BAJAJ FINANCE LIMITED

SEC/BM/2015/354

20 May 2015

National Stock Exchange of India Ltd.
Exchange Plaza, C- 1. Block G,
Bandra – Kurla Complex, Bandra (East)
MUMBAI – 400 051

Dear Sirs,

Sub: **Outcome of Meeting of Board of Directors and Compensation Committee**
Ref.: **symbol: BAJFINANCE-EQ**

This is to inform you that -

1. the Board of Directors of the Company, at its meeting held today:

   a. Approved Audited standalone and consolidated Financial Results of the Company for the year ended 31 March 2015. Copy of the said Audited standalone and consolidated Financial Results (annexure 1) and Press Release in this respect (annexure 2) are enclosed.

   b. Recommended Dividend of ₹ 18 per equity share of face value of ₹ 10, subject to approval of the shareholders at the annual general meeting to be held on 22 July 2015. The dividend, if declared by the shareholders, will be credited / dispatched between 27 July 2015 to 29 July 2015.

   c. Decided that the register of members and share transfer books will remain closed as under:

Security Code	Type of Security & Paid-up Value	Book Closure From To	Purpose
BAJFINANCE-EQ	Equity Shares (₹10 per Share Paid-up)	Saturday, 11 July 2015 to Wednesday, 22 July 2015 (Both days inclusive)	28th Annual General Meeting to be held on 22 July 2015 and Payment of Dividend of ₹ 18 per Share of face value of ₹10 each (180%)

   d. Pursuant to the approval of the shareholders at their extra ordinary general meeting held today, approved issuance of 9,25,000 warrants on preferential basis to the promoter- Bajaj Finserv Ltd. at an issue price of ₹ 4,412/- per warrant, which is above the minimum price computed in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009.

2. The Compensation Committee of the Board of Directors of the Company, at its meeting held today, has granted 1,93,500 Stock Options to the identified employees under 'Grant-VIII' of ESOP 2009 Scheme of the Company.

Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For **BAJAJ FINANCE LIMITED**

ANANT DAMLE
COMPANY SECRETARY

Encl.: as above

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Registered Office: Mumbai-Pune Road, Akurdi, Pune - 411035, Maharashtra, India

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Corporate ID No.: L65910MH1987PLC042961

www.bajajfinserv.in/finance

Bajaj Finance Limited

Part I

Statement of Standalone and Consolidated Unaudited / Audited Financial Results for the Quarter and Financial Year Ended 31 March 2015

(₹ In Crore)

	Particulars	Standalone					Consolidated
		Quarter ended			Year ended		Year ended
		31.03.2015 (Unaudited)	31.12.2014 (Unaudited)	31.03.2014 (Unaudited)	31.03.2015 (Audited)	31.03.2014 (Audited)	31.03.2015 (Audited)
1.	**Income from operations**						
	(a) Income from Operations	1353.19	1416.43	1007.97	5119.97	3789.57	5119.97
	(b) Other Operating Income	76.24	60.12	67.90	261.83	242.87	261.83
	Total income from operations (net)	**1429.43**	**1476.55**	**1075.87**	**5381.80**	**4032.44**	**5381.80**
2.	**Expenses**						
	a) Employee benefits expense	117.20	119.79	92.89	450.73	340.81	450.73
	b) Loan losses and provisions	113.76	107.86	63.18	384.56	258.83	384.56
	c) Marketing and other commissions	61.32	83.03	56.98	269.62	230.69	269.62
	d) Recovery costs	55.79	52.00	46.73	204.35	167.85	204.35
	e) Depreciation and amortisation expense	9.54	9.89	9.79	35.60	29.19	35.60
	f) Other expenses	131.08	127.37	103.39	468.13	382.58	468.20
	Total expenses	**488.69**	**499.94**	**372.96**	**1812.99**	**1409.95**	**1813.06**
3.	**Profit / (Loss) from operations before other income and finance costs (1-2)**	**940.74**	**976.61**	**702.91**	**3568.81**	**2622.49**	**3568.74**
4.	Other Income	15.62	8.84	23.89	36.43	41.91	36.48
5.	**Profit /(Loss) from ordinary activities before finance costs (3 + 4)**	**956.36**	**985.45**	**726.80**	**3605.24**	**2664.40**	**3605.22**
6.	Finance costs	611.81	592.39	450.05	2248.30	1573.24	2248.27
7.	**Profit / (Loss) from ordinary activities after finance costs (5 - 6)**	**344.55**	**393.06**	**276.75**	**1356.94**	**1091.16**	**1356.95**
8	Tax expense	113.57	134.68	94.66	459.07	372.15	459.07
9	**Net Profit / (Loss) from ordinary activites after tax (7 - 8)**	**230.98**	**258.38**	**182.09**	**897.87**	**719.01**	**897.88**
10	Extraordinary items	-	-	-	-	-	-
11	**Net Profit / (Loss) for the period (9+ 10)**	**230.98**	**258.38**	**182.09**	**897.87**	**719.01**	**897.88**
12	Paid-up Equity Share Capital	50.15	50.15	50.14	50.15	50.14	50.15
	(Face Value : ₹10/- per share)						
13.	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				4760.01	3970.12	4760.02
14.	**i. Earnings Per Share (before extraordinary items) (of ₹ 10/- each) (not annualised):**						
	Basic (₹)	46.28	51.73	36.61	179.94	144.79	179.94
	Diluted (₹)	44.03	51.20	36.32	177.70	143.65	177.70
	ii. Earnings Per Share (after extraordinary items) (of ₹ 10/- each) (not annualised):						
	Basic (₹)	46.28	51.73	36.61	179.94	144.79	179.94
	Diluted (₹)	44.03	51.20	36.32	177.70	143.65	177.70

