



**Bajaj Finance Limited**

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Overview and Competitive Strengths



Business Strategy



Financial Information



Annexures



## Overview and Competitive Strengths



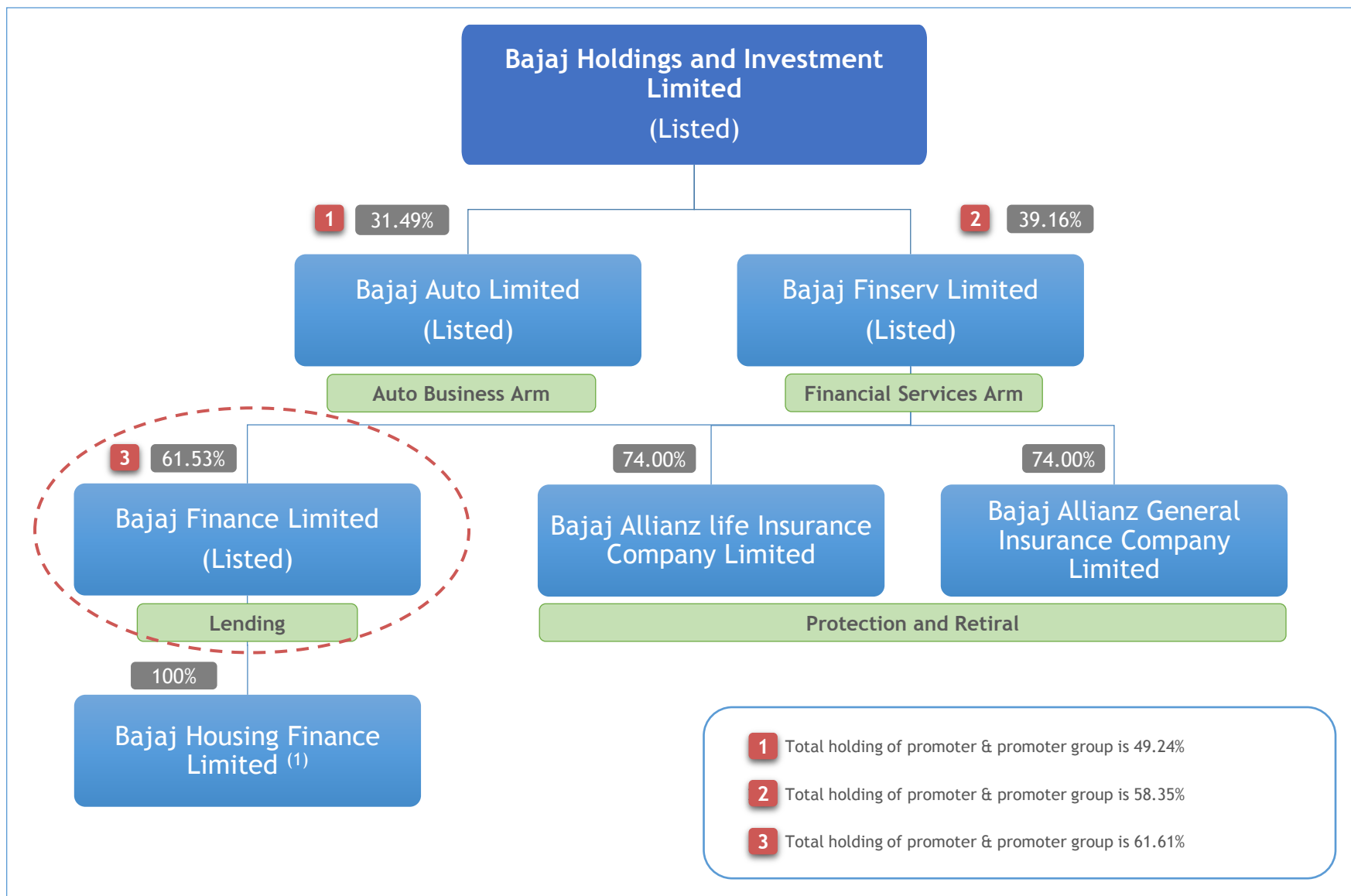
## Business Strategy



## Financial Information
















## Annexures



Above shareholding is as of March 31, 2015

Note: 1. W.e.f Nov 2014. It has a 100% subsidiary named Bajaj Financial Securities Limited which does not have any operations







 <b>Shri Rahul Bajaj</b> <i>Chairman</i>	<ul style="list-style-type: none"> <li>• He has been the Chief Executive Officer of erstwhile Bajaj Auto Limited and was awarded the 'Padma Bhushan' by the President of India in March 2001</li> <li>• He has 46 years of experience, among others, in auto and financial services</li> </ul>
 <b>Nanoo Pamnani</b> <i>Vice Chairman and Independent Director</i>	<ul style="list-style-type: none"> <li>• He has 40 years of experience in the banking, auto and financial services sector</li> <li>• He has held several senior level positions in Citibank</li> </ul>
 <b>Sanjiv Bajaj</b> <i>Vice Chairman</i>	<ul style="list-style-type: none"> <li>• Took charge as MD of Bajaj Finserv Limited in 2008</li> <li>• Has several years of experience in areas in business strategy, marketing, finance, investment, audit, legal, and IT related functions and in the auto and financial services sectors</li> <li>• Won the EY Entrepreneur of the Year 2014: Financial Services Award</li> </ul>
 <b>Rajeev Jain</b> <i>Managing Director</i>	<ul style="list-style-type: none"> <li>• Appointed as Managing Director until March 31, 2020. 22 years of experience in consumer lending industry</li> <li>• In his previous assignments, he has worked with GE, American Express and AIG. He has vast experience of managing diverse consumer lending businesses viz. auto loans, durables loans, personal loans and credit cards</li> </ul>
 <b>Madhur Bajaj</b> <i>Director</i>	<ul style="list-style-type: none"> <li>• Recipient of the 'Vikas Rattan' Award from the International Friendship Society of India, for enriching human life and outstanding achievements</li> <li>• He has 29 years of experience inter alia in auto, consumer durables and financial services sector</li> </ul>
 <b>Rajiv Bajaj</b> <i>Director</i>	<ul style="list-style-type: none"> <li>• He has worked at the erstwhile Bajaj Auto Limited in several areas and has been the MD of Bajaj Auto Limited since April 2005</li> <li>• He has more than 24 years of experience in auto and financial services sector</li> </ul>







 <b>D.S. Mehta</b> <i>Independent Director</i>	<ul style="list-style-type: none"> <li>• A fellow member of both the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India</li> <li>• He has been associated with the Bajaj Group of companies since 1966 and has more than 50 years experience in corporate law, taxation, finance and investment</li> </ul>
 <b>D.J. Balaji Rao</b> <i>Independent Director</i>	<ul style="list-style-type: none"> <li>• 52 years of experience in project and industrial engineering, banking and financial services sector</li> </ul>
 <b>Omkar Goswami</b> <i>Independent Director</i>	<ul style="list-style-type: none"> <li>• Holds a master's degree in Arts (Economics) from the Delhi School of Economics and a Doctorate in Philosophy from Oxford University.</li> <li>• He has 27 years of experience inter alia in Corporate Sector</li> </ul>
 <b>Dipak Poddar</b> <i>Independent Director</i>	<ul style="list-style-type: none"> <li>• He was the Managing Director of Bajaj Finance from April 1987 to March 2008</li> </ul>
 <b>Ranjan Sanghi</b> <i>Independent Director</i>	<ul style="list-style-type: none"> <li>• He has been associated with the Company since its incorporation</li> <li>• He has 47 years of experience, inter alia, in finance, marketing and automobiles</li> </ul>
 <b>Rajendra Lakhota</b> <i>Independent Director</i>	<ul style="list-style-type: none"> <li>• He has 42 years of experience inter alia in automobiles and tourism sector</li> <li>• He has been associated with the Company since its incorporation</li> </ul>
 <b>Dr Gita Piramal</b> <i>Independent Director</i>	<ul style="list-style-type: none"> <li>• Holds a master's degree in Arts (History) and a doctorate degree in Philosophy (Business) from the University of Mumbai</li> <li>• She is associated with several trade and industry organisations, non-profit organisations and educational institutions</li> </ul>

