

BAJAJ FINANCE LIMITED

SEC/BM/2017/596

16 October 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

Dear Sir / Madam,

Sub: Outcome of Meeting of Board of Directors

In terms of the provisions of Regulation 30 (read with Part A of Schedule III) and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of the Company, at its meeting held today, approved the unaudited standalone financial results of the Company for the quarter and half year ended 30 September 2017.

Copy of the said financial results (annexure 1), limited review report (annexure 2) and press release (annexure 3) in this respect are enclosed.

The meeting commenced at 11.00 a.m. and concluded at 1.15 p.m.

Thanking you,

Yours faithfully,
For **BAJAJ FINANCE LIMITED**


ANANT DAMLE
COMPANY SECRETARY

Encl.: As above

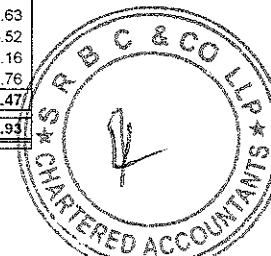
BAJAJ FINANCE LIMITED

Bajaj Finance Limited						
Statement of standalone unaudited financial results for the quarter and half year ended 30 September 2017						
Particulars	Quarter ended			Half year ended		(₹ In Crore)
	30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
1 Revenue						
(a) Revenue from operations	3,086.24	3,112.33	2,335.50	6,198.57	4,612.13	9,963.06
(b) Other income	16.09	14.04	5.58	30.13	7.19	25.95
Total revenue	3,102.33	3,126.37	2,341.08	6,228.70	4,619.32	9,989.01
2 Expenditure						
(a) Employee benefits expense	336.18	308.19	212.99	644.37	414.78	931.67
(b) Finance costs	1,143.78	1,077.95	956.16	2,221.73	1,839.47	3,803.37
(c) Depreciation and amortisation	24.07	21.88	17.75	45.95	33.73	71.16
(d) Loan losses and provisions	227.82	281.65	165.44	509.47	341.61	803.89
(e) Other expenses	514.97	511.27	362.44	1,026.24	711.90	1,561.40
Total expenditure	2,246.82	2,200.94	1,714.78	4,447.76	3,341.49	7,171.49
3 Profit before tax (1-2)	855.51	925.43	626.30	1,780.94	1,277.83	2,817.52
4 Tax expense						
(a) Current tax	345.15	331.50	238.50	676.65	492.00	1,070.00
(b) Deferred tax expense/(credit)	(46.54)	(8.11)	(19.96)	(54.65)	(45.92)	(89.03)
Total tax expense	298.61	323.39	218.54	622.00	446.08	980.97
5 Profit after tax (3-4)	556.90	602.04	407.76	1,158.94	831.75	1,836.55
6 Paid-up equity share capital (Face value of ₹2)	114.95	109.52	107.37	114.95	107.37	109.37
7 Reserves excluding revaluation reserves						9,490.94
8 Earnings per share (not annualised)						
Basic (₹)	10.06	11.00	7.60	21.06	15.51	34.01
Diluted (₹)	9.96	10.97	7.45	20.84	15.21	33.67

Notes:

- Disclosure of standalone assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended 30 September 2017 -

