

**BAJAJ AUTO HOLDINGS LIMITED**

## INDEPENDENT AUDITORS' REPORT

**To the Members of Bajaj Auto Holdings Limited**

### **Report on the Financial Statements**

1. We have audited the accompanying financial statements of Bajaj Auto Holdings Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

### **Management's Responsibility for the Financial Statements**

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

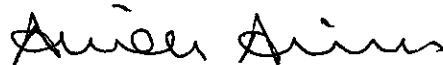
6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
  - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
  - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
  - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Dalal & Shah  
Firm Registration Number: 102021w  
Chartered Accountants



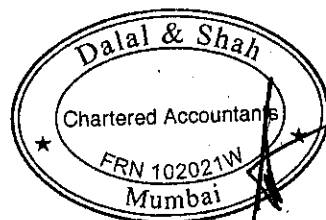
Anish P Amin  
Partner  
Membership Number: 40451

Pune  
May 16, 2013

### **Annexure to Independent Auditors' Report**

Referred to in paragraph [7] of the Independent Auditors' Report of even date to the members of Bajaj Auto Holdings Limited on the financial statements as of and for the year ended March 31, 2013.

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.  
(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.  
(c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. The Company is an investment company, and consequently, does not hold any inventory. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted/taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)(b),(c) and (d) / (f) and (g) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. (a) According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.  
(b) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.

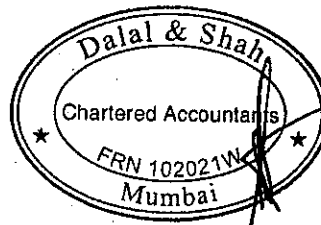


**Annexure to Independent Auditors' Report**

Referred to in paragraph [7] of the Independent Auditors' Report of even date to the members of Bajaj Auto Holdings Limited on the financial statements for the year ended 31<sup>st</sup> March 2013

Page 2 of 3

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.
- x. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name or are in the process of transfer in its name, except to the extent of the exemption granted under Section 49 of the Act.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company
- xvi. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- xvii. The Company has not raised any loans on short term basis. Accordingly, the provisions of Clause 4(xvii) of the Order are not applicable to the Company.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.

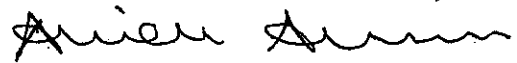


**Annexure to Independent Auditors' Report**

Referred to in paragraph [7] of the Independent Auditors' Report of even date to the members of Bajaj Auto Holdings Limited on the financial statements for the year ended 31<sup>st</sup> March 2013  
Page 3 of 3

- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Dalal & Shah  
Firm Registration Number: 102021W  
Chartered Accountants



Anish P Amin  
Partner  
Membership Number: 40451

Pune  
May 16, 2013

**BAJAJ AUTO HOLDINGS LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2013**

		In ₹	
Particulars	Note No.	As at 31 March 2013	As at 31 March 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	2,450,000	2,450,000
Reserves and surplus	4	514,285,114	500,801,652
		<b>516,735,114</b>	<b>503,251,652</b>
<b>Non Current liabilities</b>			
Other long-term liabilities	5	4,825,588	4,819,845
<b>Current liabilities</b>			
Trade Payables	5	402,690	10,110
Other current liabilities	5	57,205	59,178
Short-term provisions	6	39,070,759	85,423,538
		<b>39,127,964</b>	<b>85,482,716</b>
<b>TOTAL</b>		<b>561,091,356</b>	<b>593,564,323</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible Assets	7	788,137	807,385
Non-current investments	8	330,279,778	101,477,070
Long-term loans and advances	9	23,172,547	23,082,967
Other non-current assets	10	175,128	169,878
		<b>354,415,590</b>	<b>125,537,300</b>
<b>Current assets</b>			
Current investments	8	206,181,944	258,553,214
Cash and bank balances	11	493,822	206,336,104
Short-term loans and advances	9	-	3,137,705
		<b>206,675,766</b>	<b>468,027,023</b>
<b>TOTAL</b>		<b>561,091,356</b>	<b>593,564,323</b>