**Accomplished and stable board**



# Key Senior Management Team

 <b>Rajeev Jain</b> <i>Managing Director</i>	<ul style="list-style-type: none"> <li>Appointed as Managing Director until March 31, 2020</li> <li>22 years of experience in consumer lending industry</li> <li>In his previous assignments, he has worked with GE, American Express and AIG. He has vast experience of managing diverse consumer lending businesses viz. auto loans, durables loans, personal loans and credit cards</li> </ul>
 <b>Rakesh Bhatt</b> <i>Chief Operating Officer</i>	<ul style="list-style-type: none"> <li>Responsible for Technology, Operations, Customer Experience and Quality. Joined Bajaj Finance from AIG where he was the Vice President and Head of Technology</li> <li>Over 20 years experience, he has held leadership positions at GE Money, Reliance Industries and 3i Infotech</li> </ul>
 <b>Devang Mody</b> <i>President Consumer Business</i>	<ul style="list-style-type: none"> <li>Responsible for the Consumer Lending vertical except for that includes Consumer Durables, Digital Products and Lifestyle Finance, Cross Sell, Credit Cards and Salaried Personal Loans and Salaried Home Loans. Earlier with AIG, GE Money, E&amp;Y</li> </ul>
 <b>Abhishek Jain</b> <i>President - Commercial Lending</i>	<ul style="list-style-type: none"> <li>Strong experience in the Commercial Banking Space and has managed large client relationships, sales teams. Earlier with Standard Chartered, ABN Amro Bank</li> </ul>
 <b>Rajesh Viswanathan</b> <i>Chief Financial Officer</i>	<ul style="list-style-type: none"> <li>Joined Bajaj Finance from Bajaj Allianz Life Insurance where he was the CFO for 8 years</li> <li>Has varied experience having working previously with KPMG in the Middle East in their Bahrain Assurance practice and prior to that in DSP Merrill Lynch and Mahindra and Mahindra in India</li> </ul>
 <b>Pankaj Thadani</b> <i>Chief Compliance Officer</i>	<ul style="list-style-type: none"> <li>Over 28 years of experience, earlier CFO of Bajaj Finance</li> <li>Joined Bajaj Finance from Corporate Database - an equity research firm. Prior to that, he worked in Bajaj Auto Ltd, Eicher and Mico Bosch in leadership roles</li> </ul>

 <b>Bharath Vasudevan</b> <i>Chief Risk Officer</i>	<ul style="list-style-type: none"> <li>Chief Risk Officer and also heads the Horizontal Center of Excellence for Analytics</li> </ul>
 <b>Diwakar Pundir</b> <i>Chief Commercial Credit</i>	<ul style="list-style-type: none"> <li>Responsible for managing the underwriting framework across all non-retail businesses</li> <li>Earlier worked with Citigroup, ICICI, Tata Steel</li> </ul>
 <b>Atul Jain</b> <i>Chief Collections Officer</i>	<ul style="list-style-type: none"> <li>Manages the collections vertical in Bajaj Finance</li> <li>Key driver in the collections vertical for the last 5 years</li> </ul>
 <b>Deepak Bagati</b> <i>Business Head - Business Loans</i>	<ul style="list-style-type: none"> <li>Responsible for managing and growing the unsecured line of business for the firm</li> <li>Earlier with Yes Bank, HDFC Bank, ONICRA, Mahindra and Mahindra and Modi Xerox</li> </ul>
 <b>Ashish Sapra</b> <i>Senior Vice President - Relationship Mgmt.</i>	<ul style="list-style-type: none"> <li>Leads the cross sell business</li> <li>Earlier with American Express, HSBC</li> </ul>
 <b>Deepak Reddy</b> <i>Vice President - Mortgages and Loan Against Shares</i>	<ul style="list-style-type: none"> <li>Responsible for the mortgages business and the Loan Against Shares portfolio</li> <li>Earlier with American Express, Standard Chartered</li> </ul>

