

SEC/2017/48

30 January 2017

The Manager, BSE Limited DCS - CRD Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001	The Manager, Listing Department National Stock Exchange of India Ltd. Exchange Plaza, C-1. Block G, Bandra - Kurla Complex, Bandra (East) Mumbai - 400 051
Scrip Code:500034	Scrip Code: BAJFINANCE – EQ

Sir / Madam,

Sub: Outcome of Meeting of Board of Directors

This is to inform you that -

The Board of Directors of the Company, at its meeting held today,

- a) approved the unaudited standalone financial results of the Company for the quarter and nine months ended 31 December 2016. Copy of the said financial results (annexure 1), limited review report of auditors (annexure 2), and press release (annexure 3) in this respect are enclosed.
- b) issued and allotted securities of the Company as per details below:
 - i) Type of securities issued: Equity shares of face value of ₹ 2/- each
 - ii) Total number of securities issued: 150
 - iii) Type of issuance: The issue and allotment of shares is in respect of rights entitlement, in rights issue made in February 2013, on shares held in unclaimed suspense account. The said rights entitlement was held in abeyance pursuant to the provisions of the erstwhile Listing agreement. Upon claim received from the concerned shareholder and release of the shares held in unclaimed suspense account, the Company has made available the aforesaid rights entitlement to the shareholder in terms of the Letter of Offer for the aforesaid rights issue.

The meeting commenced at 11.30 a.m. and concluded at 12.35 p.m.

Thanking you,

Yours faithfully,

For **BAJAJ FINANCE LIMITED****ANANT DAMLE**
COMPANY SECRETARY

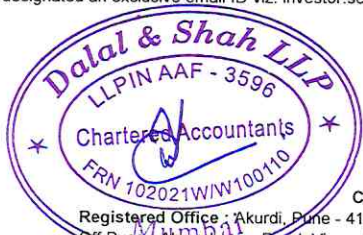
Encl.: As above

Bajaj Finance Limited						
Unaudited Financial Results for the Quarter and Nine Months ended 31 December 2016						
(₹ In Crore)						
Particulars	Quarter ended 31.12.2016 (Unaudited)	Quarter ended 30.09.2016 (Unaudited)	Quarter ended 31.12.2015 (Unaudited)	Nine months ended 31.12.2016 (Unaudited)	Nine months ended 31.12.2015 (Unaudited)	Year ended 31.03.2016 (Audited)
1 Income from operations						
(a) Income from operations	2527.11	2180.20	1971.71	6873.22	5135.44	6951.22
(b) Other operating income	174.86	166.81	89.65	462.16	252.06	353.09
Total Income from operations (net)	2701.97	2347.01	2061.36	7335.38	5387.50	7304.31
2 Expenses						
(a) Employee benefits expense	252.52	212.99	170.53	667.30	464.96	629.63
(b) Loan losses and provisions	179.70	169.10	146.18	528.51	386.31	542.85
(c) Marketing and other commissions	117.45	99.12	117.90	326.15	289.15	385.83
(d) Recovery costs	72.00	71.55	58.04	211.84	169.40	233.15
(e) Depreciation and amortisation expenses	17.72	17.75	15.09	51.45	39.20	56.34
(f) Other expenses	259.49	213.01	187.39	663.37	480.40	644.25
Total expenses	898.88	783.52	695.13	2448.62	1829.42	2492.05
3 Profit / (Loss) from operations before other income and finance costs and exceptional items (1-2)	1803.09	1563.49	1366.23	4886.76	3558.08	4812.26
4 Other income	27.11	18.97	8.26	60.74	38.53	79.17
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	1830.20	1582.46	1374.49	4947.50	3596.61	4891.43
6 Finance costs	980.20	956.16	749.30	2819.68	2121.03	2926.86
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	850.00	626.30	625.19	2127.82	1475.58	1964.57
8 Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00
9 Profit / (Loss) from ordinary activities before tax (7 ± 8)	850.00	626.30	625.19	2127.82	1475.58	1964.57
10 Tax expense	294.35	218.54	216.73	740.42	512.10	686.05
11 Net Profit / (Loss) from ordinary activities after tax (9 - 10)	555.65	407.76	408.46	1387.40	963.48	1278.52
12 Paid-up equity share capital (Face Value : ₹2/- per share) (See note no. 6 & 8)	109.59	107.74	53.63	109.59	53.63	53.87
13 Reserves excluding revaluation reserves as per balance sheet of previous accounting year						7315.93
14 Earnings per share (not annualised)						
Basic (₹)	10.27	7.60	7.64	25.80	18.35	24.23
Diluted (₹)	10.16	7.45	7.53	25.52	18.09	23.88