(₹ In Crore)				
Particulars	As at 30.09.2017 (Unaudited)	As at 30.09.2016 (Unaudited)	As at 31.03.2017 (Audited)	
A Equity and liabilities				
1 Shareholders' funds				
(a) Share capital	114.95	107.37	109.37	
(b) Reserves and surplus	14,909.47	8,070.41	9,490.94	
(c) Money received against share warrants	-	102.03	-	
Sub-total - Shareholders' funds	15,024.42	8,279.81	9,600.31	
2 Non-current liabilities				
(a) Long-term borrowings	38,973.50	29,371.42	33,115.96	
(b) Other long-term liabilities	468.53	499.47	484.87	
(c) Long-term provisions	361.35	304.71	362.21	
Sub-total - Non-current liabilities	39,803.38	30,175.60	33,963.04	
3 Current liabilities				
(a) Short-term borrowings	5,765.42	7,203.34	8,922.42	
(b) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	-	-	0.18	
- Total outstanding dues to creditors other than micro enterprises and small enterprises	457.10	352.99	308.86	
(c) Other current liabilities - Current maturities of long-term borrowings	8,152.35	6,552.72	7,211.27	
(d) Other current liabilities - Others	4,962.20	1,697.41	2,790.12	
(e) Short-term provisions	977.84	776.54	932.73	
Sub-total - Current liabilities	20,314.91	16,583.00	20,165.58	
Total - Equity and liabilities	75,142.71	55,038.41	63,728.93	
B Assets				
1 Non-current assets				
(a) Fixed Assets				
- Tangible assets	287.70	254.44	285.90	
- Intangible assets	83.52	45.50	75.23	
(b) Non-current investments	1,077.42	983.19	1,090.30	
(c) Deferred tax assets (net)	423.72	325.96	369.07	
(d) Receivables under financing activity	38,364.31	28,914.79	32,026.10	
(e) Long-term loans and advances	81.16	83.31	59.86	
Sub-total - Non-current assets	40,317.83	30,607.19	33,908.46	
2 Current assets				
(a) Current investments	2,023.36	1,793.08	2,984.40	
(b) Receivables under financing activity	31,083.42	21,741.28	25,654.63	
(c) Cash and bank balances	562.25	392.07	356.52	
(d) Short-term loans and advances	577.55	251.52	501.16	
(e) Other current assets	568.30	253.27	323.76	
Sub-total - Current assets	34,824.88	24,431.22	29,820.47	
Total - Assets	75,142.71	55,038.41	63,728.93	



BAJAJ FINANCE LIMITED

2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 16 October 2017 and have been subjected to a limited review by the Statutory Auditors.
3. Figures for the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.
4. 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.
5. 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 2017-18.
6. 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.
7. During the quarter, on 8 August 2017, the Company entered into an agreement with One Mobikwik Systems Private Limited ("Mobikwik") and has invested an amount of approximately ₹ 225 crore in the equity shares and cumulative compulsorily convertible preference shares of Mobikwik.
8. During the quarter, on 12 September 2017, the Company through Qualified Institutions Placement (QIP) allotted 2,66,27,218 equity shares to the eligible Qualified Institutional Buyers (QIB) at a price of ₹ 1,690 per equity share of ₹ 2 face value (inclusive of premium of ₹ 1,688 per share) aggregating to approximately ₹ 4,500 crore. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Funds received in the QIP of equity shares have been utilized for the purpose mentioned in the objects of the issue in the offer document.
9. 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

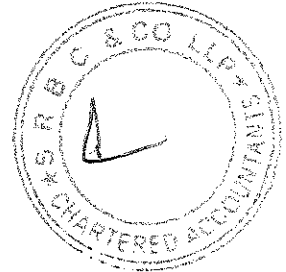
Rohit Bajaj
Chairman

Pune
16 October 2017

CIN : L65910MH1987PLC042961

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

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Limited Review Report

**Review Report to
The Board of Directors
Bajaj Finance Limited
Pune**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Bajaj Finance Limited (the "Company") for the quarter and six months ended September 30, 2017 (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. 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 Engagements (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. 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.
3. The comparative financial information of the Company for the immediately preceding quarter ended June 30, 2017, corresponding quarter and half year ended September 30, 2016 were reviewed by the predecessor auditor and the financial statements of the Company for the year ended March 31, 2017, were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on May 17, 2017.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP
ICAI Firm registration number: 324982E/E300003
Chartered Accountants


per Arvind Sethi
Partner
Membership No.:089802

Pune
October 16, 2017

BAJAJ FINANCE LIMITED

PRESS RELEASE

Bajaj Finance Limited financial results – 2nd quarter FY18

Bajaj Finance reports Assets Under Management (AUM) of ₹ 72,139 crore and quarterly profit after tax of ₹ 557 crore - A growth of 37% 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 30 September 2017.