Over 30 member deep management team structure

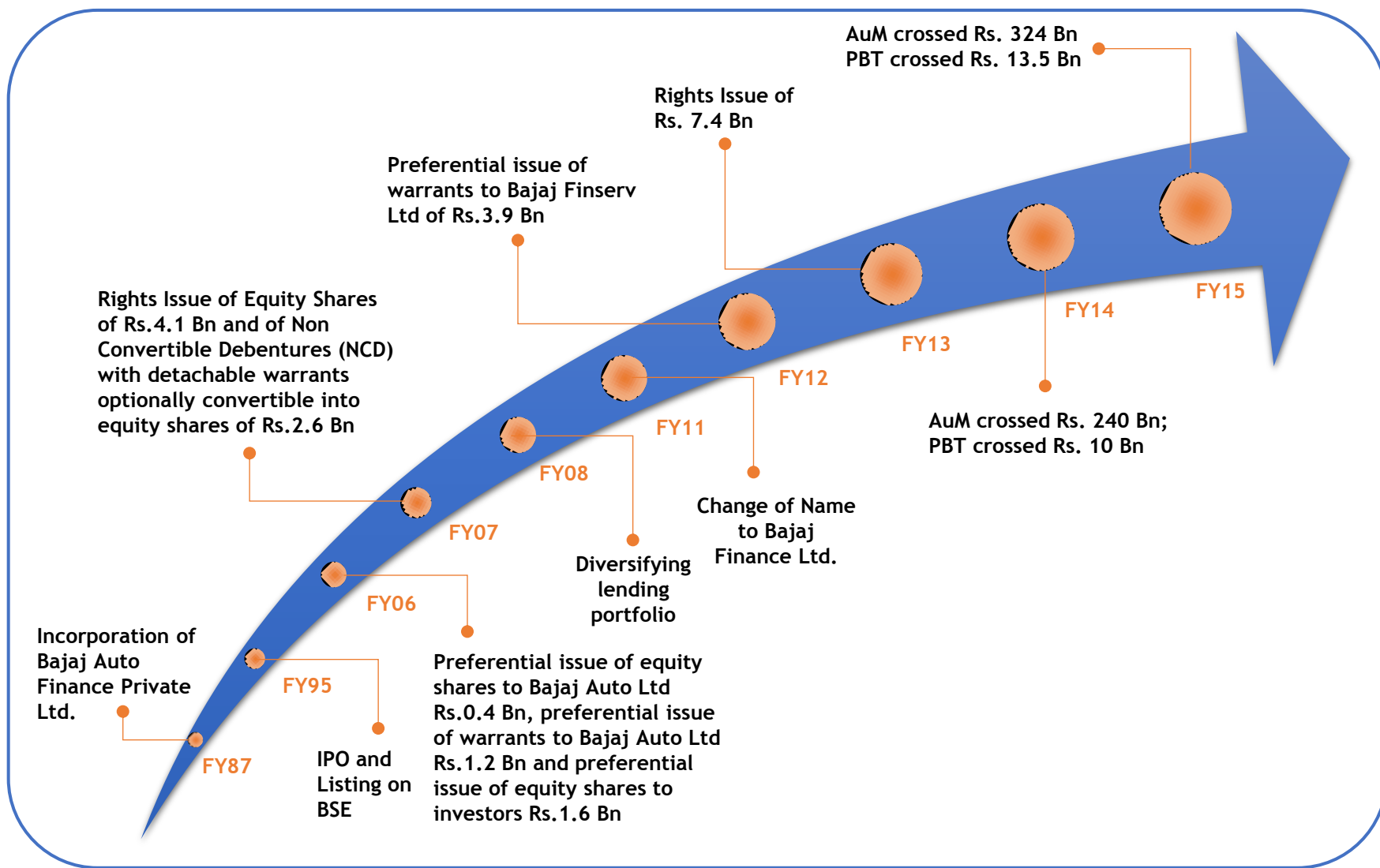
# Executive Summary of Strengths

Strong Brand and Promoters	<ul style="list-style-type: none"> <li>Promoted by erstwhile Bajaj Auto Ltd. Post the de-merger of Bajaj Auto Ltd, the shareholding in the Company was vested with Bajaj Finserv Ltd</li> <li>One of the most well-known and respected brands in India</li> </ul>
Diversified lending business model	<ul style="list-style-type: none"> <li>Diversified product lines with emphasis on cross sell</li> <li>Profitable mix of consumer, SME, commercial, rural lending and fee based product distribution</li> <li>Mix of secured and unsecured assets</li> </ul>
Strong distribution reach	<ul style="list-style-type: none"> <li>161 consumer lending branches spread across India</li> <li>232 location presence in Rural lending business through branch &amp; ASSC<sup>(1)</sup> model</li> <li>Financing through more than 10,500 stores across consumer durable, Digital &amp; Lifestyle products financing businesses</li> <li>Financing through more than 3,000 2W-3W Dealer/ASCs<sup>(2)</sup>/Sub-dealers in 2W-3W financing business</li> </ul>
Robust Financial Performance	<ul style="list-style-type: none"> <li>FY11-15 AUM CAGR of 44%</li> <li>FY11-15 PAT CAGR of 38%</li> <li>FY15 RoAE<sup>(3)</sup> and RoAA<sup>(4)</sup> of 20.4% and 3.3% respectively</li> </ul>
Experienced & deep senior management structure	<ul style="list-style-type: none"> <li>Senior management team members from leading BFSI firms</li> <li>Management structure allows scalability</li> </ul>
High technology orientation and robust risk management	<ul style="list-style-type: none"> <li>Focus on technology and analytics for improving productivity and customer service</li> <li>Contemporary loan origination system, strict monitoring framework and systems to ensure high standards of on-boarding, credit quality and portfolio performance</li> </ul>
Strong Credit Rating	<ul style="list-style-type: none"> <li>Strong credit ratings enabling the Company to borrow funds at highly competitive rates</li> <li>Credit rating of AA+/Stable by CRISIL and AA+(Stable) by ICRA for Long term NCD program, Lower Tier II bonds and A1+ by CRISIL and ICRA for short term debt program. Fixed deposits are rated as FAAA/Stable by CRISIL and MAAA/Stable by ICRA. Cash credit/working capital demand loan and long term bank facilities are rated AA+/Stable by CRISIL and short term bank facilities are rated A1+ by CRISIL</li> </ul>

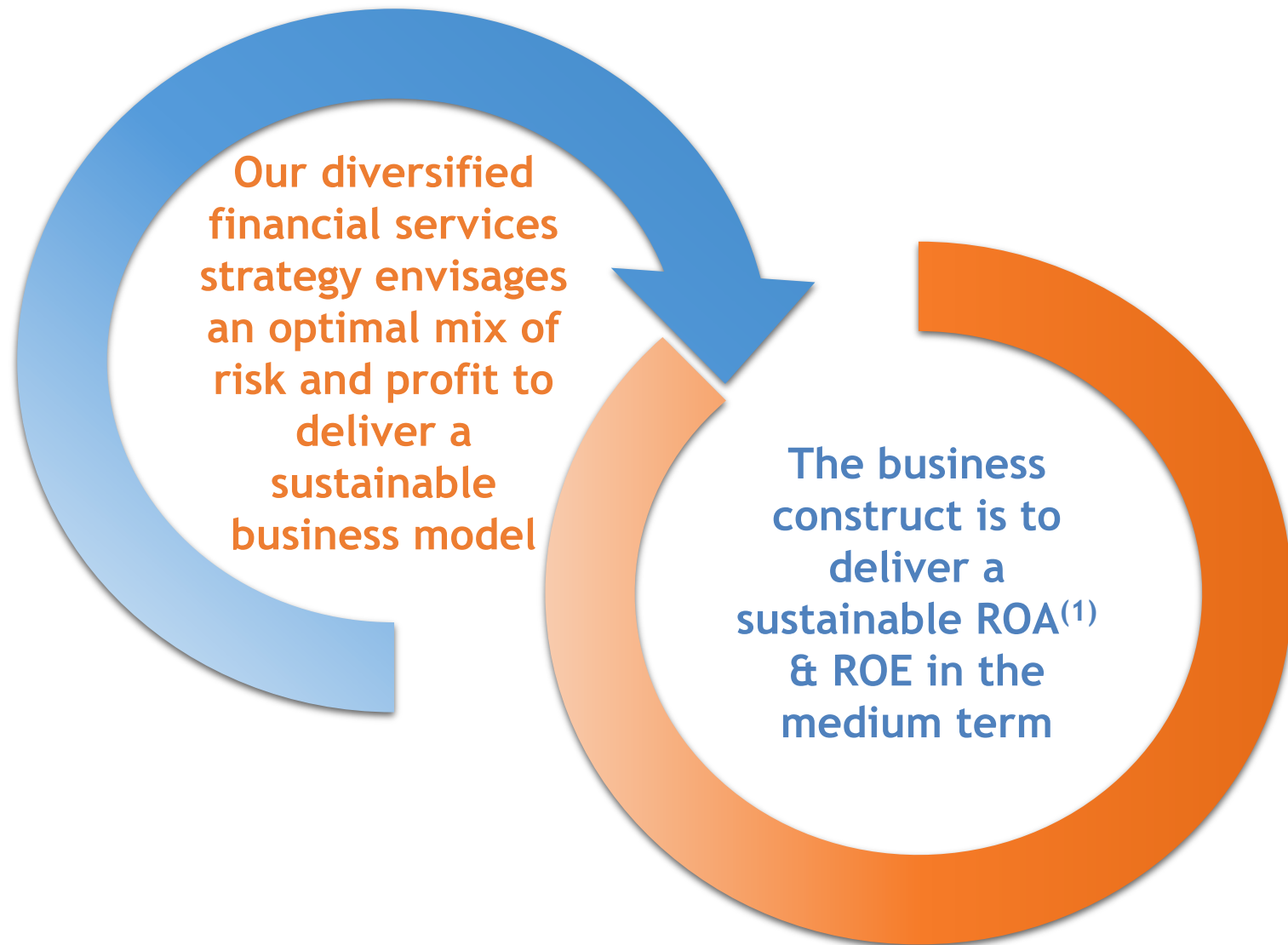
**A strong platform for profitable growth**