Summary of significant accounting policies followed by the company

2

The accompanying notes are an integral part of the financial statements

In terms of our report of even date

For Dalal & Shah

Firm Registration No. 102021W

Chartered Accountants

*Anish P Amin*

Anish P Amin

Partner

Membership No. 40451

Pune: 16 May, 2013

*Dalal & Shah*

*Shri M. V. N. 17-10-12*

Directors

**BAJAJ AUTO HOLDINGS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2013**

In ₹

Particulars	Note No.	Year Ended 31 March 2013	Year Ended 31 March 2012
Revenue from operations	12	50,492,139	74,115,250
Other income	13	10,339,265	2,814,231
<b>Total Revenue (I)</b>		<b>60,831,404</b>	<b>76,929,481</b>
<b>Expenses:</b>			
Depreciation	14	19,248	20,261
Other expenses		842,164	714,441
<b>Total expenses (II)</b>		<b>861,412</b>	<b>734,702</b>
<b>Profit before tax</b>		<b>59,969,992</b>	<b>76,194,779</b>
Tax expenses			
Current tax (Including ₹ 90,000/- for wealth tax, Previous Year ₹ 90,000/-)		12,090,000	11,090,000
<b>Total Tax Expense</b>		<b>12,090,000</b>	<b>11,090,000</b>
<b>Profit after Tax for the year</b>		<b>47,879,992</b>	<b>65,104,779</b>
<b>Earnings per share (in ₹)</b>	15		
Basic		1,954	2,657
Diluted		1,954	2,657
(Nominal value per share ₹ 100/-)			

Summary of significant accounting policies followed by the company

2

The accompanying notes are an integral part of the financial statements

In terms of our report of even date

**For Dalal & Shah**

Firm Registration No. 102021W

Chartered Accountants

*Anish P Amin*

**Anish P Amin**

**Partner**

Membership No. 40451

\*SB *[Signature]*  
 \*RB *[Signature]*  
 \*KD *[Signature]*  
 \*AS *[Signature]*  
 \*VR *[Signature]*

**Pune: 16 May, 2013**

**Directors**



BAJAJ AUTO HOLDINGS LTD  
Cash Flow Statement for the year ended 31st March 2013

Particulars	Year ended			
	March 31, 2013		March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before taxation		59,969,992		76,194,779
Adjustments for:				
Add:				
i) Depreciation	19,248		20,261	
ii) Ammortisation on fixed income securities	578,028		534,870	
		597,276		555,131
Less:				
Provision for dimunition in value of investments write back		-	215,179	
Provision for doubtful Accounts written back			21,600,000	
				21,815,179
<b>Operating Profit Before Working Capital Changes</b>		<b>60,567,268</b>		<b>54,934,731</b>
<b>Changes in Assets &amp; Liabilities</b>				
i) Loans and advances & Other Assets	3,132,452		70,939,442	
ii) Investments	102,990,536		(60,583,252)	
iii) Trade Payables	392,580.00		183	
iv) Other Liabilities	3,771		270,262	
v) Other bank balance	59,400,000		(59,400,000)	
		165,919,339		(48,773,365)
<b>Net cash from operating activities before income tax</b>		<b>226,486,607</b>		<b>6,161,366</b>
Taxes Paid (net of refunds)		(7,505,350.94)		(9,284,146)
<b>Net cash from operating activities</b>		<b>218,981,256</b>		<b>(3,122,780)</b>
<b>II INVESTING ACTIVITIES</b>				
(Increase) / decrease in investments, net purchase of CD	(280,000,000.00)		150,000,000.00	
<b>Net Cash from Investing Activities</b>		<b>(280,000,000)</b>		<b>150,000,000.00</b>
<b>III FINANCING ACTIVITIES</b>				
Dividend paid	(73,500,000)		-	
Corporate dividend tax paid	(11,923,538)		-	
<b>Net Cash from Financing Activities</b>		<b>(85,423,538.00)</b>		
<b>Net Change in cash and cash equivalents</b>		<b>(146,442,282)</b>		<b>146,877,220</b>
<b>Cash and cash equivalents at 1.04.2012</b>		<b>146,936,104</b>		<b>58,884</b>
<b>Cash and cash equivalents as at 31.03.2013</b>		<b>493,822</b>		<b>146,936,104</b>

For Dalal & Shah  
Firm Registration No. 102021W  
Chartered Accountants

*Anish Amin*

Anish Amin  
Partner  
Membership, No 40451

Pune: 16 May, 2013.

