FORM A

1,	Name of the Company	Bajaj Finserv Limited
2.	Annual financial statements for the year ended	31 March 2015
3.	Type of audit observation	Unqualified for Stand-alone & Consolidated financial statements.
4.	Frequency of observation	Not Applicable
5.	Sanjiv Bajaj Managing Director	Mbo
	S Sreenivasan CFO	Souveren
	Auditor of the Company Dalal & Shah	Chartered Accountants **RN 102021N
	Nanoo Pamnani Audit Committee Chairman	lundamman





BAJAJ FINSERV LIMITED

CIN: L65923PN2007PLC130075

Regd. Office:

Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Akurdi, Pune 411 035 www.bajajfinserv.in

NOTICE

Notice is hereby given that the eighth annual general meeting of the shareholders of Bajaj Finserv Ltd. will be held on **Wednesday 22 July 2015 at 4.15 p.m.** at the registered office of the Company at Mumbai-Pune Road, Akurdi, Pune 411 035 to transact the following business:

ORDINARY BUSINESS

- 1. To consider and adopt the stand-alone financial statements and the consolidated financial statements of the Company for the year ended 31 March 2015 together with the Directors' and Auditors' Reports thereon.
- 2. To declare a dividend.
- 3. To appoint a director in place of Rajiv Bajaj (DIN 00018262), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.
- 4. To ratify appointment of Dalal & Shah, Chartered Accountants, (firm registration number 102021W) as Statutory Auditors of the Company for the year 2015-16 and to fix their remuneration.

SPECIAL BUSINESS

5. Approval of remuneration to Cost Auditor.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of section 148(3) of the Companies Act, 2013 and Rules made thereunder, approval of the shareholders be and is hereby accorded for the remuneration of ₹ 50,000 plus service tax, out-of pocket, travel and living expenses payable to Dhananjay V Joshi and Associates, (firm registration number 000030) Cost Accountants, appointed by the Board of Directors as cost auditor of the Company for the financial year 2015-16."

By order of the Board of Directors for Bajaj Finserv Ltd.

Sonal R Timari

Sonal R TiwariCompany Secretary

Date: 20 May 2015

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
- During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
- 3 The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 in respect of Item No. 5 is annexed hereto.
- 4 Brief details of the director who is seeking re-appointment is annexed hereto as per requirements of clause 49 of the Listing Agreement.
- Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder and in terms of the approval given by the members at the annual general meeting of the company held on 16 July 2014, the current auditors of the Company, Dalal & Shah, Chartered Accountants are eligible to hold the office for a period of three years, upto 2017, subject to ratification by members at every subsequent annual general meeting. The ratification of appointment of Dalal & Shah, Chartered Accountants as auditors from the conclusion of this annual general meeting till the conclusion of the next annual general meeting alongwith their remuneration has been put up for the approval of members.
- 6 Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from **Saturday 11 July 2015** to **Wednesday 22 July 2015**, both days inclusive.
- 7 Subject to the provisions of section 126 of the Companies Act, 2013 dividend on equity shares, if declared at the annual general meeting, will be credited/dispatched between **27 July 2015** and **28 July 2015** as under:
 - a) to all those beneficial owners holding shares in electronic form, as per the beneficial ownership data as may be made available to the Company by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as of the end-of-the-day on **Friday 10 July 2015**; and
 - b) to all those members holding shares in physical form, after giving effect to all the valid share transfers lodged with the Company/Share Transfer Agent (i.e Karvy Computershare Pvt. Ltd.) on or before the closing hours on **Friday 10 July 2015.**
- 8 Dividend will be preferably paid through National Electronic Clearing Service (NECS), wherever the facility is available. Where dividend payments are made through NECS, intimations regarding such remittances would be sent separately to the members. In cases, where the dividend cannot be paid through NECS, the same will be paid by account payee/not negotiable instruments.
- 9 To ensure timely delivery of shareholders' communications and also credit of dividend through NECS or dividend warrants/payment instruments, members are requested to notify change of address, or particulars of their bank account, if changed, alongwith the 9 digit MICR/NECS details, to the respective depository participant in case of shares held in demat mode/share transfer agent of the Company in case of shares held in physical mode, on or before 10 July 2015.
- To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
- 11 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Karvy.
- 12 In terms of section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including financial statements, board report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.



- To receive shareholders' communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with Karvy Computershare Pvt. Ltd. on mohsin.mohd@karvy.com
- Documents referred to in this Notice and the explanatory statement shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 10.00 a.m. to 1.00 p.m. except holidays, upto the date of the meeting.
- 15 The Company has been maintaining, inter alia, the following statutory registers at its registered office at Akurdi, Pune, which are open for inspection in terms of the applicable provisions of Companies Act, 2013 by members and others as specified below:
 - i) Register of contracts or arrangements in which directors are interested under section 189 of the Companies Act, 2013, on all working days during business hours. The said register shall also be produced at the commencement of the annual general meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.
 - ii) Register of directors and key managerial personnel and their shareholding under section 170 of the Companies Act, 2013, on all working days during business hours. The said Register shall be kept open for inspection at the annual general meeting of the Company and shall be made accessible to any person attending the meeting.
- Pursuant to section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 (a copy of which is available on the website of the Company) with the Company's share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
- 17 Corporate members are requested to send in advance, duly certified copy of the Board Resolution/Power of Attorney authorising their representative to attend the annual general meeting.
- 18 Members/Proxies are requested to bring the copies of annual reports to the meeting.
- 19 Please note that for security reasons, no article/baggage will be allowed at the venue of the meeting.

20 Voting through electronic means

In terms of the provisions of section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and clause 35B of the Listing Agreement, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on **16 July 2015** (End of Day) being the **Cut-off date** for the purpose of Rule 20 (4) (vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by Karvy or to vote at the annual general meeting.

The instructions for remote e-voting are as under:

A. For members who receive notice of annual general meeting through e-mail:

i. Use the following URL for e-voting:

https://evoting.karvy.com

- ii. If you are already registered with Karvy for e-voting, you can use your existing user id and password for casting your votes.
- iii. Enter the login credentials i.e., user id and password mentioned in your email. Your Folio No/DP ID Client ID will be your user id.
- iv. After entering the details appropriately, click on LOGIN.
- v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the EVENT i.e., Bajaj Finserv Ltd.
- viii. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution then enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted.
- ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. **Once you confirm, you will not be allowed to modify your vote subsequently.**During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xi. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the scrutinizer through e-mail cssdlimaye@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'Corporate Name_EVENT No.'
- xii. Remote e-voting facility where members can cast their vote online shall be open from: **19 July 2015 (9.00 a.m.) till 21 July 2015 (5.00 p.m.)**
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of https://evoting.karvy.com or call Karvy on 1800 345 4001 (toll free).
- xiv. Members may alternatively cast their votes using the Ballot Form sent alongwith this Notice and also available on the website of the Company. Please refer instructions under heading C below for more details.

B. For members who receive the notice of annual general meeting in physical form:

- i. Members holding shares either in demat or physical mode who are in receipt of notice in physical form, may cast their votes using the ballot form enclosed to this Notice. Please refer instructions under heading C below for more details.
- ii. Members may alternatively opt for e-voting, for which the user id and initial password is provided at the bottom of the ballot form. Please follow steps from Sr. No. (i) to (xiv) under heading A above to vote through e-voting platform.

C. For members who wish to vote using ballot form:

Pursuant to clause 35B of the Listing Agreement, members may fill in the ballot form sent alongwith the Notice and submit the same in a sealed envelope to the scrutiniser, Shyamprasad D Limaye, Practising Company Secretary, Unit: Bajaj Finserv Ltd. C/o. Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032 so as to reach **by 5.00 p.m. on 21 July 2015.** Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutiniser on the validity of the forms will be final.

In the event a member casts his votes through both the processes i.e. e-voting and ballot form, the votes in the electronic system would be considered and the ballot form would be ignored.

D. Voting facility at annual general meeting

- i. In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the annual general meeting through electronic voting system and members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting.
- ii. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.



F. General Instructions:

- i. The Board of Directors has appointed Shyamprasad D Limaye, Practising Company Secretary (FCS No. 1587 CP No.572) as the scrutiniser to the e-voting process, (including voting through ballot form received from the members) and voting at the venue of the annual general meeting in a fair and transparent manner.
- ii. The scrutiniser shall, immediately after the conclusion of voting at the ensuing annual general meeting, first count the votes cast at the meeting, thereafter unlock the votes through e-voting in the presence of at least two (2) witnesses, not in the employment of the Company and make, not later than three (3) days from the conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.
- iii. The scrutiniser shall submit his report to the Chairman, who shall declare the result of the voting. The results declared alongwith the scrutiniser's report shall be placed on the Company's website: www.bajajfinserv.in and on the website of Karvy https://evoting.karvy.com and shall also be communicated to the stock exchanges. The resolution shall be deemed to be passed at the annual general meeting of the Company scheduled to be held on Wednesday, 22 July 2015.

ANNEXURE TO THE NOTICE

BRIEF RESUME OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Item No. 3 of the Notice

Rajiv Bajaj (DIN 00018262)

As regards re-appointment of Rajiv Bajaj referred to in item no. 3 of the Notice, following necessary disclosures are made for the information of the members:

Information about the appointee

Rajiv Bajaj graduated first in class, with distinction, in Mechanical Engineering from the University of Pune in 1988, and then completed his masters in Manufacturing Systems Engineering, with distinction, from the University of Warwick in 1990.

He has since worked at Bajaj Auto in the areas of Manufacturing and Supply Chain (1990-95), R+D and Engineering (1995-2000), and Marketing and Sales (2000-2005), and has been its Managing Director since April 2005.

His current priority is the objective of achieving the company's vision of being one of the world's leading motorcycle manufacturers.

His directorships/committee positions in other public limited companies:

Major Directorships

Bajaj Auto Ltd. Bajaj Finance Ltd. Bajaj Finserv Ltd. Bajaj Holdings and Investment Ltd. Bajaj Auto Holdings Ltd. KTM AG

Committee positions

Bajaj Finserv Ltd. Bajaj Auto Holdings Ltd.

Rajiv Bajaj is not disqualified from being appointed as a Director in terms of section 164 of the Act. He holds 3,450 Equity Shares of ₹ 5 each in the Company as on 31 March 2015.

Bajaj Finserv Limited

None of the directors, except Rajiv Bajaj himself and his relatives Rahul Bajaj and Sanjiv Bajaj, are concerned or interested in the said resolution.

The Board commends this resolution for your approval.

THE EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5 of the notice

The Board of Directors, at its meeting held on 20 May 2015, on recommendation of the Audit Committee, approved the appointment of Dhananjay V Joshi and Associates, (firm registration number 000030), Cost Accountants, as the Cost Auditor of the Company for the financial year 2015-16 at a remuneration of ₹ 50,000 plus service tax, out-of pocket, travel and living expenses.

Section 148(3) of the Companies Act, 2013 and Rules made thereunder requires the Board to appoint an individual, who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders. The resolution contained in Item no. 5 of the accompanying Notice, accordingly, seeks members' approval of remuneration of Cost Auditor of the Company for the financial year 2015-16.

None of the directors of the Company is concerned or interested in the proposed resolution. The Board commends this resolution for your approval.

By order of the Board of Directors For Bajaj Finserv Ltd.

Bonal R Tiwavi

Sonal R. TiwariCompany Secretary

Date: 20 May 2015

BAJAJ FINSERV LIMITED

(CIN: L65923PN2007PLC130075)

Registered office:

Bajaj Auto Ltd. Complex,

Mumbai - Pune Road, Pune 411035 **Email:** investors@bajajfinserv.in **Website:** www.bajajfinserv.in

Phone: (020)66107458, Fax: (020)27407380



8th Annual Report 2014-15

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN :	L65923PN2007PLC130075		
Name of the Company :	BAJAJ FINSERV LIMITED		
Registered office :	Mumbai-Pune Road, Akuro	li, Pune 411035	
Name of the member (s) : Registered address : E-mail ID : Folio No/Client ID :			
DP ID			
I/We, being the member(s) holding			
(1) Name :			(-:1:) -:
E-mail Id:	Signature :		or failing him
(2) Name :	Address :		
E-mail Id:	Signature :		or failing him
(3) Name :	Address :		
E-mail Id:			
	at 4.15 p.m. at Bajaj Auto Lt	at the EIGHTH annual general meeting of the od. Complex, Mumbai–Pune Road, Akurdi, Pune indicated below:	
Ordinary Business		Special Business	
Adoption of financial statements for the and the Directors' and Auditors' Reports		5. Approval of remuneration to Cost Auditor.	
2. To declare dividend.			
3. Re-appointment of Rajiv Bajaj, who ret	•		
4. Ratification of appointment of Dalal & S			
as Statutory Auditors and fixing their re	muneration.		
Signed this day of 20	115		
Affix revenue stamp of ₹ 1			
Signature of shareholder		Signature of Proxy holder(s)	

Note:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2. Notwithstanding the above, Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

BAJAJ FINSERV LIMITED

Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Pune 411 035

(CIN: L65923PN2007PLC130075)

Registered office:

BALLOT FORM

(In lieu of E-voting)



PASSWORD

E-mail: investors@bajajfinserv.in Website: www.bajajfinserv.in Phone: (020) 66107458; Fax: (020) 27407380

EVEN (E-Voting Event No.)

	e : tered address : e sole/first named shareholder				
2. Namo	e (s) of the joint shareholder (s) if any :				
3. Regis	tered Folio/DP ID and Client ID No. f Shares held (as on 5 June 2015 being the				
	ff date for despatch of notice of AGM) :				
EIGHTH	ereby exercise my/our vote in respect of the Resonannual general meeting of the Company to be hisolution(s) by placing the tick (✓) mark at the appropriate Description	eld on 22 July 20	15 , by conveying r		
1	Adoption of financial statements for the year ended 31 March 2015 and the Directors' and Auditors' Reports thereon.				
2	To declare dividend.				
3	Re-appointment of Rajiv Bajaj, who retires by rotation.				
4	Ratification of appointment of Dalal & Shah, Chartered Accountants, as Statutory Auditors and fixing their remuneration.				
5	Approval of remuneration to Cost Auditor.				
Place: .				Cianatura	of Charabaldos
Date:				Signature	of Shareholder
	Kindly read the instructions printed overleaf befor m. on 21 July 2015 shall only be considered.	e filling the form.	Valid Ballot Form:	s received by the S	crutiniser by
		-voting			

Please follow steps for e-voting procedure as given in the Notice of AGM by logging on to - https://evoting.karvy.com

Users who wish to opt for e-voting may use the following login credentials.

USER ID

INSTRUCTIONS

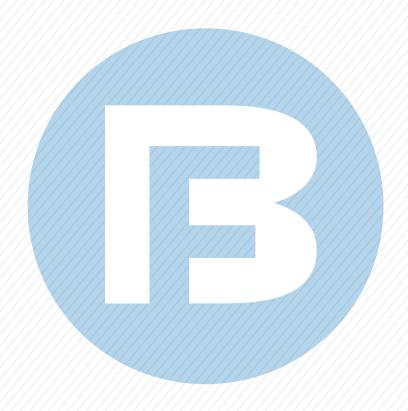
- 1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutiniser, Shyamprasad D Limaye, Practising Company Secretary, Unit: Bajaj Finserv Ltd. C/o. Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032 or to his email id cssdlimaye@gmail.com, so as to reach by 5.00 p.m. on 21 July 2015. Ballot Form received thereafter will strictly be treated as if not received.
- 2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
- 3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutiniser on the validity of the forms will be final.
- 4. In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
- 5. The right of voting by Ballot Form shall not be exercised by a proxy.
- 6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
- 7. The voting rights shall be reckoned on the basis of number of equity shares held by the members as on **16 July 2015** [cut-off date for the purpose as per rule 20 (4) (vii) of the Companies (Management and Administration) Rules, 2014, as amended].
- 8. There will be only one Ballot Form for every Folio/DP ID Client ID irrespective of the number of joint members.
- 9. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
- 10. Where the Ballot Form has been signed by an authorised representative of the Body Corporate/Trust/Society, etc. a certified copy of the relevant authorisation/board resolution to vote should accompany the Ballot Form.
- 11. Instructions for e-voting procedure are available in the Notice of annual general meeting and are also placed on the website of the Company www.bajajfinserv.in



BAJAJ FINSERV LIMITED

8th ANNUAL REPORT





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Board of Directors

Rahul Bajaj

Chairman

Nanoo Pamnani

Vice Chairman

Sanjiv Bajaj

Managing Director

Madhur Bajaj

Rajiv Bajaj

D J Balaji Rao

S H Khan

Naresh Chandra

Dr. Gita Piramal

Audit Committee

Nanoo Pamnani

Chairman

S H Khan

D J Balaji Rao

Naresh Chandra

Stakeholders Relationship Committee

Nanoo Pamnani

Chairman

Sanjiv Bajaj

Rajiv Bajaj

Dr. Gita Piramal

Nomination and Remuneration Committee

S H Khan

Chairman

D I Balaji Rao

Nanoo Pamnani

Naresh Chandra

Rahul Bajaj

Corporate Social Responsibility Committee

Rahul Bajaj

Chairman

Nanoo Pamnani

Sanjiv Bajaj

Risk Management Committee

Nanoo Pamnani

Chairman

Sanjiv Bajaj

S Sreenivasan

Management

Sanjiv Bajaj

Managing Director

S Sreenivasan

Chief Financial Officer

Ranjit Gupta

President (Insurance)

Kevin D'sa

President (Business Development)

V Rajagopalan

President (Legal)

Rajeev Jain

Managing Director, Bajaj Finance Ltd.