# Our Journey Thus Far



Successfully delivered the transformation journey in last 8 years

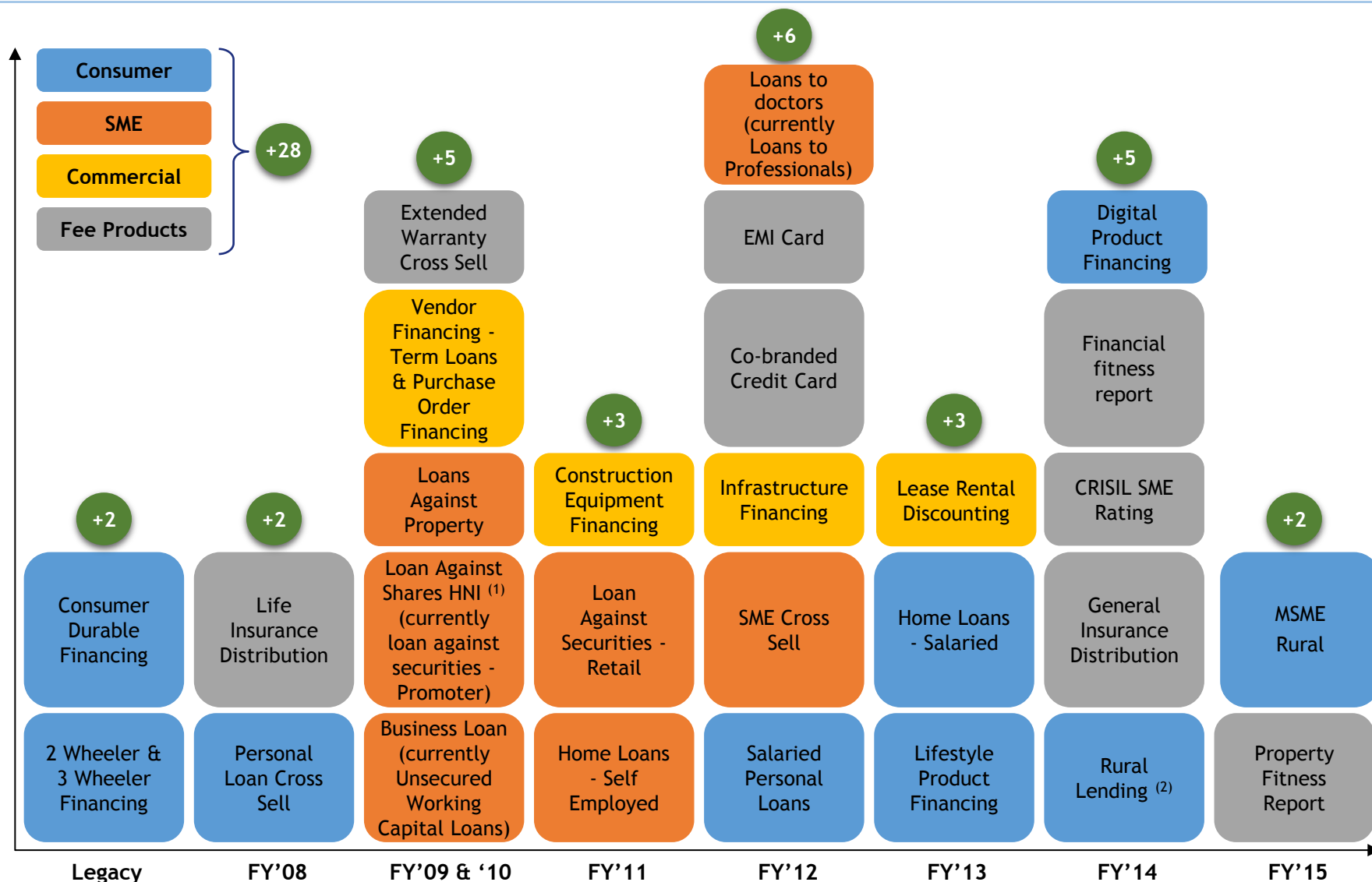


Financials snapshot						
Rs. Bn	FY11	FY12	FY13	FY14	FY15 <sup>(1)</sup>	CAGR (FY11-15)
Assets under management (AUM)	75.7	131.1	175.2	240.6	324.1	44%
Total Revenue (A)	14.1	21.7	31.1	40.7	54.2	40%
Finance Costs (B)	3.7	7.5	12.1	15.7	22.5	57%
<b>Net Interest Income (NII) (A-B)</b>	<b>10.4</b>	<b>14.3</b>	<b>19.0</b>	<b>25.0</b>	<b>31.7</b>	<b>32%</b>
Operating Expenses <sup>(2)</sup>	4.6	6.7	8.5	11.5	14.3	33%
Loan Losses and Provisions	2.0	1.5	1.8	2.6	3.90	17%
Profit before tax	3.7	6.0	8.7	10.9	13.6	38%
<b>Profit after tax</b>	<b>2.5</b>	<b>4.1</b>	<b>5.9</b>	<b>7.2</b>	<b>9.0</b>	<b>38%</b>

Ratios	FY11	FY12	FY13	FY14	FY15
Return on avg. receivables under financing <sup>(3)</sup>	4.4%	4.2%	4.1%	3.6%	3.3%
Return on avg. equity <sup>(4)</sup>	19.7%	24.0%	21.9%	19.5%	20.4%
Earning per share (Basic) - Rs.	67.5	110.8	135.7	144.8	179.9
Net NPA	0.80%	0.12%	0.19%	0.28%	0.45%
NPA provisioning coverage	79%	89%	83%	76%	71%

**Strong financial performance over the last 5 years**

# Product Launch Journey



**Sustained approach to product line expansion**

# Diversified Business Model

	Consumer (41% of FY15 <sup>(1)</sup> AUM)	SME (53% of FY15 <sup>(1)</sup> AUM)	Commercial (5% of FY15 <sup>(1)</sup> AUM)	Rural (1% of FY15 <sup>(1)</sup> AUM)
Product	Consumer Durable Financing	Loan Against Property	Vendor Financing - Term Loans & Purchase Order Financing	Consumer Durable Financing
	Digital Product Financing	Home Loans - Self Employed	Large Value Lease Rental Discounting	Gold Loans
	Lifestyle Product Financing	Loan Against Securities (Retail and Promoter)	Infrastructure Financing <sup>(2)</sup>	Refinance
	2 Wheeler & 3 Wheeler Financing	Unsecured Working Capital Loans		Personal Loan Cross sell
	Personal Loan Cross sell	Loans to Professionals		Unsecured Working Capital Loans
	Salaried Personal Loans	SME Cross Sell (mortgage and unsecured working capital loans)		Loans to Professionals
	Salaried Home Loan			Salaried Personal Loans
	EMI Card Business			Loans to MSME
Competitive Advantage	<ul style="list-style-type: none"><li>• Cross sell capabilities supported by data warehouse and analytics</li><li>• Customer Lifecycle Management</li><li>• Low ticket - high volume transaction domain specialization</li></ul>	<ul style="list-style-type: none"><li>• Strong underwriting capabilities</li><li>• Relationship management approach enabled by technology</li><li>• Premium customer experience model</li><li>• Cross sell for SMEs</li></ul>	<ul style="list-style-type: none"><li>• Differentiated product offering</li><li>• Bajaj Brand Name</li></ul>	

**Cross sell - EMI Card, Life/General Insurance, Extended Warranty, Credit Rating, Property & Financial Fitness Report**

Assets Under Management (Rs Bn)			
Business Line	FY13 <sup>(1)</sup>	FY14 <sup>(1)</sup>	FY15 <sup>(1)</sup>
Consumer Lending	71.4	93.3	132.0
SME Lending	84.0	128.5	171.4
Commercial Lending	19.8	18.3	17.4
Rural Lending	-	0.5	3.3
<b>Total AUM</b>	<b>175.2</b>	<b>240.6</b>	<b>324.1</b>

# of new loans disbursed ('000s)	
Select Product Lines	FY15 <sup>(1)</sup>
Consumer durable	3,579
Lifestyle finance	80
Digital finance	293
2W & 3W	560
PLCS	169
Salaried Loans	38
SME	31
Rural finance	131

Geographic Presence	
Business Line	FY15 <sup>(1)</sup>
<b>Urban</b>	<b>161</b>
Of which Consumer Lending branches	161
Of which SME Lending branches	119
<b>Rural</b>	<b>232</b>
Of which Rural branches	50
Of which Rural ASSCs <sup>(2)</sup>	182

Distribution	
Product Line	FY15 <sup>(1)</sup>
Consumer durable product stores	7,000+
Lifestyle product stores	1,150+
Digital product stores	2,650+
2W-3W Dealer/ASCs <sup>(3)</sup> /Sub-dealers	3,000+
SME - Direct sales agents	700+
Rural consumer durable product stores	1,500+

**Deep distribution, stable acquisition and growing balance sheet**

Notes

1. As at year end; 2. ASSC refers to Authorised Sales and Service Centers ; 3. ASC refers to Authorized Service Centre



Bajaj Finance provides a general provision of 0.40% on all standard assets (0.50% on Mortgages) against RBI's requirement of 0.25% (from FY16 0.30%)

## Bajaj Finance Provisioning

### RBI Norms

#### For FY15

- 6 months and ≤ 24 months - 10%
- >24 months and ≤36 months - 20% on secured & 100% on unsecured portion
- >36 months and ≤60 months - 30% on secured & 100% on unsecured portion
- >60 months - 50% on secured & 100% on unsecured portion
- Loss assets - 100%

#### For FY16

- 5 months and ≤ 21 months - 10%
- >21 months and ≤33 months - 20% on secured & 100% on unsecured portion
- >33 months and ≤57 months - 30% on secured & 100% on unsecured portion
- >57 months - 50% on secured & 100% on unsecured portion
- Loss assets - 100%

### Consumer Lending provision coverage

- **Consumer Durables :**
  - 3 - 5 months overdue - 75%
  - Above 5 months - 100%
- **2 and 3 Wheeler :**
  - 3 - 5 months 30%
  - 6 - 12 months - 60%
  - Above 12 months - 100%
- **Personal Loan Cross Sell :**
  - 3 - 5 months - 55%
  - Above 5 months - 100%
- **Salaried Personal Loan :**
  - 3 - 5 months - 70%
  - Above 5 months - 100%