*[Signature]*  
*[Signature]*  
*[Signature]*  
*[Signature]*  
V. N. 1002  
Pune: 16 May, 2013

**1 Background of the Company**

Bajaj Auto Holdings Limited (the 'Company') operates as an Investment Company and consequently is registered as a Non-Banking Financial Institution (non-deposit taking) with Reserve Bank of India (RBI).

**2 Summary of significant accounting policies**

**Basis of preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956 and the RBI guidelines / regulations to the extent applicable.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Revised Schedule VI to the Companies Act, 1956.

**1) System of Accounting**

- i) The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties.
- ii) Financial Statements are prepared under the Historical cost convention. These costs are not adjusted to reflect the impact of changing value in the purchasing power of money.
- iii) Estimates and Assumptions used in the preparation of the financial statements and disclosures are based upon management's evaluation of the relevant facts and circumstances as of the date of the Financial Statements, which may differ from the actual results at a subsequent date.

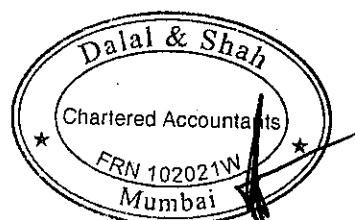
**2) Revenue recognition:**

**a) Income:**

The Company recognises income (including rent etc.) on accrual basis. However where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

- (1) a) Interest income is accrued over the period of the loan. However, where a loan is classified as a non-performing asset, as per the prudential norms prescribed by RBI to the extent applicable to the company as a NBFC and guidelines framed by the management, interest thereon is recognized only when it is actually received.
- b) Income from debentures and bonds is accrued over the maturity of the security, net of amortization of premium / discount, thereby recognizing the implicit yield to maturity, with reference to the coupon dates, where applicable. However, income is accrued only where interest is serviced regularly and is not in arrears, as per the applicable prudential norms prescribed for NBFCs by the Reserve Bank of India to the extent applicable to the company and the guidelines framed by the management.

- (2) Profit/loss on sale of investments is recognised on the contract date.



**3) Fixed Assets and Depreciation**

**(A) Fixed Assets**

- i) Fixed Assets except freehold land are carried at cost of acquisition or construction cost including pre-operative expenses, less accumulated depreciation and amortisation. Freehold land is carried at cost of acquisition.
- ii) Land and buildings acquired / constructed, not intended to be used in the operations of the company are categorized as investment property under Investments and not as Fixed Assets.

**(B) Depreciation and Amortisation:**

- (a) Leasehold land:  
Premium on leasehold land is amortised over the period of lease.

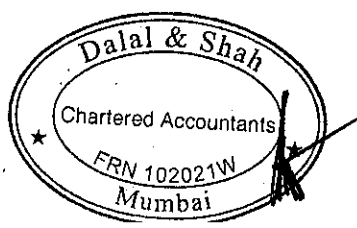
**(b) On other Fixed Assets**

Depreciation is provided at the rates specified in Schedule XIV of the Companies Act 1956 or at rates computed with reference to the economic life of the assets where the estimated economic life is shorter than the life inferred by the Schedule XIV rates.

- i. Depreciation on additions is being provided on prorata basis from the month of such additions.
- ii. Depreciation on assets sold, discarded or demolished during the year is being provided at their rates upto the month in which such assets are sold, discarded or demolished.

