

For Indian entities, the effective interest rate for lease liabilities is 8.60%, with maturity between 24-60 months.

The following are the amounts recognised in profit or loss:

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Interest expense on lease liabilities	1.38	–
Depreciation expense of right-of-use assets	29.48	1.98
Impairment of right-of-use assets	–	–
Expense relating to short-term leases (included in other expenses)	33.56	21.73
Expense relating to leases of low-value assets (included in other expenses)	20.95	–
	85.37	23.71

The expenses for leases of an asset of low value mainly relate to rental and leasing contracts for IT equipment.

In the statement of cash flows, cash outflows for leases recognized were amounting to ₹ 79.36 crore. Of this, ₹ 24.35 crore as repayments of lease liabilities in the cash flow from financing activities and ₹ 55.01 crore as expenses from short-term and lower-value leases as well as interest expense and income from subleases of right-of-use leases in the cash flow from operating activities.

Group as a lessor

The total value of premises including electric fittings, furniture and fixtures is disclosed above as the identification of value of portion given on operating lease is not practicable.

The total future minimum lease rentals for non-cancellable leases, receivable at the Balance Sheet date is as under:

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Receivable		
Within one year	40.16	36.91
After one year but not more than five years	60.26	58.63
More than five years	0.40	0.93
	100.82	96.47

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

25 Revenue from operations

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Revenue from operations		
Revenue from contracts with customers & financial services		
Sale of products and services*	57,140.48	48,226.14
Income from financial services business**	3,245.95	1,040.81
Net sales	60,386.43	49,266.95
Other operating revenue		
Scrap sales	51.56	26.41
Export incentives	571.56	468.62
Government Incentives (PSI/PLI)	1,040.09	527.30
Royalty	497.23	415.08
Rent [See note 24]	45.98	48.17
Insurance claims	0.91	0.26
Miscellaneous receipts	184.90	122.61
Government grants	2.65	2.65
Interest income on financial services to dealers	123.69	116.50
	2,518.57	1,727.60
	62,905.00	50,994.55
a. Revenue from contracts with customers* (Goods transferred at a point in time/Services transferred over a period of time)		
India	34,676.51	31,972.00
Outside India	22,463.97	16,254.14
Total revenue from contracts with customers	57,140.48	48,226.14
b. Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price		
Revenue as per contracted price	57,806.89	48,766.41
Adjustments:		
Cash discounts & target incentives	(423.82)	(368.25)
Sales promotion expenses (primarily vehicle discounts)	(242.59)	(172.02)
Revenue from contracts with customers	57,140.48	48,226.14

c. Contract Balances

See note 10 for Trade Receivable

See note 23 Contract liabilities are advances received from customers for delivery of goods.

All contract liabilities at the beginning of the year are recognised as revenue during the year

d. Performance Obligation

See note 1 section B.5 of accounting policy

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

25 Revenue from operations (Contd.)

** Income from financial services business

A. Interest income:

Particulars	On Financial Assets measured at					
	For the year ended 31 March 2026			For the year ended 31 March 2025		
	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL
Interest income:						
- on loans	-	3,007.54	-	-	987.44	-
- on Investment	-	-	-	-	-	-
- on deposit with bank	-	2.99	-	-	1.63	-
- on Investment	15.50	-	-	2.82	-	-
- on others	-	6.50	-	-	10.69	-
	15.50	3,017.03	-	2.82	999.76	-

B. Fees and commission income:

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Service and administration charges	131.98	29.31
Insurance commission income	55.67	0.64
Foreclosure income	7.38	1.41
	195.03	31.36

C. Net gain on fair value changes:

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Net gain on sale of Mutual Fund - Realised	18.39	6.87
Fair value gain on Mutual Fund - Unrealised	-	-
	18.39	6.87

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

26 Other income

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Investment income		
Interest income on fixed income securities	147.24	123.81
Amortisation of (premium)/discount on acquisition of fixed income securities	(6.16)	1.35
Interest income on fixed deposits	102.47	124.78
Interest income on loans	568.39	8.38
Interest income on exchange traded funds	432.53	436.49
Interest income on fixed maturity plans	52.77	49.55
Interest income from financial assets including amortised cost	1,297.24	744.36
Dividend income on other strategic investments	32.55	30.10
Gain on valuation and realisation of mutual funds measured at FVTPL	486.49	648.28
Profit/(loss) on sale of other investments, net, measured at amortised cost	12.79	31.05
	1,829.07	1,453.79
Others		
Interest - others	-	0.19
Surplus on sale of property, plant and equipment	4.08	3.23
Interest on tax refunds/credits	34.53	17.15
Bad debts recovered	0.91	0.03
Miscellaneous Income	84.37	-
Gains on exchange fluctuations	207.47	0.02
Sponsoring income	21.79	-
	353.15	20.62
	2,182.22	1,474.41

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

27 Changes in inventories

Particulars	(₹ In Crore)		
	For the year ended 31 March		(Increase)/ decrease
	2026	2025	
Inventories at the end of the year			
Work-in-progress	411.94	56.42	(355.52)
Finished goods and traded goods	3,441.11	703.74	(2,737.37)
	<u>3,853.05</u>	<u>760.16</u>	<u>(3,092.89)</u>
Inventories at the beginning of the year			
Work-in-progress	56.42	84.63	28.21
Finished goods and traded goods	703.74	703.94	0.20
	<u>760.16</u>	<u>788.57</u>	<u>28.41</u>
Additions due to acquisition of subsidiary			
Work-in-progress	559.10	–	(559.10)
Finished goods and traded goods	2,928.16	–	(2,928.16)
	<u>3,487.26</u>	<u>–</u>	<u>(3,487.26)</u>
	<u>394.37</u>	<u>28.41</u>	

28 Employee benefits expense

Particulars	(₹ In Crore)		
	For the year ended 31 March		2025
	2026	2025	
Salaries, wages and bonus to employees	2,031.16	1,649.67	
Contribution to provident and other funds	255.06	109.01	
Share based payment to employees [See note 36]	70.60	67.32	
Staff welfare expenses	104.62	99.80	
	<u>2,461.44</u>	<u>1,925.80</u>	
See note 14,41 & 42			

29 Finance costs

Particulars	(₹ In Crore)		
	For the year ended 31 March		2025
	2026	2025	
Interest expense *	1,165.61	387.11	
Interest adjustment on Government grant	1.99	1.79	
Others	0.99	–	
	<u>1,168.59</u>	<u>388.90</u>	

* Out of the above, finance cost related to financial services business is ₹ 908.38 crore [Previous year ₹ 320.81 crore]

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

30 Depreciation and amortisation expense

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Depreciation on property, plant and equipment	495.89	394.62
Depreciation on investment property	1.13	1.12
Depreciation of right-of-use assets	29.48	1.98
Amortisation of intangible asset	118.19	16.51
	644.69	414.23

31 Other expenses

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Stores and tools consumed	198.15	199.50
Power, fuel and water	201.82	176.94
Rent	54.51	23.71
Repairs to buildings	51.21	47.01
Repairs to machinery	183.94	129.05
Other repairs	29.71	28.22
Insurance	21.19	19.44
Rates and taxes	27.93	16.01
Directors' fees and travelling expenses	1.47	1.37
Commission to non-executive directors	3.12	3.21
Travelling expenses	108.11	79.96
R&D expenses	244.57	59.63
Royalty	213.97	136.91
Miscellaneous expenses	523.30	661.74
Loss on exchange fluctuations	20.81	12.97
Packing material consumed	509.15	411.73
Freight and forwarding expenses	271.60	185.88
Advertisement	717.88	530.00
Vehicle service charges and other expenses	449.36	288.18
Sales promotion expenses	57.95	45.36
Donation to political party (Paid to Bharatiya Janata Party)	-	25.00
Expenditure towards Corporate Social Responsibility (CSR) activities	187.99	157.32
Bad debts and other irrecoverable debit balances written off	12.09	6.82
Loss on property, plant and equipment sold, demolished, discarded and scrapped	36.14	2.35
Fee and Commission expense (of financing business)	291.64	48.32
Impairment on financial assets (of financing business)	542.84	147.34
Provision for doubtful debts and advances (includes expected credit loss on trade receivables)	3.97	(4.92)
Customer operation related cost (of financing business)	148.36	-
	5,112.78	3,439.05

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

31 Other expenses (Contd.)

Expenditure towards Corporate Social Responsibility (CSR) activities

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
a) Details of spends		
i) Gross amount required to be spent by the Group during the year	187.99	157.32
ii) Amount of expenditure incurred	187.99	157.32
iii) Shortfall at the end of the year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities		
Poverty, Health, Sanitation, Water	6.68	1.64
Education, Special Education, Vocation, Livelihoods	14.03	9.78
Environment, Soil And Water, Protection of Flora and fauna	4.95	3.85
Heritage, Art, Culture, Handicrafts, Public Libraries	0.20	0.18
Others (including provision for unspent)	162.13	141.87
Total	187.99	157.32
No funds relating to other than identified and ongoing projects are required to be transferred to specified funds.		
b) Amount spent in cash during the year on:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	187.99	157.32
	187.99	157.32

32 Exceptional items

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
Impact of New Wage Code - expense	73.74	-
Gain on sales tax deferral NPV payment	(34.53)	-
	39.21	-

Exceptional items for the year ended 31 March 2026, represent a net charge of ₹ 39.21 crore, comprising

- (i) The Government of India has notified the Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020 (collectively, 'Labour Codes') on 21 November 2025. Based on the revised definition of wages under the Labour Codes, the Group has recognized an estimated additional expense of ₹ 73.74 crore towards gratuity and leave encashment as an exceptional item in the Statement of Consolidated Profit and Loss for the year ended 31 March 2026. Corresponding Deferred Tax Asset recognised for this exceptional item of expenditure is ₹ 19.31 crore. This impact is subject to final rules and requisite approvals.
- (ii) Gain of ₹ 34.53 crore on prepayment of deferral incentive/loan at net present value (NPV) against a carrying amount of ₹ 56.33 crore.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

33 Tax expense

Particulars	(₹ In Crore)	
	For the year ended 31 March	
	2026	2025
(a) Tax expense		
Current tax		
Current tax on profits for the year	3,631.70	2,623.85
Deferred tax		
Decrease/(increase) in deferred tax assets	(250.79)	(72.59)
(Decrease)/increase in deferred tax liabilities	(3.87)	347.54
Total deferred tax expenses/(benefit)	(254.66)	274.95
Tax expenses	3,377.04	2,898.80
(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate		
Profit before tax	13,951.54	10,223.53
Tax at the Indian tax rate of 25.17% (Previous year - 25.17%)	3,511.32	2,573.06
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
– Corporate social responsibility expenditure	47.25	45.89
– Rate difference in amortisation of fixed income securities	0.71	(0.47)
– Rate difference on account of fair value of mutual funds	0.36	–
– Others	(107.74)	7.65
– One time impact due to change in tax rates*	–	211.26
Tax effect of amounts which are deductible (non taxable) in calculating taxable income:		
– Profits of subsidiaries not taxable in India	28.68	226.02
– Dividend received on strategic investment	(8.19)	(7.58)
– Income from investments taxed at lower rates	(94.17)	(156.17)
– Disallowance of expenditure incurred on rented property (net)	(1.21)	(0.86)
– Others	0.03	–
Tax expense	3,377.04	2,898.80

* The Company invests its surplus funds into a range of asset classes including debt mutual funds, index funds and fixed maturity plans. In compliance with Ind AS 12, the Company was making accounting provisions for Deferred Tax as per applicable law (taking cognizance of the indexation impact) on changes in fair value on these investments. The Finance (No. 2) Act, 2024 withdrew the indexation benefit on long-term capital gains on debt mutual funds which were purchased prior to 1 April 2023 and the tax rate with respect to long-term capital gains for the said asset class was changed from 20% plus surcharge and cess (with indexation) to 12.5% plus surcharge and cess (without indexation).

Due to withdrawal of the indexation benefit and change in tax rate, the accounting provision for Deferred Tax created on Investment Income has been consequently increased by ₹ 211.26 crore as a cumulative one-time provision while computing the profit after tax for the reporting period. It is to be noted that only a provision is being made in the books of accounts at this point of time to record the Deferred Tax in line with the applicable accounting standards and the recently enacted tax change. The actual payment of tax would be made at the time of redemption of this asset class. The cash outflow towards tax could be different at the time of redemption depending on the actual gain and prevailing tax regulations.

The Organisation for Economic Co-operation and Development (OECD) has published the model rules for global minimum tax (Pillar Two model rules). As per the provisions of Pillar Two legislation, the Group's Ultimate Parent Entity (UPE) has consolidated revenues exceeding the threshold prescribed under the OECD framework. Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions where the Group operates. Based on the current assessment, the Group does not expect a material financial impact from the application of the Pillar Two rules on its consolidated financial statements. The evaluation of the potential exposure is based on the most recent country-by-country reporting and financial statements for the constituent entities in the Group. In accordance with Amendments to Ind AS 12, the Group has applied temporary mandatory relief from accounting for deferred tax that arises from implementing Pillar Two legislation.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

34 Earnings Per Share (EPS)

Basic EPS are calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS are calculated by dividing the profit attributable to owners of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	For the year ended 31 March	
	2026	2025
a. Profit for the year (₹ In Crore)	10,744.21	7,324.73
b. Weighted average number of equity shares for basic earnings per share	279,096,661	279,103,387
Effect of dilution:		
Employee stock options	418,500	511,554
c. Weighted average number of equity shares for diluted earnings per share	279,515,161	279,614,941
Earnings per share (Basic) ₹ (a/b)	385.0	262.4
Earnings per share (Diluted) ₹ (a/c)	384.4	262.0
Face value per share ₹	10.0	10.0

35 Ratios

This requirement is not relevant at Consolidated Financial Statement level and hence the Group has not made the disclosure.

36 Share based payments (Employee stock option plans)

The Board of Directors of Holding Company at its meeting held on 30 January 2019, approved an Employee Stock Options Scheme ('ESOS'). Pursuant to the scheme stock options up to a maximum of 0.17% of the then issued equity capital of the Company aggregating to 5,000,000 equity shares of the face value of ₹ 10 each can be issued in a manner provided in the SEBI (Share Based Employee Benefits) Regulations, 2014 as amended. The shareholders of the Company vide their special resolution passed through postal ballot on 13 March 2019 approved the issue of equity shares of the Company under one or more Employee Stock Option Scheme(s).

The Nomination and Remuneration Committee of the Holding Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. The details of grants made as of 31 March 2026 are given in below tables:

Particulars	31 March 2026					
	17 May 2019	29 April 2021	27 April 2022	25 April 2023	18 April 2024	29 May 2025
Grant date	17 May 2019	29 April 2021	27 April 2022	25 April 2023	18 April 2024	29 May 2025
No. of options granted	2,87,636	2,77,116	4,47,692	4,75,268	3,12,128	3,80,048
Exercise price (₹)	2,942.65	3,889.75	3,892.10	4,332.10	8,919.15	8,849.00
Weighted average fair value (₹)	827.52	1,091.44	959.75	1,143.72	3,029.51	2,360.01

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

36 Share based payments (Employee stock option plans) (Contd.)

Total for all grants	No. of options	Range of fair value (₹)	Weighted average fair value (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	12,27,981	663.31 - 3550.05	1,015.83	5.36
Granted during the year	3,80,048	1939.71 - 2732.98	2,360.01	6.48
Cancelled during the year	31,295	854.21 - 3550.05	2,300.76	NA
Expired during the year	-	-	-	NA
Exercised during the year	1,33,366	663.31 - 2367.83	1,070.89	NA
Outstanding at the end of the year	14,43,368	790.94 - 3550.05	1,801.12	5.03
Vested and exercisable at the end of the year	5,36,425	790.94 - 2367.83	1,201.16	3.25

Method used for accounting for share based payment plan:

The Holding Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black Scholes model. The key assumptions used in Black Scholes model for calculating fair value as on the date of grants are:

Grant date	Risk Free interest rate	Expected life	Expected volatility	Dividend yield	Price of the underlying share in the market at the time of the option grant (₹)
17 May 2019	6.88% to 7.26%	3.51-6.51 years	22.18% to 23.79%	2.04%	2,942.65
29 April 2021	5.18% to 6.08%	3.51-6.51 years	29.35% to 26.65%	2.06%	3,889.75
27 April 2022	6.15% to 6.82%	3.51-6.51 years	26.03% to 28.79%	3.60%	3,892.10
25 April 2023	6.87% to 7.00%	3.51-6.51 years	25.93% to 28.37%	3.22%	4,332.10
18 April 2024	7.06% to 7.08%	3.50-6.51 years	23.79% to 26.42%	0.90%	8,919.15
29 May 2025	5.79% to 5.98%	3.50-6.51 years	25.26% to 27.18%	2.37%	8,849.00

For the year ended 31 March 2026, the Group has accounted expense of ₹ 70.60 crore as employee benefit expenses (See note 28) on the aforesaid employee stock option plan (Previous year ₹ 67.32 crore). The balance in employee stock option outstanding account is ₹ 163.58 crore as of 31 March 2026 (Previous year ₹ 99.44 crore).

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

37 Capital management

a) Objectives, policies and processes of capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

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

Particulars	As at 31 March	
	2026	2025
Equity	40,220.42	35,188.75
Less: Tangible and other assets	8,676.25	4,314.78
Working capital (excluding investments)	6,901.99	1,960.10
Investments in subsidiaries/associate	169.18	3,688.27
Investments in debt and similar investments	24,473.00	25,225.60

No changes were made in the objectives, policies and processes of capital management during the year.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period, which has significant impact on financial statements.

Particulars	As at 31 March	
	2026	2025
Gearing Ratio:		
Borrowings	21,981	9,237
Less: Cash and cash equivalents and other bank balances	3,072	2,848
Net Debt (a)	18,909	6,389
Total Equity (b)	40,220	35,189
Capital and Net Debt (c)=(a)+(b)	59,129	41,578
Gearing Ratio % (a)/(c)	31.98%	15.37%

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

37 Capital management (Contd.)

(₹ In Crore)

For the year 31 March

Particulars	For the year 31 March	
	2026	2025
Change in liability arising from financing activity (See note 37a)		
At the beginning of the year	9,236.52	1,785.90
Changes from financing cash flows	11,120.63	7,434.18
Add: Additions due to acquisition	1,482.04	–
Add: Foreign exchange fluctuations	706.50	16.44
Other non cash changes	16.19	–
Add: Interest accrued, not paid	77.97	–
As at the end of the year	22,639.85	9,236.52

i) Capital Management of Financial Service Business

The Group in its financing segment actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the financing service business capital is monitored using, among other measures, the regulations issued by RBI. The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment.

The Group aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times. The Company'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.

The Group monitors its capital to risk-weighted assets ratio (CRAR) in financial service business on a monthly basis through its assets liability management committee (ALCO).

The Group endeavours to maintain its CRAR financial service business higher than the mandated regulatory norm. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

Further, the Group makes investment in Fixed deposits in banks and in mutual funds during the year. These investments are funded by the Group through its equity share capital.

ii) Regulatory capital

(₹ In Crore)

As at 31 March

Particulars	As at 31 March	
	2026	2025
Tier I capital	3,235.65	2,316.43
Tier II capital	572.38	55.44
Total capital (Tier I + Tier II)	3,808.03	2,371.87
Risk weighted assets	19,485.63	9,994.45
Tier I CRAR	16.61%	23.18%
Tier II CRAR	2.94%	0.55%
CRAR (Tier I + Tier II)	19.54%	23.73%

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

37 Capital management (Contd.)

b) Dividends distributed and proposed

Particulars	As at 31 March	
	2026	2025
(₹ In Crore)		
Dividends recognised in the financial statements		
Final dividend for the year ended 31 March 2025 of ₹ 210 (31 March 2024 - ₹ 80) per equity share, declared and paid	5,864.41	2,233.44
Dividends not recognised at the end of the reporting period		
Directors have recommended the payment of a final dividend of ₹ 150 per equity share (31 March 2025 - ₹ 210). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	4,192.47	5,864.41

c) Approval of Buyback

Pursuant to the provisions of the Companies Act, 2013 ('Act') and the rules made thereunder, as amended, applicable provisions of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ('Buyback Regulations') and other applicable laws, the Board of Directors of the Company, at its meeting held today, i.e., Wednesday, 06 May 2026, recommends buy-back of up to 4,694,000 fully paid-up equity shares of the Company having face value of ₹ 10/- (Indian Rupees Ten only) each ('Equity Shares') (representing up to 1.68% of the total number of Equity Shares in the paid-up equity share capital of the Company), at a price of ₹ 12,000 (Indian Rupees Twelve thousand only) per equity share payable in cash for an aggregate amount of up to ₹ 5,632.80 crore/- (Rupees Five thousand six hundred thirty two crore eighty lakh only) (excluding transaction costs such as brokerage cost, fees, turnover charges, expenses incurred or to be incurred for the buyback like filing fees payable to the Securities and Exchange Board of India, advisors/legal fees, public announcement publication expenses, printing and dispatch expenses, applicable taxes such as securities transaction tax, good and service tax, stamp duty, etc. and other incidental and related expenses, etc.) on a proportionate basis through the 'Tender Offer' route as prescribed under the Buyback Regulations and other applicable law, from the equity shareholders/beneficial owners of the equity shares of the company as on the record date, subject to approval of shareholders.

38 Contingent liabilities

Particulars	As at 31 March	
	2026	2025
(₹ In Crore)		
a. Claims against the Group not acknowledged as debts	231.57	214.38
b. Excise, Service tax, GST and Customs matters under dispute	676.92	634.38
c. Income-tax matters	1,089.12	1,091.80
d. Value Added Tax (VAT)/Sales Tax matters under dispute	93.33	93.28
e. Bank guarantees	48.87	-
f. Claims made by temporary workmen Pending before various judicial/appellate authorities in respect of similar matters adjudicated by the Supreme Court. The matter is contingent on the facts and evidence presented before the courts/ adjudicating authorities and not necessarily likely to be influenced by the Supreme Court's order. In all the cases, outflow is not probable and hence not provided by the Group.	Liability unascertained	Liability unascertained

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

39 Fair value measurement

i) Financial instruments by category

The Group measures financial instruments, such as, derivatives, at fair value at each balance sheet date. Investment in associates are measured at fair value at acquisition date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(₹ In Crore)

Particulars	31 March 2026			31 March 2025		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Equity	12.08	3,159.40	-	-	4,626.75	-
- Bonds	-	-	4,200.36	460.45	-	1,433.63
- Government securities	-	224.70	-	-	78.30	367.55
- Fixed maturity plans	-	-	1,126.90	-	-	884.18
- Exchange traded funds	-	-	6,369.20	-	-	7,640.05
- Commercial paper	-	-	294.10	-	-	-
- Fixed deposits	-	-	1,041.80	-	-	503.50
- Short-term funds	5,744.52	-	-	4,985.22	-	-
- Short duration bond funds	1,024.32	-	-	731.78	-	-
- Liquid mutual funds	484.55	-	-	1,020.62	-	-
- Arbitrage Funds	788.09	-	-	2,493.57	-	-
- Alternative Investment Fund	-	2.98	-	-	-	-
Trade receivables	-	-	3,473.44	-	-	2,125.22
Loans	21.40	-	18,802.62	21.40	-	9,894.76

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

39 Fair value measurement (Contd.)

(₹ In Crore)

Particulars	31 March 2026			31 March 2025		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Other financial assets	-	-	2,843.57	-	-	2,288.91
Cash and cash equivalents	-	-	2,989.97	-	-	2,331.53
Other bank balances	-	-	81.92	-	-	516.07
Derivative financial assets	-	231.46	-	2.51	1.14	-
Total financial assets	8,074.96	3,618.54	41,223.88	9,715.55	4,706.19	27,985.40
Financial liabilities						
Borrowings	-	-	21,980.59	-	-	9,236.52
Lease liabilities	-	-	659.26	-	-	-
Sales tax deferral	-	-	73.30	-	-	127.64
Trade payables	-	-	8,804.01	-	-	6,372.71
Derivative financial liability	10.49	14.62	-	-	18.56	-
Other financial liabilities	-	-	1,388.86	-	-	775.23
Total financial liabilities	10.49	14.62	32,906.02	-	18.56	16,512.10

ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has grouped its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets/liabilities measured at fair value – recurring fair value measurements At 31 March 2026

(₹ In Crore)

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial investments at FVTPL					
- Short-term funds	5	5,744.52	-	-	5,744.52
- Short duration bond funds	5	1,024.32	-	-	1,024.32
- Liquid mutual funds	5	484.55	-	-	484.55
- Derivative Asset	7	-	-	-	-
- Loans	6	-	21.40	-	21.40
- Arbitrage funds	5	788.09	-	-	788.09
- Equity investment	5	-	-	12.08	12.08
Financial investments at FVTOCI					
- Derivative Asset	7	-	231.46	-	231.46
- Government securities	5	-	224.70	-	224.70
- Equity investment	5	3,061.10	98.30	-	3,159.40
- Alternative Investment Fund		-	-	2.98	2.98
Total financial assets		11,102.58	575.86	15.06	11,693.50

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

39 Fair value measurement (Contd.)

Particulars	Notes	(₹ In Crore)			Total
		Level 1	Level 2	Level 3	
Financial liabilities at FVTPL					
Derivative financial liability	18	10.49	–	–	10.49
Financial liabilities at FVTOCI					
Derivative financial liability	18	–	14.62	–	14.62
Total financial liabilities		10.49	14.62	–	25.11

Assets disclosed at fair value – At 31 March 2026

Particulars	Notes	(₹ In Crore)			Total
		Level 1	Level 2	Level 3	
Investment property	3	–	238.78	–	238.78

Financial assets/liabilities measured at fair value – recurring fair value measurements At 31 March 2025

Particulars	Notes	(₹ In Crore)			Total
		Level 1	Level 2	Level 3	
Financial investments at FVTPL					
- Short-term funds	5	4,985.22	–	–	4,985.22
- Short duration bond funds	5	731.78	–	–	731.78
- Liquid mutual funds	5	1,020.62	–	–	1,020.62
- Bonds	5	–	460.45	–	460.45
- Derivative Asset	7	–	2.51	–	2.51
- Loans	6	–	21.40	–	21.40
- Arbitrage funds	5	2,493.57	–	–	2,493.57
- Alternative Investment Fund		–	–	–	–
Financial investments at FVTOCI					
- Derivative Asset	7	–	1.14	–	1.14
- Government securities	5	–	78.30	–	78.30
- Equity investment	5	4,365.57	261.18	–	4,626.75
Total financial assets		13,596.76	824.98	–	14,421.74
Financial liabilities at FVTOCI					
Derivative financial liability	17	–	18.56	–	18.56
Total financial liabilities		–	18.56	–	18.56

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

39 Fair value measurement (Contd.)

Assets disclosed at fair value - At 31 March 2025

(₹ In Crore)					
Particulars	Notes	Level 1	Level 2	Level 3	Total
Investment property	3	–	234.09	–	234.09

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would include rates/values/valuation references published periodically by BSE, NSE etc. basis which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be, that have quoted price/rate/value.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation Techniques used to determine fair value

Valuation Techniques used to determine fair value include

- Open ended mutual funds at NAV's/rates declared and/or quoted

iii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	(₹ In Crore)			
	31 March 2026		31 March 2025	
	Carrying Amount	Fair value	Carrying Amount	Fair value
Financial assets				
Investments				
Bonds	4,200.36	4,152.30	1,433.63	1,403.15
Government securities	-	-	367.55	362.30
Fixed maturity plans	1,126.89	1,149.47	884.18	891.68
Exchange traded funds	6,369.20	6,363.38	7,640.05	7,675.55
Total financial assets	11,696.45	11,665.15	10,325.41	10,332.68

The carrying amounts of commercial papers, fixed deposits, trade receivables, trade payables, other financial assets/liabilities, loans, other bank balances, short term borrowings, lease liabilities, sales tax deferral and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk (including foreign exchange risk and interest rate risk). In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments such as foreign exchange forward contracts and foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. The aim of financial risk management is to manage and limit credit risk, liquidity risk and market risks.