### SME Lending provision coverage

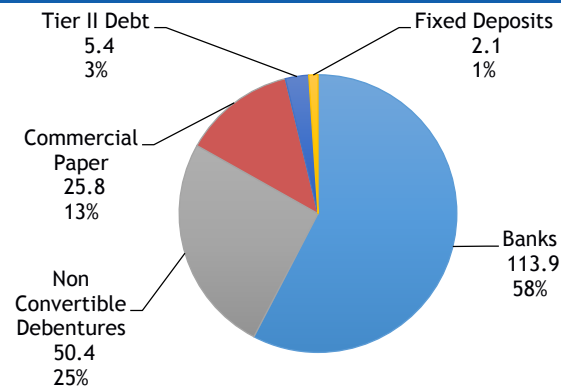
- **Home Loan / Loan against Property:**
  - 4 - 5 months - 15%
  - 6 - 12 months - 25%
  - 13 - 18 months - 40%
  - 18 - 24 months - 60%
  - Above 24 months - 100%
- **Working Capital Loans :**
  - 3 - 5 months - 70%
  - Above 5 months - 100%
- **Loan against Securities :**
  - Above 5 months - 100%

### Commercial Lending provision coverage

- **Construction Equipment Financing :**
  - 4 - 5 months - 15%
  - 6 - 9 months - 30%
  - 10 - 12 months - 60%
  - Above 12 months 100 %
- **Auto Component Vendor Financing :**
  - 6 - 12 months - 10%
  - 12 - 18 months - 20%
  - 18 - 24 months - 30%
  - Above 24 months-100%
  - Graded provision on secured portfolio

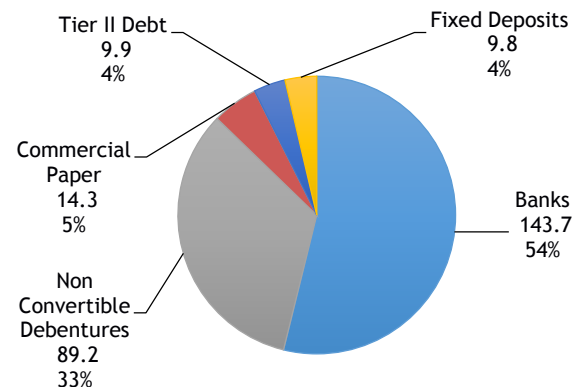
NPA provisioning norms are stringent than RBI norms

## Borrowings<sup>(1)</sup> - As at March 31, 2014 (Rs.Bn and %)



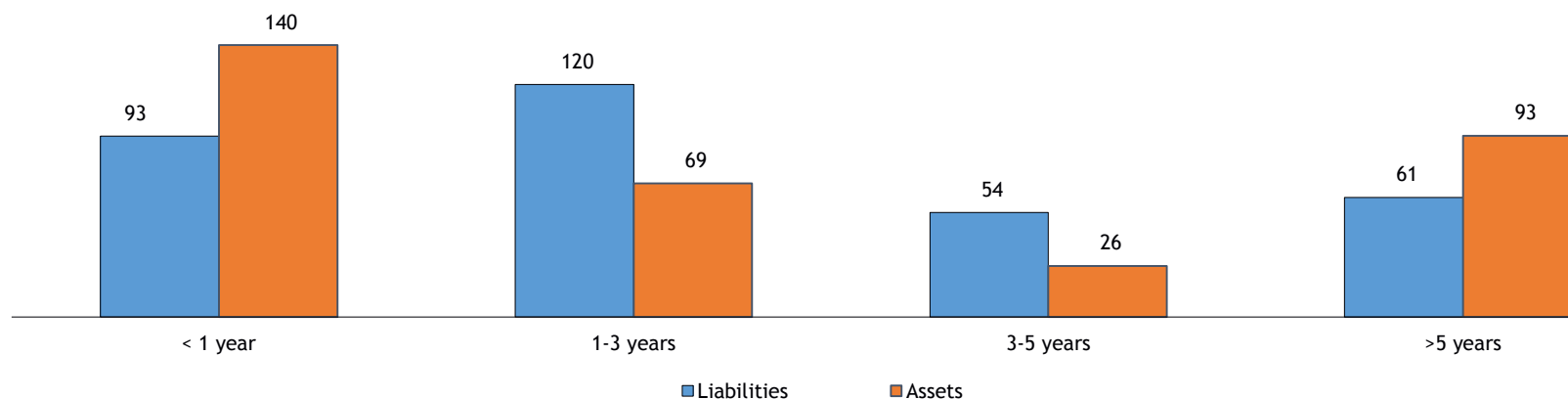
Total : Rs.197.5 Bn

## Borrowings<sup>(1)</sup> - As at March 31, 2015 (Rs.Bn and %)



Total : Rs.266.9 Bn

## Structural ALM as at March 31, 2015 (Rs Bn)



**Judicious mix of borrowings to achieve optimal cost of funds while balancing liquidity and concentration risks**



Overview and Competitive Strengths



**Business Strategy**



Financial Information



Annexures

## Focus on

- Diversified & profitably growth through its distinct Consumer, SME, Commercial & Rural Verticals
- Differentiated product offerings
- Deep geographic distribution

Leverage large and growing customer franchise

Focus on technology and analytics to further improve productivity and reduce risks

Continue to attract, train and retain talent

Broad base liability mix

# Product Line Strategy

	Profit Maximisers	Scale Builders	ROE enhancers
Consumer	<b>Sales Finance (Consumer Durable, Digital &amp; LSF)</b> <ul style="list-style-type: none"> <li>Large customer acquisition engine using E2E point of sale connectivity on cloud platform</li> </ul>	<b>Salaried Home Loans</b> <ul style="list-style-type: none"> <li>Large consumer asset pool</li> <li>100% existing customer model</li> </ul>	<b>Cross Sell Fee Products</b> <ul style="list-style-type: none"> <li>Financial Fitness Report</li> <li>Co-branded Credit Card</li> <li>EMI Card</li> <li>Life Insurance</li> <li>Health Insurance</li> <li>Extended Warranty</li> <li>Property Fitness Report</li> <li>Property Search Service</li> </ul>
	<b>2 &amp; 3 Wheeler Finance</b> <ul style="list-style-type: none"> <li>Vertically integrated captive financing model</li> </ul>		
	<b>Personal Loans Cross Sell</b> <ul style="list-style-type: none"> <li>100% cross sell to existing customers</li> </ul>		
	<b>Salaried Personal Loans</b> <ul style="list-style-type: none"> <li>Affluent salaried customers</li> </ul>		
	<b>EMI Card business</b> <ul style="list-style-type: none"> <li>Closed loop plastics business with acceptance at over 10,500 stores</li> <li>Focus on customer wallet expansion by expanding store &amp; product coverage</li> </ul>		
SME	<b>Working Capital Loans to SME</b> <ul style="list-style-type: none"> <li>SME customer acquisition channel</li> <li>Decentralized credit underwriting model on cloud platform</li> <li>Sales &amp; collect portfolio management model</li> </ul>	<b>LAP &amp; Home Loans to SME</b> <ul style="list-style-type: none"> <li>Lending New &amp; existing clients with high focus on existing franchise</li> <li>Offer full set of mortgage loans</li> </ul>	<b>Cross Sell Fee Products</b> <ul style="list-style-type: none"> <li>Crisil Rating</li> <li>Financial Fitness Report</li> <li>Life &amp; Health Insurance</li> <li>Property Fitness Report</li> <li>Property Search Service</li> </ul>
	<b>Loans to Professionals</b> <ul style="list-style-type: none"> <li>Focus on prudent and dedicated customers</li> </ul>		
Commercial		<b>Vendor Financing</b> <ul style="list-style-type: none"> <li>Industry vertical focused Term loan &amp; Purchase order financing</li> </ul>	
		<b>Infrastructure Financing</b> <ul style="list-style-type: none"> <li>corporate &amp; project financing</li> </ul>	
Rural	<b>Consumer Rural</b> <ul style="list-style-type: none"> <li>Offer set of retail products using hub &amp; franchise model</li> <li>State wise geo coverage model</li> </ul>	<b>MSME Rural</b> <ul style="list-style-type: none"> <li>Offer Working capital &amp; Loan against property to MSME customers in Rural locations</li> </ul>	<b>Cross Sell Fee Products</b> <ul style="list-style-type: none"> <li>EMI Cards</li> <li>Life &amp; Health Insurance</li> <li>Extended Warranty</li> </ul>