**4) Investments**

- a) Current investments representing fixed income securities with a maturity less than 1 year and those intended to be held for a period less than 1 year from the date on which the investment is made are stated at cost adjusted for amortization and diminution with reference to realizable value, as necessary.
- b) Other Fixed income securities, other than current, are carried at cost, less amortization of premium/discount, as the case may be, and provision for diminution, if any, as considered necessary.
- d) Investments other than fixed income securities (Eg. equity, mutual funds etc.) are valued at cost of acquisition, less provision for diminution as necessary where they are intended to be held for a long term, else current investments are valued at lower of cost or realisable value.
- e) Investments with maturity of less than 3 months from the date of acquisition are classified as cash and cash equivalents.
- f) Investments other than current investments, made by the Company are intended to be held for long-term, hence diminutions in value of quoted investments are generally not considered to be of a permanent nature.
- g) The management has laid out guidelines for the purpose of assessing likely impairments in investments and for making provisions based on given criteria. Appropriate provisions are accordingly made, which in the opinion of the management are considered adequate and also considering the prudential norms specified by the Reserve Bank of India, applicable to the company in this behalf.



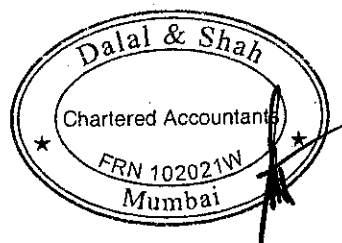
- h) Investment property is carried at cost, less depreciation computed in the manner prescribed for Fixed Assets.

**5) Taxation**

- a) Provision for Tax is made for the current accounting period (reporting period) on the basis of the taxable profits computed in accordance with the Income Tax Act, 1961.
- b) Deferred Tax resulting from timing difference between book profits and taxable profits are accounted for to the extent deferred tax liabilities are expected to crystallise with reasonable certainty. However, in case of deferred tax assets (representing unabsorbed depreciation or carried forward losses) are recognised, if and only if there is virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realised. Deferred tax is recognised on adjustments to revenue reserves to the extent the adjustments are allowable as deductions in determination of taxable income and they would reverse out in future periods.

**6) Provisions and Contingent Liabilities**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



# Bajaj Auto Holdings Limited

## Notes to financial statements for the year ended 31 March 2012

### Notes to financial statements for the year ended 31 March 2013

#### 3 Share Capital

##### Authorised :

50,000 Equity Shares of ₹ 100/- each

##### Issued, subscribed and fully paid-up shares :

24,500 Equity Shares of ₹ 100/- each

31 March 2013 In ₹	31 March 2012 In ₹
5,000,000	5,000,000
2,450,000	2,450,000
<b>2,450,000</b>	<b>2,450,000</b>

##### a. Further, of the above:-

i) Bajaj Holdings & Investment Limited is holding 100% issued capital of the Company

##### b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 100 per share. Each holder of equity shares is entitled to one vote per share. The 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

Equity shares of ₹ 100 each fully paid

Bajaj Holdings & Investment limited

31 March 2013		31 March 2012	
Nos.	% Holding	Nos.	% Holding
24,500	100.00%	24,500	100.00%

#### 4 Reserves and surplus

Reserve Fund in terms of Section 45-IC(1) of the Reserve Bank of India Act, 1934

Balance as per the last financial statements

Add: Transferred from surplus in statement of profit and loss

Closing Balance

##### General Reserve

Balance as per the last financial statements

Add: Transferred from surplus in statement of profit and loss

Closing Balance

##### Surplus in the statement of profit and loss

Balance as per last financial statements

Profit for the year

Less: Appropriations

Transfer to Reserve Fund in terms of Section 45-IC(1) of the Reserve Bank of India Act, 1934