The Board is regularly informed about risks that could have a significant impact on business development. The principles of financial risk management are defined and monitored by the Board. Implementation is the responsibility of Group Treasury. This note explains the sources of risk which the Group is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	<ul style="list-style-type: none"> Cash and cash equivalents, financial assets measured at amortised cost & fair value through profit or loss. Derivative financial instruments Trade receivables Risk of financial loss arising out of customers or counterparties failing to meet their repayment obligations of the Group. 	<ul style="list-style-type: none"> Credit ratings Credit Limit & Ageing analysis Credit risk is measured as the amount at risk due to repayment default by customers or counterparties to the Group. Various metrics such as the instalment default rate, overdue position, contribution of stage 2 and stage 3 assets etc are used as leading indicators to assess credit risk. 	<ul style="list-style-type: none"> Diversification of counterparties, diversification of investment limits, monitoring of counterparties basis credit rating Deal with reputed banks holding high credit risk rating. No. of overdue days, monitoring of credit limits Credit exposure levels, portfolio performance, repeat customers contributions, are monitored through periodic reviews and portfolio analytics and are managed by a robust control framework by the risk unit.
Liquidity Risk	<ul style="list-style-type: none"> Other liabilities Risk arising from mismatch in the timing of cashflows 	<ul style="list-style-type: none"> Maturity analysis Measured by identification of gaps in the structural and dynamic liquidity and Liquidity coverage ratio (LCR) in accordance with guidelines issued by RBI and board approved liquidity risk framework. 	<ul style="list-style-type: none"> Maintaining sufficient cash/cash equivalents and marketable securities. Monitored by periodic review of ALCO of liquidity position and LCR position. Managed by the Group's treasury team through various means like HQLA, liquidity buffers, source of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions from banks.
Market Risk- Foreign Exchange	<ul style="list-style-type: none"> Highly probable forecast transactions and financial assets and liabilities not denominated in INR. 	<ul style="list-style-type: none"> Sensitivity analysis Measured by using changes in interest rates and foreign exchange currency fluctuations resulting impact on net interest and other metrics. 	<ul style="list-style-type: none"> Forward foreign exchange contracts and foreign currency options. Interest Rate Risk Monitored by assessment of key parameters like fluctuations in interest rates and foreign currency fluctuation and probable interest rate movement in both fixed and floating rate assets and liabilities.
Market Risk – Interest Rate	<ul style="list-style-type: none"> Term borrowings linked to benchmark interest rates. 	<ul style="list-style-type: none"> Sensitivity analysis based on changes in benchmark interest rates. 	<ul style="list-style-type: none"> Periodic monitoring of interest rate movements by treasury and ALCO.
Market Risk – Equity price risk	<ul style="list-style-type: none"> Investments in mutual funds, bonds, FMPs, ETFs, index funds and listed equity instruments. 	<ul style="list-style-type: none"> Monitored through NAVs of mutual funds and quoted market prices of listed equities. 	<ul style="list-style-type: none"> Managed through diversification, exposure limits and periodic review by senior management and the Board.

The Board of Directors of the respective companies of the group provide guiding principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of available funds. The Group's risk management is carried out by a treasury department as per such policies approved by the Board of Directors of the respective companies of the group. Accordingly, Group's treasury department identifies, evaluates and hedges financial risks.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management (Contd.)

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 Group. Credit risk primarily arises from cash and cash equivalents, derivative financial instruments, financial assets measured at amortised cost, financial assets measured at fair value through profit or loss and trade receivables. None of the financial instruments of the Group result in material concentration of credit risk.

A.1 Credit risk management

For Derivative instruments exposures are extended with multiple banks holding high credit risk ratings.

In regard to Trade receivables, which are typically unsecured, credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom credit is extended in the normal course of business. The Group follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Accordingly, impairment loss allowance is recognised based on lifetime expected credit losses at each reporting date, right from its initial recognition. The provision rates are based on days past due; and the calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

For BAIHAG (subgroup), the maximum payments terms granted were significantly reduced in the course of the restructuring proceedings: The maximum payment term is 180 days.

Set out below is the information about the credit risk exposure of the Group's trade receivables using provision matrix:

Particulars	As on 31 March	
	2026	2025
Estimated total gross carrying amount	3,654.76	2,139.67
Loss allowance	(181.32)	(14.45)
Net carrying amount	3,473.44	2,125.22

Reconciliation of impairment allowance – Trade receivable

Particulars	(₹ In Crore)
Impairment allowance as on 01 April 2024	19.37
Changes in loss allowance	(4.92)
Impairment allowance as on 31 March 2025	14.45
Changes in loss allowance	166.87
Impairment allowance as on 31 March 2026	181.32

A.2 Classification of financial assets under various stages (of Financial Service Business)

Stage 1: unimpaired and without significant increase in credit risk since initial recognition on which a 12-month allowance for ECL is recognised;

Stage 2: a significant increase in credit risk since initial recognition on which a 12-month ECL is recognised

Stage 3: objective evidence of impairment and therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management (Contd.)

Particulars	(₹ In Crore)	
	As on 31 March	
	2026	2025
Term Loans to customers under Financing	18,834.68	9,503.28
ECL	(385.13)	(110.33)
Net carrying value	18,449.55	9,392.95

Particulars	(₹ In Crore)	
	As on 31 March	
	2026	2025
Advances to dealer	453.04	444.37
Loss allowance	(4.31)	(2.04)
Net carrying value	448.73	442.33

Collateral

Bajaj Auto Credit Limited, the Subsidiary Company (Financial Service Business) offers two and three wheelers to customers and loans is secured by collateral. Although collateral is an important risk mitigant of credit risk, the risk the Subsidiary Company's practice is to lend on the basis of assessment of the customer's ability to repay than placing primary reliance on collateral. Based on the nature of product and the Subsidiary Company's assessment of customer credit risk, a loan may be offered with suitable collateral. Depending on its form, collateral can have a significant effect in mitigating the subsidiary Company's credit risk. The type of collateral obtained are as follows:

Product group	Name of securities
Two and three wheeler finance	Hypothecation of underlying two and three wheelers

Other financial assets:

The Group has an investment policy which allows the Group to invest only with counterparties having a credit rating equal to or above AA+ and A1+. The Group reviews the creditworthiness of these counterparties on an on-going basis. Counter party limits maybe updated as and when required, subject to approval of Board of Directors.

B) Liquidity risk

The Group's principal source of liquidity are 'cash and cash equivalents', bank balance other than 'cash and cash equivalents', current investments and cash flows that are generated from operations and investment for the purpose of maintaining liquidity ratio as per RBI for the financial services segment of the Group. The Group believes that its working capital is sufficient to meet the financial liabilities within maturity period. Additionally, the Group has invested its surplus funds in fixed income securities or instruments of similar profile thereby ensuring safety of capital and availability of liquidity as and when required.

The Group's Board approves Liquidity Risk Management Framework which covers liquidity risk management policy, strategies and practices, liquidity coverage ratio (LCR), liquidity risk measurement- currency risk, interest rate risk and liquidity risk monitoring framework. The Group exceeds the regulatory requirements of LCR which mandates maintaining prescribed coverage of expected net cash outflows for a stressed scenario in the form of high-quality liquidity assets (HQLA). The Group's ALCO monitors assets liability mismatch to ensure that there are no imbalances or excessive concentrations on either side of the Balance Sheet.

The liquidity risks of the BAIHAG are primarily due to the fact that cash inflows from sales revenues are below the planned assumptions due to a weakening in demand. The BAIHAG countered this risk by maintaining a liquidity reserve in the form of unused credit lines and, if necessary, in the form of cash holdings with banks with a high credit rating. Direct cash flow planning is carried

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management (Contd.)

out on a weekly basis and strict expenditure control is carried out via internal Group approval processes against the background of the analysis of operationally necessary transactions.

Further, the Group participates in a factoring program whose purpose is to enable efficient payment processing and interim financing. This enables the Group to centralize payments from trade receivables and at the same time maintain flexibility in liquidity management.

On 1 August 2024, Bajaj Mobility declared to Erste Group Bank AG that it would exercise its rights as owner of various direct and indirect shareholdings in such a way that, in accordance with sound commercial practice, these would be financially equipped to service their liabilities arising from the Erste confirming business relationship in a timely manner.

From Bajaj Mobility AG's perspective, this declaration dated 1 August 2024, constitutes a soft letter of comfort that does not result in any obligation on the part of Bajaj Mobility AG to pay or any payment obligation on the part of Bajaj Mobility AG as guarantor to Erste Group Bank AG. The legal qualification of the declaration dated 1 August 2024, is currently the subject of legal clarification. Based on the current status, management does not expect any significant outflow of funds from this matter.

The Group's credit agreements do not contain any critical covenants entitling the holder to early maturity, which the Group evaluates not expected to be met. Hence the Group carries a negligible liquidity risk.

Group's principal source of liquidity:

(₹ In Crore)

As at 31 March

Particulars	2026	2025
Net Working capital funds (includes)	14,638.97	7,862.12
– Cash and Cash equivalents	2,989.97	2,331.53
– Current Investments	7,811.66	5,902.02
– Other bank balances	81.92	516.07

The table below summarises the contractual undiscounted payment maturities of financial liabilities as at 31 March 2026 and 31 March 2025:

Maturities of financial liabilities

(₹ In Crore)

Particulars	Less than and equal to 1 year	More than 1 year - less than 5 Years	More than 5 Years	Total
As on 31 March 2026				
Non-derivatives				
Sales tax deferral (discounted)	–	73.30	–	73.30
Trade payables	8,804.01	–	–	8,804.01
Non - current borrowings	–	16,655.93	415.82	17,071.75
Current borrowings	7,816.53	–	–	7,816.53
Lease liabilities	184.09	400.47	165.60	750.16
Other financial liabilities	1,333.53	55.33	–	1,388.86
Total non-derivative liabilities	18,138.16	17,185.03	581.42	35,904.61
Derivative financial liability	10.49	14.62	–	25.11
Total financial liabilities	18,148.65	17,199.65	581.42	35,929.72

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management (Contd.)

(₹ In Crore)

Particulars	Less than and equal to 1 year	More than 1 year - less than 5 Years	More than 5 Years	Total
As on 31 March 2025				
Non-derivatives				
Sales tax deferral (discounted)	–	127.64	–	127.64
Trade payables	6,372.71	–	–	6,372.71
Non - current borrowings	–	6,082.74	–	6,082.74
Current borrowings	3,153.78	–	–	3,153.78
Other financial liabilities	743.57	31.66	–	775.23
Total non-derivative liabilities	10,270.06	6,242.04	–	16,512.10
Derivative financial liability	–	18.56	–	18.56
Total financial liabilities	10,270.06	6,260.60	–	16,530.66

C) Market risk

Market risk is the risk that the fair value of future cashflows of financial instruments will fluctuate due to changes in the market variables such as interest rates, equity prices and foreign exchange rates and credit spreads on investment and borrowings.

(i) Foreign currency risk

The Group has significant exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through sensitivity analysis which shows the effects of a +/- 10% change in the exchange rate on profit and loss, other comprehensive income and equity. The affected bank balances, receivables and liabilities of the Group as well as future inflows and outflows in foreign currency were used as a basis. It was assumed that the risk on the balance sheet date essentially represents the risk during the financial year.

The primary objective for forex hedging against anticipated foreign currency risks will be to hedge the Group's highly probable foreign currency cash flows arising from such transactions (thus reducing volatility of cash flow and profit).

A. Foreign Operations

The BAIHAG is influenced by global economic parameters such as changes in currency parities or developments on the financial markets. In particular, the exchange rate development of the US dollar, which represents the highest individual risk in the BAIHAG's foreign currency risk, plays a major role in the Group's revenue and earnings development. Due to the increasing importance of the USD in purchasing, the foreign currency risk for the USD is significantly reduced ('natural hedge').

BAIHAG also faces currency risks if financial assets and liabilities are settled in a currency other than the local currency of the respective company. The majority of the Group's companies invoice in local currency and are largely financed in local currency. Investments are mainly made in the local currency of the investing Group company. For these reasons, of course, currency positions usually result in closed.

Currency risks from INR positions in subsidiaries whose functional currency differs from the INR were allocated to the currency risk of the functional currency of the respective subsidiary. Risks from foreign currency positions other than the INR were aggregated at Group level. Exchange rate-related differences from the translation of financial statements into the Group currency were not taken into account.

For the sensitivity of profit and loss, bank deposits, receivables and liabilities of the Group in foreign currency that are not accounted for in the functional currency of the Group company are taken into account.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management (Contd.)

The Group's exposure to foreign currency risk at the end of the reporting period are as follows

	(Amount in Million)				
	USD	MXN	CNY	JPY	Others*
Receivables	12.48	242.64	63.77	424.51	70.22
Others (Cash)	53.55	97.59	4.48	141.42	85.19
Payables	(25.79)	(59.02)	(162.74)	(37.66)	(25.52)
Total	40.24	281.21	(94.49)	528.27	129.89
Total in equivalent EUR million	34.25	13.32	(11.49)	2.87	6.64
Total in equivalent INR crore (translated)	361.24	140.44	(121.14)	30.27	69.98

* Others mainly include Australian dollar, Canadian dollar, New Zealand dollar, Swedish krona, South African rand, Brazilian real, Indian rupee, Hungarian forint, Swiss franc & Czech koruna.

Below is a currency risk sensitivity for the cases where the Group uses Euro as a functional currency. The results of the sensitivity are translated in INR based on respective closing rates as at 31 March 2026 is as below:

Particulars	(₹ In Crore)	
	As at 31 March	
	10% increase	10% decrease
Changes in profit before tax	(43.71)	53.42
Change in equity	(33.66)	41.13

As at 31 March 2025, BAIHAG was an associate entity and hence the disclosure has not been made.

B. Domestic operations

The Group's risk management policy permits the use of plain foreign exchange forward contracts and foreign currency option contracts including Foreign Currency - INR Option Cost Reduction Structures to hedge forecasted sales.

The Group also imports certain materials the value of which is not material as compared to value of exports. Currently, Group does not hedge this exposure. Nevertheless, Group may wish to hedge such exposures.

The Group uses a combination of foreign currency option contracts and foreign exchange forward contracts to hedge its exposure in foreign currency risk. The Group designates forward contracts in entirety and intrinsic value of foreign currency option contracts as the hedging instrument. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised through other comprehensive income in the 'Cash flow hedging reserve' within equity. The change in time value that relate to the hedged item (aligned time value) is recognised through other comprehensive income in 'Costs of hedging reserve' within equity. Amount recognised in equity is reclassified to consolidated profit or loss when the hedged item (i.e. forecasted export sales) affects consolidated statement of profit or loss. The ineffective portion of change in fair value of the hedging instrument and any residual time value (the non-aligned portion), if any, is recognised in the Statement of Profit and Loss immediately.

The intrinsic value of foreign exchange option contracts is determined with reference to the relevant spot market exchange rate. The differential between the contracted strike rate and the spot market exchange rate is defined as the intrinsic value. Time value of the option is the difference between fair value of the option and the intrinsic value.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management (Contd.)

The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	31 March 2026		31 March 2025	
	USD Million	In ₹ Crore	USD Million	In ₹ Crore
Receivables	63.29	600.19	59.81	511.23
Payables	(25.16)	(238.60)	(33.66)	(287.71)
Borrowings	-	-	-	-
Others (EEFC balances)	84.84	804.62	50.24	429.43

Below is a currency risk sensitivity for the cases where the Group uses INR as a functional currency.

The results of the sensitivity based on respective closing rates as at 31 March 2026 is as below:

Increase/decrease	31 March 2026		31 March 2025	
	10% increase	10% decrease	10% increase	10% decrease
Changes in profit before tax	(116.62)	116.62	(65.29)	65.29
Change in equity	(87.27)	87.27	(48.86)	48.86

Impact of hedging activities:

Cash flow hedge as on 31 March 2026:

The Group does not have any outstanding foreign exchange contracts in the nature of Cash flow hedge as on 31 March 2026.

The details of impact for foreign exchange contracts taken during the year is as follows:

Type of hedge	Nominal value	Hedge ratio*	Amount reclassified to profit or loss	Line item affected in the Statement of Profit and Loss because of the reclassification
Foreign currency options	3,737.47	1:1	87.59	Revenue

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, so a qualitative assessment of effectiveness is performed. During the years ended 31 March 2026 and 31 March 2025, the Group did not have any hedging instruments with terms which were not aligned with those of the hedged items.

Therefore, no ineffectiveness is recognised in the Statement of Profit and Loss during the years ended 31 March 2026 and 31 March 2025.

Cash flow hedge as on 31 March 2025:

During the year the Group did not undertake any foreign exchange hedging contracts in the nature of Cash flow hedge. The Group does not have any outstanding foreign exchange contracts in the nature of Cash flow hedge as on 31 March 2025.

* The foreign exchange forward and option contracts are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management (Contd.)

Maturity of outstanding contracts

The details in respect of the maturity of outstanding foreign exchange forward contracts are given below:

On foreign currency loan receivable:

Particulars	31 March 2026		31 March 2025	
	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)	Notional In EURO Mn (Sell)	MTM Gain/(Loss) (₹ In Crore)
Not later than 3 months	150.00	(10.49)	115.00	2.51
Total	150.00	(10.49)	115.00	2.51

While the notional amount is eliminated at the consolidated level, foreign currency exposure persists at the Group level in respect of underlying loan.

(ii) Interest rate 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into hedge contracts for external commercial borrowings.

For interest rate risk, the exposures as of the reporting date in the form of book values (borrowings which are unhedged for interest rate risk exposures)

Particulars	As at 31 March	
	2026	2025
Variable interest rate borrowings	16,773.14	5,339.55
Variable interest rate lease liabilities	615.29	–
	17,388.43	5,339.55

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Change in profit before tax	As at 31 March	
	Increase of 100bp	Decrease of 100bp
31 March 26		
Change in profit before tax	(173.88)	173.88
Change in Equity	(131.53)	131.53
31 March 25		
Change in profit before tax	(53.40)	53.40
Change in Equity	(39.96)	39.96

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management (Contd.)

C. Derivative

The Group enters into certain forward foreign exchange contracts with the intention to reduce the foreign exchange risk. These contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

Impact of hedging activities in financial service business

The Group's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant IndAS. 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 instruments.

(a) Disclosure of effects of hedge accounting on financial position:

Cash flow hedge foreign exchange risk 31 March 2026

(₹ In Crore)

Type of hedge and risk	Nominal value	Carrying amount of hedge instrument asset	Carrying amount of hedge instrument liability	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency loans	1,866.00	231.46	-	(231.46)	16.80
Indian currency loans	2,137.50	-	14.62	14.62	-
Total	4,003.50	231.46	14.62	(216.84)	16.80

Cash flow hedge foreign exchange risk 31 March 2025

(₹ In Crore)

Type of hedge and risk	Nominal value	Carrying amount of hedge instrument asset	Carrying amount of hedge instrument liability	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign currency loans	1,866.00	1.14	6.32	5.18	16.80
Indian currency loans	1,637.50	-	12.24	12.24	-
Total	3,503.50	1.14	18.56	17.42	16.80

(b) Disclosure of effects of hedge accounting on financial performance

Cash flow hedge foreign exchange risk 31 March 2026

(₹ In Crore)

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in the Statement of Profit and Loss because of the reclassification
Foreign currency loans	(231.46)	-	-	-
Indian currency loans	14.62	-	-	-
Total	(216.84)	-	-	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

40 Financial risk management (Contd.)

Cash flow hedge foreign exchange risk 31 March 2025

(₹ In Crore)				
Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in the Statement of Profit and Loss because of the reclassification
Foreign currency loans	5.18	-	-	-
Indian currency loans	12.24	-	-	-
Total	17.42	-	-	-

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, so a qualitative assessment of effectiveness is performed. During the years ended 31 March 2026 and 31 March 2025, the Group did not have any hedging instruments with terms which were not aligned with those of the hedged items.

Therefore, no ineffectiveness is recognised in the Statement of Profit and Loss during the years ended 31 March 2026 and 31 March 2025.

Movements in cash flow hedging reserve

(₹ In Crore)	
Risk Category	Foreign Currency Risk and Interest Rate Risk
Derivative Instrument	Cross Currency Interest Rate Swaps (CCIRS) and Interest rate swap (IRS)
Cash flow hedging reserve	
Balance – As at 01 April 2024	-
Add: Change in intrinsic value of foreign currency options	(32.43)
Less: Amount reclassified to profit or loss	-
Deferred tax relating to the above (net)	8.15
Balance – As at 31 March 2025	(24.28)
Add: Change in value of hedge of CCIRS and IRS	35.51
Less: Amount reclassified to profit or loss	-
Deferred tax relating to the above (net)	(8.20)
Balance – As at 31 March 2026	3.03

(iii) Equity price risk

The Group has deployed its surplus funds into various financial instruments including units of mutual funds, bonds, fixed maturity plans, exchange traded funds, index funds and equity instruments of a listed company, which are classified and measured as fair value through other comprehensive income. The Group is exposed to price risk on such investments, which arises on account of movement in interest rates, equity prices, liquidity and credit quality of underlying securities.

