

BAJAJ FINANCE LIMITED

SEC/2016/621

27 October 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

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,

- Approved the unaudited standalone financial results of the Company for the quarter and half year ended 30 September 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.
- Approved a proposal to seek approval of shareholders by postal ballot for raising of funds by issue of non-convertible debentures or such other securities as a part of the proposed increase in overall borrowing limits of the Board, pursuant to Section 180(1)(c) of the Companies Act, 2013, from ₹ 50,000 crore to ₹ 75,000 crore.

If so approved by the shareholders, the non-convertible debentures will be issued on terms including, rate of interest, tenor, security etc. as per the letter of offer(s) / information memorandum(s) as may be issued from time to time.

The meeting commenced at 12 noon and concluded at 1.45 p.m.

Thanking you,

Yours faithfully,
For **BAJAJ FINANCE LIMITED**


ANANT DAMLE
COMPANY SECRETARY



Encl.: As above

BAJAJ FINANCE LIMITED

Annexure 1

Bajaj Finance Limited						
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2016						
(₹ in Crore)						
Statement of Standalone Unaudited Results for the Quarter and Half Year ended 30 September 2016						
Particulars	Quarter ended 30.09.2016 (Unaudited)	Quarter ended 30.06.2016 (Unaudited)	Quarter ended 30.09.2015 (Unaudited)	Half Year ended 30.09.2016 (Unaudited)	Half Year ended 30.09.2015 (Unaudited)	Year ended 31.03.2016 (Audited)
1 Income from operations						
(a) Income from operations	2180.20	2165.91	1592.09	4346.11	3163.73	6951.22
(b) Other operating income	166.81	120.49	87.84	287.30	162.41	353.09
Total Income from operations (net)	2347.01	2286.40	1679.93	4633.41	3326.14	7304.31
2 Expenses						
a) Employee benefits expense	212.99	201.79	149.84	414.78	294.43	629.63
b) Loan losses and provisions	169.10	179.71	136.84	348.81	240.13	542.85
c) Marketing and other commissions	99.12	109.57	82.68	208.69	171.25	385.83
d) Recovery costs	71.55	68.29	55.93	139.84	111.36	233.15
e) Depreciation and amortisation expense	17.75	15.98	12.61	33.73	24.11	56.34
f) Other expenses	213.01	190.88	140.04	403.89	293.01	644.25
Total expenses	783.52	766.22	577.94	1549.74	1134.29	2492.05
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1563.49	1520.18	1101.99	3083.67	2191.85	4812.26
4 Other income	18.97	14.66	20.64	33.63	30.27	79.17
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	1582.46	1534.84	1122.63	3117.30	2222.12	4891.43
6 Finance costs	956.16	883.31	694.67	1839.47	1371.73	2926.86
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	626.30	651.53	427.96	1277.83	850.39	1964.57
8 Exceptional Items	-	-	-	-	-	-
9 Profit / (Loss) from ordinary activities before tax (7 ± 8)	626.30	651.53	427.96	1277.83	850.39	1964.57
10 Tax expenses	218.54	227.54	148.57	446.08	295.37	686.05
11 Net Profit / (Loss) from ordinary activities after tax (9 - 10)	407.76	423.99	279.39	831.75	555.02	1278.52
12 Paid-up equity share capital (Face Value : ₹ 2/- per share) (See Note no.7)	107.74	53.87	53.63	107.74	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 (₹)	7.60	7.91	5.24	15.51	10.66	24.23
Diluted (₹)	7.45	7.78	5.17	15.21	10.53	23.88

Page 1 of 2



BAJAJ FINANCE LIMITED

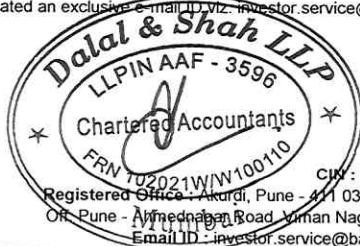
Notes:

1. Standalone statement of Assets and Liabilities as at 30 September 2016

(₹ in Crore)			
Particulars	As at (Current Half Year end) 30.09.2016	As at (Previous Half Year end) 30.09.2015	As at (Previous Year end) 31.03.2016
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	107.74	53.63	53.87
Less: Equity shares of ₹2 each held in a Trust for employees under ESOP scheme	0.37	0.19	0.32
(b) Reserves and surplus	8093.03	6716.34	7315.93
Less: Premium on unexercised equity shares held in trust for employees under ESOP scheme	22.62	17.50	44.87
(c) Money received against share warrants	102.03	102.03	102.03
Sub-total - Shareholders' funds	8279.81	6854.31	7426.64
2 Non-current liabilities			
(a) Long-term borrowings	29371.42	21194.72	25286.97
(b) Other long-term liabilities	499.47	288.79	447.40
(c) Long-term provisions	274.55	175.53	242.94
Sub-total- Non-current liabilities	30145.44	21659.04	25977.31
3 Current liabilities			
(a) Short-term borrowings	7203.34	4560.59	5638.49
(b) Trade payables	482.04	327.85	300.91
(c) Other current liabilities - Current Maturities of long-term borrowings	6552.72	4295.46	6099.24
(d) Other current liabilities - Others	1559.83	852.55	888.65
(e) Short-term provisions	131.78	110.34	125.28
Sub-total-Current liabilities	15929.71	10146.79	13052.57
TOTAL - EQUITY AND LIABILITIES	54354.96	38660.14	46456.52
B ASSETS			
1 Non-current assets			
(a) Fixed Assets	299.94	252.68	287.00
(b) Non-current investments	983.19	236.32	485.15
(c) Deferred tax assets (net)	325.96	260.41	280.04
(d) Receivables under financing activity	28914.79	21449.04	24778.55
(e) Long-term loans and advances	83.31	88.22	99.79
Sub-total- Non-current assets	30607.19	22286.67	25930.53
2 Current assets			
(a) Current investments	1793.08	487.53	548.92
(b) Receivables under financing activity	21066.36	15066.38	17977.21
(c) Cash and cash equivalents	392.07	158.02	1329.15
(d) Short-term loans and advances	245.11	309.28	458.89
(e) Other current assets	251.15	352.26	211.82
Sub-total- Current assets	23747.77	16373.47	20525.99
TOTAL - ASSETS	54354.96	38660.14	46456.52

- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 27 October 2016 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 2016-17.
- 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 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.
- 8 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.
- 9 The Company has designated an exclusive e-mail ID viz. investor.service@bajajfinserv.in for investor grievance redressal.

Pune
27 October 2016



By order of the Board of Directors
For Bajaj Finance Limited

Rahul Bajaj
Chairman

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

Page 2 of 2

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 and half year ended September 30, 2016 which are included in the accompanying Statement of ‘Standalone Unaudited Results for the Quarter and Half Year Ended 30 September 2016’ and the statement of assets and liabilities as on that date (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: October 27, 2016

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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 - 2nd Quarter FY16-17

Bajaj Finance reports Assets under Management (AUM) of ₹ 52,332 crore - a growth of 38% and profit after tax of ₹ 408 crore - a growth of 46% 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 2016.

Performance Highlights

- New loans booked during Q2 FY17 ↑ 56% to 21,76,798 from 13,93,309 in Q2 FY16.
- Total income for Q2 FY17 ↑ 39% to ₹ 2,366 crore from ₹ 1,701 crore in Q2 FY16.
- Profit after tax for Q2 FY17 ↑ 46% to ₹ 408 crore from ₹ 279 crore in Q2 FY16.
- Assets under Management (AUM) as of 30 Sep 2016 ↑ 38% to ₹ 52,332 crore from ₹ 37,964 crore as of 30 Sep 2015.
- Customer franchise as of 30 Sep 2016 ↑ 26% to 18.0 million from 14.3 million as of 30 Sep 2015. During the quarter, the Company acquired 0.8 million new customers.
- Gross NPA and Net NPA as of 30 Sep 2016 stood at 1.58% and 0.43% respectively. The provisioning coverage ratio stood at 73% as of 30 Sep 2016. The Company follows NPA recognition policy of 120 days overdue as required by RBI guidelines.
- Loan losses and provisions for Q2 FY17 ↑ 23% to ₹ 169 crore as against ₹ 137 crore in Q2 FY16.
- Capital adequacy ratio (including Tier-II capital) as of 30 Sep 2016 stood at 21.48%. The Tier-I capital stood at 14.97%. During the quarter, the company raised ₹ 1,955 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	Q2'17	Q2'16	QoQ	H1'17	H1'16	HoH	FY 15-16
New loans booked (No. in '000)	2,177	1,393	56%	4,717	3,112	52%	6,835
Assets under Management	52,332	37,964	38%	52,332	37,964	38%	44,229
Receivables under financing activity	49,981	36,515	37%	49,981	36,515	37%	42,756
Interest and fee income	2,366	1,701	39%	4,667	3,356	39%	7,384
Interest Expenses	956	695	38%	1,839	1,372	34%	2,927
Net Interest Income (NII)	1,410	1,006	40%	2,828	1,984	43%	4,457
Operating Expenses	615	441	39%	1,201	894	34%	1,949
Loan Losses & Provisions	169	137	23%	349	240	45%	543
Profit before tax	626	428	46%	1,278	850	50%	1,965
Profit after tax	408	279	46%	832	555	50%	1,279

(₹ crore)

Assets Under Management (AUM)	Q2'17	Q2'16	QoQ	FY 15-16
Consumer	23,892	15,691	52%	18,996
SME	20,369	17,820	14%	18,692
Commercial	6,123	3,792	61%	5,202
Rural	1,948	661	195%	1,339
Total AUM	52,332	37,964	38%	44,229

- The Company increased its Authorised share capital from ₹ 75 crore to ₹ 150 crore. The Company sub-divided equity shares of face value of ₹ 10 each to ₹ 2 each and issued one fully paid bonus equity share of the face value of ₹ 2 each against one equity share of the face value of ₹ 2 each.
- CRISIL in its letter dated 6 October 2016, has upgraded its rating on Bajaj Finance Limited's Long Term Debt Programme and Bank Facilities to 'CRISIL AAA/Stable' from 'CRISIL AA+/Positive'.

Pune
27 Oct 2016



For Bajaj Finance Limited

Rajeev Jain
Rajeev Jain
Managing Director