Tapan Singhel

MD and CEO, Bajaj Allianz General Insurance Company Ltd.

Anuj Agarwal

MD and CEO, Bajaj Allianz Life Insurance Company Ltd.

Company Secretary

Sonal R Tiwari

Auditors

Dalal & Shah

Chartered Accountants

Secretarial Auditor

Shyamprasad D Limaye

Company Secretary

Cost Auditor

Dhananjay V Joshi & Associates

Cost Accountants

Bankers

Citibank N A

HDFC Bank

Registered under the Companies Act, 1956

Registered Office

Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Akurdi, Pune-411 035.

CIN: L65923PN2007PLC130075

Corporate Office

Bajaj Finserv House Viman Nagar, Pune-411 014.

Leading the Way





Chairman's Letter

Dear Shareholder,

As I had explained in my previous year's letter to you, Bajaj Finserv is the holding company under which there are three key financial sector businesses: (i) lending through Bajaj Finance Ltd. (BFL), which is a listed company; (ii) general insurance, under Bajaj Allianz General Insurance Company Ltd., or BAGIC; and (iii) life insurance, under Bajaj Allianz Life Insurance Company Ltd., or BALIC. In addition, there are wind-farm assets in Maharashtra with an installed capacity of 65.2 MW.

Let me briefly share with you the key achievements of your Company in FY2015 under BFL, BAGIC and BALIC.



Lending: Bajaj Finance Ltd. (BFL)

Despite a slow up-tick in economic growth in the last two quarters of FY2015, significantly lower crude oil prices, lower consumer price inflation, two policy rate cuts aggregating 50 basis points by the Reserve Bank of India (RBI) and three cuts in the statutory liquidity ratio (SLR), the year has been difficult for banking and financial services. At 9.5%, credit growth was at its lowest in the last 18 years. Low credit growth plus high non-performing assets (NPAs) have resulted in banks being risk averse and reluctant to pass on the benefits of the eased liquidity and rate cuts. Overall, conditions continue to be challenging for financial services as a whole.

Under these trying circumstances, BFL has delivered excellent results — as it did in the last few years. Let me touch upon some of these.

- BFL's total income increased by 33% to ₹ 5,418 crore.
- Receivables under financing was up 36% to ₹ 31,199 crore.
- Assets under management rose by 35% to ₹ 32,410 crore.
- Profit before tax rose by 24% to ₹ 1,357 crore.
- Profit after tax grew by 25% to ₹ 898 crore.
- Loan losses and provisions stood at ₹ 385 crore, partly on account of internal provisioning norms that are more stringent than those prescribed by the RBI. Thanks to careful monitoring of loans, BFL's net NPA was 0.45% of total assets, which is among the lowest in the industry.
- Capital adequacy as on 31 March 2015 stood at 17.97%, which was well above the RBI norms.

As a shareholder of Bajaj Finserv, you ought to know of an important development related to BFL. On 21 April 2015, BFL's Board of Directors were presented a persuasive case as to why the Company will need greater capital for it to continue along the same growth trajectory. The Board formally considered a proposal to raise funds through issue of: (i) securities upto ₹ 1,400 crore through the Qualified Institutions Placement (QIP) route to Qualified Institutional Buyers, and (ii) preferential issue of upto 925,000 warrants, convertible into an equivalent number of equity shares amounting to around ₹ 400 crore to Bajaj Finserv Ltd., the promoter of BFL. The board of BFL unanimously approved both proposals. Further, it has been approved by BFL's shareholders at an extraordinary general meeting held earlier on 20 May 2015. Thus, BFL is now on its way to secure additional capital to finance higher growth while maintaining sound capital adequacy.

General Insurance: Bajaj Allianz General Insurance Company Ltd. (BAGIC)

BAGIC is a composite insurer offering various types of general insurance including motor, marine, health and various forms of corporate insurances. In an extremely competitive market, BAGIC has built a strong retail franchise and retained a leading position among private insurers. It is one of the most respected brands in general insurance and focuses on building a quality portfolio with strong underwriting, multi-channel distribution and prudent financial management.

Despite two major catastrophes in FY2015 — unprecedented floods in the Valley of Kashmir for which BAGIC settled over 27,000 claims valued over $\stackrel{?}{\stackrel{?}{\sim}}$ 930 crore, and the tropical cyclone 'Hudhud' in eastern India for which the Company settled more than 1,000 claims worth $\stackrel{?}{\stackrel{?}{\sim}}$ 32 crore — BAGIC has continued to perform well. Here are some facts:

- Gross written premium (GWP) for FY2015 grew by around 16% to ₹ 5,301 crore.
- BAGIC ranked No.2 amongst private players. Market share was 6.7%, excluding specialised insurers, a 30 basis points increase over the previous year.
- Net earned premium grew by 10% to ₹ 3,832 crore in FY2015.

- BAGIC issued 7.3 million policies in FY2015, versus 6.7 million in the previous year.
- Profit before tax was ₹ 777 crore in FY2015, up by 32% over the previous year.
- Profit after tax was ₹ 562 crore, up by 37% compared to FY2014.
- The solvency ratio as on 31 March 2015 stood at 182%, well in excess of the minimum of 150% stipulated by the Insurance Regulatory and Development Authority (IRDA).
- The return on average equity was 28.9% marginally higher than 28% recorded in FY2014.

Life Insurance: Bajaj Allianz Life Insurance Company Ltd. (BALIC)

BALIC is among the top five private life insurers and manages over ₹ 36,000 crore of policyholders' funds with a high solvency margin. Over the last few years, the industry had been struggling to grow on the back of a reduction in financial savings rates and falling risk appetite among retail small savers. BALIC is no exception to this reality. It has taken several steps to improve the quality of business and reorganising its distribution. The results of such initiatives should become visible over the next couple of years.

FY2015 was the first full year of sale of new products, which were revamped after the new product regulations took effect. It was a challenging year for all in the life insurance industry, and BALIC was no exception. However, it still managed to close the year with a 4% growth in new business premium and 3% growth in gross written premium. Highlights of BALIC's performance for FY2015 are:

- BALIC's new business premium grew by 4% in FY2015 to ₹ 2,702 crore. In terms of new business premium, BALIC was ranked 4th among the private life insurers.
- Within the private sector, BALIC's market share of new business was 7.8% in FY2015.
- BALIC's renewal premium increased by 2% to ₹ 3,315 crore in FY2015.
- Gross written premium in FY2015 was 3% higher at ₹ 6,017 crore.
- Assets under management was at ₹ 43,554 crore as on 31 March 2015, which was 12% higher than at the end of the previous year.
- Profit after tax reduced by 15% from ₹ 1,025 crore in FY2014 to ₹ 876 crore in FY2015.

How, then, does your Company stack up in a difficult year. In a sentence: it has done excellently from the performance of BFL; very well from that of BAGIC; while BALIC needs some improvement, which I hope will come about soon enough. All three companies have good managerial teams and excellent leaders. So, I as well as you, should look forward to even better results in FY2016 and the years to come.

I should share with you one other piece of information. With effect from 1 April 2013, the boards of BAGIC and BALIC appointed Sanjiv Bajaj as Chairman of both companies. He has been doing excellent work as chief fiduciary of both these companies. I continue serving on both the boards.

Thank you for your support.

Yours sincerely.

Rahul Bajaj Chairman

20 May 2015



Management Discussion and Analysis

Bajaj Finserv Ltd. ('Bajaj Finserv' or 'the Company') is the holding company for the various financial services businesses under the Bajaj group. It serves millions of customers in the financial services space by providing solutions for asset acquisition through financing, asset protection through general insurance, family protection and income protection in the form of life and health insurance and retirement and savings solutions. More specifically, the areas are:

Lending and Wealth Management

 Bajaj Finance Ltd. (BFL), a company listed on the Bombay Stock Exchange and the National Stock Exchange. The Company held 61.53% of the equity capital of BFL as on 31 March 2015.

Protection and Savings

- General insurance including health insurance through Bajaj Allianz General Insurance Company Ltd. (BAGIC).
- Life insurance and retirement plans through Bajaj Allianz Life Insurance Company Ltd. (BALIC).

BAGIC and BALIC are both joint ventures with Allianz SE, one of the world's leading composite insurers. As on 31 March 2015, the Company held 74% of the equity capital in BAGIC and BALIC, the balance being held by Allianz.

Bajaj Finserv also has investments in renewable energy in the form of 138 windmills situated in Maharashtra with an aggregate installed capacity of 65.2 MW.

On the economic front, India seems to be witnessing a slow pick-up in growth. According to the Central Statistical Organisation (CSO) of the Government of India, growth of real Gross Value Added (GVA), the new measure of national income, is estimated at 7.5% for 2014-15 (FY2015) which, if it were to happen, would be 0.9 percentage points higher than the 6.6% growth achieved in FY2014. Moreover, significantly reduced crude oil prices as well as lower food prices, have contributed to a fall in consumer price inflation — from an average of 8.7% between 2012 and 2015 to 5.2% in March of 2015. The current account deficit is presently at 1.7% of GDP, which is better than what it was earlier. The Reserve Bank of India (RBI) has cut policy rates by 25 bps in January 2015 followed by another 25 bps in March 2015, and eased liquidity with a reduction in the statutory liquidity ratio (SLR) in three tranches of 50 bps in June 2014, August 2014 and February 2015.

Despite these positive developments, FY2015 was difficult for the banking and financial services sector. At 9.5%, credit growth was at its lowest in the last 18 years. Low credit growth plus high non-performing assets (NPAs) have resulted in banks being reluctant to pass on the benefits of the eased liquidity and rate cuts. Besides, unseasonal heavy rains in February and March 2015 badly affected the winter (rabi) crop; and a prediction of a poor monsoon could dampen some of the latent economic optimism.

Overall, it would be fair to say that conditions continue to be challenging for the financial sector as a whole. Under such circumstances, the strong growth delivered by BFL and BAGIC is a testimony to the resilience of the group as well as the quality of the Management across these enterprises. Even BALIC, which faced challenges in coping with significant changes in market dynamics, has marginally improved on its new businesses.

Lending and Wealth Management Bajaj Finance Ltd. (BFL)

Over the last few years, BFL has established itself as one of the premier non-banking financial companies (NBFCs) in India. It has consciously built a diversified lending business covering retail consumers, small and medium enterprises and commercial borrowers. The business model of BFL is built on well-defined customer segmentation, multiple product offerings and cross-selling, robust risk management, prudential practices including income recognition and provisioning standards, extensive use of relevant technology as well as data analytics and continuous focus on operational excellence.

BFL had a strong year. With assets under management of ₹ 32,410 crore, it has emerged as a leading diversified NBFC in the country. Highlights of BFL's results are given below.

Bajaj Finance: Performance Highlights FY2015

- Assets under management: up 35% to ₹ 32,410 crore
- Receivables under financing: up 36% to ₹ 31,199 crore
- Total income: up 33% to ₹ 5,418 crore
- Profit before tax: up 24% to ₹ 1,357 crore
- Profit after tax: up 25% to ₹ 898 crore
- Capital adequacy as on 31 March 2015: 17.97%, which is well above the RBI norms

Business lines

BFL's business is organised in five categories with several product lines under each:

- a) Consumer lending Consumer durables, Lifestyle products, Digital products, Loans to salaried people, Personal loans and Two/three wheeler financing
- b) Lending to Small and Medium Enterprises (SMEs)
- c) Commercial lending viz. Loans against property, Lease rental discounting, Business and professional loans, Loans against securities
- d) Rural lending Consumer loans, Gold loans and Refinance
- e) Fixed deposits, Third party products insurance, mutual funds and value added services

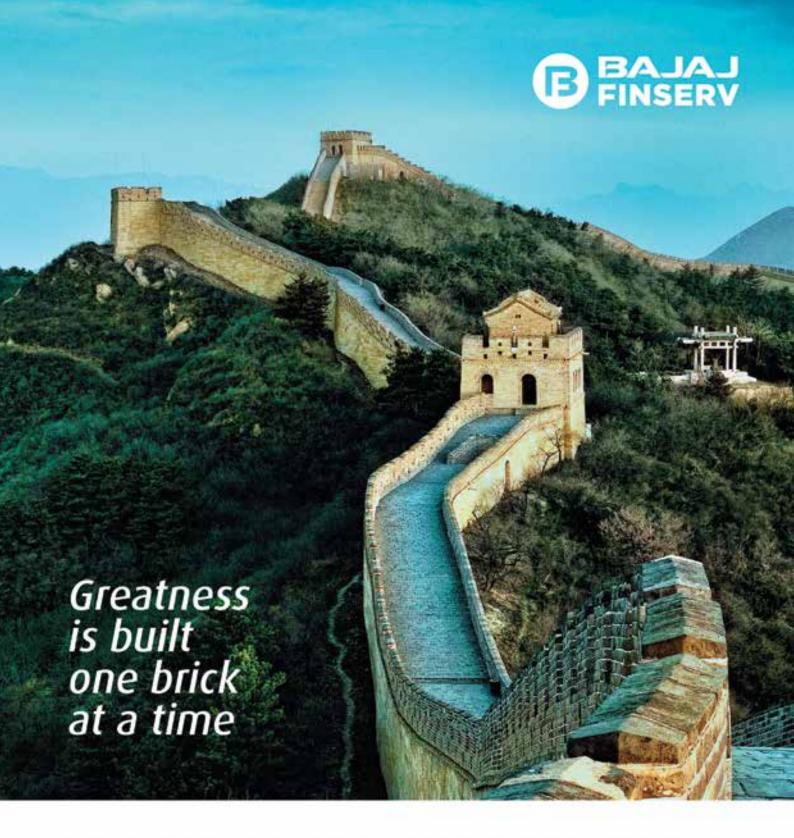
Receivables under financing

Receivables under financing are shown in Table 1.

Table 1: BFL'S receivables under financing

(₹ In Crore)

Receivable under financing	FY2014	FY2015	% Change
Consumer lending	9,328	13,123	41%
SME lending	11,782	16,007	36%
Rural lending	50	333	566%
Commercial lending	1,811	1,736	-4%
Total	22,971	31,199	36%

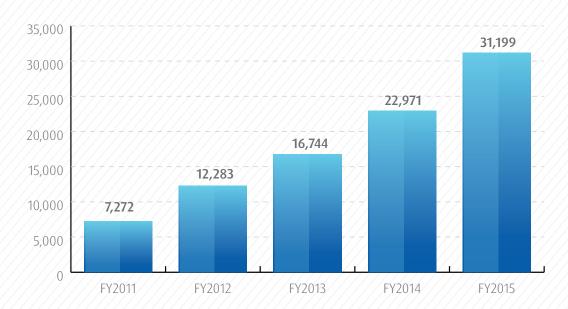


We are climbing our way to greatness by fighting 'good' at every step. We're constantly breaking our own benchmarks and challenging the status quo. Like we did in Consumer Durable Finance. We reduced the loan approval time to 3 days, an industry first. But we didn't stop there, we got it down to 3 minutes. To know more about our journey towards greatness, visit www.bajajfinserv.in

LET'S GO FOR GREAT

Chart A gives a snapshot of the receivables under financing over the last five years.

Chart A: BFL's receivables under financing (₹ In Crore) CAGR: 44%



Business update

BFL was the largest financier of Bajaj motorcycles and three wheelers in FY2015. The Company operates at 2,800 Bajaj dealers and sub-dealers across the country. BFL is the largest and most diversified player in financing of consumer durables which are principally low ticket size, short duration loans. All consumer loans are disbursed through its network of 161 cities and through a wide network of dealers. Nearly 1.31 lakh customers were acquired under Rural lending.