The Group has invested its surplus funds primarily in debt based mutual funds and fixed maturity plans, and certain equity instruments of a listed company designated at FVTOCI. The value of investment in these mutual fund schemes is reflected through Net Asset Value (NAV) declared by the Asset Management Group on daily basis, while the fair value of equity instruments is determined based on quoted market prices on recognised stock exchange. The Group manages such risk through portfolio diversification, by placing limits on individual and aggregate exposure, and through periodic monitoring and review of investments. Please refer quoted investments in note 5 for total exposure to such investments price risk. Given that the changes in fair values of the investments held are strongly positively correlated with changes of the NSE market index, the Group has determined that an increase/(decrease) of 10% on the NSE market index could have an impact of approximately ₹ 2,167.22 crore increase/(decrease) on the income and equity attributable to the Group.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits

The Group has certain defined contribution plans as below:

(i) Defined benefit obligations in Indian entities

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

Funded schemes

Gratuity

The Company provides for gratuity and ex-gratia payments, if applicable, to employees. The gratuity and ex-gratia benefit (if any) payable to the employees of the Company is greater or equal to the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time, including consequent changes arising from the Code on Social Security, 2020 and related rules). Employees who are in continuous service for period as specified under the Act are eligible for gratuity and ex-gratia, if any. This plan is a funded plan and the Company makes contributions to approved gratuity fund.

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation (DBO)	571.55	480.45
Fair value of plan assets	(500.22)	(495.53)
Net funded obligation	71.33	(15.08)
Present value of unfunded defined benefit obligation	-	-
Amount not recognized due to asset ceiling	-	1.46
Net defined benefit liability/(asset) recognised in Balance Sheet	71.33	(13.62)
Expense recognised in the Statement of Profit and Loss		
Current service cost	34.60	29.70
Past service cost	73.74	-
Interest on net defined benefit liability/(asset)	(0.46)	(1.77)
Total expense charged to Statement of Profit and Loss	107.88	27.93
Amount recorded as Other Comprehensive Income		
Opening amount recognized in OCI outside Statement of Profit and Loss	2.25	22.78
Remeasurements during the period due to		
Changes in financial assumptions	(6.66)	9.35
Changes in demographic assumptions	0.64	(11.29)
Experience adjustments	10.12	(5.03)
Actual return on plan assets less interest on plan assets	(0.55)	(9.86)
Adjustment to recognize the effect of asset ceiling	(1.55)	(3.70)
Closing amount recognized in OCI outside Statement of Profit and Loss	4.25	2.25

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	(13.62)	(16.45)
Expense charged to Statement of Profit and Loss	107.88	27.93
Amount recognized outside Statement of Profit and Loss	2.00	(20.53)
Employer contributions	(24.93)	(4.57)
Impact of liability assumed or (settled)	–	–
Closing net defined benefit liability/(asset)	71.33	(13.62)

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Movement in benefit obligation		
Opening of defined benefit obligation	480.45	478.60
Current service cost	34.60	29.70
Past service cost	73.74	–
Interest on defined benefit obligation	30.47	30.26
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	(6.66)	9.35
Actuarial loss/(gain) arising from change in demographic assumptions	0.64	(11.29)
Actuarial loss/(gain) arising on account of experience changes	10.12	(5.03)
Benefits paid	(51.81)	(54.62)
Liabilities assumed/(settled)	–	3.48
Closing of defined benefit obligation	571.55	480.45

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Movement in plan assets		
Opening fair value of plan assets	495.53	499.86
Employer contributions	24.93	4.57
Interest on plan assets	31.01	32.37
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	0.56	9.87
Benefits paid	(51.81)	(54.62)
Assets acquired/(settled)	–	3.48
Assets distributed on settlements	–	–
Closing fair value of plan assets	500.22	495.53

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

Particulars	As at 31 March	
	2026	2025
(₹ In Crore)		
Disaggregation of assets		
Category of assets		
Insurer managed funds.	500.22	495.53
Others	-	-
Grand Total	500.22	495.53

Sensitivity Analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation (DBO) at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	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	(2.66%)	2.55%	(2.79%)	2.86%
Impact of decrease in 50 bps on DBO	2.82%	(2.42%)	2.96%	(2.73%)
Junior staff				
Impact of increase in 50 bps on DBO	(3.56%)	3.11%	(3.49%)	3.66%
Impact of decrease in 50 bps on DBO	3.86%	(2.84%)	3.79%	(3.41%)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Funding arrangement and policy

The money contributed by the Group 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 Group to fully pre fund the liability of the Plan. The Group'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 ₹ 50.5 crore.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

Funded schemes (Contd.)

Gratuity (Contd.)

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:

Particulars					(₹ In Crore)
	Less than a year	Between 1 - 2 years	Between 3 - 5 years	Over 5 years	Total
31 March 2026					
Senior staff	85.83	25.71	55.45	265.12	432.11
Junior staff	81.43	35.11	77.98	448.04	642.56
31 March 2025					
Senior staff	41.99	50.11	56.09	227.72	375.91
Junior staff	74.38	31.70	59.14	343.64	508.86

Particulars	As at 31 March	
	2026	2025
Weighted average duration of defined benefit obligation (in years)		
Senior Staff	7.80	5.75
Junior Staff	8.61	7.27

Particulars	As at 31 March	
	2026	2025
Principal Actuarial Assumptions (Expressed as Weighted Averages)		
Discount rate (p.a.)	7.13%	6.85%
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.

Provident Fund:

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation	1,641.06	1,571.04
Fair Value of Plan Assets	(1,692.52)	(1,600.19)
Net funded obligation	(51.46)	(29.15)
Amount not recognized due to asset ceiling	51.46	29.15
Net defined benefit liability/(asset) recognized in balance sheet	-	-
Expense recognised in the Statement of Profit and Loss		
Current service cost	47.98	45.85
Total expenses charged to Statement of Profit and Loss	47.98	45.85

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

Funded schemes (Contd.)

Provident Fund: (Contd.)

Particulars	As at 31 March	
	2026	2025
(₹ In Crore)		
Amount recorded as Other Comprehensive Income		
Opening amount recognized in OCI outside Statement of Profit and Loss	-	-
Remeasurements during the period due to		
Changes in financial assumptions	71.58	48.76
Changes in demographic assumptions	-	-
Experience adjustments	(50.21)	(28.22)
Actual return on plan assets less interest on plan assets	(41.69)	4.28
Adjustment to recognize the effect of asset ceiling	20.32	(24.82)
Closing amount recognized in OCI outside Statement of Profit and Loss	-	-
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	-	-
Expense charged to Statement of Profit and Loss	47.98	45.85
Employer contributions	(47.98)	(45.85)
Closing net defined benefit liability/(asset)	-	-
Movement in benefit obligation		
Opening of defined benefit obligation	1,571.04	1,516.11
Current service cost	47.98	45.85
Interest on defined benefit obligation	105.66	106.56
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	71.58	48.76
Actuarial loss/(gain) arising on account of experience changes	(50.21)	(28.22)
Employee contributions	81.15	80.53
Benefits paid	(183.79)	(176.61)
Liabilities assumed/(settled)	(2.35)	(21.94)
Closing defined benefit obligation	1,641.06	1,571.04
Movement in plan assets		
Opening fair value of plan assets	1,600.19	1,566.45
Interest on plan assets	107.65	110.19
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	41.69	(4.28)
Employer contributions during the period	47.98	45.85
Employee contributions during the period	81.15	80.53
Benefits paid	(183.79)	(176.61)
Assets acquired/(settled)	(2.35)	(21.94)
Closing fair value of plan assets	1,692.52	1,600.19

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

Funded schemes (Contd.)

Provident Fund: (Contd.)

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Disaggregation of assets		
Quoted		
Government debt instruments	1,001.52	1,007.28
Other debt instruments	560.35	499.57
Others	66.87	30.08
Unquoted		
Others	63.78	63.26
Total	1,692.52	1,600.19

As at 31 March

Particulars	2026	2025
Key actuarial assumptions		
Discount rate (p.a.)	7.00%	6.85%
Future derived return on assets (p.a.)	8.38%	8.22%
Discount rate for the remaining term to maturity of the investment (p.a.)	6.55%	6.55%
Average historic yield on the investment (p.a.)	7.93%	7.92%
Guaranteed rate of return (p.a.)	8.25%	8.25%

Unfunded schemes

(₹ In Crore)

Particulars	Compensated Absences	
	As at 31 March 2026	As at 31 March 2025
Present value of unfunded obligations	168.87	149.64
Expense recognized in the Statement of profit and loss	29.93	10.16
Amount recorded as Other Comprehensive Income		
Discount rate (p.a.)	7.13%	6.85%
Salary escalation rate (p.a.) - senior staff	10.00%	10.00%
Salary escalation rate (p.a.) - junior staff	10.00%	10.00%

Compensated absences

The compensated absences cover the Group's liability for casual and earned leave.

Entire amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Compensated absences expected to be settled after 12 months	133.47	118.85

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

Unfunded schemes (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Amount recognised in the Statement of Profit and Loss		
Defined contribution plans:		
Superannuation paid to trust	8.62	8.67
Pension fund paid to Government authorities	10.74	11.36
Provident fund paid to Government authorities	10.04	6.10
Others	0.70	1.62
Defined Benefit Plans:		
Gratuity	107.88	27.93
Provident fund paid to trust	47.98	45.85
Others	5.32	2.72
Total	191.28	104.25

(ii) Defined benefit obligations in foreign entities

Defined benefit obligations in foreign entities: Contributions are made to defined contribution plans in foreign entities as per regulations of the respective region. i) Group is obliged to make a severance payment to all employees in Austria whose employment relationship began before 1 January 2003 upon termination by the employer or at the time of retirement. This performance-based obligation depends on the number of years of service and the relevant salary at the time of severance pay and amounts to between two and twelve months' salary.

For all employment relationships established in Austria after 31 December 2002, the Group pays 1.53% of the salary per month into a employee provision fund, in which the contributions are invested in an employee's account and paid out to him or passed on as an entitlement upon termination of the employment relationship. The Group is only obliged to pay the contributions that are recognized in the expenditure for which they were paid in the financial year for which they were paid (defined contribution obligation). For employees of Austrian group companies who entered into employment on or after 1 January 2003, contributions for severance payments to a statutory employee provision fund in the amount of 1.53% of wages or salaries were paid.

Details of net debts from Severance pay plans as follows:

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Amount recognised in Balance Sheet		
Present value of funded defined benefit obligation (DBO)	238.46	-
Fair value of plan assets	-	-
Net funded obligation	238.46	-
Present value of unfunded defined benefit obligation	-	-
Amount not recognized due to asset ceiling	-	-
Net defined benefit liability/(asset) recognized in balance sheet	238.46	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Expense recognised in the Statement of Profit and Loss		
Current service cost	76.98	-
Past service cost	-	-
Interest on net defined benefit liability/(asset)	3.03	-
Total expense charged to Statement of Profit and Loss	80.01	-
Amount recorded as Other Comprehensive Income		
Opening amount recognized in OCI outside Statement of Profit and Loss		
Remeasurements during the period due to		
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	-	-
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized in OCI outside Statement of Profit and Loss	-	-

Particulars	(₹ In Crore)	
	As at 31 March	
	2026	2025
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)		
Add: Increase in DBO liability due to acquisition of subsidiary	155.32	-
Expense charged to Statement of Profit and Loss	80.01	-
Amount recognized outside Statement of Profit and Loss	-	-
Employer contributions	-	-
Impact of liability assumed or (settled)*	-	-
Effects of foreign exchange rate	3.13	-
Closing net defined benefit liability/(asset)	238.46	-
Movement in benefit obligation		
Opening of defined benefit obligation		
Add: Increase in DBO liability due to acquisition of subsidiary	155.32	-
Current service cost	76.98	-
Past service cost	-	-
Interest on defined benefit obligation	3.03	-
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	-	-
Actuarial loss/(gain) arising from change in demographic assumptions	-	-
Actuarial loss/(gain) arising on account of experience changes	-	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

(₹ In Crore)

Particulars	As at 31 March	
	2026	2025
Benefits paid	-	-
Liabilities assumed/(settled)	-	-
Liabilities extinguished on settlements	-	-
Effects of foreign exchange rate	3.13	-
Closing of defined benefit obligation	238.46	-
Movement in plan assets		
Opening fair value of plan assets	-	-
Employer contributions	-	-
Interest on plan assets	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	-	-
Benefits paid	-	-
Assets acquired/(settled)	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	-	-
Disaggregation of assets		
Category of assets		
Insurer managed funds.	-	-
Others	-	-
Grand Total	-	-

Sensitivity Analysis

A change (+/- 0.5 percentage points) in the 'actuarial interest rate' and 'wage/salary trend' parameters would have had the following impact on the present value of future payments as of 31 December 2025:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
Impact of increase in 50 bps on DBO	(4.50%)	4.80%	-	-
Impact of decrease in 50 bps on DBO	4.80%	(4.50%)	-	-

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

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:

Particulars	(₹ In Crore)				
	Less than a year	Between 1 - 5 years	Between 6 - 10 years	More than 10 years	Total
31 March 2026	12.10	53.58	55.09	119.70	240.47
31 March 2025	-	-	-	-	-

The weighted remaining terms (duration) of the severance pay obligations are 9 years as of 31 March 2026.

Particulars	As at 31 March	
	2026	2025
Principal Actuarial Assumptions (Expressed as Weighted Averages)		
Discount rate (p.a.)	3.98%	-
Salary escalation rate (p.a.)	1.90%	-

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

Particulars	Compensated Absences	
	As at 31 March 2026	As at 31 March 2025
Present value of unfunded obligations	69.25	-
Expense recognized in the Statement of profit and loss	-	-
Amount recorded as Other Comprehensive Income	-	-
Discount rate (p.a.)	0.00%	0.00%
Salary escalation rate (p.a.)	0.00%	0.00%

Compensated absences

The compensated absences cover the Group's liability for casual and earned leave.

Entire amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

Particulars	As at 31 March	
	2026	2025
Compensated absences expected to be settled after 12 months	-	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

41 Employee benefits (Contd.)

Jubilee/Anniversary bonuses

On the basis of collective agreements, companies of the BAIHAG-Group are obliged to pay jubilee bonuses to employees in Austria in accordance with the achievement of certain years of service (from 25 years of service) (performance-oriented obligation). The interest on this is recognized in other financial income.

The obligations for claims from anniversary bonuses developed as follows:

Particulars	As at 31 March	
	2026	2025
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	-	-
Add: Increase in liability due to acquisition of subsidiary	70.09	-
Expense charged to Statement of Profit and Loss	(1.97)	-
Amount recognized outside Statement of Profit and Loss	-	-
Employer contributions	-	-
Impact of liability assumed or (settled)	-	-
Effects of foreign exchange rate	1.41	-
Closing net defined benefit liability/(asset)*	69.53	-

* The weighted remaining terms (duration) of the jubilee bonus obligations are 13 years as of 31 March 2026.

Particulars	As at 31 March	
	2026	2025
Bonus expected to be settled after 12 months	69.53	-

Particulars	As at 31 March	
	2026	2025
Amount recognised in the Statement of Profit and Loss		
Defined contribution plans:		
Superannuation paid to trust	-	-
Pension fund paid to Government authorities	-	-
Provident fund paid to Government authorities	-	-
Others	59.48	4.76
Defined Benefit Plans:		
Severance Pay	80.01	-
Anniversary Bonus	(1.97)	-
Others	-	-
Total	137.52	4.76

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

42 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24

		(₹ In Crore)			
Name of related party	Nature of transaction	2025-26		2024-25	
		Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
A. Subsidiaries (Erstwhile associates):					
KTM AG	Sale of vehicles and material	32.76	-	102.22	(91.15)
	Services rendered and other debits	-	-	9.46	-
	Purchases (including purchase of accessories and other capital items), merchant purchase & other credits	1.06	-	1.76	-
	Loan advanced (subsequently relieved post acquisition)	4,601.98	-	-	-
	Interest on Loan	305.81	-	-	-
KTM Sportmotorcycle GmbH	Sale of vehicles and material	892.26	-	452.60	59.37
	Royalty paid and payable	-	-	-	-
	- Billed	22.64	-	24.43	-
	- Unbilled	-	-	11.10	(11.10)
	Services rendered and other debits	14.09	-	0.24	-
KTM Forschungs & Entwicklungs GmbH	Purchases (including purchase of accessories and other capital items), merchant purchase & other credits	1.23	-	2.83	-
	Sale of vehicles and material	0.04	-	2.13	0.11
KTM Australia PTY	Sale of vehicles and material	0.14	-	-	-
Husqvarna Motorcycles GmbH	Sale of vehicles and material	11.31	-	89.43	(0.20)
	- Billed	0.08	-	0.47	-
	- Unbilled	-	-	0.05	(0.05)
	Purchase of accessories & other credits	-	-	0.02	-
	Sale of vehicles and material	60.96	-	-	-
KTM North America	Royalty paid and payable	-	-	-	-
	- Billed	5.68	-	6.23	-
	- Unbilled	-	-	2.79	(2.79)
	Services rendered and other debits	-	-	-	-
	- Billed	5.56	-	4.98	(0.42)
KTM Sportmotorcycle India Pvt. Ltd.	- Unbilled	-	-	1.65	1.65
	Purchases (including purchase of accessories and other capital items), merchant purchase & other credits	0.02	-	-	-
	Loan advanced to Bajaj Auto International Holdings AG (BAIHAG earlier known as Pierer Bajaj AG)	-	-	455.59	460.45
	Loan repayment from Bajaj Auto International Holdings AG (BAIHAG earlier known as Pierer Bajaj AG)	-	-	(36.37)	36.84
	Contribution to Capital	520.14	-	-	1,767.63
Bajaj Auto International Holdings AG (BAIHAG earlier known as Pierer Bajaj AG)	Interest on Loan	224.77	-	7.92	5.10
	Convertible Bond	2,512.69	-	460.45	460.45
* Transaction mentioned above with BAIHAG Group are till the date of acquisition (18 November 2025), post which, the BAIHAG group became subsidiary and hence no subsequent transactions have been shown in related party disclosures. See note 46.					
B. Associates, joint ventures and investing parties:					
Bajaj Holdings & Investment Ltd.	Investment in shares by BHIL [95,547,251 shares of ₹ 10 each]	-	(95.55)	-	(95.55)
(Investing party - holds 34.21% shares of Bajaj Auto Ltd.)	Purchase of shares by BAL [3,500,000 shares of ₹ 10 each]	-	1,111.49	-	1,111.49
	Buyback of shares	-	-	-	-
	Dividend paid	2,006.49	-	764.38	-
	Dividend received	32.55	-	30.10	-
	Business support service received	30.74	-	33.54	-
	Business support service rendered	2.67	-	1.28	-
C. Key management personnel and their relatives:					
Rajiv Bajaj	Short-term employee benefits (including Commission)	55.14	(35.21)	54.85	(35.21)
(Managing Director)	Post-employment benefits	3.73	-	3.73	-
	Rent paid for premises	3.40	-	3.24	-
	Deposit paid against premises taken on lease	-	1.92	-	1.92

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

42 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24 (Contd.)

Name of related party	Nature of transaction	(₹ In Crore)			
		2025-26		2024-25	
		Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
Pradeep Shrivastava (Executive Director)	Short-term employee benefits	20.03	-	27.34	-
	Post-employment benefits	1.07	-	0.99	-
	Equity shares issued pursuant to stock option scheme	4.29	-	10.53	-
	Fair value of stock options granted	2.88	-	2.62	-
Rakesh Sharma (Executive Director)	Short-term employee benefits	14.35	-	15.94	-
	Post-employment benefits	0.95	-	0.87	-
	Equity shares issued pursuant to stock option scheme	-	-	1.20	-
	Fair value of stock options granted	2.88	-	2.62	-
Sanjiv Bajaj	Sitting fees	0.06	-	0.08	-
	Commission	0.19	(0.19)	0.25	(0.25)
Niraj Bajaj (Chairman)	Sitting Fees	0.11	-	0.13	-
	Commission	0.35	(0.35)	0.41	(0.41)
Rishabhayan Bajaj	Remuneration including perquisites	0.57	-	0.44	-
D. Other entities/persons: (Employee benefit plans, independent directors, and entities where persons under Ind AS 24 para 9(a) hold significant influence, control, joint control, or acts as KMP)					
Bajaj Finserv Ltd.	Business support service rendered	0.04	-	0.11	-
Bajaj Finance Ltd.	Investment in shares by BFL (150 shares of ₹ 10 each) - ₹ 1,500	-	-	-	-
	Service rendered	31.69	(0.08)	30.30	(0.06)
	Service received	7.26	0.03	1.74	(0.34)
	Security deposit received	-	(0.21)	-	(0.21)
	Investment in fixed deposit	1,041.80	1,041.80	223.50	503.50
	(Redemption) of fixed deposit	(503.50)	-	(220.00)	-
	Investment in/(redemption of) Secured Non Convertible Debentures	-	-	-	-
	Interest income/(reversal) on fixed deposit	49.00	30.21	37.82	22.95
	Interest income/(reversal) on Secured Non Convertible Debentures	-	-	-	-
	Dividend paid	-	-	-	-
Bajaj General Insurance Co. Ltd. (earlier known as Bajaj Allianz General Insurance Co. Ltd.)	Insurance premiums paid	30.02	7.59	29.10	15.72
	Claims received/receivable	2.98	-	0.26	-
	Services Rendered	-	-	-	-
Bajaj Life Insurance Co. Ltd. (earlier known as Bajaj Allianz Life Insurance Co. Ltd.)	Investment in shares by BALIC (125,000 shares of ₹ 10 each)	-	(0.13)	-	(0.13)
	Insurance premiums paid/(refunded)	2.72	0.16	1.52	0.70
	Services Rendered	4.67	-	-	-
	Dividend paid	2.63	-	1.00	-
Bajaj Housing Finance Ltd.	Services rendered	3.04	-	2.38	-
	Security deposit received	-	(0.03)	-	(0.03)
Bajaj Electricals Ltd.	Purchases (including services received)	-	(0.11)	-	(0.11)
Hind Musafir Agency Ltd.	Services received	0.04	-	13.11	(0.02)
Hindustan Housing Co. Ltd.	Maintenance charges paid	0.26	-	0.23	0.03
Maharashtra Scooters Ltd.	Investment in shares by MSL (6,927,794 shares of ₹ 10 each)	-	(6.93)	-	(6.88)
	Dividend paid	144.47	-	55.03	-
	Buyback of shares	-	-	-	-
	Purchases	-	-	0.18	-
	Sales (including capital asset)	-	-	-	-
	Services rendered	0.01	-	0.03	-
	Rent paid for premises	1.14	-	0.36	(0.32)
Bajaj Auto Holdings Ltd.	Security deposit paid	0.25	(0.25)	-	-
Bajaj Auto Holdings Ltd.	Business Support Services Rendered	0.01	-	-	-
Forbes Marshall (Hyd) Private Limited	Purchases	-	-	-	-
Forbes Marshall Pvt Ltd	Purchases	-	-	0.06	-
Bajaj Auto Employees Group Gratuity Fund	Gratuity contribution	14.32	-	3.70	-

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

42 Disclosure of transactions with related parties as required by the Indian Accounting Standard 24 (Contd.)

(₹ In Crore)

Name of related party	Nature of transaction	2025-26		2024-25	
		Transaction value	Outstanding amounts carried in the Balance Sheet	Transaction value	Outstanding amounts carried in the Balance Sheet
Bajaj Auto Senior Staff Group Gratuity Fund	Gratuity contribution	6.00	-	1.00	-
Bajaj Auto Employees Superannuation Fund	Superannuation contribution	8.33	-	8.37	-
Bajaj Auto Limited Provident Fund	Provident fund contribution (Employer's share)	47.98	(3.29)	45.85	(1.15)
Kiska GmbH	Services received	-	-	1.90	-
Naushad D Forbes	Sitting fees	0.18	-	0.18	-
	Commission	0.57	(0.57)	0.57	(0.57)
Anami N. Roy	Sitting fees	0.15	-	0.16	(0.01)
	Commission	0.47	(0.47)	0.50	(0.50)
Pradip Shah	Sitting fees	0.16	-	0.17	(0.01)
	Commission	0.50	(0.50)	0.54	(0.54)
Vinita Bali	Sitting fees	0.15	-	0.11	-
	Commission	0.47	(0.47)	0.35	(0.35)
Abhinav Bindra	Sitting fees	0.13	-	0.15	-
	Commission	0.41	(0.41)	0.47	(0.47)
Sangita Reddy	Sitting fees	0.05	-	0.04	-
	Commission	0.16	(0.16)	0.13	(0.13)
Indian School of Business	Services received	0.11	-	-	-

43 Assets held for sale and disposals

The Group has classified the remaining holdings from the sale of KTM Sportcar GmbH as well as the shares in KISKA GmbH as 'held for sale'. The resulting impact on the net assets, financial position and results of operations of the Group can be seen in the table below:

Particulars	As at 31 March	
	2026	2025
Non-current assets:		
Investments accounted for using the equity method (refer note a below)	13.74	-
Current assets:		
Inventories ((refer note b below)	60.94	-
	74.68	

- a At the end of December 2025, the Group made the strategic decision to sell the 20% share in KISKA GmbH. As of 31 December 2025, the Group has classified and valued these shares as 'held for sale' because pre-contractual agreements have already been reached with the majority shareholder in KISKA GmbH and the sale was therefore highly likely.