Performance Highlights

- **New loans booked** during Q2 FY18 ↑ 48% to 3,231,078 from 2,176,798 in Q2 FY17.
- **Assets under Management (AUM)** as of 30 Sep 2017 ↑ 38% to ₹ 72,139 crore from ₹ 52,332 crore as of 30 Sep 2016.
- **Customer franchise** as of 30 Sep 2017 ↑ 28% to 22.99 million from 18.0 million as of 30 Sep 2016.
- **Total income** for Q2 FY18 ↑ 33% to ₹ 3,102 crore from ₹ 2,341 crore in Q2 FY17.
- **Profit after tax** for Q2 FY18 ↑ 37% to ₹ 557 crore from ₹ 408 crore in Q2 FY17.
- **Loan losses and provisions** for Q2 FY18 were ₹ 228 crore as against ₹ 165 crore in Q2 FY17.
- **Gross NPA and Net NPA** as of 30 Sep 2017 stood at 1.68% and 0.51% respectively. The provisioning coverage ratio stood at 70% as of 30 Sep 2017. The Company continues to provide for loan losses in excess of RBI requirements.

As required by RBI guidelines, the Company has moved its NPA recognition policy from 4 months overdue to 3 months overdue in this financial year. The comparable Gross and Net NPA on 4 months overdue stood at 1.44% and 0.40% respectively as against 1.58% and 0.43% respectively as of 30 September 2016.

- **Capital adequacy ratio** (including Tier-II capital) as of 30 Sep 2017 stood at 25.42%. The Tier-I capital stood at 19.86%. During the quarter, the Company has raised ₹ 4,500 crore of equity capital through Qualified Institutions Placement (QIP).

BAJAJ FINANCE LIMITED

Key financial figures

							(₹ crore)
Particulars	Q2'18	Q2'17	QoQ	H1'18	H1'17	HoH	FY17
New loans booked (No. in '000)	3,231	2,177	48%	7,002	4,717	48%	10,093
Assets under Management	72,139	52,332	38%	72,139	52,332	38%	60,194
Receivables under financing activity	68,614	49,981	37%	68,614	49,981	37%	56,832
Total Income	3,102	2,341	33%	6,229	4,619	35%	9,989
Interest Expenses	1,144	956	20%	2,222	1,839	21%	3,803
Net interest income (NII)	1,958	1,385	41%	4,007	2,780	44%	6,186
Operating Expenses	874	594	47%	1,717	1,160	48%	2,564
Loan Losses & Provisions	228	165	38%	509	342	49%	804
Profit before tax	856	626	37%	1,781	1,278	39%	2,818
Profit after tax	557	408	37%	1,159	832	39%	1,837

					(₹ crore)
Assets Under Management (AUM)	Q2'18	Q2'17	QoQ	FY17	
Consumer Lending	33,815	23,892	42%	27,159	
SME Lending	24,113	20,369	18%	22,082	
Commercial Lending	9,589	6,123	57%	7,881	
Rural Lending	4,622	1,948	137%	3,072	
Total AUM	72,139	52,332	38%	60,194	

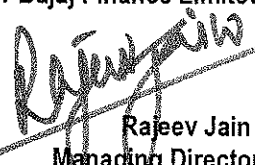
* Includes short term IPO financing book of ₹ 500 crore - adjusted for this the AUM growth of commercial business is 48%.

Adjusted for short term IPO financing book of ₹ 500 crore, total AUM growth is 37%.

- Deposit book stood at ₹ 5,517 crore as of 30 Sep 2017 – at 10% of BFL's overall borrowings book.
- The Company through Qualified Institutions Placement (QIP), on 12 September 2017, has allotted 2,66,27,218 equity shares to the eligible Qualified Institutional Buyers (QIB) at a price of ₹ 1,690 per equity share of ₹ 2 face value (inclusive of premium of ₹ 1,688 per share) aggregating to ₹ 4,500 crore.
- The Company has entered into an agreement with One Mobikwik Systems Private Limited ("Mobikwik"), on 8 August 2017, and has invested an amount of ₹ 225 crore in the equity shares and cumulative compulsorily convertible preference shares of Mobikwik.

Pune
16th Oct 2017

For Bajaj Finance Limited


Rajeev Jain
Managing Director