Lending to small and medium enterprises witnessed strong growth in FY2015. BFL's receivables under financing under mortgage loans recorded a growth of 22%, business loans, a growth of 53% and loans against securities, a growth of 87%. Overall SME lending increased by 36% to ₹ 16,007 crore.

Under Commercial lending, BFL offers short and medium term loans to vendors of large auto manufacturers as well as loans to the infrastructure sector and financing of the purchase of construction equipment.

Loans to vendors continues to grow steadily during FY2015. Given the difficult state of the Construction equipment and infrastructure lending over the last few years, BFL has been cautious in lending to these sectors. No new loans have been granted under infrastructure lending and BFL continues reviewing this area very carefully, remaining focused on managing existing accounts.

In FY2015 the Company furthered its rural footprint by setting up branches in Maharashtra and Gujarat. The major products being offered through the rural branch network are consumer durable loans, gold loans and refinance loans. The Company disbursed ₹ 505 crore to 1.31 lakh customers in FY2015

BFL offers retail fixed deposits, third party products such as general insurance, life insurance and mutual funds and value added services to its customers.



We want you to have great expectations of us, not merely good ones. That's why we've introduced 100% 'end-to-end online' Personal Loans, Home Loans, Business Loans and Loans against Shares. Where you get instant approvals and fast cash in the bank through a delightfully transparent process. To know how great the next chapter is, visit www.bajajfinserv.in

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Bajaj Finserv Limited

As part of its strategy of diversifying its liability base, BFL launched its fixed deposit programme in FY2014, and has built a fixed deposit base of ₹ 983 crore at the end of FY2015. The fixed deposit scheme has been rated FAAA/Stable by CRISIL and MAAA/Stable by ICRA. Retail fixed deposits will also help BFL diversify its source of funds.

The Company is a corporate agent of Bajaj Allianz General Insurance Company Ltd. (BAGIC) and Bajaj Allianz Life Insurance Company Ltd. (BALIC). During FY2015 BFL strengthened its product offering in general insurance, adding extended warranty insurance for consumer durables to the already robust portfolio of health and property insurance. The distribution of life insurance continues to grow strongly. BFL is today one of the largest corporate agents of BAGIC and BALIC.

An innovative product called the 'Property Fitness Report' was launched in FY2015. It provides various insights into the property against which a loan is being disbursed. This offering coupled with its existing offerings viz: Financial Fitness Report (FFR) and SME rating product (in partnership with CRISIL) diversified the Company's fee based offerings.

In FY2015 BFL has worked closely with UIDAI to access the e-KYC customer database. This will substantially improve customer experience and should help grow the business in the upcoming year.

Prudent asset liability management (ALM) and having a judicious mix of borrowings helped BFL drop its cost of borrowings in FY2015. It continued its constant vigil on the asset-liability framework and raised longer tenor borrowings whenever necessary, which include an issue of ₹ 453 crore towards Tier II capital.

BFL's loan book continued to remain strong due to its cautious stance on growth and robust risk management with net non-performing assets (NPAs) at 0.45%, one of the lowest in the industry.

Given the growing scale of its borrowings, BFL took the strategic step of setting up a liquidity management desk to manage the risk of its exposure to the wholesale money market. Based on its assessment of liquidity risk, BFL maintains a reserve which, will help mitigate volatile liquidity conditions in the coming years.

As on 31 March 2015, the Company's total borrowings stood at ₹ 26,691 crore. Its capital adequacy remains at a healthy 17.97% as on 31 March 2015, including 14.15% of Tier I capital.

In FY2015, BFL was recognised as among the top three employers in the Banking and Financial Services Industries (BFSI) space by Great Places to Work (GPTW). It was also recognised by AON Hewitt in its ranking of the top 11 best employers in India in FY2015.



We are constantly waging a war with 'good' in our pursuit of greatness. We've overcome barriers of illiteracy, lack of infrastructure and language to insure 35 million lives in India's hinterland. This is just the beginning. We have a lot more ground to conquer. To know more about our march towards greatness, visit www.bajajfinserv.in

LET'S GO FOR GREAT

Financial performance

Table 2 gives the Company's financial performance for FY2015 vis-à-vis the previous year.

Table 2: Financial performance of BFL

(₹ In Crore)

Particulars	FY2014	FY2015	% Change
Total income	4,074	5,418	33%
Interest and finance charges	1,573	2,248	43%
Net interest income	2,501	3,170	27%
Salary cost	341	451	32%
Marketing commission	93	61	-34%
Dealer incentives	138	208	51%
Recovery costs	168	204	21%
Loan losses and provisions	259	385	49%
Depreciation	29	36	24%
Other expenses	382	468	23%
Profit before tax	1,091	1,357	24%
Profit after tax	719	898	25%
Earnings per share (EPS) basic, in ₹	144.79	179.94	24%
Earnings per share (EPS) diluted, in ₹	143.65	177.70	24%
Book value per share, in ₹	802.20	959.93	20%

Chart B plots profit after tax over the last five years.

Chart B: BFL's profit after tax (₹ In Crore)
CAGR: 38%



Protection and Savings

General Insurance Bajaj Allianz General Insurance Company Ltd. (BAGIC)

BAGIC is a composite insurer offering various types of general insurance including motor, marine, health and various forms of corporate insurances. In an extremely competitive market, BAGIC has, over the years, built a very strong retail franchise and has retained a leading position among private insurers. It is one of the most respected brands in general insurance and focuses on building a quality portfolio with strong underwriting, multi-channel distribution and prudent financial management.

Business update

Given lower sales of cars and commercial vehicles and reduced levels of investments in the economy, the general insurance industry posted a relatively modest growth of 10% for FY2015, which was lower than the 12% recorded in FY2014 and significantly less than the 19% recorded in FY2013.

The premium growth rates of the industry and BAGIC are shown in Table 3.

Table 3: Gross direct premium in India

(₹ In Crore)

Particulars	FY2011	FY2012	FY2013	FY2014	FY2015
Bajaj Allianz	2,870	3,287	4,001	4,516	5,230
Private sector	17,425	22,395	27,927	31,994	35,149
Public sector	26,417	30,539	35,001	38,608	42,514
Industry	43,842	52,934	62,927	70,602	77,663
Growth rates					
Bajaj Allianz	16%	15%	22%	13%	16%
Private sector	25%	29%	25%	15%	10%
Public sector	21%	16%	15%	10%	10%
Industry	22%	21%	19%	12%	10%
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Source: GI Council figures, IRDA website and IRDA, Handbook of Insurance Statistics. Figures upto FY2012 are on the basis of gross written premiums (GWP); and from FY 2013 are based on gross direct premiums (GDP)

Unfortunately, thanks to two major catastrophes, FY2015 was a tough year in terms of claims for the industry as well as BAGIC. There were unprecedented floods in Jammu and Kashmir in September 2014. One of the worst natural calamities to have plagued India, it caused widespread destruction to life and property. BAGIC is the largest private insurer in the state with 23% market share. The entire BAGIC team rose to the occasion and settled more than 27,000 claims for a value of over ₹ 930 crore in the valley of Kashmir, one of the largest claim settlements by a private company. BAGIC's efforts received appreciation from various stakeholders including the judicial body of the state, J&K Bank (BAGIC's channel partner and largest bank in the state) and by the people of Jammu and Kashmir. Thereafter, in October 2014, the tropical cyclone 'Hudhud' caused extensive damage in eastern India. BAGIC settled over 1,000 claims worth ₹ 32 crore arising out of this.

These events have also highlighted BAGIC's maturity as an insurance company. Despite such heavy losses, BAGIC has been able to record its best ever performance in terms of premiums and

profits while demonstrating its ability to absorb large losses without impairing financial security. Its solvency margin remains healthy and well above the minimum required by regulations.

During FY2015, BAGIC also participated in National Crop Insurance Programme by primarily offering a weather-based crop insurance scheme. BAGIC wrote business of ₹ 459 crore in first year of its entry in this line of business, issuing over 28,000 policies across 23 districts covering more than three million farmers.

BAGIC wrote $\stackrel{?}{\stackrel{?}{\sim}}$ 163 crore of standalone commercial vehicles third party premiums, for which there is a minimum quota fixed by the regulator, the Insurance Regulatory and Development Authority (IRDA). The amount underwritten is higher than the minimum obligation of $\stackrel{?}{\stackrel{?}{\sim}}$ 155 crore for BAGIC, and is expected to complete the obligation of Indian Motor Third Party Declined Risk Insurance Pool (IMTPDRIP, or the Declined Pool).

The decision of the IRDA to index future annual increases in motor third party premium is a much needed move which has paved the way for reducing the mounting pool losses for the industry. From 1 April 2015, the IRDA has further increased the motor third party premium rates by upto 13.3% on an average. Although third party loss ratios have reduced over the last few years, the incurred claims are still more than the premiums. It is hoped that, over the next few years, this segment would start providing a reasonable economic profit.

In FY2015, BAGIC continued its focus on balancing growth with profitability supported by expanded geographical reach and a strong customer orientation. This has been achieved by:

- Robust and prudent underwriting practices.
- Generation of cash flows through strong policy retention and judicious investment thereof.
- Technological innovations, such as tablet-based policy issuance and claim settlement.
- Expanding geographical presence at very low cost through 137 virtual sales offices and 20 all-women branches across country.
- Introducing high customer value products like Health Care Supreme, which has many unique benefits.

Bajaj Allianz General Insurance: Performance Highlights FY2015

- Gross written premium (GWP) for FY2015 grew by around 16%, from ₹ 4,584 crore in FY2014 to ₹ 5,301 crore in FY2015.
- BAGIC's market share was 6.7%, excluding specialised insurers. In the previous year, the share was 6.4%.
- Net earned premium for FY2015 was ₹ 3,832 crore, an increase of 10% over the previous year figure of ₹ 3,493 crore.
- In FY2015, BAGIC issued 7.3 million policies, versus 6.7 million in FY2014.
- In the course of FY2015, there were 716,920 reported claims, compared to 824,455 in FY2014.

BAGIC's focus continues to be on retail business, where it has strengths in distribution and claims handling capabilities. Increase in business mix of 'other' lines of business is mainly due to crop insurance. With its strong retail focus, BAGIC wrote 69% of its GWP from motor and health insurance, with the rest coming from fire, marine, agricultural insurance and miscellaneous lines.

Retail channels like agency, motor and bancassurance continue to be the mainstay of BAGIC's channel mix, contributing to around 65% of the business. The Company has one of the largest networks of independent partner banks including nationalised banks with strong regional presence, as well as cooperative and rural banks. BAGIC's online sales channel, which offers 24x7 ease of buying, grew substantially during FY2015. It is ideally suited for off-the-shelf retail products like motor and health.

Financial performance

Despite the impact of natural catastrophes, BAGIC reported strong growth in profitability in FY2015. The financial performance for FY2015 is summarised in Table 4.

Table 4: Financial performance of BAGIC

(₹ In Crore)

Particulars	FY2014	FY2015	
Gross written premium	4,584	5,301	
Net earned premium	3,493	3,832	
Underwriting result excluding Motor Pool losses	146	83	
Motor Pool losses	(148)	///// <u>-</u>	
Profit before tax	587	777	
Profit after tax	409	562	
Claims ratio	72.3%	71.9%	
Combined ratio (excluding pool)*	94.2%	96.7%	
Combined ratio (including pool)*	98.1%	96.7%	
Return on average equity	28.0%	28.9%	

Note: Combined ratio is according to the Master circular on 'Preparation of Financial Statements of General Insurance Business' issued by the IRDA effective from 1 April 2013.

Chart C plots profit after tax over the last five years.

Chart C: BAGIC's profit after tax (₹ In Crore)
CAGR: 90%



Investments

BAGIC's cash and investments as on 31 March 2015 stood at ₹7,859 crore versus ₹6,967 crore in the previous year. Cash flow generation continues to be strong.

Capital and solvency

- Paid up capital, including share premium stood at ₹ 277 crore as on 31 March 2015.
 No new capital was needed in FY2015
- Shareholders' equity of BAGIC was at ₹ 2,225 crore as on 31 March 2015, compared to ₹ 1,664 crore a year earlier.
- As on 31 March 2015, BAGIC's solvency margin was at 182%, which is well above the normal regulatory requirement of 150% in spite of natural catastrophes.

Life Insurance Bajaj Allianz Life Insurance Company Ltd. (BALIC)

BALIC is among the top five private life insurers in terms of aggregate new business premium and manages over ₹ 36,000 crore of policyholders' funds. It remains one of the strongest life insurers with a high solvency margin and solid profitability. Over the last few years, the industry had been struggling to grow on the back of a reduction in financial savings rates and falling risk appetite among retail small savers. BALIC is no exception to this reality. It has taken several steps to improve the quality of business and reorganising its distribution — the results of which should become more visible over the next few years.

Business update

FY2015 was a year of change for the life insurance industry. After the new product regulations of the IRDA, almost all the old products had to be replaced with new ones, and needed to be launched during the year. Consequently, this was a year in which the industry and the companies were revisiting strategies, retraining their distribution channels and restructuring their cost base.

Taking a cue from somewhat more positive macroeconomic factors and backed by strong equity market performance, the private insurance industry registered a growth in FY2015 after witnessing three years of continuous de-growth in new business premium. This turnaround was also partly attributable to the increase in tax benefits for investments in insurance. It is hoped that the positive performance of the insurance industry in the current financial year perhaps signals the bottoming out of the life insurance sector. Amendments to the Insurance Act, 1938 gives substantial flexibility to the regulator to adapt regulations, and many of the changes should lead to a revival of sustained growth in the industry over the next few years. Table 5 exhibits the data on new business premium over the last five fiscal years.

Table 5: New business premium and growth rates

(₹ In Crore)

Particulars	FY2011	FY2012	FY2013	FY2014	FY2015
New business premium					
BALIC	3,462	2,714	2,992	2,592	2,702
Private sector	39,381	32,718	30,765	29,517	34,838
LIC	86,445	81,514	76,246	90,645	78,303
Industry	125,826	114,232	107,011	120,162	113,141
Growth rates					
BALIC	-22%	-22%	10%	-13%	4%
Private sector	3%	-17%	-6%	-4%	18%
LIC	22%	-6%	-6%	19%	-14%
Industry	15%	-9%	-6%	12%	-6%
Market share					
Private sector	31%	29%	29%	25%	31%
LIC	69%	71%	71%	75%	69%

Source: IRDA New business report and the Life Insurance Council Statistics.

The impact of product regulations and changing risk preferences of customers has resulted in a significant change in the product mix of the private sector. As can be seen from Table 6 below, the share of unit-linked products, which was 83% in FY2010 fell to 29% in FY2014 and has again increased to 36% in 9 months of FY2015.

Table 6: Product mix based on new business premium

(₹ In Crore)

New business premium- private sector	FY2010	FY2011	FY2012	FY2013	FY2014	9 M 2015
Unit-linked	83%	69%	41%	35%	29%	36%
Traditional	17%	31%	59%	65%	71%	64%

Source: IRDA Annual Report, the IRDA Handbook and the Life Insurance Council Statistics.

Bajaj Allianz Life Insurance: Performance Highlights FY2015

- BALIC's new business premium grew by 4% in FY2015 to ₹ 2,702 crore versus
 ₹ 2,592 crore in the previous year. This occurred despite one of BALIC's oldest bancassurance partners moving out due to a global tie-up with the foreign partner of another insurer.
- Within the private sector, BALIC's market share of new business was 7.8% in FY2015 compared to 8.8% in FY2014. Its share in the total market was 2.4% in FY2015 versus 2.2% for FY2014.
- In FY2015, in terms of new business premium, BALIC was ranked among the private life insurers at 4th position which was the same as in the previous year.
- Consequently, BALIC's gross written premium in FY2015 was 3% higher at ₹ 6,017 crore compared to ₹ 5,843 crore in FY2014.
- BALIC also saw an increase in the share of unit linked business to 36% of total new business from 18% in the previous year.

Financial performance

BALIC's financial performance is summarised in Table 7.

Table 7: Financial performance of BALIC

(₹ In Crore)

Particulars	FY2014	FY2015
Gross written premium	5,843	6,017
New business premium	2,592	2,702
Renewal premium	3,251	3,315
Policyholders' profit transferred to shareholders'*	632	372
Profit after tax	1,025	876
Assets under management	38,780	43,554
Solvency ratio	734%	761%
	<u> </u>	

^{*} Net of transfer to shareholders

Policyholders' profits were lower during the year mainly because of the fall in charges from the old book of unit-linked policies which experienced high surrenders and, consequently, lower charges were earned from such policies. BALIC was able to partially compensate this with higher investment income from shareholders' funds, thus posting a PAT of $\stackrel{?}{\sim}$ 876 crore. Of this, Bajaj Finserv's share stood at $\stackrel{?}{\sim}$ 648 crore against $\stackrel{?}{\sim}$ 758 crore in FY2014.