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 30 January 2017 and have been subjected to a limited review by the Statutory Auditors.
- Figures for the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.
- 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.
- Pursuant to the option given by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has opted to publish standalone financial results during financial year 2016-17.
- The secured non-convertible debentures issued by the Company are fully secured by first pari passu charge by mortgage of the Company's immovable property at Pune / Chennai and by hypothecation of book debts / loan receivables to the extent as stated in the respective information memorandum.
- Pursuant to approval of the members -
 - authorised share capital of the Company was increased from ₹ 75 crore consisting of 7,50,00,000 equity shares of face value of ₹ 10 each to ₹ 150 crore consisting of 75,00,00,000 equity shares of face value of ₹ 2 each, accordingly 5,38,72,190 equity shares of face value of ₹ 10 each as on the record date, i.e. 10 September 2016 (end of the day), were sub-divided into 26,93,60,950 equity shares of face value of ₹ 2 each and
 - On 14 September 2016, the Allotment Committee of the Board of Directors allotted 26,93,60,950 equity shares of face value of ₹ 2 each as bonus shares in the proportion of one bonus equity share for every one equity share of face value of ₹ 2 held as on the record date, by capitalising an amount of ₹ 53,87,21,900 from share premium account. The bonus shares were listed on BSE Limited and National Stock Exchange of India Limited w.e.f. 19 September 2016.
 - Consequently,
 - in terms of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the exercise price and the number of warrants issued to the promoter, Bajaj Finserv Limited, were proportionately adjusted and
 - in terms of the Employee Stock Option Scheme, 2009 of the Company, the grant price and the number of outstanding stock options in respect of stock options granted under the Employee Stock Option Scheme, 2009 were proportionately adjusted.
- The earnings per share in respect of the previous periods has been restated considering the aforesaid sub-division of shares, allotment of bonus shares and adjustment in respect of preferential warrants and outstanding stock options.
- During the quarter ended 31 December 2016, Bajaj Finserv Limited (Promoter) exercised the option to convert 92,50,000 warrants, issued on preferential basis, upon payment of ₹ 306.08 crore being balance 75% amount of the issue price and accordingly 92,50,000 equity shares of the face value of ₹ 2 each were allotted to Bajaj Finserv Limited on 23 November 2016 at a premium of ₹ 439.20 per equity share. The funds received upon allotment have been utilised for meeting funding requirements of the business activities of the Company as per the objects of the issue.
- The Company has designated an exclusive email ID viz. investor.service@bajajfinserv.in for investor grievance redressal.

Pune
30 January 2017



CIN : L65910MH1987PLC042961

Registered Office: Akurdi, Pune - 411035 | Corporate Office: 4th Floor, Bajaj Finserv Corporate Office, Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411014 | Tel.: 020-30405060 | Fax: 020-30405030 | Email ID: investor.service@bajajfinserv.in | Website: www.bajajfinserv.in/finance

By order of the Board of Directors
For Bajaj Finance Limited

Rahul Bajaj
Chairman

Dalal & Shah LLP

Chartered Accountants

The Board of Directors
Bajaj Finance Limited
Mumbai – Pune Road
Akurdi
Pune - 411035

1. We have reviewed the unaudited financial results of Bajaj Finance Limited (the “Company”) for the quarter ended December 31, 2016 which are included in the accompanying ‘Unaudited Financial Results for the Quarter and Nine Months ended 31 December 2016’ (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Dalal & Shah LLP
Firm Registration Number: 102021W/W100110
Chartered Accountants



S. Venkatesh
Partner
Membership Number: 037942

Place: Pune
Date: January 30, 2017

*Dalal & Shah LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07*

Registered office and Head office : 252 Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai 400028

Dalal & Shah (a Partnership Firm) converted into Dalal & Shah LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAF-3596) with effect from December 21, 2015. Post its conversion to Dalal & Shah LLP, its ICAI registration number is 102021W/W100110 (ICAI registration number before conversion was 102021W)

PRESS RELEASE

Bajaj Finance Limited Results - 3rd Quarter FY16-17

Bajaj Finance reports Assets under Management (AUM) of ₹57,605 crore - a growth of 33% and its highest ever quarterly profit after tax of ₹556 crore - a growth of 36% 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 December 2016.