Subsequently, the share in KISKA GmbH held for sale was sold to the previous majority shareholder, Loxone GmbH, at a balance sheet value of ₹ 13.74 crore. The Group did not receive any gains from the sale as a result. The agreement provides for payment of the purchase price in several annual tranches, starting on 1 July 2026. The last payment is to be made on 1 July 2029. (Refer section B.1 of material accounting policies)

- b At the end of December 2025, the inventories in KTM Sportcar GmbH were classified and valued as 'held for sale' on the signing of a letter of intent to sell. The inventories relate to KTM XBOW finished products associated with the transaction, which will be successively sold to the buyer at book value.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

44 Segment information

Segment information is based on the consolidated financial statements.

Segment wise revenue, results and capital employed for the year ended 31 March 2026

The Holding Company's Core Management Committee (CMC), examines the Groups performance both from a product and geographical perspective and has identified three reportable operative business segments. The group's significant source of risk and rewards are derived from Automotive business Investments and Financing business, the performance of which is reviewed by the committee on a periodic basis and hence considered as individual operative segments.

(a) Business segment

Particulars	(₹ In Crore)			
	Automotive	Investments	Financing	Consolidated
Revenue				
External sales and other income*	60,530.43	1,309.18	3,247.61	65,087.22
Inter segment sales and other income	-	-	-	-
Total revenue	60,530.43	1,309.18	3,247.61	65,087.22
* includes Revenue from operations: ₹ 60,386.43 crore				
Segment result**	12,016.19	1,306.98	888.58	14,211.75
Finance costs	260.21	-	-	260.21
Tax expense	-	-	-	3,377.04
Non-controlling interest	(169.71)	-	-	(169.71)
Profit for the year	11,925.69	1,306.98	888.58	10,744.21
** Components of Statement of profit and loss account like employee benefit expense, depreciation and amortisation expense and other expenses are not separately disclosed, as these are all majorly related to the automotive segment of the Group.				
Segment assets	30,161.47	25,579.02	19,774.15	75,514.64
Investments in associate of subsidiary	169.18	-	-	169.18
Unallocated corporate assets	-	-	-	1,539.17
Total assets	30,330.65	25,579.02	19,774.15	77,222.99
Segment liabilities	13,216.26	-	16,003.17	29,219.43
Unallocated corporate liabilities	-	-	-	412.70
Total liabilities	13,216.26	-	16,003.17	29,632.13
Capital employed (excluding unallocable)	17,114.39	25,579.02	3,770.98	46,464.39
Capital employed (unallocable)				1,126.47
Total capital employed	17,114.39	25,579.02	3,770.98	47,590.86
Reconciliation of segment liabilities				
Total segment liabilities as above				29,632.13
Add: Considered as part of capital employed				
Sales tax deferral				73.30
Non Current Borrowings (Other than financial service business)				5,305.55
Lease Liabilities				659.26
Deferred tax liabilities				1,304.30
Government grant (current and non-current)				28.03
Total liabilities as per Balance Sheet				37,002.57
Capital expenditure	678.95	1.66	13.55	694.16
Depreciation and write downs	634.82	-	9.87	644.69

(b) Geographic Segment

Particulars	(₹ In Crore)		
	India	Rest of the world	Consolidated
Segment revenue: External sales and other income	42,920.23	22,166.99	65,087.22
Segment assets	57,338.26	19,884.73	77,222.99
Capital expenditure	553.01	141.15	694.16

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

44 Segment information (Contd.)

Segment information is based on the consolidated financial statements.

Segment wise Revenue, Results and Capital employed for the year ended 31 March 2025

The Holding Company's Core Management Committee (CMC), examines the Groups performance both from a product and geographical perspective and has identified two reportable operative business segments. The group's significant source of risk and rewards are derived from Automotive business and Investments, the performance of which is reviewed by the committee on a periodic basis and hence considered as individual operative segments.

(a) Business segment

(₹ In Crore)				
Particulars	Automotive	Investments	Financing	Consolidated
Revenue				
External sales and other income*	49,982.13	1,445.98	1,040.85	52,468.96
Inter segment sales and other income	-	-	-	-
Total revenue	49,982.13	1,445.98	1,040.85	52,468.96
* includes Revenue from contracts with customers: ₹ 49,266.95 crore				
Segment result	8,769.75	1,443.72	78.15	10,291.62
Finance costs	68.09	-	-	68.09
Tax expense	-	-	-	2,898.80
Non-controlling interest	-	-	-	-
Profit for the year	8,701.66	1,443.72	78.15	7,324.73
Segment assets	12,061.70	26,135.15	10,972.90	49,169.75
Investments in associate of subsidiary	3,688.27	-	-	3,688.27
Unallocated corporate assets	-	-	-	1,340.59
Total assets	15,749.97	26,135.15	10,972.90	54,198.61
Segment liabilities	8,856.16	-	8,636.57	17,492.73
Unallocated corporate liabilities	-	-	-	235.77
Total liabilities	8,856.16	-	8,636.57	17,728.50
Capital employed (excluding unallocable)	6,893.81	26,135.15	2,336.33	35,365.29
Capital employed (unallocable)				1,104.82
Total capital employed	6,893.81	26,135.15	2,336.33	36,470.11
Reconciliation of segment liabilities				
Total segment liabilities as above				17,728.50
Add: Considered as part of capital employed				
Sales tax deferral				127.64
Deferred tax liabilities				1,123.03
Government grant (current and non-current)				30.69
Total liabilities as per Balance Sheet				19,009.86
Capital expenditure	851.12	-	27.82	878.94
Depreciation and write downs	409.30	-	4.93	414.23

(b) Geographic Segment

(₹ In Crore)			
Particulars	India	Rest of the world	Consolidated
Segment revenue: External sales and other income	36,185.65	16,283.31	52,468.96
Segment assets	47,770.76	6,427.85	54,198.61
Capital expenditure	825.63	53.31	878.94

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

45 Disclosure in terms of Schedule III of the Companies Act,2013

Current year

Particulars	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 (₹ In Crore)	As a % of consolidated profit or loss	Amount (₹ In Crore)	As a % of consolidated other comprehensive income	Amount (₹ In Crore)	As a % of consolidated total comprehensive income	Amount (₹ In Crore)
1 Parent:								
Bajaj Auto Ltd.	86.96%	34,974.67	92.91%	9,824.66	92.36%	(1,257.60)	92.99%	8,567.06
2 Subsidiaries (Indian):								
Bajaj Auto Technology Ltd. (earlier known as Chetak Technology Ltd.)	1.15%	463.20	0.75%	78.80	(0.06%)	0.77	0.86%	79.57
Bajaj Auto Credit Ltd. (earlier known as Bajaj Auto Consumer Finance Ltd.)	8.40%	3,379.14	6.28%	664.11	(1.31%)	17.82	7.40%	681.93
3 Subsidiaries (Foreign):								
PT Bajaj Auto Indonesia	-	0.81	-	(0.14)	0.03%	(0.44)	(0.01%)	(0.58)
Bajaj Auto (Thailand) Ltd.	0.03%	13.10	0.01%	0.91	(0.01%)	0.08	0.01%	0.99
Bajaj Auto Spain S.L.U.	0.02%	9.40	0.01%	1.01	(0.04%)	0.48	0.02%	1.49
Bajaj Do Brasil Comercio De Motocicletas LTDA	0.33%	134.70	0.54%	57.12	(0.07%)	0.91	0.63%	58.03
Bajaj Auto International Holdings BV	11.67%	4,692.78	3.79%	400.49	-	-	4.35%	400.49
Bajaj Auto International Holdings AG	9.64%	3,877.93	4.13%	437.03	-	-	4.74%	437.03
Bajaj Mobility AG	13.08%	5,259.65	53.61%	5,669.44	-	-	61.54%	5,669.44
KTM Logistikzentrum GmbH	0.25%	98.72	-	(0.21)	-	-	-	(0.21)
KTM Immobilien GmbH	1.24%	496.75	0.14%	14.97	-	-	0.16%	14.97
KTM Beteiligungs GmbH	0.10%	40.60	-	-	-	-	-	-
KTM Motohall GmbH	(0.10%)	(41.34)	-	(0.21)	-	-	-	(0.21)
KTM AG	22.89%	9,205.42	(37.51%)	(3,966.94)	-	-	(43.06%)	(3,966.94)
Cero Design Studio S.L.	0.06%	25.00	-	(0.21)	-	-	-	(0.21)
PIERER E-Commerce GmbH	0.01%	2.85	0.06%	5.91	-	-	0.06%	5.91
Avocado GmbH	0.04%	15.50	0.23%	24.36	-	-	0.26%	24.36
KTM Informatics GmbH	0.01%	2.21	0.01%	1.05	-	-	0.01%	1.05
KTM Österreich GmbH	0.01%	4.01	(0.01%)	(1.05)	-	-	(0.01%)	(1.05)
KTM Sportmotorcycle Deutschland GmbH	0.01%	5.48	(0.03%)	(3.48)	-	-	(0.04%)	(3.48)
Husqvarna Mobility GmbH	0.69%	275.80	(0.99%)	(104.40)	-	-	(1.13%)	(104.40)
KTM Sportmotorcycle GmbH	3.67%	1,476.33	(2.96%)	(312.98)	-	-	(3.40%)	(312.98)
KTM Sportmotorcycle UK Ltd.	0.01%	4.96	(0.08%)	(8.23)	-	-	(0.09%)	(8.23)
KTM Sportmotorcycle Hungaria Kft.	-	0.63	-	(0.21)	-	-	-	(0.21)
KTM Sportmotorcycle d.o.o.	-	0.63	-	(0.11)	-	-	-	(0.11)
KTM Sportmotorcycle France SAS	0.12%	47.78	(0.06%)	(6.12)	-	-	(0.07%)	(6.12)
KTM-Sportmotorcycle Espana S.L.	0.02%	9.49	(0.03%)	(2.85)	-	-	(0.03%)	(2.85)
KTM Sportmotorcycle Italia S.r.l.	0.07%	29.11	(0.08%)	(8.54)	-	-	(0.09%)	(8.54)
KTM-Sportmotorcycle Nederland B.V.	0.01%	4.75	(0.02%)	(1.90)	-	-	(0.02%)	(1.90)
KTM Sportmotorcycle Benelux S.A.	0.01%	3.80	(0.03%)	(3.27)	-	-	(0.04%)	(3.27)
KTM Sportmotorcycle Scandinavia AB	0.01%	4.22	(0.02%)	(2.11)	-	-	(0.02%)	(2.11)
KTM Nordic Oy	0.01%	2.95	(0.01%)	(1.48)	-	-	(0.02%)	(1.48)
KTM Central East Europe s.r.o.	0.01%	3.48	(0.03%)	(2.74)	-	-	(0.03%)	(2.74)
KTM Czech Republic s.r.o.	-	0.11	-	-	-	-	-	-
KTM Switzerland Ltd.	0.02%	9.70	(0.01%)	(1.16)	-	-	(0.01%)	(1.16)
KTM MotoGP Racing GmbH	0.03%	13.18	0.03%	2.95	-	-	0.03%	2.95
KTM Offroad Racing GmbH	0.01%	2.21	0.01%	1.58	-	-	0.02%	1.58
CFMOTO Motorcycles Distributions GmbH	-	0.74	(0.02%)	(2.64)	-	-	(0.03%)	(2.64)
KTM Motorcycles SA (Pty) Ltd.	0.15%	60.64	(0.01%)	(1.37)	-	-	(0.01%)	(1.37)
KTM North America Inc.	1.28%	514.58	(0.57%)	(60.32)	-	-	(0.65%)	(60.32)
PIERER E-Commerce North America Inc	-	-	-	-	-	-	-	-
Husqvarna Mobility North America, Inc.	0.30%	119.92	(0.05%)	(5.80)	-	-	(0.06%)	(5.80)
Husqvarna Motorsports Inc.	0.04%	17.09	-	0.11	-	-	-	0.11

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

45 Disclosure in terms of Schedule III of the Companies Act, 2013 (Contd.)

Current year

Particulars	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 (₹ In Crore)	As a % of consolidated profit or loss	Amount (₹ In Crore)	As a % of consolidated other comprehensive income	Amount (₹ In Crore)	As a % of consolidated total comprehensive income	Amount (₹ In Crore)
KTM Motorsports Inc.	0.29%	116.12	(0.01%)	(1.37)	-	-	(0.01%)	(1.37)
KTM Canada Inc	0.03%	12.66	(0.01%)	(0.63)	-	-	(0.01%)	(0.63)
KTM Sportmotorcycle Mexico C.V. de S.A.	0.14%	56.32	(0.36%)	(37.65)	-	-	(0.41%)	(37.65)
KTM Japan K.K.	(0.02%)	(8.23)	(0.11%)	(11.18)	-	-	(0.12%)	(11.18)
KTM Sportmotorcycle SEA PTE. Ltd.	0.06%	25.63	0.04%	3.80	-	-	0.04%	3.80
KTM Australia Pty Ltd.	(0.07%)	(30.16)	(0.17%)	(17.82)	-	-	(0.19%)	(17.82)
HQVA Pty Ltd.	0.02%	9.91	(0.20%)	(20.98)	-	-	(0.23%)	(20.98)
KTM Motorcycles Distributors NZ Limited	-	0.95	(0.01%)	(0.53)	-	-	(0.01%)	(0.53)
KTM Australia Holding Pty Ltd.	0.11%	45.25	-	-	-	-	-	-
KTM Sportmotorcycle India	0.01%	4.75	-	0.21	-	-	-	0.21
KTM (SHANGHAI) MOTO CO. LTD.	0.01%	4.32	0.01%	0.74	-	-	0.01%	0.74
KTM do Brasil Ltda	(0.04%)	(15.40)	(0.01%)	(1.27)	-	-	(0.01%)	(1.27)
KTM Components GmbH	1.79%	720.55	0.60%	63.80	-	-	0.69%	63.80
WP Suspension GmbH	0.01%	4.85	(0.05%)	(5.38)	-	-	(0.06%)	(5.38)
WP Immobilien GmbH	0.70%	280.02	(0.03%)	(2.74)	-	-	(0.03%)	(2.74)
WP Suspension North America Inc	0.02%	6.12	(0.02%)	(1.79)	-	-	(0.02%)	(1.79)
GASGAS GmbH	0.28%	110.64	(0.29%)	(30.58)	-	-	(0.33%)	(30.58)
GASGAS Motorcycles Espana SLU	0.11%	42.50	0.17%	18.03	-	-	0.20%	18.03
KTM Racing GmbH	0.72%	289.72	0.80%	84.15	-	-	0.91%	84.15
KTM Racing North America, Inc.	0.02%	7.80	0.02%	2.11	-	-	0.02%	2.11
KTM Forschungs & Entwicklungs GmbH	1.28%	513.10	(0.10%)	(10.33)	-	-	(0.11%)	(10.33)
PIERER & MAXCOM MOBILITY OOD	0.40%	160.84	(0.06%)	(6.54)	-	-	(0.07%)	(6.54)
PIERER Produktion GmbH	-	1.48	0.07%	6.96	-	-	0.08%	6.96
PIERER New Mobility GmbH	(8.02%)	(3,226.78)	(0.80%)	(85.10)	-	-	(0.92%)	(85.10)
PIERER New Mobility Deutschland GmbH	0.01%	5.59	-	0.42	-	-	-	0.42
PIERER New Mobility S.A. Pty Ltd.	-	(0.21)	-	-	-	-	-	-
PIERER New Mobility North America Inc	(0.18%)	(71.19)	(0.39%)	(41.13)	-	-	(0.45%)	(41.13)
PIERER NEW MOBILITY AUSTRALIA PTY LTD	-	0.11	-	0.11	-	-	-	0.11
PIERER New Mobility Bulgaria OOD	(0.17%)	(68.03)	(0.94%)	(99.12)	-	-	(1.08%)	(99.12)
Felt Bicycles GmbH	0.01%	2.85	(0.04%)	(4.75)	-	-	(0.05%)	(4.75)
PIERER IMMOREAL NORTH AMERICA LLC	0.53%	213.47	0.03%	3.48	-	-	0.04%	3.48
Platin 1483. GmbH	0.01%	2.21	-	-	-	-	-	-
4 Associates (Foreign):								
Bajaj Auto International Holdings AG (BAIH AG) (Formerly known as 'Pierer Bajaj AG' or 'PBAG') (Erstwhile associate)	-	-	(9.90%)	(1,047.11)	-	-	(11.37%)	(1,047.11)
KTM Asia Motorcycle Manufacturing Inc	-	-	-	-	-	-	-	-
CFMOTO-KTMR2R Motorcycles Company Limited	0.42%	168.85	0.09%	9.04	-	-	0.10%	9.04
LX Media GmbH	-	0.33	-	-	-	-	-	-
KISKA GmbH	0.03%	13.74	-	-	-	-	-	-
Add/(Less): Non-controlling interest in all subsidiaries	3.45%	1,388.43	(1.60%)	(169.71)	-	-	(1.84%)	(169.71)
Add/(Less): Inter-company eliminations	(64.22%)	(25,831.37)	(6.70%)	(708.67)	9.08%	(123.65)	(9.03%)	(832.32)
Total	100.00%	40,220.42	100.00%	10,574.50	100.00%	(1,361.63)	100.00%	9,212.87

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

45 Disclosure in terms of Schedule III of the Companies Act, 2013

Previous year

Particulars	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 (₹ In Crore)	As a % of consolidated profit or loss	Amount (₹ In Crore)	As a % of consolidated other comprehensive income	Amount (₹ In Crore)	As a % of consolidated total comprehensive income	Amount (₹ In Crore)
1 Parent:								
Bajaj Auto Ltd.	91.37%	32,146.94	111.29%	8,151.42	93.03%	1,223.24	108.51%	9,374.66
2 Subsidiaries (Indian):								
Bajaj Auto Technology Ltd. (earlier known as Chetak Technology Ltd.)	1.09%	383.63	0.23%	16.73	(0.14%)	(1.85)	0.17%	14.88
Bajaj Auto Credit Ltd. (earlier known as Bajaj Auto Consumer Finance Ltd.)	6.81%	2,397.21	0.80%	58.30	(1.85%)	(24.32)	0.39%	33.98
3 Subsidiaries (Foreign):								
PT Bajaj Auto Indonesia	-	0.89	-	(0.03)	0.01%	0.14	-	0.11
Bajaj Auto International Holdings BV	7.03%	2,472.39	0.26%	19.27	6.21%	81.69	1.17%	100.96
Bajaj Auto (Thailand) Ltd.	0.03%	10.69	0.01%	0.86	(0.02%)	(0.27)	0.01%	0.59
Bajaj Auto Spain S.L.U.	0.02%	7.11	0.01%	0.83	(0.01%)	(0.11)	0.01%	0.72
Bajaj Do Brasil Comercio De Motocicletas LTDA	0.19%	68.35	(0.09%)	(6.29)	0.10%	1.34	(0.06%)	(4.95)
4 Associate (Foreign):								
Bajaj Auto International Holdings AG (earlier known as Pierer Bajaj AG)	10.48%	3,688.27	(4.29%)	(314.55)	-	-	(3.64%)	(314.55)
Add/(Less): Non-controlling interest in all subsidiaries	-	(0.01)	-	-	-	-	-	-
Add/(Less): Inter-company eliminations	(17.02%)	(5,986.72)	(8.22%)	(601.81)	2.67%	35.13	(6.56%)	(566.68)
Total	100.00%	35,188.75	100.00%	7,324.73	100.00%	1,314.99	100.00%	8,639.72

46 Business combinations and acquisition of non-controlling interests

Acquisitions during the year ended 31 March 2026

Acquisition of Bajaj Auto International Holdings AG (BAIH AG) (Formerly known as 'Pierer Bajaj AG' or 'PBAG').

On November 18, 2025 ('date of acquisition'), the Group through its wholly owned subsidiary, Bajaj Auto International Holdings B.V. (BAIHBV), acquired sole controlling interest in BAIH AG and consequently, BAIH AG became subsidiary of the Group. Together with previously held 49.9% of shares, Bajaj Auto Group now owns 100% in BAIHAG which in turn holds ~74.94% stake in BMAG. BMAG is the holding company of KTM AG, a leading motorcycle manufacturer in Europe with brands such as KTM, Husqvarna and GASGAS.

The Group has accounted, profit of ₹ 953.10 crore on remeasurement at fair value on acquisition date, pertaining to previously held equity interest and has reclassified foreign currency translation gain on investment in erstwhile associate accumulated over the prior reporting periods in Foreign Currency Translation Reserve of ₹ 645.71 crore, to profit or loss.

Pursuant to acquisition of such controlling stake, the fair values of assets acquired and liabilities assumed have been determined by the Group and accounted for using the acquisition method of accounting in accordance with Ind AS 103 'Business Combination' as at the date of acquisition. The excess of the fair value of the net assets acquired over the purchase consideration has been recognised as capital reserve in other equity through other comprehensive income. Accordingly, the Group has consolidated BAIHAG as a subsidiary from date of acquisition till 31 December 2025. Financial statements for the year ended 31 March 2026 include the impact of the above transaction w.e.f. 18 November 2025 and are thus not comparable with corresponding previous periods.

The Group has elected to measure non-controlling interests in the acquiree using the proportionate share method, i.e., based on the present ownership instruments' share in the recognised amounts of the acquiree's identifiable net assets.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Business combinations and acquisition of non-controlling interests (Contd.)

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of these entities as at the date of acquisition were:

Particulars	Fair Value
	(₹ In Crore.)
Assets	
Property, plant and equipment	3,476.78
Capital work-in-progress	73.60
Right of use-assets	569.86
Intangible assets	3,924.92
Intangible assets under development	1,442.30
Investments in associates	171.87
Loans	30.01
Income tax assets (net) & deferred tax assets	89.30
Other financials assets	697.96
Other assets	833.26
Inventories	4,764.29
Trade receivables	2,618.32
Cash and cash equivalents	889.53
Assets and disposal groups held for sale	56.90
	19,638.90
Liabilities	
Borrowings	9,562.82
Deferred tax liabilities (net)	501.54
Lease liabilities	620.94
Trade payables	1,651.94
Other financial liabilities	483.01
Other liabilities	283.19
Provisions	493.25
Current tax liabilities (net)	31.04
	13,627.73
Total identifiable net assets at fair value	6,011.17
Non Controlling interest measured at fair value	1,533.30
Total identifiable net assets at fair value (pertaining to Group)	4,477.87
Bargain purchase gain/Capital Reserve	(21.83)
Purchase Considerations transferred	4,456.04

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

46 Business combinations and acquisition of non-controlling interests (Contd.)

The acquisition date fair value of the trade receivables amounts to ₹ 2,618.32 crore against the gross amount ₹ 2,779.94 crore. The full contractual amounts are expected to be realised.

From the date of acquisition, BAIHAG has contributed ₹ 1,296.23 crore of revenue and ₹ 871.86 crore to the losses before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been ₹ 10,236.98 crore and the profit before tax from continuing operations for the Group would have been ₹ 6,063.52 crore.

The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the favourable terms of the lease relative to market terms.

The deferred tax liability mainly comprises the tax effect of the accelerated depreciation for tax purposes of tangible and intangible assets.

Purchase Consideration

Particulars	(₹ In Crore)
Purchase consideration paid for acquisition of controlling stake (Exercise of call option of existing loan)	524.09
Fair Value of share held at acquisition date (49.9% in BAIH AG)	3,931.95
Total Consideration	4,456.04

Analysis of Cashflow on acquisition

Particulars	(₹ In Crore)
Purchase consideration paid for acquisition of controlling stake (Exercise of call option of existing loan)	(524.09)
Net cash acquired with the subsidiary	889.53
Net Cashflow on acquisition	365.44

47 Capital commitments

Particulars	As at 31 March	
	2026	2025
Capital commitments, net of capital advances	186.30	139.06
Investments related commitments*	5.53	4,605

*For FY24-25

The Group had an investment in Bajaj Auto International Holdings AG (BAIH AG) (Formerly known as 'Pierer Bajaj AG' or 'PBAG') (erstwhile associate) through its wholly owned subsidiary BAIHBV. KTM AG, which is part of Pierer Bajaj AG Group applied for court restructuring proceedings with self-administration under Austrian jurisdiction pursuant to liquidity crisis and other adverse financial conditions. In this regard, creditors of KTM AG accepted the restructuring plan submitted by KTM AG which provides creditors to receive a cash quota of 30% of their claims in the form of a one-off payment. As a prerequisite to fulfil the cash quota of 30%, KTM AG was required to pay an equivalent amount with the restructuring administrator. To facilitate such funding needs of KTM AG, all shareholders of associate were committed to pay its share of Euro 540 million.