43,554

38,780

Investments

BALIC's assets under management (AUM) grew by 12% during FY2015 on the back of strong performance of its funds. As on 31 March 2015, BALIC's AUM stood at ₹ 43,554 crore from ₹ 38,780 crore at 31 March 2014 as shown in Table 8.

Table 8: BALIC's assets under management (AUM)

(₹ In Crore)			
As on 31 March 2014	As on 31 March 2015		
5,810	7,187		
21,288	21,645		
11,682	14,722		
	31 March 2014 5,810 21,288		

BALIC's unit-linked funds have performed well, with many generating returns that matched or were better than the benchmark indices. The traditional portfolios are carefully managed, keeping in mind the regulatory asset allocation requirements and duration of the policy liabilities. Investment yield excluding unrealised gains for policyholders' funds was 9.82% and for shareholders' funds was 9.67%.

Capital and capital adequacy

Total assets under management (AUM)

- Total capital infused by shareholders, including share premium, was ₹ 1,211 crore as on 31 March 2015. This remained unchanged during the year.
- Including accumulated profits of ₹ 5,533 crore for FY2015, shareholders' net worth was ₹ 6,749 crore as on 31 March 2015. For the previous year, accumulated profits were ₹ 4,660 crore, and the shareholders' net worth was ₹ 5,871 crore.

Chart D plots net worth over the last five years.

Chart D: BALIC's net worth (₹ In Crore) 6,749 7,000 5,871 6.000 4.844 5,000 3,561 4,000 3,000 2,249 2,000 1,000 0 FY2011 FY2012 FY2013 FY2014 FY2015

• BALIC remains one of the strongest life insurers with a solvency ratio of 761% as on 31 March 2015, which is well in excess of the minimum regulatory requirement of 150%.

Financials of Bajaj Finserv

Standalone

The standalone financials of the Company are given in Table 9.

Table 9: Standalone financials of Bajaj Finserv

(₹ In Crore)

Particulars	FY2014	FY2015	
A. Income from wind-farm activity	60	50	
Administrative expenses	23	19	
Profit from wind-farm activity	37	31	
B. Income from investments and others	97	161	
Other expenses	28	34	
Profit before tax	106	158	
Tax expense	22	32	
Profit after tax	84	126	

Consolidated financials

The consolidated results are given in Table 10. These include the results of subsidiaries and joint venture and are prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and notified by the Ministry of Corporate Affairs.

Table 10: Consolidated financials of Bajaj Finserv

(₹ In Crore)

Segment revenue			Segment results-profit from each segment		
Particulars	FY2014	FY2015	Particulars	FY2014	FY2015
Insurance	11,297	12,385	Insurance	1,749	1,784
Wind-farm	60	50	Wind-farm	37	31
Retail finance	4,074	5,418	Retail finance	1,087	1,368
Investments and others	190	280	Investments and others	29	63
	15,621	18,133		2,902	3,246
			Tax expense	711	842
Less: inter-segment	66	82	Tax credits of earlier years		5
			Minority interest	647	719
Total	15,555	18,051	Profit for the year	1,544	1,690

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking' within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

Corporate Governance

The commitment of Bajaj Group to the highest standards of good corporate governance practices predates SEBI and clause 49 of the Listing Agreements. Ethical dealings, transparency, fairness, disclosure and accountability are the main thrust to the working of the Bajaj Group. Bajaj Finserv Ltd. ('BFS' or 'the Company' or 'Bajaj Finserv') maintains the same tradition and commitment.

SEBI vide its circular No. CIR/CFD/POLICY CELL/2/2014 dated 17 April 2014 and as subsequently amended by circular dated 15 September 2014 notified the revised clause 49 of the Listing Agreement to be applicable with effect from 1 October 2014.

This Report, therefore states compliance as per requirements of Companies Act, 2013, revised clause 49, NBFC Directions.

Given below are the Company's corporate governance policies and practices for 2014-15. As will be seen, Bajaj Finserv's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements in accordance with the provisions of clause 49 of the Listing Agreement.

Board of Directors

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

Composition

As on 31 March 2015, the Board of the Company consisted of nine directors, of whom one was executive (Managing Director), five were non-executive independent (including one woman director) and three were non-executive and non-independent. The Board has no institutional nominee directors. The Company has a non-executive Chairman.

According to clause 49, if the non-executive chairman is a promoter, at least one half of the Board of the Company should consist of independent directors. As Table 1 shows, this provision is met at Bajaj Finserv.

Number of meetings of the Board

During the financial year 2014-15, the Board of Directors met 6 times, viz. 14 May 2014, 16 July 2014, 10 September 2014, 14 October 2014, 14 January 2015 and 23 March 2015. The gap between any two meetings has been less than one hundred and twenty days.

Attendance record of directors

Table 1: Composition of the Board and attendance record of directors for 2014-15

Name of director Category		Relationship with other directors	Meetings attended	Whether attended last AGM
Rahul Bajaj	Chairman, non-executive	Father of Rajiv Bajaj and Sanjiv Bajaj	6/6	Yes
Nanoo Pamnani	Vice Chairman (non-executive, independent)		6/6	Yes
		Son of Rahul Bajaj and brother of Rajiv Bajaj	6/6	Yes
Madhur Bajaj	Non-executive		6/6	Yes
Rajiv Bajaj	Non-executive	Son of Rahul Bajaj and brother of Sanjiv Bajaj	5/6	Yes
D J Balaji Rao	Non-executive, independent		5/6	Yes
S H Khan	Non-executive, independent		6/6	Yes
Naresh Chandra	Non-executive, independent		6/6	Yes
Dr. Gita Piramal	Non-executive, independent	<u> </u>	6/6	Yes
/////////////	/ / / / / / / / / / / / / / / / / / / 	/ ///////////////////////////////////	· / -/-/-/-/-	/ //////

Non-executive directors' compensation

The Board of Directors at its meeting held on 27 March 2014, revised sitting fee to ₹ 50,000 per meeting to non-executive directors, including independent directors, for every meeting of the Board or Committees of the Board attended by them as member effective 1 April 2014.

The shareholders of the Company vide a special resolution passed at the annual general meeting held on 17 July 2012 have by way of an enabling provision approved the payment of a sum not exceeding one percent of the net profits of the Company, calculated in accordance with the provisions of section 198, 349 and 350 of Companies Act, 1956 (corresponding to sections 197 and 198 of the Companies Act, 2013), to the directors (other than the Managing Director) as may be decided by the Board of Directors in respect of the profits of the Company for each year for a period commencing from 20 February 2013 upto 31 March 2017.

In view of the increased demands on non-executive directors' participation in Board and Committee meetings, the Board of Directors at its meeting held on 27 March 2014, increased the commission payable to non-executive directors to ₹ 50,000 per meeting of Board and Committee meetings attended by them during the balance term upto 31 March 2017, with effect from 1 April 2014.

The Company currently does not have a stock option programme for any of its directors.

Information supplied to the Board

In advance of each meeting, the Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to officers of the Company. In addition to items which are required to be placed before the Board for its noting and/or approval, information is provided on various significant items.

Committee positions in listed

In terms of quality and importance, the information supplied by Management to the Board of the Company is far ahead of the list mandated under clause 49 of the Listing Agreement.

Pursuant to the requirement under the NBFC Directions, the following information is also being placed before the Board at regular intervals:

- i. Progress made in putting in place a progressive risk management system, risk management policy and strategy followed.
- ii. Conformity with the prescribed corporate governance standards.
- Minutes of Risk Management Committee and Asset Liability Management Committee meetings.

Orderly succession to Board and Senior Management

The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

Directorships and memberships of Board Committees

Table 2: Number of directorships/committee positions of directors as on 31 March 2015

	Directorships			and unlisted public limited companies	
Name of director	In listed companies	In unlisted public limited companies	In private limited companies	As Chairman	As Member
Rahul Bajaj	4	2	7	<u> </u>	<u> </u>
Nanoo Pamnani	4	-	 	5	2
Sanjiv Bajaj	6	4	7		7
Madhur Bajaj	6	 	3		
Rajiv Bajaj	4	1	<u> </u>		2
D J Balaji Rao	7	 	-	3	4
S H Khan	5	2	1	4	5
Naresh Chandra*	9	 	1		10
Dr. Gita Piramal	3	<u> </u>	3		3

^{*}Out of the total directorships, Naresh Chandra holds position of 'non-executive non-independent director' in two companies.

Notes: None of the directors holds office as a director, including as alternate director, in more than 20 companies at the same time. None of them has directorships in more than 10 public companies. For reckoning the limit of public companies, directorship of private companies that are either holding or subsidiary of a public company is included.

As per declarations received, none of the directors serves as an independent director in more than 7 listed companies. Further, the whole-time director in the Company does not serve as an independent director in more than 3 listed companies

None of the directors was a member in more than 10 committees, nor a chairman in more than 5 committees across all companies, in which he was a director.

For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 have been excluded. Only audit committee and stakeholders relationship committee are considered for the purpose of reckoning committee positions.

Review of legal compliance reports

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

Code of Conduct

Revised clause 49 of Listing Agreement requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013.

The Company pursuant to erstwhile clause 49, already had a Code of Conduct for Directors and members of Senior Management.

As required under the revised clause 49, the Board at its meeting on 10 September 2014 adopted a revised Code of Conduct for all Directors and Senior Management of the Company and the same has been placed on the Company's website www.bajajfinserv.in

All Directors and Senior Management personnel have affirmed compliance with the new code for 2014-15. A declaration to this effect signed by the Managing Director is given in this Annual Report.

Maximum tenure of independent directors

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and clause 49 of the Listing Agreement.

Formal letter of appointment to independent directors

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013 and clause 49 of the Listing Agreement. The terms and conditions of appointment of independent directors are placed on the Company's website www.bajajfinserv.in

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, and that of its Committees and individual directors. Manner in which such formal annual evaluation was made by the Board is given below:

- Performance evaluation criteria for Board, Committees of the Board and Directors were approved by the Board at its meeting held on 14 October 2014. The criteria are placed on the Company's website www.bajajfinserv.in
- Based on the said criteria, rating sheets were filled by each of the directors towards the end of the year with regard to evaluation of performance of the Board, its Committees and Directors (except for the director being evaluated) for the year under review.
- A consolidated summary of the ratings given by each of the directors was then prepared, based on which a report of performance evaluation was prepared by the Chairman in respect of the performance of the Board, its Committees and Directors during the year under review.
- The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and Board at their meetings held in March 2015.
- As per the report of performance evaluation, the Board shall determine, inter alia, whether to
 continue the term of appointment of the independent director. During the year under review,
 there was no occasion to decide on the continuance of the term of appointment of any of the
 independent directors and hence the question of taking a decision on their re-appointment
 did not arise.

Remuneration Policy

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Remuneration Policy, providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees. The detailed Remuneration Policy is placed on Company's website www.bajajfinserv.in

Board Diversity Policy

In compliance with provisions of clause 49 of Listing Agreement, the Board through its Nomination and Remuneration Committee has devised a Policy on Board Diversity. The objective of the Policy is to ensure that the Board is comprised of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company.

It may be noted that, the Board composition as at present broadly meets with the above objective.

Familiarisation programme

With a view to familiarising the independent directors with the Company's operations, as required under clause 49, the Company has held various familiarisation programmes for the Independent Directors throughout the year on an ongoing and continuous basis. Some of the familiarisation programmes carried out during the year were as under:-

- 1. Various presentations were made by business heads of the Company and its various subsidiaries from time to time on different functions and areas.
- 2. Deliberations were held and presentations were made from time to time on major developments in the areas of the new Companies Act, 2013, the new clause 49 of the Listing Agreement and NBFC guidelines.

The details of familiarisation programme are also placed on the Company's website www.bajajfinserv.in

Whistle Blower Policy/Vigil mechanism

The Company adopted its Whistle Blower Policy on 12 January 2010, more specifically required as per NBFC guidelines, even when the same was non-mandatory as per clause 49 of the Listing Agreement.

Pursuant to section 177(9) of Companies Act, 2013 and clause 49 of the Listing Agreement, the Board of Directors at its meeting held on 14 May 2014, amended the existing Whistle Blower Policy.

The Whistle Blower Policy/Vigil mechanism provides a mechanism for the director/employee to report violations, without fear of victimisation of any unethical behavior, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice.

The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee. The said Policy is placed on the Company's website www.bajajfinserv.in

Subsidiary companies

The Company has Bajaj Finance Ltd. as its listed material subsidiary and Bajaj Allianz Life Insurance Company Ltd. and Bajaj Allianz General Insurance Company Ltd. as unlisted material subsidiaries as prescribed under clause 49.

A Policy on `material subsidiaries' in terms of clause 49 of the Listing Agreement has been formulated by the Board at its meeting held on 10 September 2014 and the same is placed on the Company's website www.bajajfinserv.in

Provisions of the revised clause 49 with reference to subsidiary companies were duly complied.

During the year under review, the Audit Committee reviewed the financial statements (in particular, the investments made) of each unlisted subsidiary company viz. Bajaj Allianz General Insurance Company Ltd., Bajaj Allianz Life Insurance Company Ltd., Bajaj Housing Finance Ltd. (erstwhile Bajaj Financial Solutions Ltd.), Bajaj Financial Securities Ltd. and Bajaj Financial Holdings Ltd. to the extent applicable. Minutes of the Board meetings of these subsidiary companies were regularly placed before the Board of the Company. So too was a statement of significant transactions and arrangements entered into by these subsidiary companies, as applicable.

Related party transactions

All related party transactions (RPTs) which were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and did not attract provisions of section 188 of Companies Act, 2013 and were also not material RPTs under clause 49 of the Listing Agreement.

During the year 2014-15, as required under section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement, all RPTs were placed before Audit Committee for prior approval. A summary statement of transactions with related parties was placed periodically before the Audit Committee during the year.

A statement showing the disclosure of transactions with related parties as required under Accounting Standard 18 is set out separately in this Annual Report.

Details of 'material' transactions, if any, with related parties are disclosed to stock exchanges on quarterly basis alongwith the compliance report on corporate governance.

There were no material transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the Company.

A Policy on materiality of RPTs and also on dealing with RPTs has been formulated by the Board during the year under review and the same is placed on the Company's website www.bajajfinserv.in

Disclosures

Suitable disclosures have been made in the financial statements, together with the Management's explanation in the event of any treatment being different from that prescribed in Accounting Standards.

Audit Committee

Constitution and composition

The Company had set up its Audit Committee on 30 January 2008 under erstwhile Companies Act, 1956 and clause 49. To meet the additional requirement of Companies Act, 2013 and revised clause 49, the terms of reference of Committee were amended by the Board at its meeting held on 14 May 2014. The Board has been reviewing the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Companies Act, 2013, revised clause 49 of the Listing Agreement and NBFC Directions.

Meetings, attendance and topics discussed

During 2014-15, the Audit Committee met four times: 14 May 2014, 16 July 2014, 14 October 2014, and 14 January 2015. The meetings were scheduled well in advance. In addition to the members of the Audit Committee, these meetings were attended by the heads of finance, internal audit functions and the statutory auditor of the Company and those executives who were considered necessary for providing inputs to the Committee. The terms of reference of Audit Committee as approved by Board are as required under Companies Act, 2013 and clause 49 of Listing Agreement and NBFC directions.

The Company Secretary acted as the secretary to the Audit Committee.

Table 3: Composition of the Audit Committee and attendance record of members for 2014-15

Name of director Category		Meetings attended
Nanoo Pamnani	Chairman, non-executive and independent	4/4
S H Khan	Non-executive, independent	4/4
D J Balaji Rao	Balaji Rao Non-executive, independent	
Naresh Chandra	Non-executive, independent	4/4
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All members of the Audit Committee are independent, non-executive directors and are 'financially literate' as required by clause 49. Moreover, the Chairman and members of Audit Committee have 'accounting or related financial management expertise'.

Nanoo Pamnani, Chairman of Audit Committee was present at the annual general meeting of the Company held on 16 July 2014, to answer shareholders' queries.

Nomination and Remuneration Committee

Bajaj Finserv constituted the Remuneration Committee of the Board on 30 January 2008. Subsequently, the Board of Directors at its meeting held on 15 January 2009, extended the terms of reference of the said Committee to include nomination functions and restyled the said Committee as 'Remuneration and Nomination Committee'.