Consumer	SME	Commercial	Rural
<ul style="list-style-type: none"> <li>• Last mile connectivity through cloud platform at over 10,500 stores</li> <li>• EMI card franchise of over 3.5 million</li> <li>• Direct cash collection model for unbanked rural customers</li> <li>• Low ticket high velocity collections capability</li> <li>• 'Digital Grid' capability for Salaried Personal Loan and Salaried Home Loans business</li> <li>• Property Fitness Report for mortgage customers</li> <li>• Financial Fitness Report for retail customers</li> </ul>	<ul style="list-style-type: none"> <li>• Flow based underwriting for SME businesses on cloud platform</li> <li>• Flexi loans to SME customers - Flexibility to prepay and withdraw</li> <li>• Fast approval turn around time</li> <li>• End to end online Working Capital loans business</li> <li>• Property Fitness Report for Mortgage customers</li> <li>• Financial Fitness Report for SME clients</li> </ul>	<ul style="list-style-type: none"> <li>• Mid market focus</li> <li>• Specialised industry vertical</li> <li>• Domain expertise</li> </ul>	<ul style="list-style-type: none"> <li>• Branch based multi product distribution</li> <li>• 'Authorised Sales &amp; Service Centres' (ASSC) model</li> <li>• EMI Card franchise</li> <li>• Low ticket, high velocity collections capability</li> </ul>
<ul style="list-style-type: none"> <li>• One customer view</li> <li>• Centre of Excellence for Analytics across Sales, Pricing, Risk, Marketing, Collections and Service</li> <li>• Dedicated customer service platform</li> <li>• Best Employer in BFSI by Great Places To Work (GPTW) &amp; AON Hewitt for 2 consecutive years</li> </ul>			





Overview and Competitive Strengths



Business Strategy



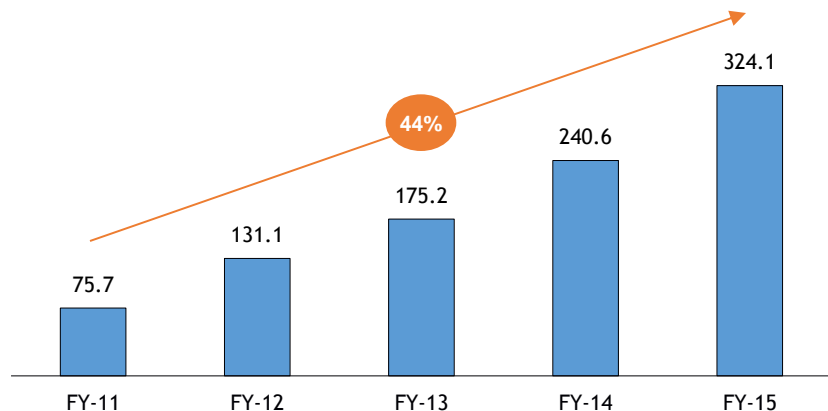
Financial Information



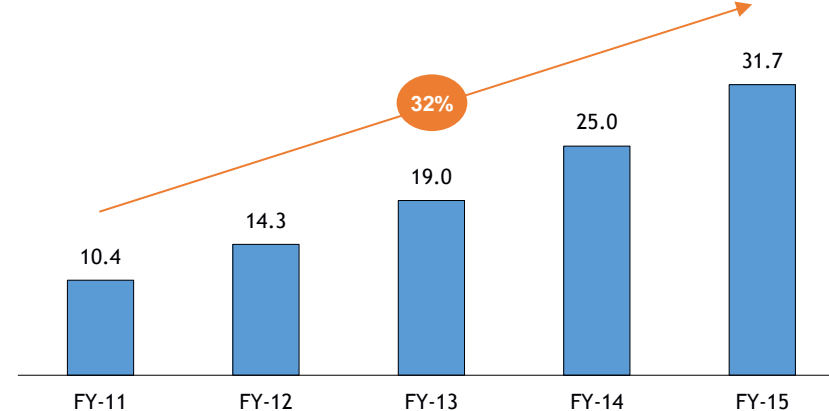
Annexures

# Strong Growth Trajectory

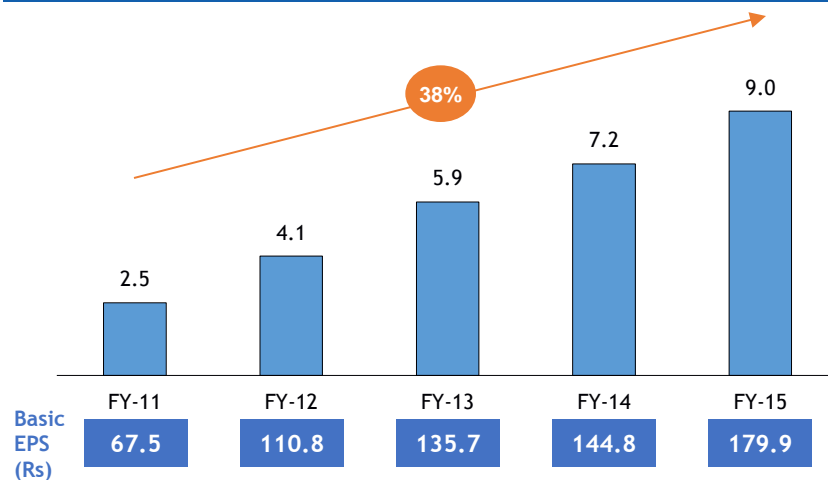
## AUM (Rs. Bn)



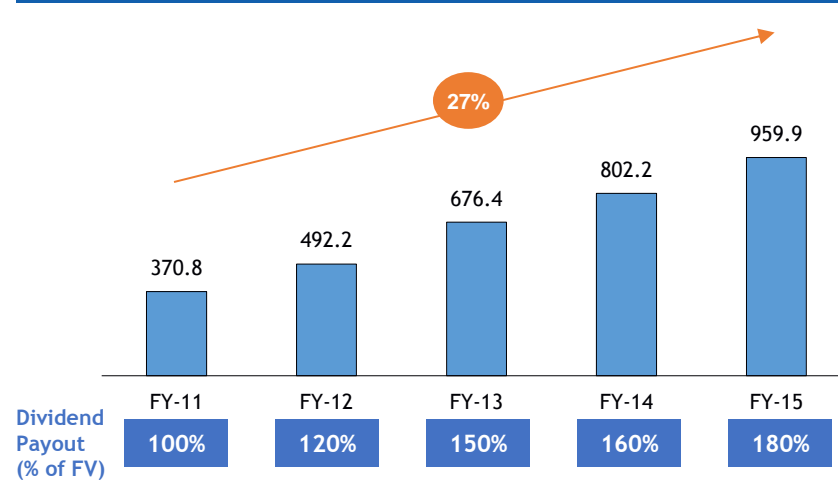
## Net Interest Income (NII)<sup>(1)</sup> (Rs. Bn)



## Profit After Tax (Rs. Bn) and Basic EPS (Rs.)



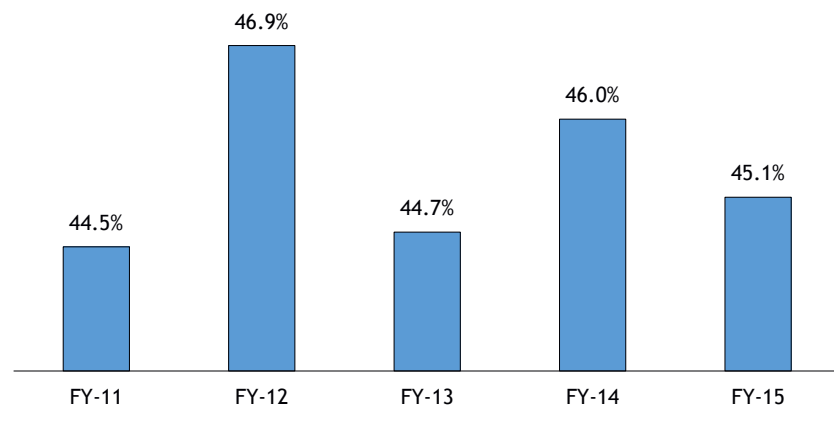
## Book Value Per Share (Rs./Share) and Dividend Payout