48 MSME Disclosure

Considering the Group has been extended credit period upto 45 days by its vendors and payments being released on a timely basis, there is no liability towards interest on delayed payments under 'The Micro, Small and Medium Enterprises Development Act 2006' during the year. There is also no amount of outstanding interest in this regard, brought forward from previous years. Information in this regard is on basis of intimation received, on requests made by the Group, with regards to registration of vendors under the said Act.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

49 Investment in associates

The Group, through its wholly owned subsidiary, BAIHBV, previously held 49.9% stake in one associate, i.e., Bajaj Auto International Holdings AG ('BAI HAG' - formerly known as 'Pierer Bajaj AG' or 'PBAG'). On 18 November 18, 2025 ('date of acquisition'), the Company through its wholly owned subsidiary, BAIHBV, acquired sole controlling interest in BAI HAG and consequently, BAIHAG became subsidiary of the Group.

Bajaj Auto International Holdings AG ('BAIHAG' - formerly known as 'Pierer Bajaj AG' or 'PBAG') acts exclusively as the holding company of Pierer Mobility AG. The Pierer Mobility Group is Europe's leading 'Powered Two-Wheeler' (PTW) manufacturer with a focus on highly innovative sports motorcycles and electric mobility. With its KTM, HUSQVARNA Motorcycles, and GASGAS motorcycle brands, it is one of the technology and market leaders in Europe, especially when it comes to premium motorcycles.

The Group has accounted its share of consolidated loss for the period 1 January 2025 to 18 November 2025 as an associate, the profit on remeasurement of previously held equity interest at fair value was recognised in other comprehensive income and the accumulated foreign currency translation gain accumulated in the Foreign Currency Translation Reserve, has been reclassified to the Statement of Profit and Loss

Particulars	For the year ended 31 March	
	2026	2025
Share of profit/(loss) of associate accounted for under equity method	(1,038.07)	(3,389.66)
Gain on remeasurement at fair value (see note 46)	953.10	–
Impairment provisioning*	–	(600.93)
Reclassification of Foreign currency translation gain accumulated over the prior reporting periods in FCT Reserve	645.71	–
Restructuring Gain on write-back of liabilities of BAIH AG Group entities*	–	3,075.11
	560.74	(915.48)

* During the year ended 31 March 2025, the Group has recognized a net loss of ₹ 915.48 crore in the consolidated financial statements related to its investment in erstwhile associate entity, Bajaj Auto International Holdings AG ('BAI HAG' - formerly known as 'Pierer Bajaj AG' or 'PBAG'). This comprises share of loss of ₹ 314.55 crore, accounted for under the equity method, and an impairment loss of ₹ 600.93 crore on the carrying value of net investment in the associate.

The share of loss of ₹ 314.55 crore includes a proportionate share of gain of ₹ 3,075.11 crore recognised by KTM AG pertaining to write back of liabilities, consequent to the creditors meeting dated 25 February 2025, which was part of the financial restructuring process of KTM AG under court approved self-administration proceedings.

The impairment loss of ₹ 600.93 crore has been recognized on the Group's carrying value of net investment in associate forming part of automotive segment based on a computation of value in use pursuant to restructuring of KTM AG which included comprehensive review of the underlying valuation and long-term cash flow projections of operating entity KTM AG. The impairment assessment considered multiple scenarios and incorporated potential downside risks to future performance, including sensitivity to macroeconomic conditions, market demand, and execution of the restructured business plan.

- a. Bajaj Auto International Holdings AG ('BAIHAG' - formerly known as 'Pierer Bajaj AG' or 'PBAG') erstwhile associate, is a private entity that is not listed on any public exchange. The Group's interest is in PBAG. (Refer section B.1 of material accounting policies)**

Particulars	31 Dec 2024 (₹ In Crore)
Current assets	11,084.64
Non-current assets	8,451.79
Assets held for sale and disposal groups	1,843.43
Current liabilities	20,767.20
Non-current liabilities	1,749.01
Liabilities in connection with assets held for sale and disposal groups	599.72
Equity	(1,736.07)
Revenue	17,011.12
Profit/(loss) before tax	(11,561.83)
Profit/(loss) for the year (continuing operations)	(9,781.15)
Total comprehensive income/(loss) for the year (continuing operations)	(9,796.27)

The associate had no contingent liabilities or capital commitments.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

49 Investment in associates (Contd.)

- b. **The Group has, as on 31 March 2026, the financial assets accounted for using the equity method. The interests in associates that are included using the equity method are considered to be immaterial individually.**

Following associates are accounted for using the equity methods:

- KTM Asia Motorcycle Manufacturing Inc.,
KTM Asia Motorcycle Manufacturing Inc., Philippines, was founded in June 2016 together with partner Ayala Corp. and started CKD (Completely-Knocked-Down) assembly for KTM motorcycles in the Philippines in mid-2017. This share is completely depreciated due to uncertain going concern forecasts.
- KISKA GmbH.
The Group has classified and valued its 20% share in KISKA GmbH as 'held for sale'. Kiska GmbH is a design company that provides services in the field of development and design.
- LX Media GmbH;
- CFMOTO-KTMR2R Motorcycles Co., Ltd.,
CFMOTO was established in financial year 2018 under the name 'Zhejiang CFMOTO-KTMR2R Mo-torcycles Co., Ltd.'. The company commenced operations in the financial year 2021.

In Hangzhou, China, mid-range motorcycles are produced. The Bajaj Group intensified its cooperation with CFMOTO in the financial year 2023 and expanded production.

The following table illustrates the summarised financial information of the Group's investment in CFMOTO-KTMR2R Motorcycles Co., Ltd., (in Chinese Yuan, which is its functional currency) acquired as an associate through business combination of BAIHAG effective 18 November 2025: (Refer section B.1 of material accounting policies)

Particulars	31 Dec 2025 (₹ In Crore)
Current assets	13.09
Non-current assets	642.49
Assets held for sale and disposal groups	-
Current liabilities	276.03
Non-current liabilities	8.58
Liabilities in connection with assets held for sale and disposal groups	-
Equity	370.97
Revenue	1,184.61
Profit before tax	75.12
Profit for the year (continuing operations)	67.46
Total comprehensive income for the year (continuing operations)	67.46
The associate had no contingent liabilities or capital commitments.	

50 Miscellaneous

- There have been no events after the reporting date that require disclosure in these financial statements.
- Amounts less than ₹ 50,000 have been shown at actual against respective line items statutorily required to be disclosed.
- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- Companies incorporated in India forming part of the Group has performed the assessment to identify transactions with struck off companies as at 31 March 2026 and 31 March 2025 and identified no company with any transactions.
- The Group has not traded or invested in crypto currency or virtual currency during the financial year.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

50 Miscellaneous (Contd.)

- f. The Group 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 other than disclosed in note 6.
- g. 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 or entity, 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 except as stated below. The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 and the Companies Act, 2013 for the said transactions, and these transactions are not violative of the Prevention of Money-Laundering Act, 2002.

For the year ended 31 March 2026

The Company on 03 April 2025 has advanced loan of ₹ 324 crore (Euro 35 million) and on 16 May 2025 invested ₹ 1,202 crore (Euro 125 million) in equity shares of Bajaj Auto International Holding B.V. (Netherlands) ('BAIHBV'), a wholly owned subsidiary.

Of this (including Euro 15 million out of previous year balance), BAIHBV further invested in convertible bonds amounting to ₹ 467 crore (Euro 50 million) on 03 April 2025 and ₹ 1,209 crore (Euro 125 million) on 22 May 2025 in its subsidiary Bajaj Auto International Holding AG ('BAIH AG').

BAIH AG, in turn, invested in its subsidiary, Bajaj Mobility AG, Austria, which ultimately deployed the funds into KTM AG, Austria (a subsidiary of Bajaj Mobility AG), to facilitate the funding requirements of KTM AG towards the phased resumption of production and its operating costs. The said transactions has been executed within the framework defined by the Administrator in Austria.

For the year ended 31 March 2025

The Company on 24 February 2025 has advanced loan of ₹ 1,043 crore (Euro 115 million) (excluding impact of forex mark-to-market (MTM) changes) to Bajaj Auto International Holding B.V. (Netherlands) ('BAIHBV'), a wholly owned subsidiary. Of this, BAIHBV further granted a loan amounting of ₹ 456 crore (Euro 50 million) on 24 February 2025 and invested in convertible bonds amounting to ₹ 460 crore (Euro 50 million) on 31 March 2025 ultimately into KTM AG, Austria (subsidiary of Bajaj Mobility AG, Austria) through its associate Bajaj Auto International Holdings AG – to Bajaj Mobility AG, Austria (subsidiary of Bajaj Auto International Holdings AG, Austria) to facilitate the funding needs of KTM AG, Austria towards the phased resumption of production at KTM AG and its operating costs. The said transactions has been executed within the framework defined by the Administrator in Austria.

- h. No funds have been received by the Group from any person or entity, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group 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.
- i. The Group has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- j. The Group has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.
- k. The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

l. 31 March 2026

The holding company and its subsidiaries incorporated in India have used accounting software SAP-S4 HANA for maintaining its books of account which have 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, audit trail feature have not been tampered with in respect of accounting software where the audit trail has been enabled. Additionally, the holding company and its subsidiaries incorporated in India have recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013. Further, in respect of the FY 2024-25, the Company and its subsidiaries incorporated in India have preserved the requirements of recording audit trail to the extent it was enabled and recorded in prior year.

Notes to consolidated financial statements for the year ended 31 March 2026 (Contd.)

50 Miscellaneous (Contd.)

31 March 2025

The holding company and its subsidiaries incorporated in India have used accounting software SAP-S4 HANA for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the software. Further, audit trail feature have not been tampered with in respect of accounting software where the audit trail have been enabled. Additionally, the holding company and its subsidiaries have recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act,2013.

Further, in respect of the FY 2023-24, the holding company and its subsidiaries have preserved the requirements of recording audit trail to the extent it was enabled and recorded in respect of those years.

For one of its subsidiary, in respect of non-integrated LMS accounting software, where the audit log is maintained for access made to database by the DB users, audit trail have been enabled at the database level via Privileged Access Management tool for effective governance and oversight of access activities that was active for a part of the year and continued to be effective as on 31 March 2025. These DB users are not allowed to carry out any authorised direct changes/edits to financial transactions in the LMS-DB, which if carried out is ill-legal. The Company has established and maintained an adequate internal control framework and based on its assessment, believes that this was effective as of 31 March 2025.

- m. **31 March 2025:** The holding company holds investment in Bajaj Holdings & Investment Limited (listed entity) and Yulu Bikes Private Limited. Changes in fair value in respect of these investments is accounted for in other comprehensive income. In compliance with Ind AS 12, the holding company was making accounting provisions for Deferred Tax as per applicable law on changes in fair value on this investment.

For the listed entity, the Finance (No. 2) Act,2024 changed the tax rate with respect to long-term capital gains from 10% plus surcharge and cess to 12.5% plus surcharge and cess.

Further, for the unlisted entity, the said Act withdrew the indexation benefit on long-term capital gains and the tax rate was changed from 20% plus surcharge and cess (with indexation) to 12.5% plus surcharge and cess (without indexation). Due to the aforesaid changes, the accounting provision for Deferred Tax created on changes in fair value has been consequently increased by ₹ 75.80 crore while computing the other comprehensive income for the year ended 31 March 2025.

It is to be noted that only a provision is being made in the books of accounts at this point of time to record the Deferred Tax, in line with the applicable accounting standards and the recently enacted tax change. The actual payment of tax would be made at the time of sale/transfer of these investments. The cash outflow towards tax could be different at the time of sale/transfer depending on the actual gain and prevailing tax regulations.

- n. The Ministry of Environment, Forest and Climate Change (MoEFCC) issued the Environment Protection (End-of-Life Vehicles) Rules,2025 (ELV rules), effective from 1 April 2025. In accordance with ELV rules, Extended Producer Responsibility (EPR) obligations are imposed on producers (including 'vehicle manufacturers') for the scrapping of End-of-Life Vehicles. As the pricing mechanism for EPR certificates has not yet been notified by MoEFCC, amongst other things, the Company is currently unable to reliably estimate its obligation and believes that it will be able to estimate the same once all the measurement framework for determining the reliable estimate is established.
- o. Companies incorporated in India forming part of the Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- p. Figures for previous year/period have been regrouped wherever necessary.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
Pune: 06 May 2026

Dinesh Thapar
Chief Financial Officer

Rajiv Gandhi
Company Secretary

On behalf of the Board of Directors

Niraj Bajaj
Chairman
(DIN: 00028261)

Rajiv Bajaj
Managing Director
(DIN: 00018262)

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

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:

(₹ In Crore)

Particulars	PT. Bajaj Auto Indonesia	Bajaj Auto International Holdings BV. (Consolidated)	Bajaj Auto (Thailand) Ltd.	Bajaj Auto Technology Ltd. (earlier known as Chetak Technology Ltd.)	Bajaj Auto Credit Ltd.	Bajaj Auto Spain S.L.U.	Bajaj Do Brasil Comercio De Motocicletas LTDA
a The date since when subsidiary was acquired	20 February 2008 <small>(being the effective date of demerger of erstwhile BAL)</small>	20 February 2008 <small>(being the effective date of demerger of erstwhile BAL)</small>	20 December 2019	04 October 2021	06 December 2021	05 August 2021	31 March 2022
b Reporting period for the subsidiary	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 January 2025 to 31 December 2025	1 April 2025 to 31 March 2026	1 April 2025 to 31 March 2026	1 January 2025 to 31 December 2025	1 January 2025 to 31 December 2025
c Reporting currency as on the last date of the relevant financial year in the case of foreign subsidiaries	IDR (Indonesian Rupiah)	Euro	THB (Thai Baht)	INR	INR	Euro	Reals (Brazilian Real)
d Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	1 USD = IDR 16993 1 USD = ₹ 89.875	1 Euro = ₹ 108.995	1 USD = THB 31.5463 1 USD = ₹ 89.875	NA	NA	1 Euro = ₹ 105.4675	1 USD = BRL 5.5021 1 USD = ₹ 89.875
e Share capital	6.50	3,520.54	12.82	470.00	2,700.00	6.33	93.92
f Reserves and surplus	(5.69)	2,251.67	0.28	(6.80)	679.14	3.07	40.78
g Total assets	0.85	19,101.02	14.28	533.55	19,921.57	10.66	602.45
h Total liabilities	0.85	19,101.02	14.28	533.55	19,921.57	10.66	602.45
i Investments	-	169.18	-	338.91	224.70	-	-
j Turnover	0.02	1,992.69	14.12	333.48	3,247.61	20.91	779.39
k Profit before tax	(0.14)	70.42	0.91	105.30	888.58	1.37	84.86
l Provision for tax	-	(72.80)	-	26.50	224.47	0.36	27.74
m Profit after tax	(0.14)	143.22	0.91	78.80	664.11	1.01	57.12
n Proposed dividend	-	-	-	-	-	-	-
o % of shareholding	99.25%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

On behalf of the Board of Directors

Niraj Bajaj
Chairman
(DIN: 00028261)

Dinesh Thapar
Chief Financial Officer

Rajiv Bajaj
Managing Director
(DIN: 00018262)

Rajiv Gandhi
Company Secretary

Anami N. Roy
Chairman - Audit Committee
(DIN: 01361110)

Pune: 06 May 2026



**THE WORLD'S
FAVOURITE
INDIAN**

Bajaj Auto Limited

Akurdi, Pune - 411 035, India

www.bajajauto.com

BAJAJ AUTO LIMITED
ANNUAL REPORT 2025-26



**THE WORLD'S
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BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Section A

GENERAL DISCLOSURES

I. Details of listed entity

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L65993PN2007PLC130076
2.	Name of the Listed Entity	Bajaj Auto Ltd.
3.	Year of incorporation	2007
4.	Registered office address	Mumbai-Pune Road, Akurdi, Pune – 411035, India
5.	Corporate address	Mumbai-Pune Road, Akurdi, Pune – 411035, India
6.	E-mail	esg@bajajauto.co.in
7.	Telephone	+91 20 6610 6000
8.	Website	www.bajajauto.com
9.	Financial year for which reporting is being done	2025-26
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Ltd. (BSE) 2. National Stock Exchange of India Ltd. (NSE)
11.	Paid-up Capital	₹ 279.50 crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Dinesh Thapar +91 20 6610 6300
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures made under this report are on a standalone basis. The Business Responsibility and Sustainability Reporting (BRSR) is in conformance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. The reporting under Principle 6: – Bajaj Auto Technology Ltd. (BATL) and Bajaj Auto Credit Ltd. (BACL) are included. – Regional Offices have been excluded from the reporting boundary as Bajaj Auto Ltd. (BAL) has evaluated and believes that this exclusion is not material qualitatively and quantitatively.
14.	Name of assessment or assurance provider	DNV Business Assurance India Private Limited
15.	Type of assessment or assurance obtained	Reasonable Assurance for BRSR core indicators and Limited Assurance for select non-core indicators

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	Percentage of Turnover of the entity
1.	Manufacturing	Bajaj Auto is a manufacturer of two wheelers, three wheelers, and quadri cycles. The automotive segment includes all activities related to development, design, manufacture, assembly, and sale of two wheelers/three-wheelers as well as sale of related parts and accessories.	97%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	Percentage of total Turnover contributed
1.	Manufacturer of motorcycles and three-wheelers (including parts thereof)*	3091	97%

*including quadri-cycles

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	5	25	30
International	0	0	0

19. Markets served by the entity:

- a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	Over 100 countries

- b. What is the contribution of exports as a percentage of the total turnover of the entity?

Response: 34%

- c. A brief on types of customers

Response: Bajaj Auto manufactures and sells a wide variety of product portfolio ranging from commuter segment motorcycles to powerful sports bikes and new generation electric scooters in the two-wheeler segment, passenger, and cargo vehicles with conventional fuel and electric range of vehicles in the three-wheeler segment along with Qute, a first in the segment of quadricycles. With this, the Company caters to customer needs for all ages and genders across segments and demographics in both the domestic and global markets, making us a truly "The World's Favourite Indian". It is the largest three-wheeler producer in the world and largest exporter of two-wheelers and three-wheelers from India.

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	
			Number (B)	% (B/A)	Number (C)	% (C/A)
Employees						
1.	Permanent (D)	2,730	2,546	93%	184	7%
2.	Other than Permanent (E)	268	207	77%	61	23%
3.	Total employees (D + E)	2,998	2,753	92%	245	8%
Workers						
4.	Permanent (F)	2,501	2,389	96%	112	4%
5.	Other than Permanent (G)	97	96	99%	1	1%
6.	Total workers (F + G)	2,598	2,485	96%	113	4%

- b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			Number (B)	% (B/A)	Number (C)	% (C/A)
Differently abled Employees						
1.	Permanent (D)	3	3	100%		
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total employees (D + E)	3	3	100%		
Differently abled Workers						
4.	Permanent (F)	7	7	100%		
5.	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	Total workers (F + G)	7	7	100%		

21. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		Number (B)	% (B/A)
Board of Directors	11	2	18%
Key Management Personnel	3	Nil	Nil

22. Turnover rate for permanent employees and workers

Particulars	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.1%	19.7%	7.9%	8.6%	22.9%	9.4%	11.9%	23.9%	12.5%
Permanent Workers	3.0%	11.6%	3.3%	2.2%	13.6%	2.7%	3.3%	21.4%	4.1%

Note: The turnover rate presented above considers only voluntary separations. All exits due to dismissal, termination, retirement, and death in service are excluded.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. 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	Percentage of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Bajaj Auto Technology Ltd.	Subsidiary	100%	No
2.	Bajaj Auto Credit Ltd. (BACL)	Subsidiary	100%	No
3.	Bajaj Auto International Holdings BV (BAIH BV)*	Subsidiary	100%	No
3.1	Bajaj Auto International Holdings AG (BAIHAG)	Subsidiary	100%	
3.1.1	Bajaj Mobility AG (BMAG)	Subsidiary	74.94%	
3.1.1.1	KTM AG	Subsidiary	100%	
4.	Bajaj Auto (Thailand) Ltd.	Subsidiary	100%	No
5.	Bajaj Auto Spain S.L.U.	Subsidiary	100%	No
6.	Bajaj Do Brasil Comercio De Motocicletas Ltda	Subsidiary	100%	No
7.	PT. Bajaj Auto Indonesia (PT BAI)	Subsidiary	99.25%	No

*Note: Effective from 18th November 2025

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes
(ii) Turnover (in ₹): 60,295 cr
(iii) Net worth (in ₹): 34,975 cr

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:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	None	Nil	Nil	
Investors (other than shareholder)	Yes	Nil	Nil	None	Nil	Nil	
Shareholders	Yes	27	2	The Company has submitted the reply on Complaints, however, SEBI is yet to close the same after review.	21	Nil	None
Employees and workers	Yes	3	3	None	3	2	
Customers	Yes	1,17,861	1,788	None	98,327	5,003	
Value Chain Partners	Yes	Nil	Nil	None	Nil	Nil	

Whistle Blower Policy: www.bajajauto.com/-/media/bajajauto/Investors/code-policy/Whistle-Blower-Policy.ashx

Contact Information: www.bajajauto.com/investors/investor-services

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:

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1.	Energy Management	Risk	Inadequate optimisation of energy consumption will result in adverse environmental impacts and heightened production costs. Neglecting to adopt low-carbon technologies could expose the Company to potential legislative or taxation burdens.	<ul style="list-style-type: none"> Conducting routine internal energy audits aimed at reducing total energy costs. Implementing strategies to conserve energy and maximise the utilisation of renewable energy sources to mitigate risks associated with resource scarcity and dependence on fossil fuels. 	Negative
2.	Emissions	Risk	Various stakeholders are focusing on the Company's net GHG emissions in Scope 1, 2 and 3 categories. Failure to address emissions effectively poses reputational risks and regulatory challenges, underlining the critical importance of emissions management for long-term viability and sustainability	<ul style="list-style-type: none"> Implementing emission reduction initiatives to mitigate emission risks, enhance environmental sustainability, and align with regulatory requirements 	Negative

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
3.	Responsible Supply Chain and Service Providers	Opportunity	Fostering collaborations with suppliers and service providers stimulates innovation and enhances supply chain resilience against unforeseen events.	–	Positive
4.	Waste Management	Risk	The industry's manufacturing processes generate substantial waste, necessitating effective management strategies to mitigate environmental impact and adhere to regulatory standards. By implementing waste reduction, recycling, and reuse practices, companies can conserve resources, reduce costs, and comply with increasingly stringent regulations.	<ul style="list-style-type: none"> Working in compliance with India's Plastic Waste Management Rules, 2016 (subsequent amendments) and the Extended Producer Responsibility (EPR) guidelines. Establishing robust recycling and reuse programs within the manufacturing facility to divert waste materials from landfill disposal 	Negative
5.	Water Management	Risk	Water scarcity and erratic weather patterns due to climate change pose significant risks to our Company's operations. Ensuring continuous and appropriate water supply for business operations amidst these challenges requires vigilant monitoring and proactive measures to mitigate potential disruptions.	<ul style="list-style-type: none"> Our initiatives are geared towards achieving a net water-positive impact by emphasizing groundwater recharge and rainwater harvesting efforts. We utilise comprehensive strategies across our plants. Our plants are equipped with Zero Liquid Discharge (ZLD) Systems, treating industrial effluent with Effluent Treatment Plants (ETP) and reverse osmosis (RO). We comply with regulatory standards, connecting ETP discharge to the Common Effluent Treatment Plant (CETP) pipeline, ensuring efficient water management and risk reduction. 	Negative
6.	Occupational Health and Safety	Risk	Not ensuring safe working conditions can lead to increased workplace accidents and injuries, thereby resulting in reduced efficiency of manpower and throughput time.	<ul style="list-style-type: none"> The Company has implemented proactive measures like HIRA, safety observation tours, Job Safety Analysis (JSA), STOP cards, online work permission systems, Hazard and Operability study (HAZOP), Risk and Consequences Analysis, and Safety Audits. Our team's initiatives focus on Occupational Health and Safety, through regular internal audits and certifications of plants to ISO 45001:2018 by M/s Bureau Veritas. Our teams comply with all applicable Health and Safety regulations. 	Negative
7.	Customer Satisfaction	Risk	Customer satisfaction directly impacts brand reputation and perception in the market. Negative experiences or dissatisfaction with products, services, or post purchase support can tarnish a brand's image, leading to loss of trust, decreased sales, and damage to long-term brand equity.	<ul style="list-style-type: none"> We have established diverse channels for collecting customer feedback, including a dedicated call center, customer satisfaction surveys, a customer care app, and our online customer complaint portal, among others, to enhance accessibility and convenience for our customers. We have implemented the Total Productive Maintenance (TPM) methodology across our dealership network to guarantee the delivery of high-quality services. Evaluation of consumer satisfaction is conducted through our Net Promoter Score (NPS) process. 	Negative

In Section C, we have presented how we strategically approach these material issues through our performance against the principles (1 to 9).