The Board of Directors at its meeting held on 12 January 2010 further extended the terms of reference of this Committee to ensure 'Fit and Proper' status of proposed/existing directors as required under the RBI Guidelines on Corporate Governance.

The Board of Directors at its meeting held on 14 May 2014 renamed the Committee as Nomination and Remuneration Committee and revised the terms of reference for this Committee, in compliance with section 178 of Companies Act, 2013 and new clause 49 of Listing Agreement.

During the year under review, the Committee met twice on 10 September 2014 and 23 March 2015.

Table 4: Composition of the Nomination and Remuneration Committee and attendance record of members for 2014-15

Name of director Category		Meetings attended	
S H Khan	Chairman, non-executive and independent	2/2	
D J Balaji Rao	Non-executive, independent	1/2	
Nanoo Pamnani	Non-executive, independent	2/2	
Naresh Chandra	esh Chandra Non-executive, independent		
Rahul Bajaj	Chairman of the Board, non-executive	2/2	
		/ 	

On 10 September 2014, the Committee, inter alia, approved and recommended to the Board:

- i) Board Diversity Policy,
- ii) Performance evaluation criteria for Board, Committees of Board, Independent Directors and Non- Independent Directors,
- iii) Remuneration Policy on remuneration of directors, KMP and employees, and
- iv) Appointment of CFO.

On 23 March 2015, the Committee, inter alia, recommended for consideration of the Board:

- i) Performance Evaluation of the Board, Committees and the Directors, and
- ii) Noting directors' annual declarations regarding 'fit and proper' status for the year 2015-16 as per NBFC Directions.

S H Khan, Chairman of Nomination and Remuneration Committee was present at the annual general meeting of the Company held on 16 July 2014, to answer shareholders' queries.

Risk Management Committee

As per RBI Guidelines on Corporate Governance, the Board of Directors of the Company had constituted a Risk Management Committee in 2010, consisting of senior executives and this Committee was functioning since 2010 with meetings being held every quarter.

SEBI subsequently vide its circular dated 15 September 2014 revised clause 49 of the Listing Agreement making risk management committees applicable to top 100 listed companies by market capitalisation. The list includes Bajaj Finserv Ltd. in the top 100 companies (Rank 100).

In light of the above, the Board of Directors at its meeting held on 14 October 2014 re-constituted the Risk Management Committee, consisting of the following members.

- 1. Nanoo Pamnani, Chairman
- 2. Sanjiv Bajaj
- 3. S Sreenivasan

The Committee held its meeting on 23 March 2015 and all the members attended the meeting. At this meeting, inter alia, the statement on Risk Management Policy, including identification therein of elements of risk which may threaten the existence of the Company were discussed at length.

The Board has laid down procedures to inform it of the Company's risk assessment and minimisation procedures. These are periodically reviewed to ensure that Management identifies and controls risk through a properly defined framework.

Stakeholders Relationship Committee

The Board of Directors of the Company constituted its Shareholders' and Investors' Grievance Committee in its meeting held on 30 January 2008. This Committee was constituted to specifically look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend, payment of unclaimed dividends etc. In addition, the Committee also looked into matters that can facilitate better investor services and relations. The Board was kept apprised of all the major developments on investors' issues through various reports and statements furnished to the Board from time to time throughout the year.

In compliance with the provisions of section 178 of Companies Act, 2013 and new clause 49 of the Listing Agreement, the Board re-named the Committee as 'Stakeholders Relationship Committee' and revised the terms of reference of said Committee as under:

- 1. To look into the redressal of complaints of security holders on matters relating to transfer of shares, dematerialisation of shares, non-receipt of annual report, non-receipt of dividend, matters relating to issue of new share certificates etc.
- 2. To look into matters that can facilitate better security-holders services and relations.

During the year under review, Dr. Gita Piramal was inducted into the Committee.

Table 5: Composition of the Stakeholders Relationship Committee and attendance record of members for 2014-15

Name of director Category		Attendance at the meeting held on 23 March 2015
Nanoo Pamnani	Chairman, non-executive and independent	Yes
Sanjiv Bajaj	Managing Director, executive	Yes
Rajiv Bajaj	Non-executive	Yes
Dr. Gita Piramal	Non-executive, independent	Yes

During the year under review, the Committee met on 23 March 2015 to, inter alia, review the status of investors' services rendered. All members were present at the meeting. The secretarial auditors as well as the Company Secretary (who is also the compliance officer) were also present. The Committee expressed its satisfaction on the overall status of compliance and actions taken on various matters.

Nanoo Pamnani, Chairman of Stakeholders Relationship Committee was present at the annual general meeting of the Company held on 16 July 2014, to answer shareholders' queries.

Table 6: Investors' complaints attended and resolved during 2014-15

during 2014-15
Nil
18
18
Nil

Pursuant to circular issued by SEBI in December 2010 for dealing with physical unclaimed shares, the Company has a demat account with HDFC Bank titled 'Bajaj Finserv Ltd. Unclaimed Suspense Account' to which all the unclaimed shares stand transferred in terms of the said circular.

More details on this subject and on shareholders' related matters have been furnished in the chapter on General Shareholder Information.

Independent Directors' meeting

In compliance with Schedule IV to the Companies Act, 2013 and revised clause 49 of Listing Agreement, the Independent Directors held their separate meeting on 23 March 2015, without the attendance of non-independent directors and members of management, inter alia, to discuss the following:

- i) review the performance of non-independent directors and the Board as a whole;
- ii) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
- iii) assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All independent directors were present at the meeting, deliberated on the above and expressed their satisfaction.

Remuneration of directors

Pecuniary transactions with non-executive directors

During the year under review, there were no pecuniary transactions with any non-executive director of the Company.

The register of contracts is maintained by the Company under section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

Criteria of making payments to non-executive directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee corporate governance framework of the Company.

As stated earlier, the Remuneration Policy, inter alia, disclosing criteria of making payments to directors, key managerial personnel and employees is placed on the Company's website www.bajajfinserv.in

Non-executive directors

Non-executive directors are paid sitting fees and commission as earlier stated in this Report.

Managing Director

During the year under review, the Company has paid remuneration to Sanjiv Bajaj, Managing Director of the Company as provided in detail in an Annexure to the Directors' Report in Form MGT-9.

Managing Director is entitled to superannuation benefits payable in the form of an annuity from an approved life insurance company, which form part of the perquisites allowed to him. No pension is paid by the Company.

Pursuant to section 197(14) of the Companies Act, 2013, Sanjiv Bajaj, Managing Director has been paid sitting fee of \gtrless 9 lakh and is being given commission of \gtrless 9 lakh from its subsidiary, Bajaj Finance Ltd. for the year 2014-15.

Remuneration to directors

The Company has no stock option plans for the directors and hence, it does not form a part of the remuneration package payable to any executive and/or non-executive director. During the year under review, none of the directors was paid any performance-linked incentive.

In 2014-15, the Company did not advance any loans to any of the non-executive directors and/or Managing Director. Details of remuneration paid/payable to directors during 2014-15 are provided in an annexure to the Directors' Report in Form MGT-9.

Shareholding of directors

Information on shares held by directors in the Company as on 31 March 2015 is provided in the annexure to the Directors' Report in Form MGT-9.

Management

Management discussion and analysis

This is given as separate chapter in the Annual Report.

Disclosure of material transactions

Under clause 49, Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. The same was nil.

Compliances regarding insider trading

The Company had in place a 'Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices', in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended. These regulations have been substituted by SEBI with a new set of Regulations, which has come into effect from 15 May 2015.

Regulation 8 of the newly introduced Regulations, required the Company to formulate a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), which the Company needs to follow in order to adhere to each of the principles set out in Schedule A to the said Regulations.

Further, regulation 9(1) of these Regulations required a listed company to formulate a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, towards achieving compliance with the said Regulations, adopting the minimum standards, set out in Schedule B to the Regulations.

Accordingly, the Board at its meeting held on 23 March 2015, approved and adopted:

- a) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information; and
- b) Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons.

The said codes are being adhered to with effect from 15 May 2015.

Shareholders

Communication to shareholders

Quarterly, half-yearly and annual financial results are published in numerous leading dailies such as Business Standard, Kesari, Mint, Hindu Business Line, Hindustan Times and Economic Times. An official press release is also issued. The Company also sends the half-yearly financial results, alongwith a detailed write-up, to each household of shareholders.

The Company has its own website, www.bajajfinserv.in which contains all important public domain information including presentations, if any, made to the media, analysts and institutional investors. The website contains information as prescribed under the Companies Act, 2013 and clause 49 of the Listing Agreement, including details such as dividend history, answers to Frequently Asked Questions (FAQs) by the various shareholder categories, details of the corporate contact persons and share transfer agent of the Company, shareholding pattern etc.

Section 20 and 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 permit companies to service delivery of documents electronically on the registered members'/ shareholders' email addresses. The Company, during the year under review sent documents, such as notice calling the general meeting, audited financial statements, directors' report, auditors' report etc. in electronic form at the email addresses provided by the shareholders and made available by them to the Company through the depositories. Shareholders desiring to receive the said documents in physical form continued to get the same in physical form, upon request.

All financial and other vital official news releases are also communicated to the concerned stock exchanges, besides being placed on the Company's website.

The Company also files the following information, statements and reports on the Company website as specified by SEBI:

- 1. Full version of the annual report including the balance sheet, statement of profit and loss, directors' report, corporate governance report, auditors' report, cash flow statements, half-yearly financial statements and quarterly financial statements.
- 2. Shareholding pattern.

Information on general body meetings and details of special resolution(s) passed

During the previous three years, the annual general meeting (AGM) of the Company has been held at the registered office of the Company on the following dates and time:-

5th AGM	17 July 2012 at 4.15 p.m.
6th AGM	18 July 2013 at 4.15 p.m.
7th AGM	16 July 2014 at 4.15 p.m.

At the fifth AGM held on 17 July 2012, special resolutions were passed regarding the following:

- i) Approval of re-appointment and remuneration of Sanjiv Bajaj as the Managing Director of the Company for a five year term commencing from 1 April 2012.
- ii) Payment of commission to non-executive directors of the Company, not exceeding the limit of one percent of the net profits of the Company as provided under section 309 of the Companies Act, 1956 for a period commencing from 20 February 2013 to 31 March 2017.
- iii) Approval under section 372A for increasing the limit from ₹ 2,000 crore to ₹ 3,000 crore with regard to inter-company loans and investment.
- iv) Approval for raising of equity funds upto ₹ 1, 000 crore.

No special resolution was passed at the general meetings held during the years 2013 and 2014.

During the previous year, the Company has not adopted postal ballot for passing any resolution by the shareholders.

Details of capital market non-compliance, if any

There was no non-compliance by the Company of any legal requirements; nor has there been any penalty/stricture imposed on the Company by any stock exchange, SEBI or any statutory authority on any matter related to capital markets during the last three years.

CEO/CFO certification

The MD and CFO have certified to the Board with regard to the financial statements and other matters as required by clause 49 of the Listing Agreement. The certificate is contained in this Annual Report.

Report on corporate governance

This chapter, read together with the information given in the Directors' Report and the chapters on Management Discussion and Analysis and General Shareholder Information, constitute the compliance report on corporate governance during 2014-15. The Company has been regularly forwarding the quarterly compliance report to the stock exchanges as required under clause 49 of the Listing Agreement.

Auditors' certificate on corporate governance

The Company has obtained the certificate from its statutory auditors regarding compliance with the provisions relating to corporate governance laid down in clause 49 of the Listing Agreement. This certificate is annexed to the Directors' Report and will be sent to the stock exchanges alongwith the Annual Report to be filed by the Company.

Compliance of mandatory and non-mandatory requirements under clause 49

Mandatory

The Company has complied with all the mandatory requirements of clause 49 of the revised Listing Agreement.

Non-mandatory

The Company has also complied with all of the non-mandatory requirements as under:

1. The Board

The Non-executive Chairman has an office at the Company's premises and is allowed reimbursement of expenses incurred in performance of his duties.

2. Shareholder rights

A half-yearly declaration of financial performance including summary of significant events in the preceding six months is sent to each household of shareholder.

3. Audit qualifications

There are no qualifications in the financial statements of the Company for the year 2014-15.

4. Separate posts of Chairman and CEO

The Company has appointed separate persons to the post of Chairman and MD.

5. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.



General Shareholder Information

Annual General Meeting

Date	22 July 2015	
Time	4.15 p.m.	
Venue	Mumbai - Pune Road, Akurdi, Pune - 411 035.	

Financial calendar

Audited annual results for year ending 31 March	May
	June
Mailing of annual reports	
Annual general meeting	
Unaudited first quarter financial results	July
Unaudited second quarter financial results	October
Unaudited third quarter financial results	January/ early February

Dividend

The Board of Directors of the Company has proposed a dividend of ₹ 1.75 per equity share (35%) for the financial year 2014-15, subject to approval by the shareholders at the ensuing annual general meeting. Dividend paid in the previous year was also ₹ 1.75 per equity share (35%).

Dates of book closure

The register of members and share transfer books of the Company will remain closed from Saturday 11 July 2015 to Wednesday 22 July 2015, both days inclusive.

Date of dividend payment

Dividend on equity shares, if declared at the annual general meeting, will be credited/dispatched between 27 July 2015 and 28 July 2015:

- a) to all those beneficial owners holding shares in electronic form, as per the ownership data made available to the Company by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as of the close of business hours on Friday 10 July 2015; and
- to all those shareholders holding shares in physical form, after giving effect to all the valid share transfers lodged with the Company on or before the close of business hours on Friday 10 July 2015.

Payment of dividend

Dividend will be paid by account payee/non-negotiable instruments or through the National Electronic Clearing Service (NECS), as notified by the SEBI through the stock exchanges.

In view of the significant advantages and the convenience, the Company will continue to pay dividend through NECS in all major cities to cover maximum number of shareholders, as per applicable guidelines. Shareholders are advised to refer to the Notice of the annual general meeting for details of action required to be taken by them in this regard. For additional details or clarifications, shareholders are welcome to contact the registered office of the Company.

Securities and Exchange Board of India (SEBI) vide its circular No. CIR/MRD/DP/10/2013 dated 21 March 2013 has stipulated that all listed companies shall use approved electronic mode of payment viz., ECS, NECS, NEFT etc., for the purpose of making payments to the shareholders.

All the shareholders are requested to immediately update their Bank Account No. with 9-digit MICR No. (either Bank Account No. or 9-digit MICR No. or both), if the same has not been updated with the Company's share transfer agent or the depository participant, as the case may be.

Unclaimed dividends

The shareholders who have not encashed their dividend warrants for the years 2007-08 onwards are requested to claim the amount from Karvy Computershare Pvt. Ltd. or registered office of the Company.

As per section 205-C of the Companies Act, 1956, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a fund called the Investor Education and Protection Fund (Fund) set up by the Central Government. Accordingly, the unpaid/unclaimed dividend for 2007-08 shall become transferable to the Fund in September 2015. Shareholders are requested to verify their records and send claims, if any, before the amount becomes due for transfer to the Fund.

Further, the Ministry of Corporate Affairs vide its notification dated 10 May 2012 prescribed the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 which mandates all the companies to file the particulars of all the unclaimed and unpaid amounts through e-Form 5 INV on the web portal of Ministry of Corporate Affairs http://www.iepf.gov.in/IEPF/index.html and subsequently also upload the data on the website of the Company. During the year under review, the Company has accordingly filed the necessary form on 29 September 2014 for the financial year ended 31 March 2014. The details of unclaimed dividends for the financial years 2007-08 to 2012-13 have been uploaded on the Company's website www.bajajfinserv.in

Share transfer agent

The Company has appointed Karvy Computershare Pvt. Ltd. as its share transfer agent and processing of share transfer/dematerialisation/rematerialisation and allied activities was outsourced to Karvy Computershare Pvt. Ltd., Hyderabad (Karvy) with effect from 10 July 2008.

All physical transfers, transmission, transposition, issue of duplicate share certificate(s), issue of demand drafts in lieu of dividend warrants etc. as well as requests for dematerialisation/rematerialisation are being processed in periodical cycles at Karvy. The work related to dematerialisation/rematerialisation is handled by Karvy through connectivity with NSDL and CDSL.

Share transfer system

Share transfers received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. Total number of shares transferred in physical category during 2014-15 was 9,452 shares versus 11, 441 shares during 2013-14.