Transfer to general reserve

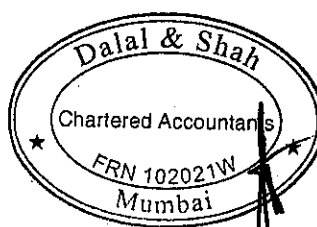
Proposed dividend

Tax on proposed dividend

Total appropriations

Balance in the statement of profit and loss

31 March 2013 In ₹	31 March 2012 In ₹
85,396,000	72,346,000
9,600,000	13,050,000
<b>94,996,000</b>	<b>85,396,000</b>
412,768,073	405,148,595
4,787,999	7,619,478
<b>417,556,072</b>	<b>412,768,073</b>
2,637,579	43,625,816
47,879,992	65,104,779
9,600,000	13,050,000
4,787,999	7,619,478
29,400,000	73,500,000
4,996,530	11,923,538
<b>48,784,529</b>	<b>106,093,016</b>
<b>1,733,042</b>	<b>2,637,579</b>
<b>514,285,114</b>	<b>500,801,652</b>



# Bajaj Auto Holdings Limited

## Notes to financial statements for the year ended 31 March 2012

### 5 Other liabilities

	Non Current		Current	
	31 March 2013 In ₹	31 March 2012 In ₹	31 March 2013 In ₹	31 March 2012 In ₹
Trade payables				
Dues to micro and small enterprises				
Other than dues to micro and small enterprises			402,690	10,110
	0.00	0.00	402,690	10,110
Other liabilities				
Security deposits	60,000	60,000	-	-
TDS on Professional Fees			46,175	48,148
Other Payables	4,765,588	4,759,845	11,030	11,030
	4,825,588	4,819,845	57,205	59,178
	4,825,588	4,819,845	459,895	69,288

### 6 Provisions

	Long-term		Short-term	
	31 March 2013 In ₹	31 March 2012 In ₹	31 March 2013 In ₹	31 March 2012 In ₹
Other provisions				
Proposed dividend	-	-	29,400,000	73,500,000
Tax on proposed dividend	-	-	4,996,530	11,923,538
Provision for Tax	-	-	4,674,229	-
	-	-	39,070,759	85,423,538

### 9 Loans and advances

(Unsecured, good, unless stated otherwise)

	Long-term		Short-term	
	31 March 2013 In ₹	31 March 2012 In ₹	31 March 2013 In ₹	31 March 2012 In ₹
Advances recoverable in cash or kind				3,137,705
Other loans and advances				
Deposit with IDBI	1,050,000	1,050,000		
Advance income-tax (net of provision for tax)	8,637,730	8,548,150		
Other Receivables	13,484,817	13,484,817		
	23,172,547	23,082,967		
Total	23,172,547	23,082,967		3,137,705

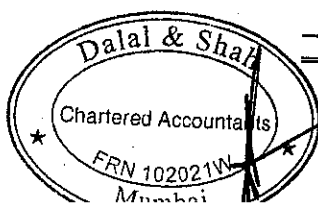
### 10 Other assets

(Unsecured, good, unless stated otherwise)

	Non-current		Current	
	31 March 2013 In ₹	31 March 2012 In ₹	31 March 2013 In ₹	31 March 2012 In ₹
Interest Receivable	175,128	169,878		
Total	175,128	169,878		

### 11 Cash and bank balances

	Non-current		Current	
	31 March 2013 In ₹	31 March 2012 In ₹	31 March 2013 In ₹	31 March 2012 In ₹
Cash and cash equivalents				
Balances with banks:				
On current accounts			493,822	439,774
Other Cash & Cash Equivalent				146,496,330
Other bank balances				
Deposits with maturity for more than 3 months but less than 12 months				59,400,000
			493,822	206,336,104



# Bajaj Auto Holdings Limited

## Notes to financial statements for the year ended 31 March 2012

### 12 Revenue from operations

	31 March 2013 In ₹	31 March 2012 In ₹
<b>Interest:</b>		
Interest income on		
Bank deposits	5,501,683	3,174,455
Long-term investments	8,680,000	8,892,430
Less : Amortisation of premium/(discount) on acquisition of fixed income securities	(578,028)	(534,870)
Current investments	-	2,996,233
Others	-	-
	<u>13,603,655</u>	<u>14,528,248</u>
Profit on sale of current investments, net	36,888,484	37,771,823
Provision for diminution in value of investments write back	-	215,179
Provision for Doubtful Accounts written back	-	21,600,000
<b>Revenue from operations</b>	<u><b>50,492,139</b></u>	<u><b>74,115,250</b></u>