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 Question	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, at Bajaj Auto we have policies which covers the core elements of all NGRBC principles.								
b. Has the policy been approved by the Board? (Yes/No)	Yes, all our policies are approved by the Board.								
c. Web Link of the Policies, if available	https://www.bajajauto.com/investors/policies-codes https://www.bajajauto.com/corporate/key-policies								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes, at Bajaj Auto we have implemented policies in all our operations and activities of the organisation.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, but restricted to all our Original Equipment suppliers.								
4. Name of the national and international codes/certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 45001:2018, ISO 14001:2015								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ul style="list-style-type: none"> ● To sustain 100% Water Positivity by rainwater harvesting and ground water recharge ● To sustain Zero Liquid Discharge by recycling water ● To achieve Renewable energy use share to 30% by 2030 ● To reduce Scope 1 and Scope 2 emissions intensity (by revenue from operations) 50% by 2030, against a baseline year of FY 2023-24 ● Zero paint sludge to incineration through adoption of coprocessing/ reprocessing by 2028 ● Elimination of Ozone Depleting Substances (ODS) - R22 by 2030 								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	<ul style="list-style-type: none"> ● 100% Water Positivity by rainwater harvesting and ground water recharge sustained ● Sustained Zero Liquid Discharge by recycling water (all plants except Pantnagar due to CTO conditions) ● Renewable energy share is 7.4% ● Decrease in Scope 1 and Scope 2 emissions intensity (by revenue from operations) by 11%, against a baseline year of FY2023-24 ● Reduction in paint sludge disposal through incineration from 52% in FY2024-25 to 1% in FY2025-26 ● 40.6% reduction in ODS (R-22) consumption against a baseline year of FY 2023-24 								

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

Response: Our vision is to be “Distinctly Ahead” in creating benchmarks for resource conservation, maximizing use of renewable energy and pollution prevention, during the complete product realisation cycle. We prioritise minimizing the negative effects that our operations have on the environment through managing our resources in a sustainable way. Our company has also coordinated our sustainability efforts along the value chain, plant operations and product development.

At Bajaj Auto Ltd., we ensure safety, wellbeing, and development of our human capital. We adhere to a strict code of ethics and standards and can realise our targets by working in collaboration with our stakeholders. As a result, Bajaj Auto’s focus has sharpened, and the caliber of our offerings has increased. For instance, the Company focuses on integration of sustainability into our operations and value chain by adhering to the principles of responsible business conduct.

We are aware of the implications of climate change on the environment and strive to reduce our carbon footprint by investing in innovative technologies. To accomplish this goal, we are also undertaking various measures such as monitoring our resource consumption and waste generation.

A major obstacle to the adoption of sustainable business practices is to encompass the entire value chain to comply with all environmental and social requirements by ensuring the incorporation of ESG parameters in the business. Nevertheless, Bajaj Auto will plan proactive measures in this area to lead to a meaningful solution.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Response: Mr. Pradeep Shrivastava, Executive Director, DIN: 07464437

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.

Response: Mr. Pradeep Shrivastava, Executive Director, is responsible for decision making on sustainability related issues in Bajaj Auto Ltd.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	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.	At Bajaj Auto, all the policies are periodical reviewed by department heads, business heads, senior management, and designated committees. These assessments evaluate policy efficacy, leading to necessary updates in policies and procedures, which are then submitted to the Board of Directors as and when required.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Bajaj Auto is in compliance with all regulations, as applicable.																	

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.

Response: Internal departments proactively review and evaluate our processes and policies on a periodic basis, incorporating suggestions and recommendations from management prior to placing before the Board for approval.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Response: Not applicable

Section C

**PRINCIPLE WISE
PERFORMANCE DISCLOSURE**

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 programs held	Topics/principles covered under the training and its impact	%age of people in respective categories covered by the awareness programs
Board of Directors	7	<p>Familiarisation programmes, as required under Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are conducted for the Directors from time to time. These programmes aim to familiarise them with our business model, the nature of the industry, business updates of its subsidiaries, and other relevant information, including the roles, rights, and responsibilities of Independent Directors.</p> <p>In addition, the Board of Directors was updated, at its meetings held during the year, on several matters, including governance and regulatory requirements, risk management, the Code of Conduct, Insider Trading Code, CSR, and other related matters.</p>	100%
Key Managerial Personnel	13	<p>In addition to the above, the Key Managerial Personnel (KMPs) are provided training on:</p> <ol style="list-style-type: none"> Whistle Blower POSH Safety, health and Environment Code of Conduct SEBI (Prevention of Insider Trading), 2015 Cyber Security 	100%
Employees other than BoD and KMPs	64	<p>Ethics, Values and Transparency: Mandatory trainings on Values, Code of Conduct, Whistleblower and Insider Trading email awareness campaigns.</p> <p>Safe & Sustainable Products: IOSH, NEBOSH, Quality based trainings, Process Engineering, World Class TPM Awareness</p> <p>Employee Well-Being:</p> <ul style="list-style-type: none"> Health & development: Skill-based training, Sessions focused on improving mental and physical health, personal development sessions, sound healing, Safety at Workplace: Fire, Workplace, and Robotic Safety, Disaster Management and Emergency Preparedness drills and debriefs, Cybercrime. <p>Human Rights: PoSH, Human welfare awareness campaign, Women's welfare & awareness campaigns, generational awareness training.</p> <p>Environmental Responsibility: Environmental awareness, impact of environment on health trainings, War on Waste Training.</p>	100%
Workers	89	<p>Ethics, Values and Transparency: Mandatory trainings on Values, Code of Conduct</p> <p>Safe & Sustainable Products: Quality based trainings, Process Engineering, World Class TPM Awareness</p> <p>Employee Well-Being:</p> <ul style="list-style-type: none"> Health & development: Skill-based training, Sessions focused on improving mental and physical health, personal development sessions Safety at Workplace: Equipment safety, safety drills and workshops, first aid and seasonal illness, general discipline and hygiene, emergency preparedness, safety captain training <p>Human Rights: PoSH, Human welfare awareness campaign, Women's welfare & awareness campaigns</p> <p>Environmental Responsibility: Environmental awareness, impact of environment on health trainings, War on Waste Training</p>	100%

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					
Particulars	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine					
Settlement			Nil		NA
Compounding fee					

Non-monetary				
Particulars	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment			Nil	NA

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
No appeal has been preferred on the above-mentioned cases.	NA

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.

Response: At Bajaj Auto, our Code of Conduct guides the integrity norms pertaining to bribes, favours from business associates, gifts from business associates etc. that deal with anti-corruption and anti-bribery. At Bajaj Auto, integrity is about people doing the right thing – not looking for personal gain or to reward others by taking advantage of ambiguity or uncertainty. Adhering to the set norms prevent damage to the organisation in financial or information terms or to the organisation image in front of regulatory authorities or society at large.

Link to Bajaj Auto Code of Conduct: https://bajajauto.integritymatters.in/clients/67/show_code_of_ethics?locale=en.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

Particulars	FY 2025-26	FY 2024-25
Directors		
KMPs	Nil	Nil
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	None	Nil	None
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

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.

Response: There have been no instances of corruption and conflicts of interest.

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format:

Particulars	FY 2025-26	FY 2024-25
Number of days of accounts payables	60 days	60 days

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 & investments, with related parties, in the following format:

Parameters	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	5.8%	6.1%
	b. Number of trading houses where purchases are made from	841	952
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	66.7%	61.6%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	99%	98%
	b. Number of dealers/distributors to whom sales are made	2,598	2,742
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors	29%	25%
Share of RPTs	a. Purchases (Purchases with related parties/Total Purchases)	0.6%	0.5%
	b. Sales (Sales to related parties/Total Sales)	3.8%	2.4 %
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	85%	98%
	d. Investments (Investments in related parties/Total Investments made)	26%	20%

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	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
135	19 topics were covered across various training programs conducted in FY2025-26 which covered all the 9 principles of BRSR.	69%

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.

Response: Yes, Bajaj Auto maintains a strict policy against unethical conduct and ensures compliance with relevant principles, including those related to conflicts of interest. Directors and Senior Management are governed by a distinct Code of Conduct, which mandates adherence to the highest ethical standards and prohibits acceptance of benefits from business associates that could influence dealings with the Company. Additionally, they are prohibited from engaging in any business activities that conflict with their duties to the Company. Each year, Directors and Senior Management affirm their commitment to this Code, with the MD and CEO signing a declaration included in the Annual Report, thereby informing stakeholders. No instances of corruption or conflicts of interest were identified during the reporting period. Pursuant to SEBI Listing Regulations, Senior Management regularly discloses any material financial or commercial transactions where personal interests may conflict with the Company's, which is reviewed by the Board and documented in the Annual Report's Corporate Governance section.

The policy is available at <https://www.bajajauto.com/investors/policies-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.

Particulars	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D ¹	100%	100%	Micro Focus X-Ray Machine, SMT Line, Battery Pack Tester, Cell Tester, Cell Grading Machine, Gas Chromatography – Mass Spectrometry (GC-MS) System, Simultaneous Thermal Analyzer (STA), 3D Sand Printing System, Scan and Paint 2D System, High-Pressure Unit (HPU) for poster machines, and Oscilloscopes
Capex	55.9%	67.5%	2WH Chetak Assembly and Paint shop, 3WH EV vehicle assembly, dies and moulds

¹Note: Crucial aspect of Bajaj Auto's R&D expenditure is to reduce environmental footprint and enhance social impact. We also focus on developing new technologies to improve customer experience, product quality and safety. Hence, these expenditures are inseparable cost of the projects and thus separately identifying such expenditure is not feasible

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Response: Yes

b. If yes, what percentage of inputs were sourced sustainably?

Response: We have well-defined methodology and practices and Supplier Code of Conduct (BAL SCoC) to engage with all our suppliers in an ethical, responsible, fair, transparent, legal, and sustainable way. 100% of our input materials and services are sourced from suppliers adhering to internal sustainability standards/codes/policies.

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.

Response: At BAL, we manage product end-of-life cycles across all locations by prioritizing the reclamation of plastics and packaging. We employ a circular strategy that combines internal reuse with the services of authorised third-party recyclers. This ensures that materials are safely collected, recycled, or disposed of in strict compliance with environmental regulations, effectively diverting waste from landfills and promoting resource efficiency.

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.

Response: Yes, EPRs are applicable to BAL. BAL is complying to all the applicable EPRs in line with rules. Our waste collection strategy aligns with the EPR plan submitted to the Pollution Control Board (PCB).

Leadership Indicators

1. 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
Two Wheelers and Three Wheelers (including electric vehicles)	Environment emission, Reuse of metals to control resources depletion	<p>Developed PCR (Post-Consumer Recycled) and PIR (Post-Industrial Recycled) plastic grades and initiated their use in our products, to reducing dependency on virgin plastics and minimizing environmental impact.</p> <ul style="list-style-type: none"> Implemented the use of 40% recycled aluminium in swing arm components, contributing to resource conservation and lower carbon footprint. Initiated development of an electric quadricycle and expansion of EV portfolio, supporting the transition towards cleaner and sustainable mobility solutions. Ensured 100% recycling of Li-ion batteries through authorised recyclers, promoting responsible end-of-life management and circular economy practices. Developed flex-fuel compatible vehicles, including: <ul style="list-style-type: none"> Triumph 400 and Boxer models compatible with E27.5 fuel Pulsar 200 NS, 160 NS, and RE236 models compatible with E100 fuel This supports reduced fossil fuel dependency and lower emissions. Achieved 100% REACH compliance across products, ensuring safe use of materials, ensuring adherence to global environmental regulations and environmental protection.

2. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26 [#]	FY 2024-25
Aluminium	59.2%	6.2%
Steel	17.9%	–

[#]Note: Recycled input materials have been reported based on declaration from vendors starting FY25-26.

3. 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:

Particulars	FY 2025-26			FY 2024-25		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	0	856	1,283	0	437	1,019
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

4. 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
Plastic Packaging	100%

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:

Category	Percentage of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day-care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	2,546	2,546	100%	2,546	100%	NA	NA	2,546	100%	2,546	100%
Female	184	184	100%	184	100%	184	100%	NA	NA	184	100%
Total	2,730	2,730	100%	2,730	100%	184	100%	2,546	100%	2,730	100%
Other than permanent employees											
Male	207	207	100%	207	100%	NA	NA	207	100%	207	100%
Female	61	61	100%	61	100%	61	100%	NA	NA	61	100%
Total	268	268	100%	268	100%	61	100%	207	100%	268	100%

b. Details of measures for the well-being of workers:

Category	Percentage of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day-care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	2,389	2,389	100%	2,389	100%	NA	NA	2,389	100%	2,389	100%
Female	112	112	100%	112	100%	112	100%	NA	NA	112	100%
Total	2,501	2,501	100%	2,501	100%	112	100%	2,389	100%	2,501	100%
Other than permanent workers											
Male	96	96	100%	96	100%	NA	NA	96	100%	96	100%
Female	1	1	100%	1	100%	1	100%	NA	NA	1	100%
Total	97	97	100%	97	100%	1	100%	96	100%	97	100%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Benefits	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the Company	0.12%	0.14%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2025-26			FY 2024-25		
	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/N.A.)	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/N.A.)
PF						
Gratuity	100% of applicable employees as per act	100% of applicable workers as per act	Yes	100% of applicable employees as per act	100% of applicable workers as per act	Yes
ESI						

3. 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.

Response: Yes, our corporate office is accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

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.

Response: Bajaj Auto has adopted an Equal Opportunity Policy in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016 and the rules framed thereunder. The Equal Employment Opportunity policy is available on our website and can be accessed at <https://www.bajajauto.com/corporate/key-policies>.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	91%	100%	98%
Female	100%	89%	100%	85%
Total	100%	91%	100%	96%

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.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, there is a grievance committee in all BAL plants where the workmen are represented by members of their recognised unions. The representatives of the committee are nominated by management. The grievance committee is chaired by the plant head in each plant. The committee meets once a month. In that meeting, all types of grievances of workmen are discussed and resolved. Workers can contact through email, or through 'Integrity Matters' website, an independent third-party organisation or by contacting the HR representative for respective business unit.
Other than Permanent Workers	Yes, in plants, the Personnel manager is nominated as grievance redressal officer for grievances related to contract labour or other type of employees. Contractors, supervisors, and individual contract labor can contact personnel managers for redressal of their grievances. A grievance register is maintained for monitoring how many grievances are received and settled. Workers can contact through email, or through 'Integrity Matters' website, an independent third party organisation or by contacting the HR representative for respective business unit.
Permanent Employees Other than Permanent Employees	Yes, Employees can contact through email, or through 'Integrity Matters' website, an independent third-party organisation or by contacting the HR representative for respective business unit.

For more details, refer to the following link: https://bajajauto.integritymatters.in/cases/case_instructions?locale=en

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26			FY 2024-25		
	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						
Male	2,546	Nil	Nil	2,498	Nil	Nil
Female	184	Nil	Nil	141	Nil	Nil
Total Permanent Workers						
Male	2,389	1,721	72%	2,830	2,058	73%
Female	112	40	36%	129	43	33%

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	2,753	2,753	100%	2,753	100%	2,704	2,704	100%	2,704	100%
Female	245	245	100%	245	100%	216	216	100%	216	100%
Total	2,998	2,998	100%	2,998	100%	2,920	2,920	100%	2,920	100%
Workers										
Male	2,485	2,485	100%	2,485	100%	2,945	2,945	100%	2,917	99%
Female	113	113	100%	113	100%	137	137	100%	135	98%
Total	2,598	2,598	100%	2,598	100%	3,082	3,082	100%	3,052	99%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025-26			FY 2024-25		
	Total (A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D/C)
Employees						
Male	2,753	2,753	100%	2,704	2,704	100%
Female	245	245	100%	216	216	100%
Total	2,998	2,998	100%	2,920	2,920	100%
Workers						
Male	2,485	2,485	100%	2,945	2,945	100%
Female	113	113	100%	137	137	100%
Total	2,598	2,598	100%	3,082	3,082	100%

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 such system?

Response: At BAL, we have implemented a robust Occupational Health and Safety Management System (OHS-MS) across all our manufacturing locations to guarantee a secure and healthy working environment for all. Our commitment to safety is validated by ISO 45001:2018 certification (Integrated Management System) across all sites, with Chakan-II further adhering to the IS 14489 code of practice. This system comprehensively covers every individual on our premises, including permanent employees, contractual staff, trainees, vendors, and visitors. We ensure operational excellence through mandatory safety inductions, regular audits, and rigorous accident investigation protocols designed to prevent recurrence. By monitoring safety performance through defined activity indicators and monthly leadership reviews, we ensure our internal standards not only comply with but often exceed statutory legislative norms to drive continuous improvement. Please refer to the Safety, Health, and Environment (SHE) policy for more details: <https://www.bajajauto.com/corporate/key-policies>

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Response: At BAL, we have established systematic and proactive processes to identify work-related hazards and assess risks for both routine and non-routine activities across all our manufacturing units. We utilise industry-leading methodologies, including Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), HAZOP, and Pre-Startup Safety Reviews (PSSR) to ensure comprehensive risk mitigation. Our safety culture is driven by regular Site Observation Tours (SOT), Cross-Functional Team (CFT) audits, and Stop 6+2 inspections, complemented by a robust Management of Change (MOC) protocol. We actively encourage employee participation through the reporting of Hiyari Hattos (Near Misses) and unsafe conditions via digital QR code-based platforms. All identified hazards are communicated to our central safety teams, where corrective and preventive actions are tracked to completion, ensuring our internal safety standards remain at the forefront of the industry.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Response: At BAL, we have established clear and accessible processes across all locations that empower workers to report work-related hazards and prioritise their personal safety. We foster an open safety culture through multiple reporting channels, including digital QR code-based Employee Safety Concern Reports, STOP cards, and online platforms for capturing near-miss incidents and unsafe conditions. To ensure these concerns are addressed at the highest level, we maintain a structured review hierarchy comprising Central and Divisional Safety Committees, monthly Contractor Safety Meetings, and daily SHE (Safety, Health, and Environment) reviews attended by plant management. Furthermore, our Safety Captain concept and shop-floor safety system reviews provide workers with direct representation, ensuring they have the autonomy to identify risks and contribute actively to the implementation of corrective measures, thereby reinforcing their right to work in a secure environment.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Response: Yes, all the employees and workers have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.16	Nil
	Workers	Nil	0.08
Total recordable work-related injuries	Employees	1	Nil
	Workers	Nil	1
No. of fatalities	Employees	1	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers		

*Including the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Response: At BAL, we adopt a comprehensive "Proactive and Reactive" approach to ensure a world-class safe and healthy work environment across all our plants. Our proactive strategy is built on a foundation of ISO 45001 and IS 14489 standards, featuring rigorous Hazard Identification and Risk Assessment (HIRA), Behavior-Based Safety (BBS) programs, and an electronic Work Permit System (e-PTW) for high-risk activities. We invest heavily in engineering controls, such as automated fire detection and suppression systems (SCADA-monitored), overhead conveyors to reduce fatigue, and advanced automation to minimise manual intervention. Regular safety audits, including Site Observation Tours (SOT) and external competent agency inspections, ensure 100% legal compliance and continuous improvement. We foster a strong safety culture through extensive training programs—ranging from induction to specialised chemical and electrical safety—and engage our workforce through the Safety Captain initiative, safety kaizens, and reward programs. To ensure holistic well-being, we conduct periodic occupational health surveillance and medical check-ups, while our "Yutori" wellness initiatives support the body, mind, and soul of our employees. Reactively, we maintain a robust incident reporting and root-cause analysis system, ensuring that learnings from near-misses and accidents are institutionalised across all departments to prevent recurrence.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	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	None	6	Nil	None
Health and Safety	4	Nil	None	7	Nil	None

14. Assessments for the year:

Particulars	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the plants were assessed
Working Conditions	100% of the plants were assessed

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 & safety practices and working conditions.

Response: At BAL, we maintain a proactive stance toward risk management by utilizing a structured Corrective Action and Preventive Action (CAPA) framework and Why-Why analysis to investigate all safety-related incidents and prevent their recurrence. Significant risks and concerns identified through our comprehensive auditing processes are meticulously documented in a Risk & Opportunity Register, with mitigation strategies implemented in strict alignment with the Hierarchy of Controls. To address these identified risks, we have deployed advanced technological solutions across our sites, including Zero-Access guarding, Safety Light Curtains, and Biometric Access Control for material handling equipment. Furthermore, we have integrated Autonomous Mobile Robots (AMRs), AI-powered cameras for real-time monitoring of hazardous areas, and specialised robotic safety systems to eliminate human exposure to hazards. Beyond technical controls, we prioritise ergonomics and occupational health through initiatives such as anti-fatigue matting and tool modifications to eliminate pinch points. Through our Horizontal Development system, successful safety interventions at one location are standardised across all plants, ensuring a consistently high level of safety performance and the effective elimination of workplace risks.

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).

Response:

- (a) Employees - Yes
(b) Workers - Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Response: Bajaj Auto Ltd., through its practices, business agreements and dealings promotes payment of statutory dues and statutory compliances by the value chain partners.

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.

Safety Incident/Number	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	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	1	Nil	Nil	Nil
Workers	Nil			

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Response: Yes

5. Details on assessment of value chain partners:

Particulars	Percentage of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	79%
Working Conditions	

Note: Industry sources are not assessed by Bajaj Auto Ltd. Industry sources are national and multinational companies, who supply components across the automotive industries.

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.

Response: At Bajaj Auto, any non-compliance or areas of improvement found during assessments of health and safety practices and working conditions of value chain partners are closed appropriately. We are focused on legal and safety compliances of our vendors. To ensure optimal working conditions, we have created an enhanced system for monitoring, documentation, and compliance in our vendor portal. Accident reporting facility is provided to vendors on our vendor portal. We also encourage suppliers to conduct self-assessment of Health & Safety Systems and processes implemented at their respective locations.

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.

Response: Key stakeholders are individuals, organisations, parties, or entities that have an impact on our business, contribute value, or are essential components of the value chain. Our major stakeholders include vendors, customers, dealers, employees, the community, and shareholders amongst others.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Response: Below are the key stakeholder groups identified for Bajaj Auto Ltd.

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Community	Yes	Physical site visits and Virtual meets	Monthly, quarterly and half yearly	<ol style="list-style-type: none"> 1. Community engagement via workshops, survey, events, need assessment/ baseline study 2. Assess the impact of the project 3. Feedback of the implementation agency 4. Observe any behavioral change and community institution assessment
Customers	No	Showrooms, Workshops, Website Dealer Management system, social media platform, Advertisements and Customer Meet	Ongoing basis	<ol style="list-style-type: none"> 1. Responsible manufacturing 2. Addressing customer queries and grievances 3. Feedback on products and services
Dealers and Distributors	No	Dealer Meets, Emails, Marketing communications, D&T App	Ongoing basis	<ol style="list-style-type: none"> 1. Sales and Marketing plan 2. New product strategy and inventory building 3. Enhancing customer experience
Employees and workers	No	Intranet, Email, SMS, Virtual Calls, In-person meetings, internal events, notice boards, Employee engagement survey, round table with senior leadership, Town halls	Ongoing basis, Annual for employee engagement survey	<ol style="list-style-type: none"> 1. Relevant business communication, 2. Career, learning & growth, 3. HR policies and practices 4. Employee recognition 5. Feedback on Team managers
Government	No	Policy-making discussions and briefings, emails, virtual and physical meetings with government agencies, and representation through trade bodies	Ongoing basis	<ol style="list-style-type: none"> 1. Discussion and inputs on regulations 2. Business ethics 3. Engaging in discussions and providing input on regulations while upholding business ethics
Implementation Agency	No	Emails, Phone calls, In-person and Virtual meetings, Office visits and Site visits	Ongoing basis	<ol style="list-style-type: none"> 1. Technical Assessment 2. Financial assessment 3. Concerns regarding the project, monitoring planned outcomes vs actual outcomes and engagement with the community.