Dematerialisation/rematerialisation of shares

During 2014-15, 136,754 shares were dematerialised, compared to 301,655 shares during 2013-14. Shares held in physical and electronic mode as on 31 March 2015 are as given in Table 1.

Table 1: Shares held in physical and electronic mode

	Position as on 31 March 2015		Position as on 31 March 2014		Net change during 2014-15	
Particulars	No. of shares	% to total shareholding	No. of shares	% to total shareholding	No. of shares	% to total shareholding
Physical	9,427,435	5.92	9,555,187	6.00	(127,752)	(0.08)
Demat				<u> </u>		
NSDL	146,674,239	92.18	146,352,714	91.98	321,525	0.20
CDSL	3,023,510	1.90	3,214,451	2.02	(190,941)	(0.12)
Subtotal	149,697,749	94.08	149,567,165	94.00	130,584	0.08
Total	159,125,184	100.00	159,122,352	100.00	2,832	///// /

Global Depository Receipts (GDRs)

The Company issued and allotted GDRs on 3 April 2008 to the shareholders of BHIL (formerly BAL) pursuant to the scheme of demerger sanctioned by the Hon'ble High Court vide its order dated 18 December 2007 and the underlying shares against each GDR were issued in the name of the overseas depository i.e. Deutsche Bank Trust Company Americas. The Company has entered into a deposit agreement with Deutsche Bank Trust Company Americas on 21 August 2008 in respect of these GDRs.

Stock code

1.	BSE, Mumbai	532978
2. National Stock Exchange BAJAJF		BAJAJFINSV
3. ISIN for depositories (NSDL and CDSL)		INE918I01018
4.	Bloomberg	BJFIN IN
5. Reuters BJFS.BO		

Listing on stock exchanges

Shares of the Company are currently listed on the following stock exchanges:

Name	Address	
1. BSE Ltd. Mumbai	1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	
National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051	

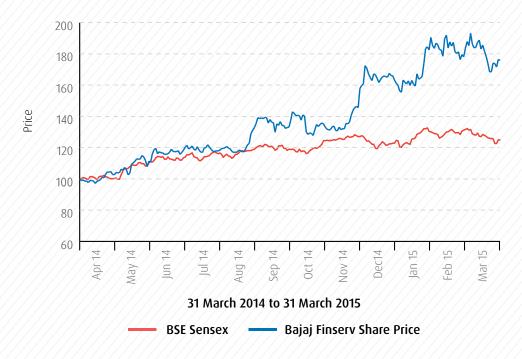
For the year 2014-15, the listing fees payable to these stock exchanges have been paid in full.

Market price data

Table 2: Monthly highs and lows of equity shares of Bajaj Finserv Ltd. during 2014-15 (₹ vis-à-vis BSE Sensex)

	BSE		NSE		
Month	High	Low	High	Low	Closing BSE Sensex
Apr 14	834.80	735.00	837.95	749.95	22,417.80
May 14	938.90	777.00	938.00	788.85	24,217.34
Jun 14	955.95	840.00	960.00	837.05	25,413.78
Jul 14	988.35	915.00	988.00	912.00	25,894.97
Aug 14	1,075.00	914.00	1,075.80	912.65	26,638.11
Sep 14	1,164.60	1,012.85	1,164.85	1,021.10	26,630.51
Oct 14	1,140.15	1,001.00	1,137.70	975.00	27,865.83
Nov 14	1,172.40	1,020.15	1,173.95	1,021.00	28,693.99
Dec 14	1,415.15	1,140.00	1,416.90	1,146.00	27,499.42
Jan 15	1,499.00	1,210.00	1,499.00	1,208.20	29,182.95
Feb 15	1,546.00	1,375.00	1,546.05	1,391.00	29,361.50
Mar 15	1,575.00	1,310.00	1,573.95	1,311.35	27,957.49

Bajaj Finserv Ltd. Vs BSE Sensex, indexed to 100 on 31 March 2014



Distribution of shareholding

Table 3 gives details about the pattern of shareholding among various categories as on 31 March 2015, while Table 4 gives the data according to size classes.

Table 3: Distribution of shareholding across categories

	31 Marcl	h 2015	31 March 2014	
Categories	No. of Shares	% to total capital	No. of Shares	% to total capital
Promoters	92,852,783	58.35	93,703,259	58.89
Friends and associates of promoters	17,312,657	10.88	15,591,570	9.80
GDRs*	41,132	0.03	41,132	0.03
Foreign Institutional Investors	12,352,695	7.76	17,492,274	10.99
Public Financial Institutions	4,909,984	3.09	5,649,613	3.55
Mutual Funds	6,786,651	4.26	1,346,688	0.85
Nationalised and other banks	41,549	0.03	48,091	0.03
NRIs and OCBs	754,965	0.47	730,315	0.46
Others	24,072,768	15.13	24,519,410	15.40
Total	159,125,184	100.00	159,122,352	100.00

^{*}Under the deposit agreement, the depository exercises the voting rights on the shares underlying the GDRs as directed by the promoters of the Company.

Table 4: Distribution of shareholding according to size class as on 31 March 2015

	No. of sha	No. of shareholders		Shares held in each class	
Categories	Number	% to shareholders	Number	% to shareholders	
1 to 500	41,645	90.01	2,541,686	1.60	
501 to 1000	1,613	3.49	1,170,500	0.73	
1001 to 2000	1,178	2.55	1,682,220	1.06	
2001 to 3000	517	1,12	1,293,126	0.81	
3001 to 4000	253	0.55	883,060	0.55	
4001 to 5000	160	0.34	727,593	0.46	
5001 to 10000	389	0.84	2,636,233	1.66	
10001 and above	510	1.10	148,190,766	93.13	
Total	46,265	100.00	159,125,184	100.00	

Shareholders' and investors' grievances

The Board of Directors of the Company currently has a Stakeholders Relationship Committee to specifically look into and resolve grievances of security-holders on various matters. Routine queries/complaints received from shareholders are promptly attended to and replied. Queries/complaints received during the period under review related to non-receipt of dividend by warrants as well as through electronic clearing service, non-receipt of annual report, non-receipt of transferred shares and change of address and/or bank particulars. There were no pending issues to be addressed or resolved.

During the year, letters were received from SEBI/ROC/Stock Exchanges/Investors concerning 18 complaints filed by the shareholders on various matters. In respect of each of these complaints, replies were sent to SEBI/ROC/Stock Exchanges/Investors in the prescribed format, as the case may be and no action remained to be taken at the Company's end.

Demat suspense account with HDFC Bank for unclaimed shares

In accordance with the provisions contained in clause 5A of the Listing Agreement as amended by SEBI vide circular dated 16 December 2010, the Company, during the year 2011-12, had sent three reminders to such shareholders whose shares were lying 'undelivered/unclaimed' with the Company, followed by opening of the unclaimed share suspense demat account with HDFC Bank in April 2012.

After completing the necessary formalities 17,947 shares held by 100 shareholders were transferred to the said suspense account in April 2012. Voting rights on such shares are to remain frozen till the rightful owner claims the shares.

The Company, acting as a trustee in respect of the unclaimed shares, follows the modalities for the operation of the said account in the manner set out in clause 5A of the Listing Agreement.

The summary of this account for the year 2014-15 is as follows:

Sr.No.	Particulars	No. of shareholders	No. of shares
i.	Aggregate No. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e. 1 April 2014	95	17,307
ii.	No. of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year 2014-15	2	7,203
iii.	No. of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year 2014-15	2	7,203
iv.	Aggregate No. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. 31 March 2015	93	10,104

Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of the registered shareholder(s). The prescribed nomination form (SH-13) will be sent by the share transfer agent of the Company upon such request and is also available on the Company's website www.bajajfinserv.in Nomination facility for shares held in electronic form is also available with depository participant as per the bye-laws and business rules applicable to NSDL and CDSL.

Voting through electronic means

Pursuant to section 108 of the Companies Act, 2013 and the Rules made thereunder, every listed company is required to provide its members facility to exercise their right to vote at general meetings by electronic means.

The Company has entered into an arrangement with Karvy Computershare Pvt. Ltd., the authorised agency for this purpose, to facilitate such e-voting for its members.

The shareholders would therefore be able to exercise their voting rights on the items put up in the Notice of annual general meeting, through such e-voting method. Further, in accordance with the Companies (Management and Administration) Rules, 2014 as amended, the Company shall also be making arrangements to provide for e-voting facility at the venue of the annual general meeting.

Shareholders who are attending the meeting and who have not already cast their votes by remote e-voting shall only be able to exercise their right of voting at the meeting.

Cut-off date, as per the amended Rules shall be 16 July 2015 and the remote e-voting shall be open for a period of three (3) days, from 19 July 2015 (9.00 a.m.) till 21 July 2015 (5.00 p.m.). The Board has appointed Shyamprasad D Limaye, Practising Company Secretary as scrutiniser for the e-voting process.

Detailed procedure is given in the Notice of the eighth annual general meeting and is also placed on the website of the Company.

Shareholders may get in touch with the Company Secretary for further assistance.

Address for correspondence

Investors and shareholders can correspond with the office of the share transfer agent of the Company or the registered office of the Company at the following addresses:

Karvy Computershare Pvt. Ltd.

Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032.

Contact persons

M S Madhusudhan Mohd. Mohsinuddin Tel No: (040) 6716 2222 Fax No: (040) 2300 1153 Toll Free No: 1800-345-4001 E-mail: mohsin.mohd@karvy.com

Website: www.karvy.com

Bajaj Finserv Ltd.

Bajaj Auto Ltd. Complex Mumbai-Pune Road Akurdi, Pune 411 035.

Compliance Officer

Sonal R Tiwari

Tel No: (020) 66107458, 27472851

Fax No: (020) 27407380

E-mail: investors@bajajfinserv.in Website: www.bajajfinserv.in

Directors' Report

The directors present their Eighth Annual Report and audited financial statements for the year ended 31 March 2015

Financial results

The highlights of the Standalone Financial Results are as under:

(₹ In Crore)

Particulars	FY2015	FY2014
Total revenue	211.66	157.30
	/// / ///////////////////////////////	//////
Total expenses	53.56	51.79
Profit before tax	158.10	105.51
Tax expense	32.17	22.00
Profit after tax	125.93	83.51
Profit for the year	125.93	83.39
Transfer to Reserve fund under section 45-IC(1) of the Reserve Bank of India Act, 1934	25.19	16.68
Transfer to General reserve	12.59	8.34
Proposed dividend	27.85	27.85
Balance carried to Balance Sheet	60.30	30.52
Earnings per share (₹)	7.9	5.2
	' 	//////

The highlights of the Consolidated Financial Results are as under:

(₹ In Crore)

Pa	rticulars	FY2015	FY2014
Gro	oss revenue:		
i.	Gross written premium		
7	a) Life insurance - Bajaj Allianz Life Insurance Co. Ltd.	6,017.30	5,843.14
//	b) General insurance - Bajaj Allianz General Insurance Co. Ltd.	5,300.66	4,583.89
ji.	Gross income - Bajaj Finance Ltd.	5,418.28	4,074.35
ій.	Income from windpower generation - Bajaj Finserv Ltd.	50.31	60.44
iv.	Investment income (excluding accretions on unit linked investment)	2,685.38	2,059.49
v.	Others	117.33	91.78
To	tal	19,589.26	16,713.09

(₹ In Crore)

Particulars	FY2015	FY2014
Revenue from operations and other income	7,102.49	5,386.91
Amount transferred from the policyholders' account	487.89	639.10
Total revenue	7,590.38	6,026.01
Profit before tax	3,246.15	2,901.61
Tax expense	841.94	710.49
Profit after tax	2,404.21	2,191.12
Tax(debits)/credits pertaining to earlier years	4.96	(0.19)
Minority interest	719,38	646.85
Profit for the year	1,689.79	1,544.08
Earnings per share (₹)	106.2	97.0

The financial results of the Company are elaborated in the Management Discussion and Analysis Report.

Dividend

Your directors recommend for consideration of the shareholders at the ensuing annual general meeting, payment of a dividend of ₹ 1.75 per share (35%) for the year ended 31 March 2015. The amount of dividend and the tax thereon to the extent applicable aggregates to ₹ 27.85 crore.

Dividend paid for the year ended 31 March 2014 was also $\stackrel{?}{_{\sim}}$ 1.75 per share (35%). The amount of dividend and the tax thereon to the extent applicable aggregated to $\stackrel{?}{_{\sim}}$ 27.85 crore.

Share capital

The paid-up equity share capital as on 31 March 2015 was ₹ 79.56 crore. During the Rights Issue of equity shares made by the Company in 2012, certain shares had been kept in abeyance as required by law. With resolution of a few cases during the year under review, the Company has allotted 2,832 equity shares of the face value of ₹ 5 each at the original Rights Issue price of ₹ 650 per share to the eliqible shareholders.

There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

Registration as a Systemically Important Non-Deposit taking NBFC/Core Investment Company

Your Company was registered on 30 October 2009 by Reserve Bank of India as a Non-Banking Financial Institution (Non-Deposit taking). In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, your Company is categorised as a 'Systemically Important Non-Deposit taking Non-Banking Financial Company'. Your Company has not accepted public deposits during the year under review.

Your Company, being eligible, has intimated RBI on 25 November 2014 of its intention to convert itself into a Core Investment Company (CIC). RBI has responded vide letter dated 30 December 2014, communicating its requirements in this regard. The Company is currently in the process of complying with the said RBI requirements keeping in view the provisions of Master circular on Regulatory Framework for Core Investment Company dated 1 July 2014.

Operations

Detailed information on the operations of the different business lines of the Company and details on the state of affairs of the Company are covered in the Management Discussion and Analysis Report.

Extract of annual return

The extract of annual return as provided under sub-section (3) of section 92 of the Companies Act, 2013, in the prescribed Form MGT-9 is annexed to this Report.

Number of meetings of the Board

There were 6 meetings of the Board held during the year. Detailed information is given in the Corporate Governance Report.

Directors' responsibility statement

As required under clause (c) of sub-section (3) of section 134 of Companies Act, 2013 directors, to the best of their knowledge and belief, state that -

- in the preparation of the annual accounts, the applicable Accounting Standards had been followed alongwith proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made
 judgments and estimates that are reasonable and prudent, so as to give a true and fair view
 of the state of affairs of the Company at the end of the financial year and of the profit and loss
 of the Company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by independent directors

The independent directors have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

Directors' Remuneration Policy and criteria for matters under section 178

Information regarding Directors' Remuneration Policy and criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 are provided in the Corporate Governance Report.

Particulars of loans, guarantees or investments

Information regarding loans, guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are detailed in the Financial Statements.

Related party transactions

There were no related party transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of Companies Act, 2013. There being no 'material' related party transactions as defined under clause 49 of the Listing Agreement, there are no details to be disclosed in Form AOC-2 in that regard.

During the year 2014-15, pursuant to section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement, all RPTs were placed before Audit Committee for its prior/omnibus approval.

The Policy on RPTs as approved by Board is uploaded on the Company's website www.bajajfinserv.in

Material changes and commitments

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report.

Conservation of energy and technology absorption

The Company is engaged in wind-farm activities in addition to its financial services activities. Hence, the subject of conservation of energy is applicable to the Company only with regard to its wind-farm business for the Company, being by and large a financial services company, there are no particulars regarding technology absorption required to be given.

Particulars regarding conservation of energy are given below:

a) the steps taken on conservation of energy and for utilising alternate sources of energy:

The Company has installed renewable energy (wind) project with a capacity of 65.2 MW. It generated 746 lakh units and sold to third parties. It, however, is unable to make captive use of wind energy, because new regulations do not permit the same, where monthly demand is less than 800 KW. The Company has installed LED lamps in place of failed Tube lights and CFL thereby reducing energy consumption in lighting by 7 KW during the year.

b) the capital investment on energy conservation equipment:

Not applicable, since BFS is a non-manufacturing company, coming under the notified industries covered under Energy Conservation Act, 2001. Also, energy demand/connected load of building utilised for the Company's corporate/commercial activities etc. is less than 500 KW, which is the threshold for applicability of Energy Conservation Act.

Foreign exchange earnings and outgo

Total foreign exchange earned by the Company was Nil during the year under review, as well as during the previous year.

Total foreign exchange outflow during the year under review was ₹ 1.53 crore, as against ₹ 1.96 crore during the previous year.

Risk Management Policy

Information on the development and implementation of a Risk Management Policy for the Company including identification therein of elements of risk which in the opinion of the Board may threaten the existence of the Company is given in the Corporate Governance Report.

Corporate Social Responsibility

Detailed information report on Corporate Social Responsibility Policy developed and implemented by the Company on CSR initiatives taken during the year pursuant to section 135 of the Companies Act, 2013 is given in the annexed Annual Report on CSR activities.

