

BAJAJ FINANCE LIMITED

SEC/BM/2016/376

26 July 2016

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

Dear Sir / Madam,

This is to inform you that -

1. The Board of Directors of the Company, at its meeting held today,
 - a) approved unaudited standalone financial results of the Company for the quarter ended 30 June 2016. A copy of the standalone financial results (annexure 1), limited review report of the statutory auditors (annexure 2) and press release (annexure 3) in this respect are enclosed.
 - b) approved the following, subject to approval of the shareholders -
 - i. Sub-division of equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 2 each, and
 - ii. Issue of one fully paid bonus equity share of the face value of ₹ 2 each for one equity share of the face value of ₹ 2 each (i.e. as adjusted for sub-division of shares).
 - iii. Increase in the authorised share capital of the Company from ₹ 75 crore divided into 7,50,00,000 equity shares of ₹ 10 each to ₹ 150 crore divided into 75,00,00,000 equity shares of ₹ 2 each and amendment of Clause V of the Memorandum of Association for this purpose.



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2. Approval of the shareholders will be sought through postal ballot. Shareholders holding shares as on the "Record date" to be fixed by the Board/Committee thereof, post approval of shareholders, will be eligible to receive the new shares arising out of sub-division of shares and the bonus shares. Share certificates for the said new shares in respect of the shares held in physical form will be dispatched on or before 25 September 2016. Electronic credit for the said new shares in respect of the shares held in dematerialised form will be given on or before the said date.
3. Other details of the sub-division of shares and issue of bonus shares, to be provided pursuant to Regulation 30 of the SEBI Listing Regulations, 2015, are as follows:

For Sub-division of shares-

Sr. No.	Particulars	
1	Ratio for sub-division	5 equity shares of face value of ₹ 2 each for every 1 equity share of face value of ₹ 10
2	Rationale behind the sub-division	To improve liquidity of the Company's shares on the stock market as also to make them affordable to the small investors
3	Pre and post share capital – authorised, paid-up and subscribed;	Given separately in table below
4	Expected time of completion;	Within 2 months of the Board meeting, i.e., by 25 September 2016
5	Class of shares which are sub-divided	Equity shares
6	Number of shares of each class pre and post sub-division	Given separately in table below
7	Number of shareholders who will not get any shares in consolidation and their pre-consolidation shareholding	Not applicable



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For bonus shares-

Sr. No.	Particulars	
1	Whether bonus is out of free reserves created out of profits or share premium account	The bonus shares will be issued out of share premium account
2	Bonus ratio	1 bonus equity share of face value of ₹ 2 for every 1 equity share of face value of ₹ 2 (i.e. adjusted for sub-division of share)
3	Details of share capital - pre and post bonus issue	Given separately in table below
4	Share premium required for implementing the bonus issue	₹ 53.87 crore
5	Share premium available for capitalization and the date as on which such balance is available	₹ 3,371.98 crore as on 31 March 2016
6	Whether the aforesaid figures are audited	Yes
7	Estimated date by which such bonus shares would be credited/dispatched	Within 2 months of the Board meeting, i.e., by 25 September 2016

Details of the share capital of the Company before and after sub-division of shares and issue of bonus shares are as follows:

Particulars	Issued, subscribed and paid-up share capital		
	No. of equity shares	Face value (₹)	Total (₹)
At present	5,38,72,190	10	53,87,21,900
After sub-division of shares	26,93,60,950	2	53,87,21,900
After issue of bonus shares	53,87,21,900	2	107,74,43,800