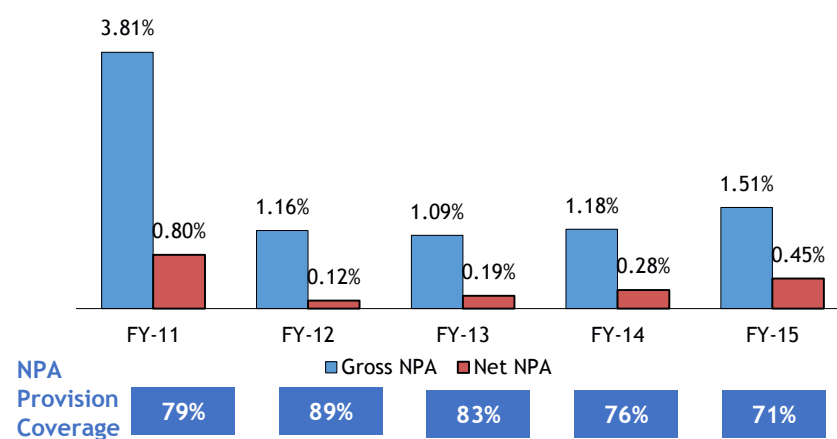
● CAGR for FY11-15

Note: 1. Total Revenue – Finance Costs

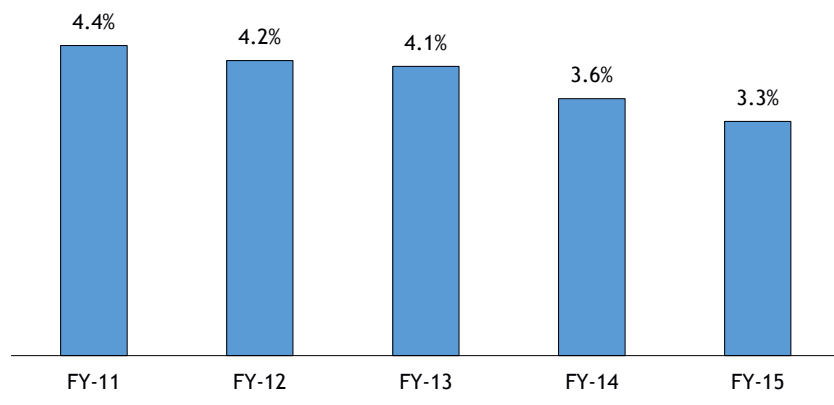
## Cost to Income Ratio<sup>(1)</sup> (%)



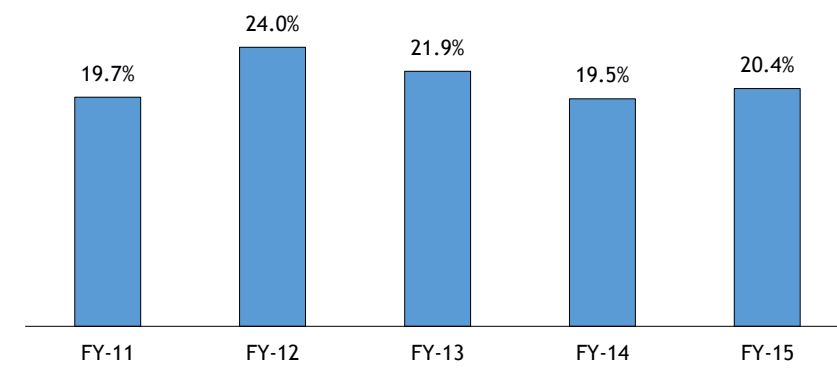
## Asset Quality - Gross NPA and Net NPA



## Return on avg. receivables under financing<sup>(2)</sup>



## Return on Average Net worth<sup>(3)</sup>



Note:

1. Defined as operating expenses / Net interest Income
2. Defined as PAT/(Opening receivables under financing + closing receivables under financing)/2

3. Defined as PAT/(Opening net worth + closing net worth)/2. Fund raise through rights issue of Rs.7.4 BN was completed in March 2013



Overview and Competitive Strengths



Business Strategy



Financial Information



Annexures

# Statement of Profit and Loss

Particulars (Rs. Million)	FY11	FY12	FY13	FY14	FY15 <sup>(1)</sup>
Revenue from operations	13,923.3	21,630.2	30,937.2	40,314.2	53,818.0
Other income	138.0	88.9	176.5	419.1	364.8
<b>Total Revenue</b>	<b>14,061.3</b>	<b>21,719.1</b>	<b>31,113.7</b>	<b>40,733.3</b>	<b>54,182.8</b>
<b>Expenses:</b>					
Employee benefits expense	1,447.2	1,903.5	2,451.5	3,408.1	4,507.3
Finance costs	3,710.1	7,461.8	12,056.8	15,732.4	22,482.7
Depreciation and amortization	96.4	117.7	151.4	291.9	356.0
Loan losses and provisions	2,046.1	1,543.8	1,817.5	2,578.1	3,845.6
Other expenses	3,062.8	4,670.1	5,920.5	7,811.2	9,421.7
<b>Total Expenses</b>	<b>10,362.6</b>	<b>15,696.9</b>	<b>22,397.7</b>	<b>29,821.7</b>	<b>40,613.3</b>
<b>Profit before tax</b>	<b>3,698.7</b>	<b>6,022.2</b>	<b>8,716.0</b>	<b>10,911.6</b>	<b>13,569.5</b>
Total tax expense	1,229.1	1,957.8	2,802.9	3,721.5	4,590.7
<b>Profit for the year</b>	<b>2,469.6</b>	<b>4,064.4</b>	<b>5,913.1</b>	<b>7,190.1</b>	<b>8,978.8</b>

