

INDEPENDENT AUDITOR'S REPORT

To the Members of Bajaj Auto Holdings Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Bajaj Auto Holdings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view 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 the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 of the state of affairs of the Company as at March 31, 2018, its profit, and its cash flows for the year ended on that date.

Other Matter

The financial statements of the Company for the year ended March 31, 2017, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 18, 2017.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("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 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 it 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 aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003


per Arvind Sethi

Partner

Membership Number: 89802

Place of Signature: Pune

Date: May 18, 2018



Annexure referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date**Re: Bajaj Auto Holdings Limited (the “Company”)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (i) (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (i) (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The Company’s business does not involve inventories and, accordingly, the provisions of clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities given in respect of which provisions of section 185 of the Act are applicable and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of investments made have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company and hence not commented upon.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax, goods and service tax and other statutory dues applicable to it. The provisions relating to employees’ state insurance, provident fund, sales-tax, custom duty, excise duty, value added tax, are not applicable to the Company.
- (vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, goods and service tax and other statutory dues applicable were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii) (c) According to the information and explanations given to us, there are no dues of income tax, service tax, goods and service tax and cess which have not been deposited on account of any dispute. The provisions relating to employees’ state insurance, provident fund, sales-tax, custom duty, excise duty, value added tax are not applicable to the Company.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the provisions of clause 3 (ix) are not applicable to the Company and hence not commented upon.



SRBC & CO LLP

Chartered Accountants

- (x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) of the Order are not applicable to the Company and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) The Company is categorised as a Core Investment Company (CIC) and hence, is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Arvind Sethi**

Partner

Membership Number: 89802

Place of Signature: Pune

Date: May 18, 2018



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BAJAJ AUTO HOLDINGS LIMITED**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 over financial reporting of Bajaj Auto Holdings Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with 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 and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these 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 Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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 over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2018, 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 Institute of Chartered Accountants of India.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Arvind Sethi**

Partner

Membership Number: 89802

Place of Signature: Pune

Date: May 18, 2018



BAJAJ AUTO HOLDINGS LIMITED

BALANCE SHEET

AS AT

31 March 2018

AND

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED

31 March 2018

BAJAJ AUTO HOLDINGS LIMITED
BALANCE SHEET AS AT 31 MARCH 2018

In ₹

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,450,000	2,450,000
Reserves and surplus	4	439,350,757	546,789,029
		441,800,757	549,239,029
Non Current liabilities			
Other long-term liabilities	5	171,507	158,261
Current liabilities			
Trade Payables	6	54,000	52,500
Other current liabilities	7	5,000	64,797
Short-term provisions	8	3,184	3,184
		62,184	120,481
TOTAL		442,034,448	549,517,771
ASSETS			
Non-current assets			
Fixed assets			
Property, plant and equipment	9	640,387	672,760
Non-current investments	10	261,543,323	261,543,323
Long-term loans and advances	11	16,677,442	16,596,042
		278,861,152	278,812,125
Current assets			
Current investments	10	162,465,959	269,922,722
Cash and bank balances	12	707,337	782,924
		163,173,296	270,705,646
TOTAL		442,034,448	549,517,771

Summary of significant accounting policies followed by the Company

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

On behalf of the Board of Directors

For S R B C & Co LLP

ICAI Firm Registration Number: 324982E/E300003

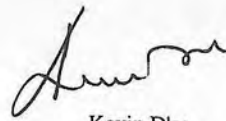
Chartered Accountants

per Arvind Sethi
Partner

Membership Number: 89802

Pune: 18 May 2018




Kevin D'sa
Director


Ajay Sathe
Director

BAJAJ AUTO HOLDINGS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

In ₹

Particulars	Note No.	Year Ended 31 March 2018	Year Ended 31 March 2017
Revenue from operations	13	16,950,996	1,763,261
Other income	14	179,000	167,000
Total Revenue (I)		17,129,996	1,930,261
Expenses:			
Depreciation and amortisation expense	9	32,373	32,372
Other expenses	15	1,066,798	1,466,187
Total expenses (II)		1,099,171	1,498,559
Profit before tax		16,030,825	431,702
Tax expenses			
Current tax		5,518,600	82,319
Tax adjustments pertaining to earlier years		-	(329,830)
Deferred tax		-	26,845
Total tax expense		5,518,600	(220,666)
Profit for the year		10,512,225	652,368
Earnings per share (in ₹)	16		
Basic and diluted		429.07	26.63
(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