### 13 Other income

	31 March 2013 In ₹	31 March 2012 In ₹
Rent	127,575	121,500
Miscellaneous receipts	10,211,690	2,692,731
	<u><b>10,339,265</b></u>	<u><b>2,814,231</b></u>

### 14 Other expenses

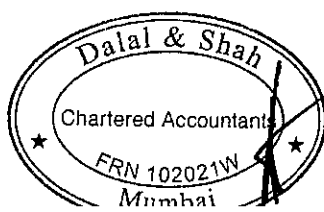
	31 March 2013 In ₹	31 March 2012 In ₹
Repairs to buildings	40,950	32,000
Administration Charges	6,000	6,000
Legal & Professional Fees	711,925	629,806
Rates and taxes	16,833	16,833
Insurance (₹ 14,527)	1,949	1,624
Miscellaneous expenses	25,388	11,166
	<u><b>803,045</b></u>	<u><b>697,429</b></u>

### Payment to auditor

	31 March 2013 ₹ In Crore	31 March 2012 ₹ In Crore
<b>As auditor:</b>		
Audit fee	11,266	11,266
Tax audit fee	5,515	5,515
<b>In other capacity:</b>		
Other services (certification fees)	22,338	231
	<u><b>39,119</b></u>	<u><b>17,012</b></u>
	<u><b>842,164</b></u>	<u><b>714,441</b></u>

### 15 Earning per share (EPS)

	31 March 2013	31 March 2012
Earnings per share is calculated by dividing the profit attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earnings are stated below :		
<b>Basic &amp; Diluted</b>		
Profit for the year after taxation	47,879,992	65,104,779
Number of shares outstanding at the beginning of the year (Nos)	24,500	24,500
Weighted average number of shares outstanding at the end of the year (Nos)	24,500	24,500
Basic Earnings per share (₹)	1,954	2,657



**Bajaj Auto Holdings Limited**

**Notes to financial statements for the year ended 31 March 2012**

**16 Contingent liabilities**

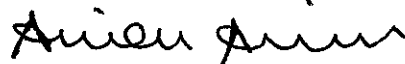
	<u>31 March 2013</u>	<u>31 March 2012</u>
	<u>In ₹</u>	<u>In ₹</u>
Income Tax matters under dispute	19,026,878	19,026,878

**17 Previous year figures**

Previous year figures have been reclassified to conform to this year's classification.

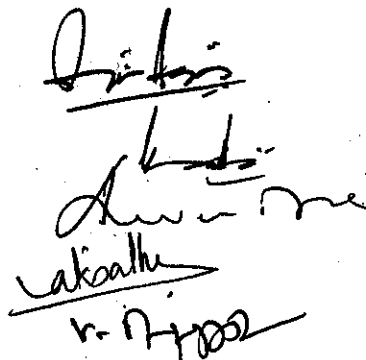
In terms of our report of even date

**For Dalal & Shah**  
Firm Registration No. 102021W  
Chartered Accountants



**Anish P Amin**  
Partner  
Membership No. 40451

Pune: 15 May, 2013



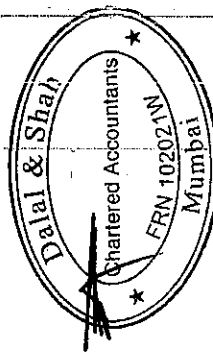
**Directors**



**Baja Auto Holdings Ltd**

**Schedule 7 --Fixed Assets (Tangible Assets) :**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 31st March, 2012	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013
	₹	₹	₹	₹	₹	₹	₹	₹
<b>TANGIBLE ASSETS</b>								
Land Freehold	422,435.00	-	422,435.00	-	-	-	422,435.00	422,435.00
Buildings	974,568.00	-	974,568.00	589,618.00	-	19,248.00	365,702.00	384,950.00
<b>Total</b>	<b>1,397,003.00</b>	<b>-</b>	<b>1,397,003.00</b>	<b>589,618.00</b>	<b>-</b>	<b>19,248.00</b>	<b>788,137.00</b>	<b>807,385.00</b>



