BAJAJ FINSERV

SEC/BM/2014/360

16 July 2014

THE MANAGER,
LISTING DEPARTMENT
NATIONAL STOCK EXCHANGE OF INDIA LTD.
EXCHANGE PLAZA, C-1. BLOCK G,
BANDRA - KURLA COMPLEX, BANDRA (EAST),
MUMBAI - 400 051

Dear Sirs,

Ref.: **BAJFINANCE - EQ**

Enclosed please find :

1. Unaudited Financial Results of the Company for the quarter ended 30 June 2014, which were taken on record by the Board of Directors at its Meeting held on 16 July 2014, pursuant to Clause 41 of the listing agreement.
2. Copy of Limited Review Report of the Statutory Auditors of the Company on the Unaudited Financial Results for the quarter ended 30 June 2014.
3. Copy of Press Release issued by the Company after the aforesaid meeting.

Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For **BAJAJ FINANCE LIMITED**

ANANT DAMLE
COMPANY SECRETARY

Encl.: As above

Bajaj Finance Limited

CIN: L65910MH1987PLC042961
Registered Office : Akurdi, Pune - 411 035 I **Corporate Office** : 4th Floor, Bajaj Finserv Corporate Office, Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014 I **Tel.** : 020-30405060 **Fax** : 020-30405030
Email : investor.service@bajajfinserv.in I **Website** : www.bajajfinserv.in/finance

Unaudited financial results for the quarter ended 30 June 2014

Part I

Statement of Standalone Unaudited Results for the Quarter ended 30 June 2014

(₹ in Crore)

	Particulars	Quarter ended 30.06.2014 (Unaudited)	Quarter ended 31.03.2014 (Unaudited)	Quarter ended 30.06.2013 (Unaudited)	Year ended 31.03.2014 (Audited)
	Funds deployed	9265.88	7042.14	6249.32	26023.56
1.	**Income from operations**				
	(a) Income from Operations	1180.10	1003.23	883.70	3788.55
	(b) Other Operating Income	63.51	67.90	44.62	242.87
	Total Income from operations (net)	**1243.61**	**1071.13**	**928.32**	**4031.42**
2.	**Expenses**				
	a) Employee benefits expense	107.81	92.89	77.92	340.81
	b) Depreciation and amortisation expense	7.77	14.19	5.01	29.19
	c) Loan losses and provisions	82.92	62.16	63.88	257.81
	d) Marketing and other commissions	69.59	56.98	57.49	230.69
	e) Recovery costs	46.85	46.73	35.84	167.85
	f) Other expenses	110.78	95.27	93.99	382.58
	Total expenses	**425.72**	**368.22**	**334.13**	**1408.93**
3.	**Profit / (Loss) from operations before other income and finance costs (1-2)**	**817.89**	**702.91**	**594.19**	**2622.49**
4.	Other Income	2.35	23.89	4.11	41.91
5.	**Profit /(Loss) from ordinary activities before finance costs (3 + 4)**	**820.24**	**726.80**	**598.30**	**2664.40**
6.	Finance costs	499.64	450.05	331.44	1573.24
7.	**Profit / (Loss) from ordinary activities after finance costs (5 - 6)**	**320.60**	**276.75**	**266.86**	**1091.16**
8.	Tax expense	109.24	94.66	91.12	372.15
9.	**Net Profit / (Loss) from ordinary activites after tax (7 - 8)**	**211.36**	**182.09**	**175.74**	**719.01**
10.	Extraordinary items	-	-	-	-
11.	**Net Profit / (Loss) for the period (9+ 10)**	**211.36**	**182.09**	**175.74**	**719.01**
12.	Paid-up Equity Share Capital (Face Value : ₹10/- per share)	50.14	50.14	49.78	50.14
13.	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				3970.12
14.	**i. Earnings Per Share (before extraordinary items) (of ₹ 10/- each) (not annualised):**				
	Basic (₹)	42.46	36.61	35.45	144.79
	Diluted (₹)	42.10	36.32	35.22	143.65
	ii. Earnings Per Share (after extraordinary items) (of ₹ 10/- each) (not annualised):				
	Basic (₹)	42.46	36.61	35.45	144.79
	Diluted (₹)	42.10	36.32	35.22	143.65

Part II

A	**Particulars of Shareholding**				
1.	Public Shareholding				
	Number of Shares	19247277	19247277	18883277	19247277
	Percentage of Shareholding	38.39%	38.39%	37.93%	38.39%
2.	Promoters and Promoter Group Shareholding				
	a) Pledged / encumbered				
	Number of Shares	Nil	Nil	Nil	Nil
	Percentage of Shares (as a % of total shareholding of promoters and promoter group)	Nil	Nil	Nil	Nil
	Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil
	b) Non-encumbered				
	Number of Shares	30895057	30895057	30895057	30895057
	Percentage of Shares (as a % of total shareholding of promoters and promoter group)	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%	62.07%	61.61%

B	**Particulars of Investors complaints**	**3 months ended 30.06.2014**
	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

Dalal & Shah Chartered Accountants FRN 102021W Pune

Notes :

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 16 July 2014.
2. Figures for the previous period have been regrouped, wherever necessary, to make them comparable with the current period.
3. Consequent to the relevant provisions of the Companies Act, 2013 (the Act) being applicable for all financial years commencing on or after April 1, 2014, the Company has recomputed depreciation with reference to the life of assets specified in and in the manner prescribed in Schedule II to the Act. Accordingly, the Company has depreciated the carrying value of assets equally over the revised residual life of the assets as against the past practice of providing depreciation on written down value basis at the rates sepcified in the erstwhile Schedule XIV of the Companies Act, 1956. This change does not have a material impact on the profit for the quarter.
4. The Company continues to strengthen its provisioning norms beyond the RBI regulations to earlier stages of delinquencies.
5. 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.
6. The Company has designated an exclusive e-mail ID viz. investor.service@bajajfinserv.in for investor grievance redressal.