Thanking you,

Yours faithfully,
For **BAJAJ FINANCE LIMITED**


ANANT DAMLE
COMPANY SECRETARY



Encl.: As above

BAJAJ FINANCE LIMITED

Bajaj Finance Limited				
Statement of Standalone Unaudited Financial Results for the Quarter ended 30 June 2016				
(₹ in Crore)				
Particulars	Quarter ended 30.06.2016 (Unaudited)	Quarter ended 31.03.2016 (Unaudited)	Quarter ended 30.06.2015 (Unaudited)	Year ended 31.03.2016 (Audited)
1. Income from operations				
(a) Income from operations	2,165.91	1,821.15	1,571.64	6,951.22
(b) Other operating income	120.49	95.66	74.57	353.09
Total Income from operations (net)	2,286.40	1,916.81	1,646.21	7,304.31
2. Expenses				
(a) Employee benefits expense	201.79	164.67	144.59	629.63
(b) Loan losses and provisions	179.71	156.54	103.29	542.85
(c) Marketing and other commissions	109.57	96.68	88.57	385.83
(d) Recovery costs	68.29	63.75	55.43	233.15
(e) Depreciation and amortisation expenses	15.98	17.14	11.50	56.34
(f) Other expenses	190.88	163.85	152.97	644.25
Total expenses	766.22	662.63	556.35	2,492.05
3. Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1,520.18	1,254.18	1,089.86	4,812.26
4. Other income	14.66	40.64	9.63	79.17
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	1,534.84	1,294.82	1,099.49	4,891.43
6. Finance costs	883.31	805.83	677.06	2,926.86
7. Profit / (Loss) from ordinary activities before exceptional items (5 + 6)	651.53	488.99	422.43	1,964.57
8. Exceptional items	-	-	-	-
9. Profit / (Loss) from ordinary activities before tax (7 + 8)	651.53	488.99	422.43	1,964.57
10. Tax expenses	227.54	173.95	146.80	685.05
11. Net Profit / (Loss) from ordinary activities after tax (9 -/+ 10)	423.99	315.04	275.63	1,278.52
12. Extraordinary items	-	-	-	-
13. Net Profit / (Loss) for the period (11 + 12)	423.99	315.04	275.63	1,278.52
14. Paid-up equity share capital (Face Value : ₹10/- per share)	53.87	53.87	53.63	53.87
15. Reserves excluding revaluation reserves as per balance sheet of previous accounting year				7,315.93
16. i. Earnings per share (before extraordinary items) (of ₹ 10/- each) (not annualised):				
Basic (₹)	79.14	58.87	54.34	242.30
Diluted (₹)	77.84	57.99	53.60	238.83
ii. Earnings per share (after extraordinary items) (of ₹ 10/- each) (not annualised):				
Basic (₹)	79.14	58.87	54.34	242.30
Diluted (₹)	77.84	57.99	53.60	238.83

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 26 July 2016 and have been subjected to 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 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.
- 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 Company has designated an exclusive email ID viz. investor.service@bajajfinserv.in for investor grievance redressal.

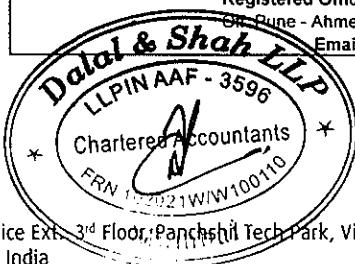
By order of the Board of Directors
For Bajaj Finance Limited

Rahul Bajaj
Chairman

Pune
26 July 2016

CIN : L65910MH1987PLC042961

Registered Office : Akurdi, Pune - 411 035 | Corporate Office : 4th Floor, Bajaj Finserv Corporate Office,
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www.bajajfinserv.in/finance

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 June 30, 2016 which are included in the accompanying ‘Statement of Standalone Unaudited Financial Results for the Quarter ended 30 June 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: July 26, 2016

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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)

BAJAJ FINANCE LIMITED

PRESS RELEASE

Bajaj Finance Limited Results - 1st Quarter FY17

Bajaj Finance reports Assets under Management (AUM) of ₹ 49,608 crore and its highest ever quarterly profit after tax of ₹ 424 crore - A growth of 54% over corresponding quarter of previous year.

The Board of Directors of Bajaj Finance Limited in its meeting held today took on record the Unaudited Financial Results of the Company for the quarter ended 30 June 2016.