## 8 Investment Schedule

## (A) Long Term Investments :

In Bonds:

Fully paid:

Others

Quoted:

- 50 8.46% Taxable Secured Redeemable Non Convertible Bonds of ₹1,000,000 each of Indian Railway Finance Corporation Limited
- 40 8.90% Secured Non Convertible Non Cumulative Redeemable Taxable Bonds in the nature of Debentures Series C of ₹1,250,000 each of Power Grid Corporation of India Limited

Less: Amortisation of Premium/Discount on acquisition

## In Mutual Fund Units:

Unquoted:

15,000,000.000

13,000,000.000

- (-) Birla sunlife Fixed Term Plan- Series GB (541 days) Growth
- (-) HDFC Fixed Maturity Plan 526 days December 2012(1) Series - 24 Growth

## (B) Current Investments :

In Mutual Fund Units:

Unquoted:

371,077.547

350,965.928

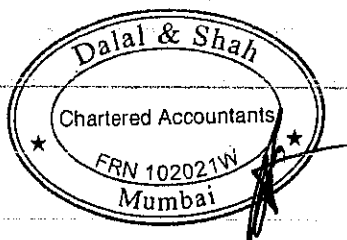
183,382.951

- (-) Birla Sunlife Cash Plus - Growth Regular Plan
- (1,565,668.071) ICICI Prudential Liquid Regular Plan - Growth
- (-) ICICI Prudential Liquid Plan Direct - Growth
- (126,878.268) ICICI Prudential Flexible Income Plan - Premium Growth

Non current portion		In ₹	
31 March 2013	31 March 2012	Current maturities	
31 March 2013	31 March 2012	31 March 2013	31 March 2012
	51,935,971	51,935,971	-
50,620,492	50,620,492	-	-
50,620,492	102,556,463	51,935,970	-
340,714	1,079,393	1,316,704	-
50,279,778	101,477,070	50,619,266	-
150,000,000			
130,000,000			
280,000,000	-	-	-
-		65,160,178	
		58,802,500	236,470,000
		31,600,000	
-		-	22,083,214
-		155,562,678	258,553,214
330,279,778	101,477,070	206,181,944	258,553,214

	Book Value as at		Market Value as at	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
Quoted	100,899,043	101,477,070 *	102,287,952	100,633,332
Unquoted	435,562,678	258,553,214		
Total	536,461,721	360,030,284		

- 1 \* Quoted Investments for which quotations are not available have been included in market value at the face value/paid up value, whichever is lower, except in case of Debentures, Bonds and Government securities, where the Net Present Value at current yield to Maturity have been considered
- 2 Investments made by the Company other than those with a maturity of less than one year, are intended to be held for long term, hence diminution in the value of quoted investments are not considered to be of a permanent nature. On an assessment of the non-performing investments (quoted & unquoted) and keeping in mind the relevant provisioning norms applicable to the Company as a NBFC and the guidelines adopted by the management, no provision has been determined during the year ended 31 March 2013.



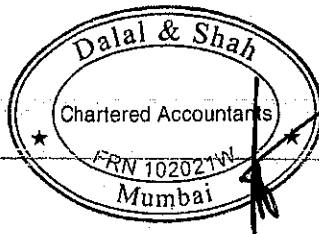
Schedule to Balance Sheet as on 31 March 2013**Balance sheet of a non deposit taking non-banking financial company**

(As required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Particulars		₹ In Lakh	
Liabilities Side :			
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	Nil	Nil
	: Unsecured	Nil	Nil
	(Other than falling within the meaning of public deposit*)	Nil	Nil
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-corporate Loans and Borrowings	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Other Loans (specify nature)	Nil	Nil
	Sale tax deferral loan		
	* Please see Note 1 below	Nil	Nil
Asset Side			
(2)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below)	Amount Outstanding	
	(a) Secured		Nil
	(b) Unsecured		232
	(Comprises advance income tax paid, Deposit with IDBI & Other Receivables)		
(3)	Break up of Leased Assets and Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors		
	(a) Financial Lease		Nil
	(b) Operating Lease		Nil
	(ii) Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire		Nil
	(b) Repossessed Assets		Nil
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		Nil
	(b) Loans other than (a) above		Nil