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Particulars	Quarter ended			Year ended	
	31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
A Particulars of Shareholding					
1. Public Shareholding					
- Number of Shares	19253352	19252202	19247277	19253352	19247277
- Percentage of Shareholding	38.39%	38.39%	38.39%	38.39%	38.39%
2. Promoters and Promoter Group Shareholding					
a) Pledged / encumbered					
- Number of Shares	Nil	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	Nil	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil
b) Non-encumbered					
- Number of Shares	30893907	30895057	30895057	30893907	30895057
- Percentage of Shares (as a % of total shareholding of promoters and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of Shares (as a % of the total share capital of the Company)	61.61%	61.61%	61.61%	61.61%	61.61%

		Quarter ended
		31.03.2015
B	**Particulars of investors complaints**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	1
	Disposed off during the quarter	1
	Remaining unresolved at the end of the quarter	Nil

Notes:

1 The Consolidated financial results include results of the following companies

Name of the Company	% shareholding and voting power of Bajaj Finance Ltd	Consolidated as
Bajaj Housing Finance Limited *	100%	Subsidiary

* The Consolidated financial results of Bajaj Housing Finance Limited (formerly Bajaj Financial Solutions Limited) include 100% interest in Bajaj Financial Securities Limited as a subsidiary. Since the Company acquired its first subsidiary during the year on 1 November, 2014 consequent to which the Company has prepared these consolidated financial statements for the first time, no previous period comparatives have been presented.



2. Disclosure of assets and liabilities as per clause 41(i) (ea) of the listing agreement for the year ended 31 March 2015

(₹ In Crore)