Performance Highlights

- Customers acquired during Q1 FY17 ↑ 48% to 25,40,540 from 17,19,125 in Q1 FY16.
- Assets under Management (AUM) as of 30 June 2016 was ↑ 40% to ₹ 49,608 crore from ₹ 35,557 crore as of 30 June 2015.
- Total income for Q1 FY17 ↑ 39% to ₹ 2,301 crore from ₹ 1,656 crore in Q1 FY16.
- Profit after tax for Q1 FY17 ↑ 54% to ₹ 424 crore from ₹ 276 crore in Q1 FY16.
- Loan losses and provisions for Q1 FY17 ↑ 75% to ₹ 180 crore as against ₹ 103 crore in Q1 FY16. The Company continued to strengthen its provisioning policy. During the quarter, the Company made an additional provision of ₹ 19.1 crore in its Mortgage portfolio. Adjusted for this, loan losses and provisions have grown by 56%.
- Gross NPA and Net NPA as of 30 June 2016 stood at 1.47% and 0.41% respectively. The provisioning coverage ratio stood at 73% as of 30 June 2016. The Company continues to provide for loan losses in excess of RBI requirements.

During the quarter ended 30 June 2016, as required by RBI guidelines, the Company has moved its NPA recognition policy from 150 days overdue to 120 days overdue. The comparable Gross and Net NPA at 150 days stood at 1.25% and 0.30% respectively.

- Capital adequacy ratio (including Tier-II capital) as of 30 June 2016 stood at 17.82%. The Tier-I capital stood at 14.81%. The Company continues to be well capitalized to support its growth trajectory.



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Key financial figures

(₹ crore)

Particulars	Q1'17	Q1'16	QoQ	FY16
Customers acquired (nos in '000)	2,541	1,719	48%	6,835
Assets under Management	49,608	35,557	40%	44,229
Receivables under financing activity	47,923	34,095	41%	42,756
Interest and fee income	2,301	1,656	39%	7,384
Interest Expenses	883	677	30%	2,927
Net Interest Income (NII)	1,418	979	45%	4,457
Operating Expenses	586	454	29%	1,949
Loan Losses & Provisions	180	103	75%	543
Profit before tax	652	422	55%	1,965
Profit after tax	424	276	54%	1,279

(₹ crore)

Assets Under Management (AUM)	Q1'17	Q1'16	QoQ	FY16
Consumer	21,933	14,938	47%	18,996
SME	19,986	16,641	20%	18,692
Commercial	6,001	3,456	74%	5,202
Rural	1,688	522	223%	1,339
Total AUM	49,608	35,557	40%	44,229

- Fixed Deposit book stood at ₹ 2,629 crore as of 30 June 2016.
- The Board of Directors has considered and approved sub-division of equity shares of face value of ₹ 10 each to ₹ 2 each and issue of one fully paid bonus equity share of the face value of ₹ 2 each against one equity share of the face value of ₹ 2 each. This is subject to shareholders' approval.
- The Company has expanded its EMI card proposition with offerings in retail fashion, travel and small appliances. Customers can now avail easy EMI financing on purchasing apparel, eyewear, accessories, small appliances and travel options. During the quarter, the Company has launched this offering in fifteen cities in India
- During the quarter, the Company announced a strategic EMI financing partnership with Future group. The Company now offers EMI financing options across various formats of Future group including Big Bazaar, Food Bazaar, Central, Brand Factory, easyday, Foodhall, fabfurnish.com etc.

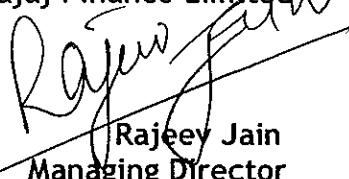


BAJAJ FINANCE LIMITED

- The Company has been ranked 12th 'Best Company to Work For in India' by the Great Places to Work Institute. It was also recognized as 2nd 'Best Company to Work For in India' under financial services sector, for the second year in a row by the Great Places to Work Institute.

Pune
26 July 2016



For Bajaj Finance Limited

Rajeey Jain
Managing Director