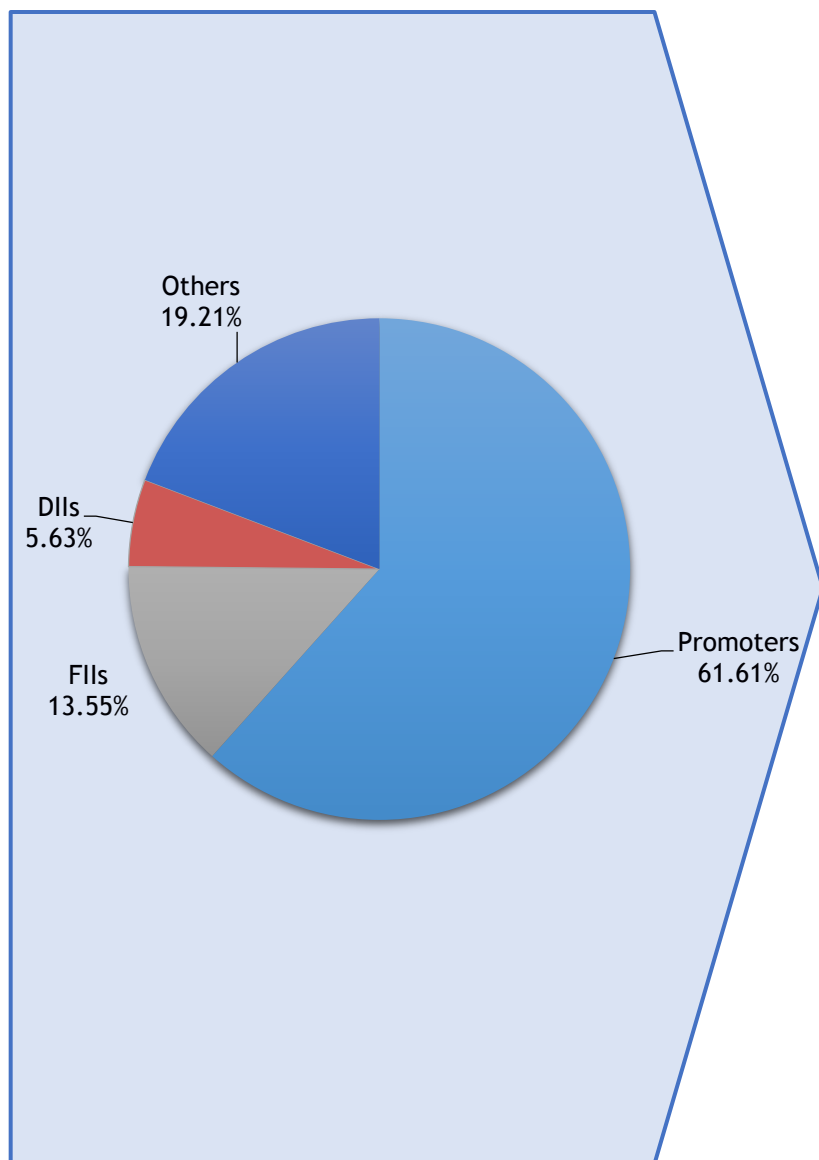
# Balance Sheet

Particulars (Rs. in Million)	As on Mar 31, 2011	As on Mar 31, 2012	As on Mar 31, 2013	As on Mar 31, 2014	<sup>(1)</sup> As on Mar 31, 2015
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' funds</b>					
a) Share Capital	366.3	413.2	497.8	497.5	500.0
b) Reserves and Surplus	13,214.8	19,709.3	33,172.6	39,411.1	47,497.1
c) Money received against share warrants	0.0	213.2	0.0	0.0	0.0
<b>Shareholders' funds</b>	<b>13,581.1</b>	<b>20,335.7</b>	<b>33,670.4</b>	<b>39,908.6</b>	<b>47,997.1</b>
<b>Non-current liabilities</b>					
a) Long-term borrowings	28,540.6	64,078.6	75,030.8	104,777.6	182,735.1
b) Other long-term liabilities	159.3	285.4	419.6	573.5	1,357.7
c) Long-term provisions	189.0	322.5	646.1	1,104.7	1,520.8
<b>Non-current liabilities</b>	<b>28,888.9</b>	<b>64,686.5</b>	<b>76,096.5</b>	<b>106,455.8</b>	<b>185,613.6</b>
<b>Current liabilities</b>					
a) Short-term Borrowings	24,689.1	27,945.6	20,801.4	54,727.8	43,139.0
b) Trade payables	1,517.3	1,826.1	1,689.5	1,959.2	2,690.4
c) Other current liabilities	16,058.6	13,840.9	45,025.1	41,868.5	47,000.9
d) Short-term provisions	484.1	632.0	928.8	1,260.1	1,672.3
<b>Current liabilities</b>	<b>42,749.1</b>	<b>44,244.6</b>	<b>68,444.8</b>	<b>99,815.6</b>	<b>94,502.6</b>
<b>Total</b>	<b>85,219.1</b>	<b>129,266.8</b>	<b>178,211.7</b>	<b>246,180.0</b>	<b>328,113.3</b>



# Balance Sheet (cont'd)

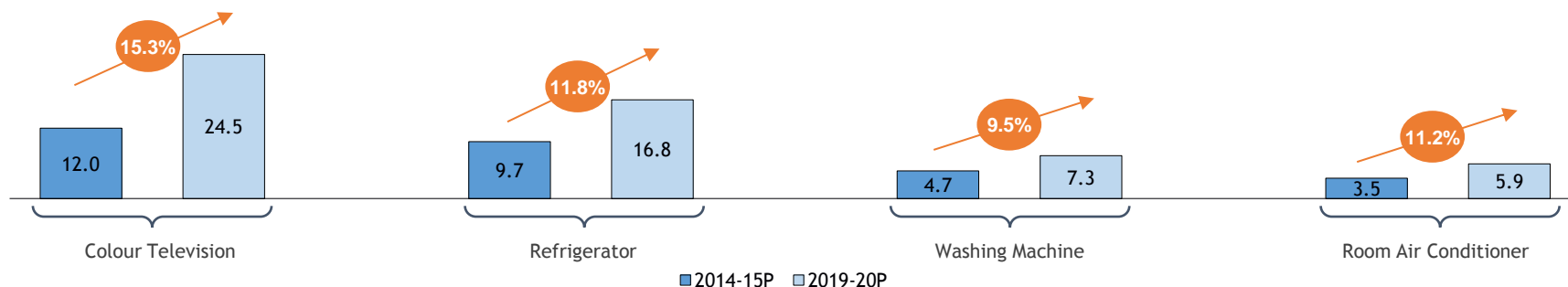
Particulars (Rs. in Million)	As on Mar 31, 2011	As on Mar 31, 2012	As on Mar 31, 2013	As on Mar 31, 2014	(1) As on Mar 31, 2015
<b>ASSETS</b>					
<b>Non-current assets</b>					
a) Fixed Assets	1,026.0	1,387.9	1,762.1	2,198.7	2,491.8
b) Goodwill on consolidation					32.7
c) Non-current investments	56.1	54.8	52.6	0	1,470.9
d) Deferred tax assets (net)	649.4	691.6	903.7	1,391.6	2,122.8
e) Receivables under financing activity	39,320.0	65,692.1	95,481.9	138,524.2	181,196.7
f) Long - term loans and advances	545.3	724.4	862.5	1,124.4	899.7
g) Other non current assets					2.4
<b>Non-current assets</b>	<b>41,596.8</b>	<b>68,550.8</b>	<b>99,062.8</b>	<b>143,238.9</b>	<b>188,217.0</b>
<b>Current assets</b>					
a) Current investments	0	0	0	282.1	1,792.0
b) Receivables under financing activity	33,397.8	57,138.8	71,954.5	91,185.3	130,797.8
c) Cash and bank balances	8,716.7	598.3	4,164.0	7,768.1	2,208.7
d) Short - term loans and advances	1,200.6	2,218.7	2,348.4	2,918.4	3,439.2
e) Other current assets	307.2	760.2	682.0	787.2	1,658.6
<b>Current assets</b>	<b>43,622.3</b>	<b>60,716.0</b>	<b>79,148.9</b>	<b>102,941.1</b>	<b>139,896.3</b>
<b>Total</b>	<b>85,219.1</b>	<b>129,266.8</b>	<b>178,211.7</b>	<b>246,180.0</b>	<b>328,113.3</b>



## Key Shareholders

• Bajaj Finserv	61.53%
• Maharashtra Scooters Ltd	3.78%
• HDFC Trustee Company Ltd	1.26%
• Acacia Partners	1.21%
• Pinebridge Investments	1.10%

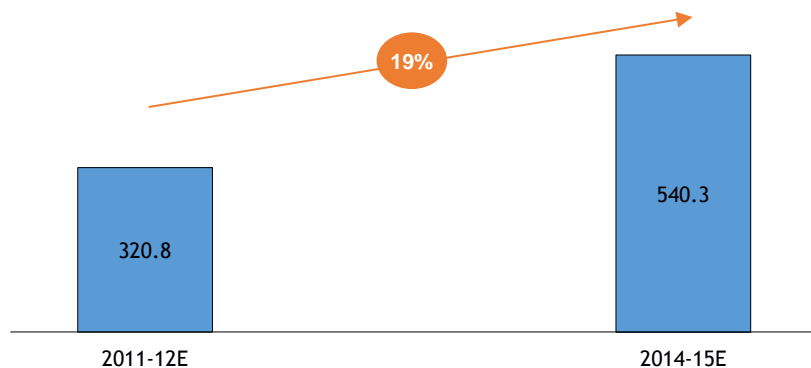
## Segment-wise demand for household appliances (MM Units)



Source: CRISIL

● CAGR from 2014-15P to 2019-20P

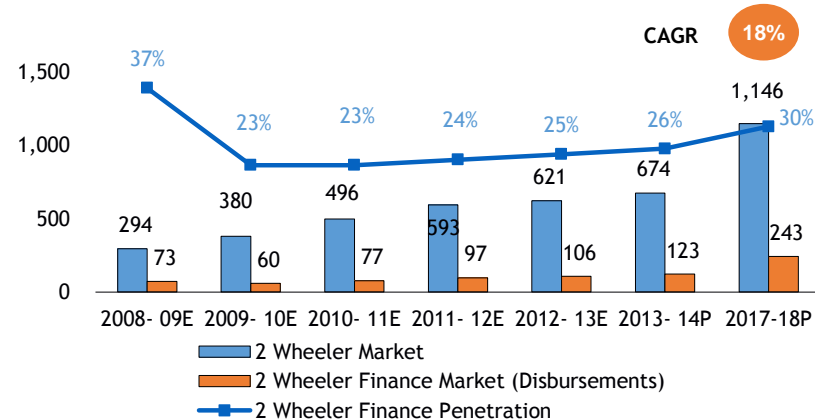
## LAP Disbursements (Rs. Bn)



Source: CRISIL

● CAGR from 2011-12E to 2014-15E

## Two wheeler finance disbursements and finance penetration (Rs. Bn, %)



Source: CRISIL

● Two Wheeler Finance Disbursement CAGR 2012-13 to 2017-18P