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Email, Newspaper, Stock Exchange, Website, Virtual and Physical Meetings, Conferences, etc.	Ongoing basis	<ol style="list-style-type: none"> 1. Financial results 2. Business outlook 3. Key risks 4. Sustainability
Regulatory Bodies	No	Conferences, external forums, and public platforms	Periodic basis	<ol style="list-style-type: none"> 1. Compliance with national and local regulations 2. Permissions/approvals on various regulatory requirements
Shareholders	No	Email, SMS, Newspaper, Investor calls, Advertisement, Stock Exchange, Website, Survey, Virtual and Physical Meetings, Conferences, etc.	Ongoing basis	<ol style="list-style-type: none"> 1. Financial results & Business updates 2. Dividend & TDS communication 3. Investors' service request 4. Updates on material events
Vendors	No	Vendor portal, Emails/Telephone, Interactions through Bajaj Auto Vendor Association (BAVA) EC/MC meeting, BAVA Sub clusters/Sub committees, Kaizen competition and cluster conventions	Ongoing basis	<ol style="list-style-type: none"> 1. Purchase - Vendor Management 2. Vendor Quality 3. New product Development 4. SHE compliance 5. TPM & improvements

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.

Response: We maintain regular communication with our diverse range of stakeholders. Each functional team within Bajaj Auto Ltd. actively engages with their stakeholders, and understand their concerns and feedback regarding economic, environmental, and social matters to the Board members. Through business review and risk management meetings, the Board stays informed about stakeholder responses and issues, enabling us to devise plans to mitigate and address risks effectively. Moreover, our company has instituted a Stakeholder Relationship Committee to facilitate continuous, proactive engagement and ensure that the Board remains updated on emerging developments and stakeholder feedback.

2 Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

Response: Key concerns of vulnerable stakeholder groups from disadvantaged communities include limited access to skill development, education, and healthcare, which are addressed through low-cost or free skilling programs with industry exposure, scholarships and academic support for students, and improved access to affordable healthcare services. The key actions taken under each concern are as follows:

Projects under Skilling Initiatives

1	Beneficiaries are from the marginalised communities with low family income.
2	These beneficiaries are provided with an opportunity for skill-based training at very low cost/free of cost with support for employment opportunity
3	These beneficiaries are also given exposure to the current industry trends through sessions with industry experts, skill competitions, live projects etc.

Projects under Education initiatives

1	Beneficiaries are school students from marginalised communities with low family income
2	These beneficiaries are provided with scholarships, coaching classes, counselling and other required support to pursue higher studies in STEM field

Projects under Healthcare initiatives

1	Beneficiaries are mostly from the marginalised communities with poor access to healthcare facilities
2	These beneficiaries are provided with easy and affordable access to various healthcare facilities.
3	A special focus on homeopathy field of medicine is undertaken under these initiatives

PRINCIPLE 5

**Businesses should respect
and promote human rights**

Essential Indicators:

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of Employees/ Workers covered (B)	% (B/A)	Total (C)	No. of Employees/ Workers covered (D)	% (D/C)
Employees						
Permanent	2,730	2,730	100%	2,639	2,639	100%
Other than Permanent	268	268	100%	281	281	100%
Total Employees	2,998	2,998	100%	2,920	2,920	100%
Workers						
Permanent	2,501	2,501	100%	2,959	2,959	100%
Other than Permanent	97	97	100%	123	123	100%
Total Workers	2,598	2,598	100%	3,082	3,082	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent										
Male	2,546	Nil	Nil	2,546	100%	2,498	Nil	Nil	2,498	100%
Female	184	Nil	Nil	184	100%	141	Nil	Nil	141	100%
Other than Permanent										
Male	207	Nil	Nil	207	100%	206	Nil	Nil	206	100%
Female	61	Nil	Nil	61	100%	75	Nil	Nil	75	100%
Workers										
Permanent										
Male	2,389	Nil	Nil	2,389	100%	2,830	Nil	Nil	2,830	100%
Female	112	Nil	Nil	112	100%	129	Nil	Nil	129	100%
Other than Permanent										
Male	96	Nil	Nil	96	100%	115	Nil	Nil	115	100%
Female	1	Nil	Nil	1	100%	8	Nil	Nil	8	100%

3. Details of remuneration/salary/wages

a. Median remuneration/wages

(₹ in Lakh)

Category	Male		Female	
	Number	Median remuneration	Number	Median remuneration
Board of directors (BoD)	9	50	2	32
Key Managerial Personnel	3	1,067	Nil	Nil
Employees other than BoD and KMP ¹	2,544	32	184	17
Workers ¹	2,389	9	112	6

¹Note: The average experience of permanent male employees is 17 years, however it is 6 years for permanent female employees. The average experience of permanent male workers is 19 years; however it is 7 years for permanent female workers.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format

Particulars	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	4.3%	3.9%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Response: Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Response: Bajaj Auto considers respect for human rights as a fundamental value for our business. Resolution of complaints and grievances takes place while keeping in mind the principles of natural justice, confidentiality, sensitivity, and no retaliation for employee. In case of any violations, a complaint can be made to the Enforcement Committee as mentioned in the policy. Any grievance against any member of the Enforcement Committee should be addressed to the Managing Director. The Committee is responsible for protecting both the complainant's privacy and the confidentiality of complaints. Our Human Rights Policy can be found at <https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/Human-Rights-Policy.ashx>

6. Number of Complaints on the following made by employees and workers.

Category	FY 2025-26			FY 2024-25		
	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				1		The case was resolved in FY25
Discrimination at workplace	Nil	Nil	None		Nil	
Child Labour						
Forced Labour/Involuntary Labour				Nil		None
Wages						
Other human rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format.

Particulars	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as a % of female employees/workers	0	0.3%
Complaints on POSH upheld	0	1

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Response: Ethics & values have always been core to the way Bajaj Auto operates & any violation is dealt with appropriately. With this intent, the Company has policies in place to protect the identity of the complainant. Additionally, it protects them from discrimination, victimisation, retaliation, or adoption of any unfair employment practices. We uphold the privacy of the complainant and maintain the confidentiality of complaints. The complainant may be moved to any other location while an investigation is underway. Appropriate escalation mechanisms exist for complainants.

Please refer to the following policies for more details:

- 1. Equal Opportunity Policy:** (<https://www.bajajauto.com/corporate/key-policies>). The policy inter alia mentions the following clauses related to equal opportunities:
 - Any harassment or exhibition of discriminatory behaviour during the course of candidature or employment would be investigated by the grievance redressal committee and appropriate actions will be taken.
 - The Company does not tolerate any malpractice, impropriety, abuse or wrongdoing or discrimination or harassment. Any violation discovered should be reported directly to the members of the grievance redressal committee or via website.
 - The Company should maintain the confidentiality of the grievances and would ensure the prevention of retaliation against the applicant or employee who files a charge of discrimination or harassment, testifies, or participates in any proceeding.
- 2. Whistle Blower Policy:** (<https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/Whistle-Blower-Policy.ashx>) Our Whistle Blower Policy protects the whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice by ensuring the confidentiality of the complainant's identity.
- 3. Human Rights Policy:** (<https://www.bajajauto.com/-/media/bajajauto/Investors/code-policy/Human-Rights-Policy.ashx>). Our Human rights policy prohibits any kind of discrimination at workplace.
- 4. Prevention of Sexual Harassment (POSH):** The Company policy on Prevention of Sexual Harassment at Workplace (POSH) provides guidelines and structured mechanism of ensuring that the complainant is not discriminated against.

Over and above the mechanisms mentioned in the respective policies, Bajaj Auto has partnered with "Integrity Matters", an independent Third-Party organisation. Link: https://bajajauto.integritymatters.in/cases/case_instructions?locale=en

9. Do human rights requirements form part of your business agreements and contracts?

Response: Yes, human rights are an essential part of supplier code of conduct.

10. Assessments for the year:

Particulars	Percentage of your plants and offices that were assessed (By entity or statutory authorities or third parties)
Child Labour	We assess hundred percent of our operations during the audit to ensure compliance with all statutory laws
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.

Response: There were no significant risks or concerns identified from audit/assessment. The Company continues to be proactive with respect to its statutory compliances to avoid any such risks.

Leadership Indicators:

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Response: At Bajaj Auto, no complaints/grievances have been received regarding human rights.

2. Details of the scope and coverage of any Human rights due-diligence conducted

Response: To ensure compliance with all statutory laws/regulatory requirements, labour laws, and regulations imposed thereunder, 100% of plants and offices are evaluated during the audit. Bajaj Auto believes that inclusivity is an integral part of the Company's growth. The values of Bajaj Auto drive continuous commitment to be an organisation that strives to ensure equal opportunity, respect, and fairness for all our stakeholders. Our workplace is designed to promote equal employment opportunity, irrespective of race, gender, caste, religion, sexual orientation, or any other personal, social, or economic factor. There are periodic review mechanisms in place to assess the Company's commitment to the above-mentioned espoused principles.

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?

Response: Yes, our national premise/office located nationally are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

Particulars	Percentage of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	
Discrimination at workplace	
Child Labour	79%
Forced Labour/Involuntary Labour	
Wages	

Note: Industry sources are not assessed by Bajaj Auto Ltd. Industry sources are national and multinational companies, who supply components across the automotive industries.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Response: Not applicable, as no adverse feedback was received in the assessment of value chain partners in the FY 2025-26.

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
From Renewable sources (in MJ)		
Total electricity Consumption (A)	6,67,93,033	4,94,47,522
Total Fuel Consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	6,67,93,033	4,94,47,522
From Non-renewable sources (in MJ)		
Total electricity consumption (D)	41,37,67,042	35,04,86,728
Total fuel consumption (E)	41,97,91,569	32,95,46,494
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	83,35,58,611	68,00,33,222
Total energy consumed (A+B+C+D+E+F)	90,03,51,644	72,94,80,744
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations in ₹ crore)	15,330	14,587
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations in ₹ crore adjusted for PPP)	3,11,806	2,98,035
Energy intensity in terms of physical output (MJ/unit of vehicle produced)	174.0	157.4

Note: a: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency: Yes, DNV Business Assurance India Private Ltd.
b: BACL is excluded for reporting of two parameters - electricity consumption and corresponding emissions

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.

Response: At BAL, none of our manufacturing facilities are currently identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	69,979	68,197
(ii) Groundwater	50,416	51,171
(iii) Third party water	9,77,154	8,64,546
(iv) Seawater/desalinated water	Nil	Nil
(v) Others	1.9	1.3
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	10,97,551	9,83,915
Total volume of water consumption (in kilolitres)	10,88,456	9,72,890
Water intensity per rupee of turnover (Total water consumption/Revenue from operations in ₹ Crore)	18.5	19.5
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations in ₹ Crore adjusted for PPP in USD terms)	376.9	397.5
Water intensity in terms of physical output (kL/unit of vehicle produced)	0.21	0.21

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, DNV Business Assurance India Private Ltd.

4. Provide the following details related to the water discharged.

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kiloliters)		
i. To Surface Water		
• No Treatment	Nil	Nil
• With treatment- please specify level of treatment	Nil	Nil
ii. To Groundwater		
• No Treatment	Nil	Nil
• With treatment- please specify level of treatment	Nil	Nil
iii. To Seawater		
• No Treatment	Nil	Nil
• With treatment- please specify level of treatment	Nil	Nil
iv. Sent to third parties		
• No Treatment	Nil	Nil
• With treatment- water discharge to CETP after primary treatment*	9,095	11,025
v. Others		
• No Treatment	Nil	Nil
• With treatment- please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	9,095	11,025

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, DNV Business Assurance India Private Ltd.

* As per CTO conditions by Pollution Control Board, for our Pantnagar plant, it is required to send water, after treatment in ETP, to third party from FY24.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Response: Yes, our plants at Akurdi, Chakan, and Waluj are equipped with Zero Liquid Discharge (ZLD) Systems. All industrial effluent undergoes treatment through Effluent Treatment Plants (ETP), followed by reverse osmosis (RO). The permeate generated is utilised for industrial activities, while the reject is further treated in Multiple Effective Evaporators. At our Pantnagar plant, domestic sewage effluent is treated in Sewage Treatment Plants (STP) and utilised for gardening and horticulture purposes. In accordance with the Consent to Operate condition of 2023 (CTO), ETP discharge is connected to the Common Effluent Treatment Plant (CETP) pipeline, which is operated by third party. Due to this Pantnagar plant is not a ZLD facility.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please Specify Unit	FY 2025-26	FY 2024-25
NOx	MT/Annum	6.9	3.1
SOx	MT/Annum	8.3	16.4
Particulate Matter (PM)	MT/Annum	130.1	8.7
Persistent organic pollutants (POP)	mg/Nm ³	Nil	Nil
Volatile organic compounds (VOC)	mg/Nm ³	13,858	Nil
Hazardous air pollutants (HAP)	mg/Nm ³	Nil	Nil
Others – please specify	mg/Nm ³	Nil	Nil

Note: a. 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, DNV Business Assurance India Private Ltd. Business Assurance India Private Ltd.

b. New stacks added in FY2025-26 and VOCs monitoring and reporting has been added in FY2025-26

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions	Metric tonnes of CO ₂ equivalent	26,484	23,385
Total Scope 2 emissions	Metric tonnes of CO ₂ equivalent	81,604	70,779
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations in ₹ Crore)		1.84	1.88
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Power Purchasing Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations in ₹ Crore adjusted for PPP in USD terms)		37.4	38.5
Total Scope 1 and Scope 2 emission intensity in terms of physical output (tCO ₂ e/unit of vehicle produced)		0.02	0.02

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, DNV Business Assurance India Private Ltd.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Response: In BAL, we are proactively executing a diverse portfolio of projects across all our manufacturing locations to significantly reduce our Greenhouse Gas (GHG) footprint. Our strategy focuses on energy transition, operational efficiency, and the elimination of substances with high global warming potential through the following key initiatives:

- 1. Renewable Energy & Sustainable Infrastructure:** We have prioritised the transition to clean energy, highlighted by the commissioning of a 4.14 MWp rooftop solar project at Chakan-II and the expanded use of solar power at Waluj. To reduce lighting and cooling loads, we have installed Daylight Brilliance systems, transparent roof sheets, and HVLS (High Volume Low Speed) fans across various shops.
- 2. Energy Efficiency & Automation:** We have systematically upgraded to high-efficiency LED lighting (up to 130 lumen/watt), BLDC fans, and inverter-based air conditioning. Operational loads are further optimised through Variable Frequency Drives (VFDs) on compressors and ventilation systems, high-efficiency motors, and the integration of Building Management Systems (BMS) for intelligent HVAC control.
- 3. Process & Refrigerant Management:** A significant focus is placed on eliminating R-22 refrigerant gas in favor of eco-friendly alternatives at our Akurdi and Chakan-I plants.
- 4. Operational Optimisation:** Our technical teams focus on high-impact interventions such as Power Factor Optimisation (using SVG, AHF, and APFC panels), compressed air leakage audits, and the use of portable compressors during non-working days to prevent unnecessary energy consumption.

These collective efforts underscore our dedication to environmental stewardship and our commitment to meeting internal sustainability targets while driving towards a low-carbon future.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total waste generated (in metric tonnes)		
Plastic waste (A)	664	391
E-waste (B)	63	49
Bio-medical waste (C)	0.1	0.1
Construction and demolition waste (D)	1,890	6,631
Battery waste (E)	238	44
Radioactive waste (F)	Nil	Nil
Other hazardous waste. Please specify, if any (G)		
Industrial ETP Sludge	506	291
Discarded Asbestos sheet waste	10	52
Empty barrels/containers/liners contaminated with hazardous chemicals/wastes	490	414
Process wastes, residues and sludges	1,069	950
Others (Oily cotton waste, waste containing oil, used oil, polymer rubber, cargo residue, Spent solvents, phosphate sludge, washing water and sludge containing oil)	597	457
Total Hazardous Waste (G):	2,672	2,164
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Factory Rubbish	5,227	4,883
MS Turning/Boring Scrap	290	572
Non-Ferrous scrap	518	283
STP sludge/Biomass	215	146
Canteen Waste & Garbage	315	344
Others (Ferrous scrap, Waste Tyres & tubes, Wood scrap and Scrap Rubber items)	2,588	79
Total Non-hazardous waste (H):	9,153	6,308
Total (A + B + C + D + E + F + G + H)	14,681	15,587
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations in ₹ Crore)	0.25	0.31
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations in ₹ Crore adjusted for PPP)	5.08	6.37
Waste intensity in terms of physical output (MT/unit of vehicle produced)	0.0028	0.0034

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled	6,334	7,062
(ii) Reused	3,954	400
(iii) Other recovery operations	1,721	9
Total	12,009	7,471

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration	623	641
(ii) Landfilling	2,050	7,300
(iii) Other disposal operations	Nil	175
Total	2,672	8,116

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, DNV Business Assurance 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.

Response: In BAL, we have institutionalised a comprehensive waste management framework across all manufacturing sites anchored by the 6R Principle (Reduce, Reuse, Recycle, Refuse, Rethink, Repair) and strict adherence to regulatory guidelines. Our strategy for managing and reducing hazardous substances includes:

- 1. Hazardous Waste Management & Diversion:** All hazardous waste is segregated at the source and stored in designated, demarcated yards. We have transitioned from traditional disposal methods to more sustainable pathways, such as sending process residues for reprocessing, and disposing of paint sludge and ETP sludge through co-processing to achieve Zero Landfill goals. All disposals are tracked via the manifest system through MPCB/UPCB-authorized agencies and the TSDF (Treatment, Storage, and Disposal Facility).
- 2. Chemical & Source Reduction:** We actively seek to eliminate toxic chemicals through technological innovation. Notable initiatives include the installation of the Tectalis system, which has eliminated phosphate sludge, and the deployment of Nano Bell painting technology to significantly reduce paint sludge generation. Furthermore, Coolant Treatment Plants have been installed to extend the life of chemicals and minimise hazardous liquid waste.
- 3. Non-Hazardous Waste & Circularity:** Non-hazardous materials, including ferrous scrap, canteen waste, and factory rubbish, are managed through dedicated Value Yards. These materials are diverted to authorised recyclers to ensure circularity in our resource management.
- 4. Process Efficiency:** To minimise waste before it is generated, we employ advanced administrative and technical controls, such as SOP-driven waste handling, the use of recyclable packaging, and the systematic recycling of empty barrels and containers. By integrating advanced technology with rigorous segregation protocols, we ensure that our environmental footprint is minimised while maintaining 100% compliance with statutory requirements.

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:

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.
The Company does not have any operations/offices in/around ecologically sensitive areas.			

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
No environmental impact assessment of projects was undertaken by the Company during the financial year.					

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:

S. 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
100% compliant with all applicable laws and regulations.				

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:

Response: Not Applicable. As per Central Groundwater Resource Assessment 2021 and 2022, no facility/plant is located in water stress area.

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, DNV Business Assurance India Private Ltd.

2. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Response: The Company does not have any operations/offices in/around ecologically sensitive areas.

3. 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:

Response: In BAL, we are committed to driving environmental excellence through the strategic adoption of innovative technologies and resource-efficient solutions. Our approach focuses on four key pillars: renewable energy transition, water stewardship, energy conservation, and waste circularity. By integrating advanced automation—such as BLDC fans, VFD-based compressors, and AI-driven monitoring—with nature-based solutions like massive rainwater harvesting ponds, we significantly reduce our operational footprint. These initiatives not only ensure compliance with stringent environmental norms but also deliver measurable outcomes in carbon reduction, cost optimisation, and resource security, reinforcing our position as a leader in sustainable manufacturing

The site-specific initiatives and their outcomes are detailed in the tables below:

S. No.	Location	Initiative Undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Akurdi	1.91MWp Solar power plant Installation	Addition of 1.91 MW solar plant to existing 3.2 MW capacity	Increased renewable energy share and total units generated 49.66 lakh kWh
		Low temperature chemicals use for Pre-degreasing & Degreasing stage in ABS Paint line	Low temperature chemicals use for pre-degreasing & degreasing stage in ABS Paint line 1 & 2	Reduce PNG consumption 1,200 SCM/Day
2.	Chakan-I	Existing pond expansion	Pond water storage capacity increased from 83,00,000 to 1,20,00,000 litres.	Water Conservation
		Reconditioning & retro fitment of HT & LT transformers	Reconditioning & retro fitment of existing HT & LT transformers	Elimination of electrical energy losses due to aging of equipments
		Hazardous waste disposal method change	Recycling, co-processing method introduced for Hazardous waste disposal system as per MPCB guideline.	Hazardous disposal method improved which is better impact of environment
		Reduction of air emission	Employees transport vehicle clubbing initiative taken which save diesel for various bus routes	Daily 2,610 KM running saved with reduction in fuel consumption & air emission
		Reduction of power consumption	HVLS fan installation at shop to improve ventilation at the workplace environment.	Energy Conservation - Saving In kWh = 5,000 kWh/year
3.	Chakan-II	Water conservation through Rain Water harvesting	Two ponds constructed of capacity 1,45,272 KL & 1,42,700 KL respectively for rainwater harvesting near Gate 1 & Gate 3	Water Conservation

S. No.	Location	Initiative Undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
3.	Chakan-II	Electrical Energy conservation through efficiency improvement	Installation of one VSD based compressor at place of fixed speed compressor	Energy consumption reduced by 18% In compressor operation, total saving of electricity consumption is 3,58,400 kWh/year
		Electrical Energy conservation through efficiency improvement	Installation of energy-efficient LED lighting with higher lumen/watt performance across the plant.	Energy Saving = 54,000 kWh/year
		Electrical Energy conservation through efficiency improvement	Installed all IE3 high efficiency motors for operation	Energy Conservation - Losses reduced by 30-40% Energy Saving = 1,05,000 kWh/year
		Use of renewable energy for lightning	Installed 155 skylights/brilاناتors to provide natural lighting during daytime with adequate lux levels (250-300 lux).	Energy Saving = 30,000 kWh/year
		Resource Conservation for Environment Improvement	Installation of a Mechanical Vapor Recompressor (MVR) for the treatment of RO reject to ensure zero liquid discharge	Water Conservation through recycle and reuse
		Water Efficiency in Sanitary Fixtures	Installed spacers in urinals and seat flushing systems to reduce water consumption from 6 liters to 4 liters per flush.	Notable reduction in water usage per cycle, water conservation
		Automated Lighting Control	Implementation of timer-based and occupancy-sensor lighting controls in office areas and washrooms.	Improved energy efficiency through reduction in idle power consumption.
		Lighting Optimisation Based on Lux Requirements	Lighting system optimisation in EA & Trellis areas based on lux level measurement and production needs.	Reduced connected lighting load by 10 KW, enhancing energy efficiency.
		Rooftop solar	Installed 4,141 MWp renewable source of energy	In FY 25~26 - 32.76 lakh kWh generated till Mar-26
		Use of Portable Compressor	Three portable compressors installed in BAL shop	200 kWh saved/Non working day
4.	Waluj	HVAC running optimisation	HVAC AHU VFD speed reduction during winter season in EA	5,000 kWh/Month saved
		CA Pressure Optimisation	Reduction of comp. set point from 6.5 bar to 5 bar with addition of air receiver in machine shop	1,000 kWh/Month saved
		New Technology	Use of BLDC fan against conventional fans	50 kWh/Month saved
		Reduction of plastic packaging	Reduction by - 6R principles Alternate material, Alternate method, Fit to part packing	Reduction in plastic waste generation
		Reduction of Energy consumption	Replacement of sodium vapour lamps by LED lights. Operational controls	Energy consumption reduction
		Installation of 400KLD ETP & recycling plant & RO Polishing plant.	Installation of 400 KLD ETP & recycling plant with RO polishing unit to reduced DM Water plant feedwater consumption	100% recycling of the ETP water
		5.	Pantnagar	Electrical Energy conservation through efficiency improvement
Electrical Energy conservation through efficiency improvement	Provision of energy efficient pump at WRS & pre-treatment - (03 nos.)			Saving in kWh = 12,500 unit/year
Electrical Energy conservation through efficiency improvement	Provision of transparent roof sheet at PLP area for use of day light			Saving in kWh = 5,000 unit/year

4. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

Response: The Risk Management Policy framework encompasses the identification of internal and external risks across various facets of the Company, including front-end and back-end operations, R&D, Finance, and IT. It addresses financial, operational, sectoral, sustainability, information, cyber security, disaster recovery, strategic, and other risks, as determined by the Risk Management Committee. This policy aims to minimise adverse impacts on business objectives by outlining procedures for risk quantification, categorisation, mitigation measures, critical risk reporting, and business continuity planning. The core management team periodically deliberates on Business Continuity Plans, conducting business impact analyses to identify critical functions and resources. Additionally, the Company maintains a comprehensive Emergency Preparedness and Response Plan (EPRP) to address accidents, health emergencies, and environmental impacts. The company reviews and revises the emergency preparedness and response procedures on a regular interval.

5. 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.