(4) Break up of Investments:			
Current Investments			
1. Quoted:			
(i) Shares: (a) Equity			
(b) Preference			
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others: (a) Certificate of Deposit			
(b) Commercial Paper			
2. Unquoted:			
(i) Shares: (a) Equity			
(b) Preference			
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others: (a) Certificate of Deposit			
(b) Commercial Paper			
Long Term Investments			
1. Quoted			
(i) Shares: (a) Equity			
(b) Preference			
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others (Please specify)			
2. Unquoted:			
(i) Shares: (a) Equity			
(b) Preference			
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others (Please specify)			
Total			
(5) Borrower group-wise classifications of assets financed as in (2) and (3) above: (Please see note (2) below)			
Category			
		Amount net of provisions	
		Secured Unsecured Total	
1. Related parties **			
(a) Subsidiaries			
(b) Companies in the same group			
(c) Other related parties			
2. Other than related parties			
Total			



(6) Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
Please see Note 3 below.		
Category	Market value/break up or fair value or NAV	Book value (Net of provisions)
1. Related Parties **		
(a) Subsidiaries		
- Quoted (disclosed at market value)	Nil	Nil
- Unquoted (disclosed at break up value)	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties		
Unquoted	Nil	Nil
Quoted (disclosed at market value)	Nil	Nil
Total		

\*\* As per Accounting Standard of ICAI (Please see Note 3)

(7) Other information	
Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debt	Nil

**Notes :**

- As defined in paragraph 2(1)(xii) of the Non Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments & break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.



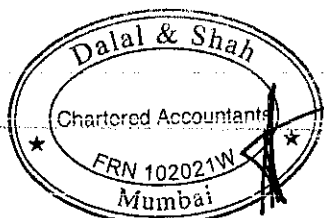
(8) CRAR

	Items	Current Year	Previous Year
(i)	CRAR %	92%	194%
(ii)	CRAR - Tier I capital (%)	92%	194%
(iii)	CRAR - Tier II capital (%)	0%	0%

(9) Exposures

Exposures to Real Estate Sector

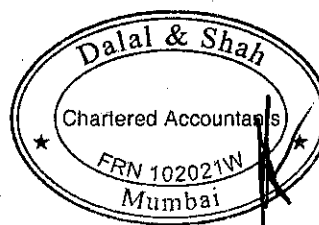
	Category	Current Year	Previous Year
(a)	<b>Direct Exposure</b>	-	-
(i)	Residential Mortgages Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented: (Individual housing loans upto Rs.15 lakh may be shown seperately)	-	-
(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estate (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc) Exposure would also include non-fund based (NFB) limits	-	-
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised Exposures - (a) Residential (b) Commercial Real Estate	- - -	- - -
(b)	<b>Indirect Exposure</b>	-	-
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-



(10) Asset Liability Management

Maturity pattern of certain items of assets and liabilities

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to one year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	₹ in Lakhs Total
Liabilities	-	-	-	-	-	-	-	-	-
Borrowings from Banks	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
Assets	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-
Investments	1,555	-	-	-	507	3,303	-	-	5,365



**BAJA AUTO HOLDINGS LTD**

Disclosure of Transactions with Related Parties as required by the Accounting Standard - 18:

Name of Related Party and Nature of Relationship	Nature of Transaction	2012-2013		2011-2012		Outstanding amount carried in the balance sheet	Rs
		Transaction Value	Rs	No of Shares	Transaction Value		
[a] Holding Company Bejaj Holdings & Investment Ltd	Contribution to Equity 24,500 shares of Rs 100 each					2,450,000	2,450,000

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 have been made only when there have been transactions with those parties.