Formal annual evaluation of the performance of Board, its Committees and Directors

Information on the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual directors is given in the Corporate Governance Report.

Subsidiaries and joint venture

Following are the subsidiary and joint venture companies of the Company as at 31 March 2015:

Name of the company	% Shareholding	Status
Bajaj Allianz Life Insurance Company Ltd.	74%	Subsidiary
Bajaj Allianz General Insurance Company Ltd.	74%	Subsidiary
Bajaj Finance Ltd.	61.53%	Subsidiary
Bajaj Housing Finance Ltd. (erstwhile Bajaj Financial Solutions Ltd.) (100% subsidiary of Bajaj Finance Ltd.)	<u> </u>	Subsidiary
Bajaj Financial Securities Ltd. (100% subsidiary of Bajaj Housing Finance Ltd.)	<u> </u>	Subsidiary
Bajaj Financial Holdings Ltd.	100%	Subsidiary
Bajaj Allianz Financial Distributors Ltd.	50%	Joint Venture
Bajaj Allianz Staffing Solutions Ltd. (100% subsidiary of Bajaj Allianz Financial Distributors Ltd.)		Joint Venture

During the year under review, the Company sold its 100% shareholding in Bajaj Financial Solutions Ltd. (which includes its 100% holding in Bajaj Financial Securities Ltd.) at ₹ 17 crore to Bajaj Finance Ltd. The name of Bajaj Financial Solutions Ltd. was subsequently changed to Bajaj Housing Finance Ltd. These steps were taken to facilitate Bajaj Finance Ltd. to commence its new line of business in the area of housing finance.

Detailed information on the performance and financial position of each subsidiary/joint venture of the Company is covered in the Management Discussion and Analysis Report.

Directors and Key Managerial Personnel

As reported previously, Dr. Gita Piramal was appointed as an additional director in the category of non-executive, independent director of the Company, in the meeting of the Board held on 27 March 2014. Thereafter, at the seventh annual general meeting of the Company held on 16 July 2014, the members of the Company appointed Dr. Gita Piramal as an Independent Director under the Companies Act, 2013 for a period of 5 years effective from 16 July 2014.

Pursuant to section 149(4) of the Companies Act, 2013, every listed company is required to appoint at least one third of its directors as independent directors. The Board already has one half of its directors in the category of independent directors in terms of clause 49 of the Listing Agreement. The Board in its meeting held on 27 March 2014 appointed the existing independent directors under clause 49 as 'independent directors' pursuant to Companies Act, 2013 as well. The members at the annual general meeting held on 16 July 2014, approved the appointment of the existing independent directors for a term of 5 years effective from 1 April 2014.

Pursuant to section 203 of the Companies Act, 2013, the Company has appointed S Sreenivasan, President (Finance) of the Company as Chief Financial Officer (CFO) with effect from 1 October 2014 in place of Kevin D'sa. This change became necessary since as required under the said section 203, Kevin D'sa, who was the CFO of Bajaj Auto Ltd., BFS and Bajaj Holdings & Investment Ltd. (BHIL) chose to continue as CFO in Bajaj Auto Ltd. and relinquished his position as CFO of BFS and BHIL with effect from 1 October 2014.

The Company already has Sanjiv Bajaj, Managing Director and Sonal R Tiwari, Company Secretary as the other Key Managerial Personnel of the Company.

In light of the provisions of the Companies Act, 2013, Rajiv Bajaj retires from the Board by rotation this year and being eligible, offers himself for re-appointment. The information as required to be disclosed under clause 49 of the Listing Agreement in case of re-appointment of the director is provided in the Notice of the ensuing annual general meeting.

Significant and material orders passed by the regulators or courts

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

Adequacy of internal financial controls

Internal financial controls with reference to the financial statements were adequate and operating effectively.

Presentation of financial results

The financial results of the Company for the year ended 31 March 2015 have been disclosed as per Schedule III to the Companies Act, 2013.

Consolidated financial statements

The directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries and joint venture and as prepared in compliance with the Companies Act, 2013, Accounting Standards and the Listing Agreement as prescribed by SEBI.

A separate statement containing the salient features of its subsidiaries and joint ventures in the prescribed form (AOC-1) is annexed separately.

Statutory disclosures

The summary of the key financials of the Company's subsidiaries and joint ventures (Form AOC-1) is included in this Annual Report. A copy of audited financial statements for the said companies will be made available to the members of the Company, seeking such information at any point of time. The audited financial statements for each of the subsidiary companies will be kept for inspection by any member of the Company at its registered office during business hours. The same are placed on the Company's website www.bajajfinserv.in

As required under the section 197(12) of the Companies Act, 2013 read with the rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the prescribed particulars are set out in an annexure to the Directors' Report. As per provisions of section 136(1) of the said Act, these particulars will be made available to shareholder on request.

Disclosures as prescribed by Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and other NBFC Directions have been made in this Annual Report.

A Cash Flow Statement for the year 2014-15 is attached to the Balance Sheet.

Pursuant to the legislation 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013' introduced by the Government of India, which came into effect from 9 December 2013, the Company has framed a Policy on Prevention of Sexual Harassment at Workplace. There was no case reported during the year under review under the said Policy.

Corporate governance

Pursuant to clause 49 of the Listing Agreement with stock exchanges, a separate section titled 'Corporate Governance' has been included in this Annual Report, alongwith the reports on Management Discussion and Analysis and General Shareholder Information.

All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2014-15. A declaration to this effect signed by the Managing Director of the Company is contained in this Annual Report.

The Managing Director and CFO have certified to the Board with regard to the financial statements and other matters as required in clause 49 of the Listing Agreement and the said certificate is contained in this Annual Report.

Certificate from auditors of the Company regarding compliance of conditions of corporate governance is annexed to this Report.

Auditors

Statutory auditor

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, the current auditors of the Company, Dalal & Shah, Chartered Accountants (registration number: 102021W) were appointed by the shareholders at the 7th annual general meeting to hold office until the conclusion of the 10th annual general meeting, subject to ratification by shareholders at each annual general meeting.

The members are requested to ratify the appointment of Dalal & Shah, Chartered Accountants, (registration number: 102021W) as statutory auditors of the Company and to fix their remuneration for the year 2015-16.

The statutory audit report does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

Secretarial auditor

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made thereunder the Company has appointed, Shyamprasad D Limaye, (membership number: 1587) Company Secretaries in Practice, to undertake the secretarial audit of the Company. Secretarial Audit Report for the year 2014-15 given by Shyamprasad D Limaye in the prescribed form MR-3 is annexed to this Report. The Secretarial Audit Report for the year under review does not contain any qualification, reservation or adverse remark or disclaimer made by the secretarial auditor.

Cost auditor

Pursuant to section 148 of the Companies Act, 2013 and Rules made thereunder, Board of Directors had, on the recommendation of the Audit Committee, appointed Dhananjay V Joshi and Associates, (firm registration number: 000030) Cost Accountants, to audit the cost accounts of the Company for the financial year 2015-16 at a remuneration of ₹ 50,000 plus service tax, out-of pocket and travel and living expenses, subject to ratification by the shareholders at annual general meeting. Accordingly, a resolution seeking members' ratification for the remuneration payable to cost auditor is included in the Notice convening the annual general meeting.

On behalf of the Board of Directors,

Rahul Bajaj Chairman

Pune: 20 May 2015

Annual Report on CSR activities

1. Brief outline of Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes.

Introduction:

The Corporate Social Responsibility (CSR) activities of Bajaj Group are guided by the vision and philosophy of its Founding Father, late Shri Jamnalal Bajaj, who embodied the concept of trusteeship in business and common good, and laid the foundation for ethical, value-based and transparent functioning.

Bajaj Group, thus, took the unprecedented step of using business to serve society over a century ago. Shri Jamnalal Bajaj strongly believed that 'common good was more important than individual gain'. His philosophy has stood the test of time as it has been successfully taken forward by the succeeding generations i.e. firstly by his sons, Shri Kamalnayan Bajaj and Shri Ramkrishna Bajaj and now spearheaded by his grandson Rahul Bajaj. This philanthropic approach has taken the Group to higher levels of success and respect.

Though the Group stands tall in the corporate world, with high ranking in terms of market capitalisation, turnover, profits, range of products and services and various other parameters, Bajaj Group believes that the true and full measure of growth, success and progress lies beyond Balance Sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people. Through its social investments, Bajaj Group addresses the needs of communities residing in the vicinity of its facilities, taking sustainable initiatives in the areas of health, education, environment conservation, infrastructure and community development and response to natural calamities.

For society, however, Bajaj is more than a corporate identity. It is a catalyst for social empowerment. It is the reason behind the smile that lights up a million faces. Its goodwill resonates in the two simple words that live in the collective consciousness of Indians - Hamara Bajaj.

CSR Policy:

A detailed CSR Policy was framed by the Company with approvals of the CSR Committee and Board taken on 14 May 2014. The Policy, inter alia, covers the following:

- Philosophy
- Scope
- List of CSR activities
- Modalities of execution of projects/programmes
- Implementation through CSR Cell
- Monitoring assessment of projects/programmes

CSR Policy gives an overview of the projects or programmes which are proposed to be undertaken by the Company in the coming years.

The CSR Policy is placed on website www.bajajfinserv.in

2. The composition of the CSR Committee

A Committee of the directors, titled 'Corporate Social Responsibility Committee', was constituted by the Board in its meeting held on 27 March 2014 with the following members:

Rahul Bajaj, Chairman Nanoo Pamnani Sanjiv Bajaj

During the year under review, the Committee met four times on 5 August 2014, 9 October 2014, 30 December 2014 and 21 March 2015.

3. Average net profit of the Company for last three financial years prior to 2014-15: ₹ 74.12 crore

4. Prescribed CSR expenditure (2% of the amount as in item No. 3 above) ₹ 1.48 crore

5. Details of CSR spent during the financial year:

(₹ In Crore)

Particulars					
a. Total amount to	be spent				1.48
b. Amount committee	ted				2.10
c. Amount disburse	ed .				1.00
d. Amount unspent	(a-c)				0.48
e. Manner in which	the amount is spen	t is detailed belov	V:		
Name/details of implementing agency	CSR project/ activity identified	Sector in which the project is covered	Location of projects/ programmes	Amount outlay/ approved (₹ In Lakh)	Amount spent direct/ overheads (₹ In Lakh)
Smile Train	To make safe and quality treatment of cleft lip and palate	Healthcare	India	100	100
India @ 75 Foundation	Resource mobilisation proposal to support the India @ 75 movement	Education	Pune (Maharashtra)	100	Nil
Symbiosis International University	Education and employment enhancing vocational skills	Education and employment enhancing vocational skills	Pune (Maharashtra)	10	Nil
Notes:					

i. Since 2014-15 is the first year of applicability of section 135 of the Companies Act, 2013, the figure for cumulative expenditure is not applicable.

ii. All amounts mentioned above as spent relate to amounts spent through implementing agency, unless stated otherwise.

iii. There is no expenditure on overheads in the above list.

6. In case the Company fails to spend the 2% of the average net profit (INR) of the last three financial years, the reasons for not spending the amount shall be stated in the Board report.

- (a) Taking into account the commitments made by the Company and at the Group level for the CSR projects/programmes which are in progress, and considering the project mode of CSR activity, where the project at time extends beyond the financial year, there is no shortfall as such in the CSR expenditure as compared to the stipulated 2% of the average net profits of the last three financial years. In fact, the CSR spend plus the commitment is higher than the mandated amount for the Company.
- (b) Further, in addition to what is stated above, Bajaj Group implements many of the CSR initiatives of substantial value through its Group Charitable Trusts operating at various locations in the country.
- (c) There are also certain philanthropic/CSR activities/initiatives undertaken by Bajaj Group for the substantial well-being of the people in the community, which are not getting covered under the above CSR report due to the specified format under the applicable Rules.

A separate report on the major initiatives that continued and/or that were taken up anew by the Bajaj Group through such entities during the year under review is hosted on the Company's website www.bajajfinserv.in and a physical copy of the same will be made available to any shareholder on request.

7. Responsibility statement, of the CSR Committee, that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company duly signed by Director and Chairperson of the CSR Committee.

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Rahul Bajaj Chairman Sanjiv Bajaj Managing Director Nanoo Pamnani Independent Director

Pune: 20 May 2015

Extract of Annual Return (Form MGT-9)

As on the financial year ended on 31 March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details

Corporate identification number (CIN)	L65923PN2007PLC130075
Registration date	30 April 2007
Name of the Company	Bajaj Finserv Ltd.
Category/sub-category of the Company	Non-Banking Financial Company (NBFC)
Address of the registered office and contact details	Bajaj Auto Ltd. Complex, Mumbai - Pune Road, Pune, Maharashtra - 411035 E-mail Id: - sonal.tiwari@bajajfinserv.in Tel. No: - (020) 66107458
Whether listed Company	Yes (BSE and NSE)
	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032.
Name, address and contact details of Registrar and Transfer Agent	Contact persons M S Madhusudhan Mohd. Mohsinuddin Tel No: (040) 6716 2222 Fax No: (040) 2300 1153 Toll Free No: 1800-345-4001 E-mail: mohsin.mohd@karvy.com Website: www.karvy.com

II. Principal business activities of the Company

Sr. No.	Name and description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	Investment activity	6430	71%
2.	Electric power generation	3510	24%

III. Particulars of holding, subsidiary and associate Companies

Sr. No	Name of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held as on 31 March 2015	Applicable section
1.	Bajaj Finance Ltd.(BFL)	L65910MH1987PLC042961	Subsidiary	61.53%	section 2(87)
2.	Bajaj Allianz Life Insurance Company Ltd.	U66010PN2001PLC015959	Subsidiary	74%	section 2(87)
3.	Bajaj Allianz General Insurance Company Ltd.	U66010PN2000PLC015329	Subsidiary	74%	section 2(87)
4.	Bajaj Housing Finance Ltd. (BHFL) - Erstwhile Bajaj Financial Solutions Ltd. [100% shares held by BFL]	U65910PN2008PLC132228	Subsidiary	<u> </u>	section 2(87)
5.	Bajaj Financial Securities Ltd. [100% shares held by BHFL]	U67120PN2010PLC136026	Subsidiary		section 2(87)
6.	Bajaj Financial Holdings Ltd.	U65923PN2014PLC150522	Subsidiary	100%	section 2(87)
7.	Bajaj Allianz Financial Distributors Ltd. (BAFDL)	U65923PN2007PLC129802	Joint Venture	50%	777
8.	Bajaj Allianz Staffing Solutions Ltd. [100% shares held by BAFDL]	U74900PN2015PLC154364	Joint Venture		

IV. Shareholding pattern (equity share capital breakup as percentage of total equity)

i) Category-wise shareholding

				% change				
Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	during the
8,305,305		8,305,305	5.22	8,300,905	/// - /	8,300,905	5.22	(0.00
 	////- /		7777 - 1	 -	////- /	////- -	////-	
//// / /	////- /	 	//// - /		7///- /		7777 -	
85,397,954	//// - /	85,397,954	53.67	84,551,878		84,551,878	53.13	(0.54
 	-			-		-		
77777 <u>-</u> 7	////- /	//// / /	77777	////- /	////- /	7///- ,	////-	////
93,703,259		93,703,259	58.89	92,852,783	<u> </u>	92,852,783	58.35	(0.54
							////-	
 	7///-		 		///-/	//// ₇	////-	
	////- /		///// /	 		////-	////-	
	////- /			/////- /	////- /	////- /	//// -	
	-				<u> </u>		-	
//// <u>-</u> /	 	////- /	//// / /	//// / /	-	////- /	7777 -	
			<u> </u>		<u> </u>			
93,703,259		93,703,259	58.89	92,852,783		92,852,783	58.35	(0.54
							////	
1,345,813	875	1,346,688	0.85	6,785,776	875	6,786,651	4.26	3.4
189,564	10,395	199,959	0.13	31,154	10,395	41,549	0.03	(0.10
			/////- /		///- /		7777- ,	
///// /	////)	///// /	///// /	///// /	//// /	///// /	//// /	////
	93,703,259 93,703,259	93,703,259 - 93,703,259 - 1,345,813 875	Of the year as on 1 April 2014 Demat Physical Total 8,305,305 - 8,305,305 - - - 85,397,954 - 85,397,954 - - - 93,703,259 - 93,703,259 93,703,259 - 93,703,259 93,703,259 - 93,703,259	Demat Physical Total % of total shares 8,305,305 - 8,305,305 5.22 - - - - 85,397,954 - 85,397,954 53.67 - - - - 93,703,259 - 93,703,259 58.89 93,703,259 - 93,703,259 58.89 93,703,259 - 93,703,259 58.89	Of the year as on 1 April 2014 % of total shares Demat B,305,305 - 8,305,305 5.22 8,300,905	Of the year as on 1 April 2014 Of the year as of the yea	of the year as on 1 April 2014 of the year as on 31 March 201 Demat Physical Total % of total shares Demat Physical Total 8,305,305 - 8,305,305 5.22 8,300,905 - 8,300,905 - - - - - - - - 85,397,954 - 85,397,954 53,67 84,551,878 - 84,551,878 - - - - - - - - 93,703,259 - 93,703,259 58.89 92,852,783 - 92,852,783 - - - - - - - - - <td< td=""><td>of the year as on 1 April 2014 % of total shares Demate Physical Physical Total Total shares Demate Physical Physical Total Shares 8,305,305 - 8,305,305 5.22 8,300,905 - 8,300,905 5.22 85,397,954 - 85,397,954 53,67 84,551,878 - 84,551,878 53,13 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35</td></td<>	of the year as on 1 April 2014 % of total shares Demate Physical Physical Total Total shares Demate Physical Physical Total Shares 8,305,305 - 8,305,305 5.22 8,300,905 - 8,300,905 5.22 85,397,954 - 85,397,954 53,67 84,551,878 - 84,551,878 53,13 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35 93,703,259 - 93,703,259 58,89 92,852,783 - 92,852,783 58,35

i) Category-wise shareholding (Contd.)