	Particulars	Standalone		Consolidated
		As at 31.03.2015 (Audited)	As at 31.03.2014 (Audited)	As at 31.03.2015 (Audited)
A	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share Capital	50.15	50.14	50.15
	Less: Equity shares of ₹10 each held in a Trust for employees under ESOP scheme	0.15	0.39	0.15
		50.00	49.75	50.00
	(b) Reserves and surplus	4760.01	3970.12	4760.02
	Less: Premium on unexercised equity shares held in trust for employees under ESOP scheme	10.31	29.01	10.31
		4749.70	3941.11	4749.71
	Sub-total - Shareholders' funds	**4799.70**	**3990.86**	**4799.71**
2	**Non-current liabilities**			
	(a) Long-term borrowings	18273.62	10477.76	18273.51
	(b) Other long-term liabilites	135.77	103.60	135.77
	(c) Long-term provisions	152.08	110.47	152.08
	Sub-total- Non-current liabilities	**18561.47**	**10691.83**	**18561.36**
3	**Current liabilities**			
	(a) Short-term borrowings	4313.90	5472.78	4313.90
	(b) Trade payables	269.00	214.61	269.04
	(c) Other current liabilites	4699.90	4121.91	4700.09
	(d) Short-term provisions	167.23	126.01	167.23
	Sub-total- Current liabilities	**9450.03**	**9935.31**	**9450.26**
	TOTAL - EQUITY AND LIABILITIES	**32811.20**	**24618.00**	**32811.33**
B	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed Assets	249.18	219.87	249.18
	(b) Goodwill on consolidation	-	-	3.27
	(c) Non-current investments	175.09	-	147.09
	(d) Deferred tax assets (net)	212.28	139.16	212.28
	(e) Receivables under financing activity	18119.67	13852.42	18119.67
	(f) Long-term loans and advances	88.60	112.44	89.97
	(g) Other non current assets	-	-	0.24
	Sub-total- Non-current assets	**18844.82**	**14323.89**	**18821.70**
2	**Current assets**			
	(a) Current investments	157.20	28.21	179.20
	(b) Receivables under financing activity	13079.78	9118.53	13079.78
	(c) Cash and bank balances	219.66	776.81	220.87
	(d) Short-term loans and advances	343.90	291.84	343.92
	(e) Other current assets	165.84	78.72	165.86
	Sub-total- Current assets	**13966.38**	**10294.11**	**13989.63**
	TOTAL - ASSETS	**32811.20**	**24618.00**	**32811.33**

BAJAJ FINANCE LTD.

Notes (contd) :

3. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 20 May 2015.
4. Figures of last quarter are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the financial year as recast to conform to the requirements of Schedule III of the Companies Act, 2013.
5. The Company changed the method of computing depreciation on all assets, except buildings, from Written Down Value to Straight Line Method. The impact of this change in the accounting policy has been calculated retrospectively from the date of addition of the asset and consequently the opening carrying value has been restated by writing back the excess depreciation to the Statement of Profit and Loss. Thereupon, consequent to Schedule II of the Companies Act, 2013 becoming effective from 1 April, 2014, depreciation has been computed over the revised useful life of the asset in the manner specified in Schedule II. The impact of these changes for the year 2014-15 and quarter ended 31 March 2015 is not material.
6. Figures for the previous period have been regrouped, wherever necessary, to make them comparable with the current period.
7. The Board of Directors has recommended a Dividend of ₹ 18/-- per share of face value of ₹ 10/- (180%) for FY 2014-15 (Previous year: 160%)
8. The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Accounting Standard 17 dealing with Segment Reporting.
9. On 1 November 2014, the Company acquired from its holding company Bajaj Finserv Limited its wholly owned subsidiary Bajaj Financial Solutions Limited (name changed to Bajaj Housing Finance Limited with effect from 14 November 2014) together with its subsidiary Bajaj Financial Securities Limited, for a consideration of ₹ 17 Crore. On 12 December 2014, the Company subscribed to 1,10,00,000 equity shares of ₹ 10/- each offered by Bajaj Housing Finance Limited, on rights basis.
10. The Company has designated an exclusive e-mail ID viz. investor.service@bajajfinserv.in for investor grievance redressal.

BAJAJ FINANCE LTD.

By order of the Board of Directors
For Bajaj Finance Limited

Rahul Bajaj
Chairman

Pune
20 May 2015

CIN : L65910MH1987PLC042961
Registered Office : Akurdi, Pune - 411 035 | Corporate Office : 4th Floor, Bajaj Finserv Corporate Office,
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Email : investor.service@bajajfinserv.in | Website : www.bajajfinserv.in/finance

BAJAJ FINANCE LIMITED

PRESS RELEASE

Bajaj Finance Limited Results -4th Quarter FY 14-15

Bajaj Finance reports AUM of ₹32,410 crore and a quarterly profit after tax of ₹231 crore - A growth of 27% over corresponding quarter of previous year.

The Board of Directors of Bajaj Finance Limited in their meeting held today took on record the Unaudited Financial Results of the Company for the quarter ended 31 March 2015.