As per our report of even date

For S R B C & Co LLP

ICAI Firm Registration Number: 324982E/E300003

Chartered Accountants

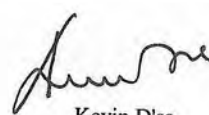
per Arvind Sethi
Partner

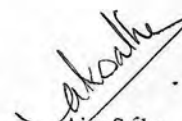
Membership Number: 89802

Pune: 18 May 2018



On behalf of the Board of Directors


Kevin D'sa
Director


Ajay Sahe
Director

Bajaj Auto Holdings Limited

Cash Flow Statement for the year ended 31 March 2018

Particulars	Year ended			
	31 March 18		31 March 17	
	₹	₹	₹	₹
I. Operating activities				
Profit before tax		16,030,825		431,702
Adjustments to reconcile profit before tax to net cash flows:				
Add/(Less) :				
i) Depreciation	32,373		32,372	
ii) Amortisation on fixed income securities	-		87,067	
iii) Profit on sale of current investments, net	(16,543,237)		(167,344)	
iv) Surplus on redemption of securities, net	-		-	
		(16,510,864)		(47,905)
Operating Profit Before Working Capital Changes		(480,039)		383,797
Changes in Assets & Liabilities				
i) Loans and advances & Other Assets	-		3,107,915	
ii) Trade Payables	1,500		(4,750)	
iii) Other Liabilities	(46,551)		74,573	
iv) Other bank balance	-	(45,051)	-	3,177,738
Sale of investments (current investments)	124,000,000		51,600,000	
Purchase of investments (current investments)	-		(54,500,000)	
		124,000,000		(2,900,000)
Net cash from operating activities before income tax		123,474,910		661,535
Taxes Paid (net of refunds)		(5,600,000)		(600,000)
Net cash flow from operating activities		117,874,910		61,535
Financing Activities				
Dividend paid	(98,000,000)		-	
Corporate dividend tax paid	(19,950,497)		-	
Net cash (used in) financing activities		(117,950,497)		-
Net Change in cash and cash equivalents		(75,587)		61,535
Cash and cash equivalents as at the beginning of the year		782,924		721,389
Cash and cash equivalents as at the end of the year		707,337		782,924

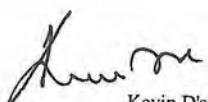
As per our report of even date

For S R B C & Co LLP
ICAI Firm Registration Number: 324982E/E300003
Chartered Accountants

On behalf of the Board of Directors

per Arvind Sethi
Partner
Membership Number: 89802
Pune: 18 May 2018




Kevin D'sa
Director


Ajay Sathe
Director

1 Background of the Company

Bajaj Auto Holdings Limited (the 'Company') operates as an Investment Company. The Company has been recognized as a Core Investment Company (CIC) by the Reserve Bank of India (RBI) in terms of the regulations governing Non-Banking Financial Companies and is no more required to be registered thereunder.

2 Summary of significant accounting policies

Basis of preparation

These financial statements have been prepared in accordance with the accounting principles generally accepted in India (Indian GAAP) under the historical cost convention on an accrual basis. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014, as amended and the Companies (Accounting Standards) Amendment Rules, 2016 and the RBI guidelines / regulations to the extent applicable.

All 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 to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. The accounting policy adopted in preparation of financial statements are consistent with those followed in previous year.

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) Use of estimates

Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

3) Revenue recognition:

Income:

The Company recognises income (including rent, etc.) on accrual basis to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. However, where the ultimate collection of revenue lacks reasonable certainty, revenue recognition is postponed.

- (1) Income from debentures and bonds is accrued over the maturity of the security, net of amortisation of premium / discount, thereby recognising the implicit yield to maturity, with reference to the coupon dates, where applicable.
- (2) Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.