By order of the Board of Directors
For Bajaj Finance Limited

Pune
16 July 2014

Rahul Bajaj
Chairman

BAJAJ FINANCE LTD.

Dalal & Shah
Chartered Accountants
FRN 102021W
Pune

Bajaj Finance Limited

Corporate Office: 4th Floor, Bajaj Finserv Corporate Office, Off Pune-Ahmednagar Road, Viman Nagar, Pune 411014.
Registered Office: Mumbai - Pune Road, Akurdi, Pune - 411 035, Maharashtra, India

Tel: +91 20 30405060
Fax: +91 20 30405020
Corporate ID No.: L65910MH1987PLC042961

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To
The Board of Directors
Bajaj Finance Limited
Mumbai – Pune Road
Akurdi
Pune - 41135

1. We have reviewed the results of Bajaj Finance Limited (the "Company") for the quarter ended June 30, 2014 which are included in the accompanying 'Unaudited financial results for the quarter ended 30 June 2014' (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This 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 financial statements are 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. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.

5. 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 notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Anish Amin
Partner
Membership Number 40451

Place: Pune
Date: July 16, 2014

BAJAJ FINSERV

PRESS RELEASE

Bajaj Finance Limited Results - 1st Quarter FY 14-15

Bajaj Finance reports AUM of ₹26,943 crores and a quarterly profit after tax of ₹211 crores - A growth of 20% 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 1st quarter ended 30 June 2014.

Performance Highlights-Q1

- **Total income** for Q1 FY15 ↑ 34% to ₹1,246 Crores from ₹932 Crores in Q1 FY14.
- **Profit before tax for** Q1 FY15 ↑ 20% to ₹321 Crores from ₹267 Crores in Q1 FY14
- **Profit after tax** for Q1 FY15 ↑ 20% to ₹211 Crores from ₹176 Crores in Q1 FY14.
- **Customers** acquired during Q1 FY15 ↑ 29% to 12,52,294 from 9,69,447 in Q1 FY14.
- **Deployments** during Q1 FY15 ↑ 48% to ₹9,266 Crores from ₹6,250 Crores in Q1 FY14.
- **Loan losses and provisions** for Q1 FY15 ↑ 30% to₹83 Crores as against ₹64 Crores in Q1 FY14.
- **Gross NPA and Net NPA** for Q1 FY15 stood at 1.13% and 0.27% respectively. The provisioning coverage ratio stood at 76% as of 30 June 2014. The Company continues to provide for loan losses in excess of RBI requirements.
- **Capital adequacy ratio** (including Tier-II capital) stood at 18%. The Company continues to be well capitalized to support its growth trajectory.

Key financial figures

(₹ Crores)

Particulars	Q1'15	Q1'14	QoQ	FY 13-14
Customers acquired (nos in '000)	1,252	969	29%	3,389
Assets under Management	26,943	19,229	40%	24,061
Receivables under financing activity	25,642	18,506	39%	22,971
Interest and fee income	1,246	932	34%	4,073
Interest Expenses	499	331	51%	1,573
Net Interest Income (NII)	747	601	24%	2,500
Operating Expenses	343	270	27%	1,151
Loan Losses & Provisions	83	64	30%	258
Profit before tax	321	267	20%	1,091
Profit after tax	211	176	20%	719

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(₹ Crores)

Deployments	Q1'15	Q1'14	QoQ	FY 13-14
Consumer	5,052	3,413	48%	13,360
SME	3,279	2,130	54%	9,907
Commercial	885	707	25%	2,680
Rural	50	0		77
Total deployments	9,266	6,250	48%	26,024

(₹ Crores)

Assets Under Management (AUM)	Q1'15	Q1'14	QoQ	FY 13-14
Consumer	10,732	8,002	34%	9,328
SME	14,355	9,371	53%	12,850
Commercial	1,780	1,856	-4%	1,833
Rural	76	0		50
Total AUM	26,943	19,229	40%	24,061

Leveraging on its success of Digital Salaried personal loans, the Company during the quarter launched India's first Digital Business Loans for SME customers. It has disbursed ₹4 crores in the first 2 months of its launch.

The Company during the quarter also launched a first of its kind individual counselling tool for customers viz Financial Fitness Report. During the quarter 3,300 customers have availed of this unique facility.

The Company has been ranked as the 3rd Best Financial Services company to work in India for a second year in a row by 'Great Places to Work'-GPTW. The Company has moved up significantly from being the 43rd Best Company to Work for in India to the 23rd Best Company to Work for in India in 2014.

For Bajaj Finance Limited

Rajeev Jain
Chief Executive Officer

Pune
16 July 2014