Response: There has been no significant adverse environmental impact resulting from the entity's value chain. Proactive measures—such as education initiatives, audit mechanisms utilizing a standardised checklist, non-conformance (NC) closures, and ongoing compliance monitoring—have been implemented to effectively manage and mitigate critical parameters with potential environmental risks.

6. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Response: 79%*

***Note:** Industry sources are not assessed by Bajaj Auto Ltd. Industry sources are national and multinational companies, who supply components across the automotive industries.

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.

Response: 8

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	Reach of trade and industry chambers/associations (State/National)
1.	Confederation of Indian Industry	National
2.	Society of Indian Automobile Manufacturers	National
3.	Federation of Indian Export Organisations	National
4.	Indian Merchant Chamber	National
5.	The Automotive Research Association of India	National
6.	The Advertising Standards Council of India	National
7.	Bombay Chamber of Commerce and Industry	National
8.	Mahratta Chamber of Commerce, Industries and Agriculture	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Response: There have been no issues pertaining to anti-competitive conduct during the year.

PRINCIPLE 8

**Businesses should promote
inclusive growth and
equitable development**

Essential Indicators:

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

S. No.	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain? (Yes/No)	Relevant Web link
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During the reporting period, the Company did not undertake any projects or land acquisition activities that required the conduct of a Social Impact Assessment (SIA) under applicable laws, including the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. Accordingly, no SIA was carried out during the financial year. However, we regularly conduct impact assessments of our projects.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. 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 ₹)
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Not applicable as no projects on R&R conducted at Bajaj Auto Ltd.

3. Describe the mechanisms to receive and redress grievances of the community.

Response: Bajaj Auto Ltd. conducts its Corporate Social Responsibility (CSR) initiatives through multiple implementing organisations across India. Community members (stakeholders)/beneficiaries communicate their concerns to these implementing partners which then offer solutions and address the issues at hand. If community members or beneficiaries encounter situations where their concerns are not adequately addressed by the implementing partners, they may contact the Bajaj Auto Ltd. (CSR team) through various communication channels, including email or telephone, the details of which are available on the Company's website.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/small producers	18.5%	18.8%
Directly sourced from within India	97%	97%

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.

Particulars	FY 2025-26	FY 2024-25
Rural	Nil	Nil
Semi-urban	22%	24%
Urban	6%	6%
Metropolitan	72%	70%

Note: The above table mentions only employment due to direct employment.

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
Not applicable, since no SIA has been conducted.	

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 INR)
1	Assam	Baksa, Barapeta, Darang, Dhubri, Goalpara, Hailakandi, Udalguri	2,01,165
2	Odisha	Dhenkanal, Kalahandi, Kandhmal, Koraput, Nabarangpur, Rayagada	27,122
3	Karnataka	Yadgir	63,696
4	Maharashtra	Gadchiroli	12,15,766
5	Tamil Nadu	Ramananthapuram, Virudhnagar	21,463
6	Uttarakhand	Haridwar	7,24,890
Total			22,54,102

3. Details of beneficiaries of CSR Projects:

Sr. No.	CSR project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	BAL CSR Skilling Initiative phase III (Expansion of BMS)	1,11,602	18%
2	ABFT Sports School Program (ABFT SSP)	18,359	30%
3	Expansion of STEM education support program for students - specially focusing on girl child , tribal and migrants	15,863	84%
4	Holistic & Integrative Wellness Program	1,119	53%
5	Project Unnati (Part of Skill Development)	1,042	100%
6	Bajaj-Sakhi Skills Kendra (Bajaj SSK)- multi-skilling development centre for women empowerment in plant areas	897	99%
7	BAL CSR Skilling Initiative phase III (Expansion of BEST centres)	576	77%
8	Rupa Rahul Bajaj National Scholarship Scheme	512	100%
9	BAL CSR Skilling Initiative phase II (Expansion of BEST centres)	407	71%
10	CTCR 3.0: A Breast cancer research program for today's and tomorrow's patients	343	100%
11	Bajaj Automotive Centre of Excellence	109	95%
12	Support for conducting various courses at The Other Song	47	74%
13	Bajaj Service Technician Excellence Program (Bajaj STEP)	43	72%
14	India Science Connect	22	41%
15	Rupa Rahul Bajaj Scholarship program- Phase I	10	90%
16	Rupa Rahul Bajaj Scholarship program- Phase II	8	38%

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.

Response: Bajaj Auto Ltd. has established a robust system for capturing customer feedback through diverse channels. We offer multiple avenues for customers to voice their concerns and provide feedback, including a dedicated call centre, customer satisfaction surveys, a customer care app, and an online customer complaint portal. Additionally, customers can submit complaints via NPS feedback links, dedicated customer care email service, and social media platforms. All customer queries and complaints are recorded in the system and tracked for resolution. Our system is designed to ensure prompt and satisfactory resolution of complaints, with customer consent being a top priority. Customers can send the complaints and feedback on dedicated emails (customerservice@bajajauto.co.in and customersupport@chetak.com).

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	Nil

3. Number of consumer complaints in respect of the following:

Particulars	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy						
Advertising						
Cyber-security						
Delivery of essential services	Nil	Nil	None	Nil	Nil	None
Restrictive Trade Practices						
Unfair Trade Practices						
Other	1,17,861	1,788	None	98,327	5,003	None

4. Details of instances of product recalls on account of safety issues:

Particular	Number	Reasons for recall
Voluntary recalls		
Forced recalls	Nil	None

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.

Response: Yes, Bajaj Auto Ltd.'s privacy policy can be accessed at <https://www.bajajauto.com/privacy-policy>.

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.

Response: No regulatory action taken by any regulatory authority related to above mentioned parameters.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

Response: There have been no instances of data breach during the reporting period.

b. Percentage of data breaches involving personally identifiable information of customers

Response: There have been no instances of data breach during the reporting period.

c. Impact, if any, of the data breaches

Response: Not Applicable

Leadership Indicators:

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available)

Response: Information on all product and services can be easily accessible to all customer on Bajaj Auto's website (<https://www.bajajauto.com/three-wheelers>, <https://www.bajajauto.com/bikes>, and <https://www.chetak.com/>). Customers are informed about our products and services through a range of social media campaigns, showroom visits, and grassroots activations organised by the Company. Moreover, we provide each customer with an owner's manual upon delivery through our dealerships, containing comprehensive information about our products and services. Additionally, details regarding our offerings can also be accessed through the 'KTM India App' and 'Triumph India App', available for download on both Android and iOS platforms.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Response: All of our customers receive an Owner's Manual upon delivery, which comprehensively outlines all pertinent details regarding our products and services. The "Safety First" section within the New Vehicle Delivery (NVD) document, provided alongside the vehicle, offers essential safety guidelines. As part of Bajaj Auto-IBU's product installation process, customers are briefed on safe and responsible vehicle usage. Our dealers oversee product installation and free servicing, taking the opportunity to educate retail customers on safe vehicle operation. Additionally, our KTM India App provides customers with a digital version of the 'Owner's Manual' for added convenience. The app's "Maintenance tips" section offers insights into additional product maintenance and frequently asked questions. Furthermore, Bajaj Auto hosts various safety initiatives annually, during which customers receive instruction on responsible vehicle operation. Periodic DIY sessions are also conducted to educate consumers on vehicle safety and maintenance.

3. 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).

Response: Yes, product details are showcased and shared at our dealer outlets. Customers receive comprehensive product information through the owner's manual. Additionally, essential operational and educational points are conveyed to customers via stickers affixed to the vehicle. During vehicle delivery, customers receive briefings on product features, service schedules, and contractual details. Further education on product features is provided during the product installation process at the time of the initial free service. We have implemented the Total Productive Maintenance (TPM) methodology at our dealerships to ensure high-quality services across our network. Customer satisfaction is gauged through our Net Promoter Score (NPS) process. Our marketing team conducts ongoing surveys, including focused group discussions, to gather customer feedback. Additionally, our service team organises DIY meetings and collects one-on-one feedback for newly launched products.

INDEPENDENT ASSURANCE STATEMENT

Bajaj Auto Limited (Corporate Identity Number L65993PN2007PLC130076, hereafter referred to as 'BAL' or 'the Company') commissioned DNV Business Assurance India Private Limited ('DNV', 'us' or 'we') to undertake an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR') for Financial Year (FY) 2025-26. The disclosures include BRSR Core as per Annexure 17A of SEBI's Master Circular for BRSR (Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026, dated January 30, 2026).

Our Conclusion:

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR Core Key Performance Indicators (KPIs) under 9 ESG attributes (as listed in Annexure I of this statement) for FY 2025-26 are reported in accordance with reporting requirements outlined in Industry Standard on Reporting of BRSR Core. to the Management of Bajaj Auto Limited

Scope of Work and Boundary

The scope of our engagement includes independent assurance of 'BRSR Core' – Reasonable level of assurance for FY 2025-26.

Boundary covers the performance of BAL's operations that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers the operations of BAL across all locations in India for BRSR core attributes 5-9. For BRSR core attributes 1-4, the boundary is limited to 5 manufacturing plants of BAL in India.

Reporting Criteria and Standards

- The disclosures have been prepared by BAL in reference to:
- Industry Standard on Reporting of BRSR Core, Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated Dec 20, 2024.
- BRSR Core (Annexure 17A) as per Master Circular No. HO/49/14/14(7)2025-CFD POD2/I/3762/2026, "Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities", dated 30 January 2026.

Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Assurance Methodology/Standard

This assurance engagement has been carried out in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustain™ Protocol, V6.0 has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VeriSustain™ protocol (V6.0), DNV team has also followed ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements to evaluate disclosures wrt. Greenhouse gases.

Basis of our conclusion

As part of our independent assurance engagement, we have evaluated the reported environmental, social, and governance (ESG) information against the agreed criteria. Throughout the engagement, we exercised rigorous professional judgment and maintained a high level of professional skepticism to ensure the integrity and reliability of our conclusions.

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of BAL. We carried out the following activities:

- Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The Industry Standard on Reporting of BRSR Core used a basis of reasonable level of assurance.
- Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators. Assessment of operational control and reporting boundaries .

- Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with stakeholders to gather insights and corroborative evidence for each disclosed indicator.
- DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the percentage contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annexure II.
- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ Protocol, V6.0 for reasonable level of assurance for the disclosures.

Our competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment - General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

DNV has complied with the Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e. FY 2025-26, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

Inherent Limitations

DNV's assurance engagement assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of $\pm 5\%$ based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on specific BRSR Core indicators (for total revenue from operations; Principle 3, Question 1(c) of Essential Indicators for Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company; Principle 8, Question 4 of Essential Indicators, Principle 1, Question 8 of Essential Indicators and Principle 1, Question 9 of Essential Indicators) relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.

- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

Use and distribution of Assurance Statement

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DN's work or this assurance statement. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

The use of this assurance statement shall be governed by the terms and conditions of the contract between DNV and the BAL. DNV does not accept any liability if this assurance statement is used for any purpose other than its intended use, nor does it accept liability to any third party in respect of this assurance statement.

Responsibility of the Company

BAL has the sole responsibility for the preparation of the BRSR Report and is responsible for all information disclosed in the BRSR Core and BRSR Report. The Company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. BAL is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

DNV's Responsibility

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

For DNV Business Assurance India Private Limited,

Jas Sahib Singh Chadha

Lead Verifier
DNV Business Assurance India Private Limited, India.

Anjana Sharma

Assurance Reviewer
DNV Business Assurance India Private Limited, India.

Assurance Team:

Ankita Parab, Himanshu Babbar, Syed Rameez

Bangalore: 10 June 2026

DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>

Annexure I: BRSR Core Verified Data – Reasonable level of assurance

Stipulated as per BRSR Core provided by the company.

Sr. No.	Attribute	BRSR Core Parameter	Unit	Verified Value for FY 2025-26
1	Green-house gas (GHG) footprint*	Total Scope 1 emissions	MT of CO2e	26,484
		Total Scope 2 emissions	MT of CO2e	81,604
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover	MT of CO2e / Revenue from operations in ₹ Cr.	1.84
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	MT of CO2e / Revenue from operations adjusted to PPP in USD terms	37.4
		Total Scope 1 and Scope 2 emission intensity in terms of physical output	MT of CO2e / unit of vehicle produced	0.02
2	Water footprint	Total water consumption	KL	10,88,456
		Water consumption intensity	KL / Revenue from operations in ₹ Cr.	18.5
			KL / Revenue from operations adjusted for PPP in USD terms	376.9
		Water intensity in terms of physical output	KL / unit of vehicle produced	0.21
		Water Discharge by destination and levels of Treatment	KL	9,095
3	Energy footprint	Total energy consumed	Mega Joules (MJ)	90,03,51,644
		% of energy consumed from renewable sources	In % terms	7.42%
		Energy intensity	MJ / Revenue from operations in ₹ Cr.	15,330
			MJ / Revenue from operations adjusted for PPP in USD terms	3,11,806
			MJ / unit of vehicle produced	174.0
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	MT	664
		E-waste (B)	MT	63
		Bio-medical waste (C)	MT	0.1
		Construction and demolition waste (D)	MT	1,890
		Battery waste (E)	MT	238
		Radioactive waste (F)	MT	Nil
		Other Hazardous Waste (G)		
		Industrial ETP sludge	MT	506
		Discarded Asbestos sheet waste	MT	10
		Empty barrels/containers/liners contaminated with hazardous chemicals /wastes	MT	490
		Process wastes, residues and sludges	MT	1,069
		Other hazardous waste (Oily cotton waste, waste containing oil, used oil, polymer rubber, cargo residue, spent solvents, phosphate sludge, washing water and sludge containing oil)	MT	597
		Other Non-Hazardous Waste (H)		
		Factory rubbish	MT	5,227
		MS Turning / Boring scrap	MT	290
		Non-Ferrous scrap	MT	518
STP sludge/ biomass	MT	215		
Canteen waste and garbage	MT	315		
Other non-hazardous waste (Ferrous scrap, waste tyres & tubes, wood scrap and scrap rubber items)	MT	2,588		
Total (A+B + C + D + E + F + G+ H)	MT	14,681		

Sr. No.	Attribute	BRSR Core Parameter	Unit	Verified Value for FY 2025-26
4	Embracing circularity - details related to waste management by the entity	Waste intensity per rupee of turnover from operations	MT / Revenue from operations in ₹ Cr.	0.25
		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	MT / Revenue from operations adjusted for PPP in USD terms	5.08
		Waste intensity in terms of physical output	MT / unit of vehicle produced	0.0028
		Total waste recovered through recycling, re-using or other recovery operations		
		(i) Recycled	MT	6,334
		(ii) Re-used	MT	3,954
		(iii) Other recovery operations	MT	1,721
		Total	MT	12,009
		Total waste disposed by nature of disposal method		
		(i) Incineration	MT	623
		(ii) Landfilling	MT	2,050
		(iii) Other disposal operations	MT	Nil
		Total	MT	2,672
		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
Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Total recordable work-related injuries			Employees=1 Workers=0
	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)			Employees=0.16 Workers=0
	No. of fatalities			Employees=1 Workers=0
	High consequence work-related injury or ill-health (excluding fatalities)			Employees=0 Workers=0
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	4.3%
		Complaints on PoSH	Total Complaints on Sexual Harassment (POSH) reported	0
			Complaints on PoSH as a % of female employees / workers	0
			Complaints on PoSH upheld	0
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases and from within India	Directly sourced from MSMEs/ small producers	18.5%
			Sourced directly from within India	97%
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	Location	
			Rural	Nil
			Semi-urban	22%
			Urban	6%
	Metropolitan	72%		
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	60

Sr. No.	Attribute	BRSR Core Parameter	Unit	Verified Value for FY 2025-26
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	5.8%
			Number of trading houses where purchases are made from	841
			Purchases from top 10 trading houses as % of total purchases from trading houses	66.7%
			Sales to dealers / distributors as % of total sales	99%
			Number of dealers / distributors to whom sales are made	2,598
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	29%
			Share of RPTs (as respective %age) in	
			Purchases	0.6%
			Sales	3.8%
			Loans & advances	85%
Investments	26%			

* Calculation of Scope 1 GHG emissions are based on conversion factors, emission factors considered in 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC sixth assessment report and DEFRA 2025. Scope 2 GHG emissions for Indian operations are calculated based on emission factors in Central Electricity Authority, Govt. of India (CEA Version_21.0) which is 0.710 tCO₂ per MWh.

Annexure 2: Sites selected for audits

Sr. No.	Site	Location
1	Corporate Office	Akurdi, Maharashtra
2	Manufacturing Plants (onsite)	Akurdi, Maharashtra
		Chakan- I, Maharashtra
		Waluj, Maharashtra
3	Manufacturing Plants (remote audit)	Chakan- II, Maharashtra
		Pantnagar, Uttarakhand

INDEPENDENT ASSURANCE STATEMENT

Bajaj Auto Limited (Corporate Identity Number L65993PN2007PLC130076, hereafter referred to as 'BAL or 'the Company') has commissioned DNV Business Assurance India Private Limited ('DNV', 'us' or 'we') to undertake an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR') for the Financial Year (FY) 2025-26. The disclosures include the non-core and non-financial disclosures in BRSR as per Annexure 16 of SEBI's Master Circular for BRSR (Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026, dated January 30, 2026).

Our Conclusion:

On the basis of our review and procedure followed for a limited level of assurance, nothing has come to our attention to suggest that the non-core, non-financial disclosures in BRSR, as listed in Annexure I of this statement, do not properly adhere to the reporting requirements as per BRSR reporting guidelines in Annexure 16 of SEBI's Master Circular.

Scope of Work and Boundary

The scope of our engagement includes an independent limited level of assurance of the non-core, non-financial disclosures in BRSR (as listed in Annexure I of this statement) – Limited Level of Assurance, for FY 2025-26.

Boundary for the engagement covers the performance of BAL's operations in India that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of the limited level of assurance covers the operations of BAL across all locations in India for all BRSR non-core indicators listed in Annexure I of this statement except for the Principle 6: Essential Indicator 6 and Leadership Indicator 1, wherein the boundary is limited to 5 manufacturing plants of BAL in India.

Reporting Criteria and Standards

The disclosures have been prepared by BAL in reference to: BRSR reporting guidelines (Annexure 16) as per Master Circular No. HO/49/14/14(7)2025-CFD POD2/I/3762/2026, "Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities", dated January 30, 2026.

Assurance Methodology / Standard and Level of Assurance

This assurance engagement has been carried out in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustain™ Protocol, V6.0 has been developed in accordance with the most widely accepted reporting and assurance standards.

Our competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment - General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e FY 2025-26, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

Basis of our conclusion

As part of our independent assurance engagement, we have evaluated the reported environmental, social, and governance (ESG) information against the agreed criteria. Throughout the engagement, we exercised rigorous professional judgment and maintained a high level of professional skepticism to ensure the integrity and reliability of our conclusions.

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of BAL. We carried out the following activities:

- Reviewed the disclosures under BRSR reporting guidelines. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework. The BRSR reporting format used a basis of limited level of assurance.
- Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in BRSR. Understand and test, on a sample basis to evaluate adherence to the reporting principles.
- Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders.
- DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ Protocol, V6.0 limited level of assurance for the disclosures.

Inherent Limitations

DNV's assurance engagement assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of $\pm 5\%$ based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

Use and distribution of Assurance statement

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DNV's work or this assurance statement. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

The use of this assurance statement shall be governed by the terms and conditions of the contract between DV and BAL. DNV does not accept any liability if this assurance statement is used for any purpose other than its intended use, nor does it accept liability to any third party in respect of this assurance statement.

Responsibility of the Company

BAL has the sole responsibility for the preparation of the BRSR and is responsible for all information disclosed in the BRSR. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. BAL is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

DNV's Responsibility

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

For DNV Business Assurance India Private Limited,

Jas Sahib Singh Chadha

Lead Verifier
DNV Business Assurance India Private Limited, India.

Anjana Sharma

Assurance Reviewer
DNV Business Assurance India Private Limited, India.

Assurance Team:

Ankita Parab, Himanshu Babbar, Syed Rameez

Bangalore: 10 June 2026

DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>

Annexure I: BRSR Disclosures - Limited level of assurance

- Section A: General Disclosures- 20-a, b, 21, 22, 25
- Section C: Principle Wise Performance Disclosure -
 - Principle 1: Essential Indicator 1; Leadership Indicator 1
 - Principle 2: Leadership Indicator 3, 4, 5
 - Principle 3: Essential Indicator 1-a, b, 2, 5, 7, 8, 9, 13, 14; Leadership Indicator 3, 5
 - Principle 5: Essential Indicator 1, 2, 6, 10; Leadership Indicator 4
 - Principle 6: Essential Indicator 6; Leadership Indicator 1, 7
 - Principle 8: Leadership Indicator 2, 6
 - Principle 9: Essential Indicator 2, 3, 4

Annexure 2: Sites selected for audits

Sr. No.	Site	Location
1	Corporate Office	Akurdi, Maharashtra
2	Manufacturing Plants (onsite)	Akurdi, Maharashtra Chakan- I, Maharashtra Waluj, Maharashtra
3	Manufacturing Plants (remote audit)	Chakan- II, Maharashtra Pantnagar, Uttarakhand

List of Abbreviations

AHU	Air Handling Unit
AMR	Autonomous Mobile Robots
BAIHAG	Bajaj Auto International Holdings AG
BAIHBV	Bajaj Auto International Holdings BV
BAL	Bajaj Auto Limited
BATL	Bajaj Auto Technology Limited
BACL	Bajaj Auto Credit Limited
BAVA	Bajaj Auto Vendor Association
BBS	Behavior Based Safety
BLDC	Brushless DC
BMAG	Bajaj Mobility AG
BoD	Board of Directors
BRSR	Business Responsibility & Sustainability Report
BSE	Bombay Stock Exchange
CAPA	Corrective Action and Preventive Action
Capex	Capital Expenditure
CETP	Common Effluent Treatment Plant
CEO	Chief Executive Officer
CFT	Cross Functional Team
CSR	Corporate Social Responsibility
CTO	Consent to Operate
DIY	Do-It-Yourself
EIA	Environmental Impact Assessment
EPR	Extended Producer Responsibility
EPRP	Emergency Preparedness and Response Plan
e-PTW	Electronic Permit to Work
ESI	Employee State Insurance
ESG	Environment, Social, Governance
ETP	Effluent Treatment Plant
EV	Electric Vehicle
GHG	Greenhouse Gas
HAZOP	Hazard and Operability Study
HIRA	Hazard Identification and Risk Assessment
HR	Human Resource
HT	High Tension
HVAC	Heating Ventilation and Air Conditioning
HVLS	High Volume Low Speed
IOSH	Institution of Occupational Safety and Health
ISO	International Organization for Standardization
IT	Information Technology
JSA	Job Safety Analysis
KL	Kiloliter
KMP	Key Management Personnel
kWh	Kilowatt-Hour
LCA	Life Cycle Analysis
LED	Light Emitting Diode

List of Abbreviations

LT	Low Tension
LTIFR	Lost Time Injury Frequency Rate
MD	Managing Director
MOC	Management of Change
MPCB	Maharashtra Pollution Control Board
MSME	Micro, Small, and Medium Enterprises
MVR	Mechanical Vapor Recompressor
MW	Mega-Watt
NC	Non-Conformance
NEBOSH	National Examination Board in Occupational Safety and Health
NGRBC	National Guidelines on Responsible Business Conduct
NPS	Net Promoter Score
NSE	National Stock Exchange
NVD	New Vehicle Delivery
ODS	Ozone Depleting Substances
OHS-MS	Occupational Health & Safety Management System
PAT	Perform Achieve and Trade
PCB	Pollution Control Board
PCR	Post Consumer Recycled
PF	Provident Fund
PIR	Post Industrial Recycled
PNG	Piped Natural Gas
POSH	Prevention of Sexual Harassment at Workplace
PPP	Purchasing Power Parity
PSSR	Pre-Startup Safety Reviews
R&D	Research & Development
RO	Reverse Osmosis
RPT	Related Party Transactions
R&R	Resettlement & Rehabilitation
SCADA	Supervisory Control and Data Acquisition
SCM	Standard Cubic Meter
SCoC	Supplier Code of Conduct
SEBI	Security and Exchanges Board of India
SHE	Safety, Health and Environment
SIA	Social Impact Assessment
SOT	Safety Observation Tours
STEM	Science Technology Engineering and Mathematics
STP	Sewage Treatment Plant
TDS	Tax deducted at source
TPM	Total Productivity Maintenance
TSDF	Treatment, Storage and Disposal Facility
VSD	Variable Speed Drive
VFD	Variable Frequency Drive
ZLD	Zero Liquid Discharge

DISCLAIMER: The responses for a few questions have been answered in a manner to enhance readability. Therefore, some variations can be seen while comparing with the XBRL version of this file which has been submitted to the stock exchanges.