- (3) On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit/loss on sale of investments is recognised on the trade date.

4) Fixed assets and depreciation

A. Property, plant and equipment

- i) Property, plant and equipment, capital work in progress except land are carried at cost of acquisition or construction as the case may be, less accumulated depreciation and amortisation. Land is carried at cost of acquisition. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by the Management. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. When significant parts of property, 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.
- ii) Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised
- iii) 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 amortization

- (a) Leasehold land
Premium on leasehold land is amortized over the period of lease.
- (b) On other tangible assets
 - i. a. Depreciation is provided on the straight line method over the useful lives of the assets.
b. Where a significant component (in terms of cost) of an asset has an economic useful life shorter than that of its corresponding asset, the component is depreciated over such shorter life.
c. Useful life of assets are determined by the Management by internal technical assessments.
 - ii. Depreciation on additions is being provided on prorata basis from the month of such additions.
 - iii. 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.
 - iv. 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.

C. Impairment of assets

An assessment is done at each Balance Sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the



asset / Cash Generating Unit (CGU) is made. Where the carrying value of the asset / CGU exceeds the recoverable amount, the carrying value is written down to the recoverable amount.

5) Investments

- a) Current investments representing debt 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 the lower of cost adjusted for amortisation and diminution; and fair value.
- b) Debt securities, other than current, are carried at cost, less amortisation of premium/discount, as the case may be, and provision for diminution, if any, as considered necessary.
- c) Other long-term investments (eg. equity, mutual funds, etc.) are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments. Current investments are valued at the lower of cost or fair value.
- d) Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments.
- e) Long-term investments maturing within 12 months from the close of the year (current maturities) are disclosed as current investments.
- f) Where the Management reassesses its intention of holding a security for long-term or short-term, necessary transfers are made inter se between long-term and current investments, in accordance with the prudential norms specified by RBI, applicable to the Company in this behalf.
- 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.

6) Taxation

- a) Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income computation and Disclosure standards prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- b) Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.
- c) 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. The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent



that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

7) 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.

8) Cash and cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of 3 months or less.

9) 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 the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity share.



3 Share Capital

	As at	
	31 March 2018	31 March 2017
	In ₹	In ₹
Authorised :		
50,000 (Previous Year - 50,000) Equity Shares of ₹ 100/- each	5,000,000	5,000,000
Issued, subscribed and fully paid-up shares :		
24,500 (Previous Year - 24,500) Equity Shares of ₹ 100/- each	2,450,000	2,450,000
	2,450,000	2,450,000

a. 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.

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

	As at		As at	
	31 March 2018		31 March 2017	
Equity shares	Nos.	In ₹	Nos.	In ₹
At the beginning of the year	24,500	2,450,000	24,500	2,450,000
Shares Issued and allotted during the year	-	-	-	-
Outstanding at the end of the year	24,500	2,450,000	24,500	2,450,000

c. Details of shareholders holding more than 5% shares in the Company

	As at		As at	
	31 March 2018		31 March 2017	
Equity shares of ₹ 100 each fully paid	Nos.	% Holding	Nos.	% Holding
Bajaj Holdings & Investment Limited	24,500	100.00%	24,500	100.00%

d. Shares held by Holding Company

	As at		As at	
	31 March 2018		31 March 2017	
Particulars	Nos.	In ₹	Nos.	In ₹
Bajaj Holdings & Investment Limited	24,500	2,450,000	24,500	2,450,000

4 Reserves and surplus

	As at	
	31 March 2018	31 March 2017
	In ₹	In ₹
General Reserve		
Balance as per the last financial statements	426,786,018	426,786,018
Add: Transferred from surplus in statement of profit and loss	-	-
Closing Balance	426,786,018	426,786,018
Surplus in the statement of profit and loss		
Balance as per last financial statements	120,003,011	119,350,643
Profit for the year	10,512,225	652,368
Less: Appropriations		
Final dividend	98,000,000	-
Tax on final dividend	19,950,497	-
Total appropriations	117,950,497	-
Balance in the statement of profit and loss	12,564,739	120,003,011
	439,350,757	546,789,029