Performance Highlights - Q4

- **Total income** for Q4 FY15 ↑ 31% to ₹1,445 crore from ₹1,099 crore in Q4 FY14.
- **Profit after tax** for Q4 FY15 ↑ 27% to ₹231 crore from ₹182 crore in Q4 FY14.
- **Customers** acquired during Q4 FY15 ↑ 51% to 11,62,742 from 7,68,137 in Q4 FY14.
- **Loan losses and provisions** for Q4 FY15 ↑ 81% to ₹114 crore as against ₹63 crore in Q4 FY14. The Company continued to strengthen its provisioning policy. During the quarter, Company made a provision of ₹8.6 crore to further strengthen its provisioning policy and also made a non-recurring provision of ₹8.8 crore. Adjusted for these one time provisions, loan loss and provisions would have grown by 53%.

Performance Highlights - FY 14-15

- **Total income** for FY15 ↑ 33% to ₹5,418 crore from ₹4,074 crore in FY14.
- **Profit after tax** for FY15 ↑ 25% to ₹898 crore from ₹719 crore in FY14.
- **Customers** acquired during FY15 ↑ 45% to 49,24,448 from 33,89,560 in FY14.
- **AUM** during Q4 FY15 ↑ 35% to 32,410 crore from 24,061 crore in Q4 FY14.
- **Loan losses and provisions** for FY15 ↑ 49% to ₹385 crore as against ₹259 crore in FY14.
- **Gross NPA and Net NPA** as of 31 March 2015 stood at 1.51% and 0.45% respectively. The provisioning coverage ratio stood at 71% as of 31 March 2015. The Company continues to provide for loan losses in excess of RBI requirements.
- **Capital adequacy ratio** (including Tier-II capital) as of 31 March 2015 stood at 17.97%. The Tier-I capital stood at 14.15%. The Company continues to be well capitalized to support its growth trajectory.
- The Board of Directors has recommended a dividend of ₹ 18 per share (180%)

BAJAJ FINANCE LTD

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Key financial figures

(₹ crore)

Particulars	Q4'15	Q4'14	QoQ	FY 14-15	FY 13-14	YOY
Customers acquired (nos in '000)	1162	768	51%	4924	3389	45%
Assets under Management	32410	24061	35%	32410	24061	35%
Receivables under financing activity	31199	22971	36%	31199	22971	36%
Interest and fee income	1445	1099	31%	5418	4074	33%
Interest Expenses	612	450	36%	2248	1573	43%
Net Interest Income (NII)	833	649	28%	3170	2501	27%
Operating Expenses	374	309	21%	1428	1151	24%
Loan Losses & Provisions	114	63	81%	385	259	49%
Profit before tax	345	277	25%	1357	1091	24%
Profit after tax	231	182	27%	898	719	25%

(₹ crore)

Assets Under Management (AUM)	FY 14-15	FY 13-14	YOY
Consumer	13202	9328	42%
SME	17136	12850	33%
Commercial	1739	1833	-5%
Rural	333	50	566%
Total AUM	32410	24061	35%

- Fixed Deposit book stood at ₹983 crore as of 31 March 2015.
- Post its successful foray in rural lending business in Maharashtra & Gujarat, the Company has launched MSME lending business to address needs of micro and small enterprises in its rural market in Q4 FY15.

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- The Company has been recognised for the 2nd year in a row as one of the Best Employers of the country in the Aon Hewitt Best Employers study. The Company has been rated amongst the 11 best Employers in India.

- During the quarter, the Company added 25 urban branches and 15 rural branches.

- In an extraordinary general meeting held earlier today, shareholders of the Company approved a plan to raise funds through issue of securities up to ₹ 1,400 crore through the Qualified Institutions Placement (QIP) route to Qualified Institutional Buyers and preferential issue of up to 9,25,000 warrants, convertible into an equivalent number of equity shares amounting to around ₹ 400 crore to Bajaj Finserv Limited, the promoter.

  The additional capital will finance higher growth while maintaining sound capital adequacy.

BAJAJ FINANCE LTD.

For Bajaj Finance Limited

Rajeev Jain

Managing Director

Pune
20 May 2015

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