Performance Highlights

- New loans booked during Q3 FY17 ↑ 35% to 28,79,595 from 21,39,041 in Q3 FY16.
 - Total income for Q3 FY17 ↑ 32% to ₹ 2,729 crore from ₹ 2,069 crore in Q3 FY16.
 - Profit after tax for Q3 FY17 ↑ 36% to ₹ 556 crore from ₹ 408 crore in Q3 FY16.
 - Assets under Management (AUM) as of 31 Dec 2016 ↑ 33% to ₹ 57,605 crore from ₹ 43,452 crore as of 31 Dec 2015.
 - Customer franchise as of 31 Dec 2016 ↑ 25% to 19.18 million from 15.34 million as of 31 Dec 2015. During the quarter, the Company acquired 1.17 million new customers.
 - Gross NPA and Net NPA as of 31 Dec 2016 stood at 1.47% and 0.39% respectively. The provisioning coverage ratio stood at 74% as of 31 Dec 2016. The Company follows NPA recognition policy of 120 days overdue as required by RBI guidelines. The Company has not opted for 90 days' relaxation extended by RBI for recognition of loan accounts as NPA.
- During the quarter, the Company sold NPA receivables of 92 crores worth across Consumer and SME businesses on cash basis.
- Loan losses and provisions for Q3 FY17 ↑ 23% to ₹ 180 crore as against ₹ 146 crore in Q3 FY16.
 - Capital adequacy ratio (including Tier-II capital) as of 31 Dec 2016 stood at 21.26%. The Tier-I capital stood at 15.26%. During the quarter, the company raised ₹ 105 crore by way of Tier II capital to augment its capital base. The Company continues to be well capitalized to support its growth trajectory.



BAJAJ FINANCE LIMITED

Key financial figures

(₹ crore)

Particulars	Q3'17	Q3'16	QoQ	9m'17	9m'16	9m on 9m	FY 15-16
New loans booked (No. in '000)	2,880	2,139	35%	7,597	5,252	45%	6,835
Assets under Management	57,605	43,452	33%	57,605	43,452	33%	44,229
Receivables under financing activity	54,285	41,727	30%	54,285	41,727	30%	42,756
Interest and fee income	2,729	2,069	32%	7,396	5,426	36%	7,384
Interest Expenses	980	749	31%	2,820	2,121	33%	2,927
Net Interest Income (NII)	1,749	1,320	33%	4,576	3,305	38%	4,457
Operating Expenses	719	549	31%	1,920	1,443	33%	1,949
Loan Losses & Provisions	180	146	23%	528	386	37%	543
Profit before tax	850	625	36%	2,128	1,476	44%	1,965
Profit after tax	556	408	36%	1,387	963	44%	1,279

(₹ crore)

Assets Under Management (AUM)	Q3'17	Q3'16	QoQ	FY 15-16
Consumer	26,997	18,382	47%	18,996
SME	21,079	19,146	10%	18,692
Commercial	6,954	4,765	46%	5,202
Rural	2,575	1,159	122%	1,339
Total AUM	57,605	43,452	33%	44,229

- During the quarter ended 31 December 2016, Bajaj Finserv Limited (Promoter) exercised the option to convert 92,50,000 warrants, issued on preferential basis, upon payment of ₹306.08 crore being balance 75% amount of the issue price and accordingly 92,50,000 equity shares of the face value of ₹2 each were allotted to Bajaj Finserv Limited on 23 November 2016 at a premium of ₹439.20 per equity share. The funds received upon allotment have been utilised for meeting funding requirements of the business activities of the Company as per the objects of the issue.
- During the quarter, the Company launched Co-Branded credit cards distribution business with RBL Bank. These co-branded credit cards will have many customer friendly features including no-cost EMI options at Point of Sale, accelerated rewards for high savings and a feature of no interest on cash withdrawals upto 50 days. These co-branded cards will be offered to customers of Bajaj Finance Limited.

Pune
30 Jan 2017



For Bajaj Finance Limited

Rajeev Jain
Rajeev Jain
Managing Director