5 Other long-term liabilities

	As at	
	31 March 2018	31 Mar 2017
Security deposits	90,000	84,000
Other Payables	81,507	74,261
	171,507	158,261



6 Trade payables

	As at	
	31 March 2018	31 March 2017
	In ₹	In ₹
Total outstanding dues of micro enterprises and small enterprises *	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	54,000	52,500
	<u>54,000</u>	<u>52,500</u>

* On the basis of information requested from vendors with regards to their registration (filing of Memorandum) under 'The Micro, Small and Medium Enterprises Development Act, 2006. (27 of 2006)' and in view of the terms of payments not exceeding 45 days, which has been promptly paid, no liability exists at the close of the year and hence no disclosures have been made in this regard.

7 Other current liabilities

	As at	
	31 March 2018	31 March 2017
	In ₹	In ₹
TDS on Professional Fees	5,000	23,897
Other payables	-	40,900
	<u>5,000</u>	<u>64,797</u>

8 Provisions

	Short-term As at	
	31 March 2018	31 March 2017
	In ₹	In ₹
Other provisions	3,184	3,184
Provision for Tax	<u>3,184</u>	<u>3,184</u>



Bajaj Auto Holdings Limited
Notes for financial statement for the year ended 31 March 2018
9-Fixed Assets (Property, plant and equipment) :

Current Year

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 1 April 2017	Additions	Deductions and Adjustments	As at 31 March 2018	Transfer	Deductions and Adjustments	For the Year	As at 31 March 2018
	₹	₹	₹	₹	₹	₹	₹	₹
TANGIBLE ASSETS								
Land Freehold	422,435	-	-	422,435	-	-	-	422,435
Buildings	974,568	-	-	974,568	-	-	32,373	756,616
								217,952
Total	1,397,003	-	-	1,397,003	-	-	32,373	640,387

Previous Year

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 1 April 2016	Additions	Deductions and Adjustments	As at 31 March 2017	Transfer	Deductions and Adjustments	For the Year	As at 31 March 2017
	₹	₹	₹	₹	₹	₹	₹	₹
TANGIBLE ASSETS								
Land Freehold	422,435	-	-	422,435	-	-	-	422,435
Buildings	974,568	-	-	974,568	-	-	32,372	724,243
								250,325
Total	1,397,003	-	-	1,397,003	-	-	32,372	672,760



Bajaj Auto Holdings Limited

Notes for financial statement for the year ended 31 March 2018

10 Investment

(A) Long term investments :

In Fully Paid Equity Shares:

Quoted:

209,005 Shares of Rs 5 each in Bajaj Finserv Ltd

(B) Current investments :

In Mutual Fund Units:

Quoted:

815,546.393 (1,354,957.706) ICICI Prudential Money Market Fund Direct Growth

Non current portion		In ₹ Current maturities	
As at		As at	
31 Mar 18	31 Mar 17	31 Mar 18	31 Mar 17
261,543,323	261,543,323	-	-
-	-	-	-
261,543,323	261,543,323	-	-
-	-	162,465,959	269,922,722
-	-	162,465,959	269,922,722
261,543,323	261,543,323	162,465,959	269,922,722

		Book Value as at		Market Value as at	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
Quoted		424,009,282	531,466,045 *	1,276,989,356	1,161,483,282
Unquoted		-	-	-	-
Total		424,009,282	531,466,045	-	-

1 * Mutual funds (open ended) though not listed are quoted on National Stock Exchange (NSE) at transactable NAVs with fund houses through the exchange and hence categorised as quoted.

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 diminutions in the value of quoted Investments are considered to be of temporary nature. No provision has been determined during the year ended March 31, 2018



11 Loans and advances

(Unsecured, good, unless stated otherwise)

	Long- term	
	As at	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
Other loans and advances		
Deposit with IDBI	1,050,000	1,050,000
Advance income-tax (net of provision for tax)	15,627,442	15,546,042
Total	16,677,442	16,596,042

12 Cash and bank balances

	Current	
	As at	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
Cash and cash equivalents		
Balances with banks:		
On current accounts	707,337	782,924
	707,337	782,924

13 Revenue from operations

	For the year ended	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
Interest:		
Interest income on		
Long-term investments	42,000	1,682,984
Less : Amortisation of premium/(discount) on acquisition of fixed income securities	-	(87,067)
	42,000	1,595,917
Profit on sale of current investments, net	16,543,237	167,344
Dividend income on other long-term investments	365,759	-
Revenue from operations	16,950,996	1,763,261

14 Other income

	For the year ended	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
Rent	179,000	167,000
	179,000	167,000

15 Other expenses

	For the year ended	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
Repairs to Buildings	41,550	7,500
Insurance	2,055	1,864
Legal & Professional Fees	183,929	446,714
Rates and Taxes	19,741	19,741
Payment to auditor	62,412	80,425
Expenditure towards Corporate Social Responsibility (CSR) activities	750,000	900,000
Miscellaneous Expenses	7,111	9,943
	1,066,798	1,466,187

Payment to auditor

	For the year ended	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
As auditor:		
Audit fee	50,000	50,000
Tax audit fee	-	5,000
Other services (certification fees)	-	15,000
Reimbursement of expenses	3,412	-
Taxes, on above	9,000	10,425
	62,412	80,425



Expenditure towards Corporate Social Responsibility (CSR) activities

	For the year ended	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
a) Gross amount required to be spent by the Company during the year	719,750	900,000
b) Amount spent in cash during the year on :		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	750,000	900,000
	<u>750,000</u>	<u>900,000</u>

16 Earning per share (EPS)

	For the year ended	
	31 March 2018	31 March 2017
Basic & Diluted		
Profit for the year after taxation (Rs.)	10,512,225	652,368
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 (₹)	429.07	26.63
Face Value per share	100.00	100.00

17 Contingent liabilities

	As at	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
a Claims against the Company not acknowledged as debts		
Income Tax matters under dispute	-	19,026,878

18 Proposed dividend

	As at	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
On equity shares of ₹ 100 each		
Amount of dividend proposed (ln ₹)	8,575,000	98,000,000
Dividend per equity share ₹	350	4,000
Dividend %	350%	4000%

19 Lease

As a lessor

The Company has given a premise on operating lease. This lease arrangement is for a period of one year and is a cancellable lease. This lease agreement is renewable for further period on mutually agreeable terms and also includes escalation clause.

	As at	
	31 March 2018	31 March 2017
	ln ₹	ln ₹
Receivable		
Within one year	15,000	14,000
After one year but not more than five years	-	-
More than five years	-	-
	<u>15,000</u>	<u>14,000</u>



Bajaj Auto Holdings Limited

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

Name of Related Party and Nature of Relationship	Nature of Transaction	2017-18		2016-17	
		Transaction Value ₹	Outstanding amount carried in the balance sheet ₹	Transaction Value ₹	Outstanding amount carried in the balance sheet ₹
[a] Holding Company Bajaj Holdings & Investment Ltd	Contribution to Equity 24,500 shares of Rs 100 each Dividend Paid	- 98,000,000	2,450,000 -	- -	2,450,000 -
[b] Entity over which significant influence is exercised by the parent/holding company. Bajaj Finserv Ltd	Contribution to Equity 209,005 shares of Rs 5 each Dividend Received	- 365,759	261,543,323 -	- -	261,543,323 -
Bajaj Finance Ltd	Investment in non-convertible debentures Interest received on non-convertible debentures	- -	- -	(50,000,000) 4,748,900	- -
Bajaj Allianz General Insurance Co. Ltd.	Insurance premium paid	2,055	-	1,864	-

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.



21 Previous year figures

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

As per our report of even date

For S R B C & Co LLP
ICAI Firm Registration Number: 324982E/E300003
Chartered Accountants

per Arvind Sethi
Partner
Membership Number: 89802

Pune: 18 May 2018



On behalf of the Board of Directors

Kevin D'sa
Director

Ajay Sathe
Director