y of shareholders Venture capital funds	Demat	Physical	//////	% of total				% of total	during the
funds			Total	% of total shares	Demat	Physical	Total	% of total shares	during the year
//////// /	 						<u> </u>		
Insurance companies	5,506,018	300	5,506,318	3.46	4,923,266	300	4,923,566	3.09	(0.37
Foreign institutional investors	17,490,849	1,425	17,492,274	10.99	12,351,270	1,425	12,352,695	7,76	(3.23
Foreign venture capital funds	 	-			<u> </u>		////- ,		
Any others									
Foreign portfolio investors					848,065		848,065	0.53	0.5
(B)(1):	24,532,244	12,995	24,545,239	15.43	24,939,531	12,995	24,952,526	15.68	0.20
n-Institutions									
Bodies corporate									
i) Indian	11,844,327	2,424,474	14,268,801	8.97	11,954,132	2,424,084	14,378,216	9.04	0.0
ii) Overseas		675	675	0.00		675	675	0.00	
Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	10,572,752	1,504,926	12,077,678	7.59	10,312,269	1,438,176	11,750,445	7.38	(0.21
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	7,891,924	5,599,607	13,491,531	8.48	7,627,874	5,538,995	13,166,869	8,27	(0.20
Any others									
Foreign nationals	817	////- /	817	0.00	////- /	//// /	////- ,	////-	(0.00
Non-resident Indians	717,130	12,510	729,640	0.46	741,780	12,510	754,290	0.47	0.02
• Foreign bodies-DR	2,176		2,176	0.00	2,176		2,176	0.00	
• Trusts	191,122	7///-	191,122	0.12	1,182,575		1,182,575	0.74	0.63
Clearing members	70,282		70,282	0.04	43,497		43,497	0.03	(0.02
otal(B)(2):-	31,290,530	9,542,192	40,832,722	25.66	31,864,303	9,414,440	41,278,743	25.94	0.28
Public Shareholding B)(1)+(B)(2)	55,822,774	9,555,187	65,377,961	41.09	56,803,834	9,427,435	66,231,269	41.62	0.54
s held by lian for GDRs	41,132	<u> </u>	41,132	0.03	41,132		41,132	0.03	
total (A+B+C)	149,567,165	9,555,187	159,122,352	100.00	149,697,749	9,427,435	159,125,184	100.00	////
	Investors (B)(1): In-Institutions Bodies corporate (i) Indian (ii) Overseas (Individuals (ii) Individual shareholders holding nominal share capital upto ₹ 1 lakh (Iii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh (Iii) Individual share holding nominal share capital in excess of ₹ 1 lakh (Iii) Individual share holding nominal share capital in excess of ₹ 1 lakh (Iii) Individual shareholders holding nominal share holding hodies-DR I Trusts Clearing members tal(B)(2):- ublic shareholding B)(1)+(B)(2)	investors (B)(1): 24,532,244 In-Institutions Bodies corporate I) Indian 11,844,327 Ii) Overseas Individuals I) Individual shareholders holding nominal share capital upto ₹ 1 lakh III Individual share capital in excess of ₹ 1 lakh Any others Foreign nationals Foreign nationals Titusts 191,122 Clearing members Clearing members Total (B)(2):- 31,290,530 Lublic Shareholding 8)(1)+(B)(2) Left 191,132 Left	1. 1. 1. 1. 1. 1. 1. 1.	Investors	Section Sect	Section Sect	Section Sect	Non-resident Non-	By(1): 24,532,244 12,995 24,545,239 15.43 24,939,531 12,995 24,952,526 15.68 -Institutions Bodies corporate

ii) Shareholding of promoters

			ing at the bar as on 1 Ap		Share of the ye			
Sr. No	Shareholder's name	No.of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No.of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	% change in shareholding during the year
7	, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1	1,000.0000	- tumpun)	Julius	 	- <u>.co,p.c,</u>	////////	
1	Anant Bajaj	497,107	0.31	////	497,107	0.31	///// -	/////
7 2	Deepa Bajaj	11,675	0.01	/////	11,675	0.01	///// _	/////
3	Geetika Bajaj	20,700	0.01		20,700	0.01	/////	///// -
4	Kiran Bajaj	424,725	0.27	////	424,725	0.27	//////	/////
5	Kriti Bajaj	38,500	0.02		38,500	0.02	/////-	//////
6	Kumud Bajaj	533,434	0.34	////-	533,434	0.34	///// -	///// -
7	Madhur Bajaj	933,716	0.59	///// -	933,716	0.59	/////	//////
8	Minal Bajaj	74,700	0.05	///// -	74,700	0.05	/////- ,	///// -
9	Neelima Bajaj Swamy	305,519	0.19	////- ,	305,519	0.19	///// -	//////
10	Nimisha Jaipuria	181,285	0.11		181,285	0.11	/////- ,	//////
11	Niraj Bajaj	1,390,938	0.87	////-	1,390,938	0.87	///// -	/////
12	Niravnayan Bajaj	205,866	0.13	/////	205,866	0.13	/////-	//////
13	Rahulkumar Bajaj	1,667,085	1.05	/////-	1,662,685	1.04	///// -	(0.01)
14	Rajivnayan Bajaj	3,450	0.00	7777 ,	3,450	0.00	//////	////// _?
15	Rishabnayan Bajaj	9,400	0.01		9,400	0.01	/////-	///////
16	Sanjali Bajaj	10,100	0.01	//// -	10,100	0.01	///// -	/////
17	Sanjivnayan Bajaj	465,024	0.29	7////	465,024	0.29	///// -	//////
18	Shefali Bajaj	11,000	0.01	////-	11,000	0.01	///// -	///// !
19	Shekhar Bajaj	701,440	0.44	77777-	701,440	0.44		
20	Siddhantnayan Bajaj	8,300	0.01	77777	8,300	0.01	/////-	//////
21	Suman Jain	575,904	0.36	7777- ,	575,904	0.36	///// /	//////
22	Sunaina Kejriwal	235,437	0.15	77777	235,437	0.15	77777 - ,	////// -
23	Bachhraj and Company Pvt. Ltd.	2,050,278	1.29		2,041,478	1.28		(0.01)
24	Bachhraj Factories Pvt. Ltd.	1,069,987	0.67	//// -	1,078,787	0.68	///// /	0.01
25	Bajaj Auto Holdings Ltd.	/////- /		<i>//////</i>	209,005	0.13	///// -	0.13
26	Bajaj Holdings and Investment Ltd.	62,314,214	39.16		62,314,214	39.16		
27	Bajaj Sevashram Pvt. Ltd.	2,355,606	1.48		2,355,606	1.48		
28	Baroda Industries Pvt. Ltd.	919,001	0.58		919,001	0.58	<u>/////-</u>	
29	Hercules Hoists Ltd.	92,063	0.06		92,063	0.06		
30	The Hindustan Housing Company Ltd.	8,000	0.01		8,000	0.01	<u> </u>	
31	Jamnalal Sons Pvt. Ltd.	15,106,424	9.49		15,110,824	9.50	<u>/////-</u>	
32	Kamalnayan Investment and Trading Pvt. Ltd.	61,200	0.04		61,200	0.04		
33	Madhur Securities Pvt. Ltd.	40,700	0.03	<u>/////-</u> -	40,700	0.03	<u> </u>	/ <u>////</u> ////
34	Niraj Holdings Pvt. Ltd.	10,300	0.01		10,300	0.01	<u>/////-</u> ,	
35	Rahul Securities Pvt. Ltd.	143,000	0.09	<u>/////-</u> -	143,000	0.09	<u>/////</u> -	<u> //////</u>
36	Rupa Equities Pvt. Ltd.	137,400	0.09		137,400	0.09		/ <u>/////</u>
37	Shekhar Holdings Pvt. Ltd.	30,300	0.02		30,300	0.02	<u>/////-</u>	<u> </u>
38	BHIL Employees' Welfare Fund	1,006,021	0.63					(0.63)
39	BEL Employees Welfare Fund	53,460	0.03	<u>/////</u>	/ <u>////-</u> //	<u>/////-</u> //	<u> </u>	(0.03)
(///	Total	93,703,259	58.89	/// ///- ,	92,852,783	58.35	/// /// -	(0.54)

Note: Bajaj Holdings and Investment Ltd. (BHIL) Employees' Welfare Funds (formerly known as Bajaj Auto Ltd. Employees Welfare Fund) and Bajaj Electricals Ltd. (BEL) Employees Welfare Funds are holding 1,006,021 and 53,460 shares respectively in Bajaj Finserv Ltd. The above holdings were classified as Promoter's shareholdings until the quarter ended 31 December 2014. However, subsequent to the coming into effect of SEBI (Share based Employees Benefits) Regulation, 2014, such holdings are reclassified as 'public shareholdings' with effect from the quarter ended 31 March 2015.

iii) Change in promoters' shareholding

			Cumulative shareholding during the year	
Name of the promoters	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year 1 April 2014	93,703,259	58.89	<u>-</u>	<u> </u>
Date-wise increase/(decrease)				
Bachhraj and Company Pvt. Ltd. 22 August 2014 - Sale	(8,800)	(0.01)	93,694,459	58.88
Rahul Bajaj 29 August 2014 - Sale	(4,400)	(0.01)	93,690,059	58.87
Bachhraj Factories Pvt. Ltd. 29 August 2014 - Purchase	8,800	0.01	93,698,859	58.88
Jamnalal Sons Pvt. Ltd. 5 September 2014 - Purchase	4,400	0.00	93,703,259	58.88
Bajaj Auto Holdings Ltd. 11 December 2014 - Purchase	209,005	0.13	93,912,264	59.01
BEL Employees' Welfare Fund 31 March 2015 - Reclassification	(53,460)	(0.03)	93,858,804	58.98
BHIL Employees' Welfare Fund 31 March 2015 - Reclassification	(1,006,021)	(0.63)	92,852,783	58.35
Madhur Bajaj - 20 March 2015*	35,220	0.02	92,888,003	58.37
Madhur Bajaj - 20 March 2015**	(35,220)	(0.02)	92,852,783	58.35
At the end of the year 31 March 2015	92,852,783	58.35		
	At the beginning of the year 1 April 2014 Date-wise increase/(decrease) Bachhraj and Company Pvt. Ltd. 22 August 2014 - Sale Rahul Bajaj 29 August 2014 - Sale Bachhraj Factories Pvt. Ltd. 29 August 2014 - Purchase Jamnalal Sons Pvt. Ltd. 5 September 2014 - Purchase Bajaj Auto Holdings Ltd. 11 December 2014 - Purchase BEL Employees' Welfare Fund 31 March 2015 - Reclassification BHIL Employees' Welfare Fund 31 March 2015 - Reclassification Madhur Bajaj - 20 March 2015* Madhur Bajaj - 20 March 2015*	No. of shares At the beginning of the year 1 April 2014 93,703,259 Date-wise increase/(decrease) Bachhraj and Company Pvt. Ltd. 22 August 2014 - Sale (8,800) Rahul Bajaj 29 August 2014 - Sale (4,400) Bachhraj Factories Pvt. Ltd. 29 August 2014 - Purchase 8,800 Jamnalal Sons Pvt. Ltd. 5 September 2014 - Purchase 4,400 Bajaj Auto Holdings Ltd. 11 December 2014 - Purchase 209,005 BEL Employees' Welfare Fund 31 March 2015 - Reclassification (53,460) BHIL Employees' Welfare Fund 31 March 2015 - Reclassification (1,006,021) Madhur Bajaj - 20 March 2015* 35,220 Madhur Bajaj - 20 March 2015** (35,220)	Name of the promoters No. of shares Shares of the Company At the beginning of the year 1 April 2014 93,703,259 58.89 Date-wise increase/(decrease) 8achhraj and Company Pvt. Ltd. (8,800) (0.01) Rahul Bajaj 29 August 2014 - Sale (4,400) (0.01) Bachhraj Factories Pvt. Ltd. 29 August 2014 - Purchase 8,800 0.01 Jamnalal Sons Pvt. Ltd. 5 September 2014 - Purchase 4,400 0.00 Bajaj Auto Holdings Ltd. 11 December 2014 - Purchase 209,005 0.13 BEL Employees' Welfare Fund 31 March 2015 - Reclassification (53,460) (0.03) BHIL Employees' Welfare Fund (1,006,021) (0.63) Madhur Bajaj - 20 March 2015* 35,220 0.02 Madhur Bajaj - 20 March 2015** (35,220) (0.02)	Name of the promoters beginning of the year of total shares of the promoters No. of shares of the company No. of the No. of shares At the beginning of the year 1 April 2014 93,703,259 58.89 - Date-wise increase/(decrease) 8achhraj and Company Pvt. Ltd. 22 August 2014 - Sale (8,800) (0.01) 93,694,459 Rahul Bajaj 29 August 2014 - Sale (4,400) (0.01) 93,690,059 Bachhraj Factories Pvt. Ltd. 29 August 2014 - Purchase 8,800 0.01 93,698,859 Jamnalal Sons Pvt. Ltd. 5 September 2014 - Purchase 4,400 0.00 93,703,259 Bajaj Auto Holdings Ltd. 11 December 2014 - Purchase 209,005 0.13 93,912,264 BEL Employees' Welfare Fund 31 March 2015 - Reclassification (53,460) (0.03) 93,858,804 BHIL Employees' Welfare Fund 31 March 2015 - Reclassification (1,006,021) (0.63) 92,852,783 Madhur Bajaj - 20 March 2015* 35,220 0.02 92,888,003 Madhur Bajaj - 20 March 2015* (35,220) (0.02) 92,852,783

^{*} Acquisition consequent to partition of Madhur Bajaj HUF

^{**} Transfer consequent to partition of Madhur Bajaj HUF

iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs)

			lding at the g of the year	Cumulative shareholding during the year	
Sr. No.	Name of the shareholders	No. of shares	% of total shares of the Company	No. of shares	% of tota shares of the Company
1	Jaya Hind Investments Pvt. Ltd.				
	At the beginning of the year and at the end of the year- No change during the year ended 31 March 2015	6,394,663	4.02	<u> </u>	
2	Life Insurance Corporation of India				
	At the beginning of the year 1 April 2014	4,888,470	3.07		<u> </u>
	Date-wise increase/(decrease)				
<u></u>	15-08-14 - Purchase	4,703	0.00	4,893,173	3.07
ji.	22-08-14 - Purchase	19,078	0.01	4,912,251	3.08
iii.	31-12-14 - Sale	(58,232)	(0.04)	4,854,019	3.04
iv.	02-01-15 - Sale	(2,311)	(0.00)	4,851,708	3.04
V./	09-01-15 - Sale	(35,871)	(0.02)	4,815,837	3.02
vi.	16-01-15 - Sale	(51,181)	(0.03)	4,764,656	2.99
vii.	23-01-15 - Sale	(11,004)	(0.01)	4,753,652	2.98
viii.	27-02-15 - Sale	(18,783)	(0.01)	4,734,869	2.9
ix.	06-03-15 - Sale	(127,163)	(0.08)	4,607,706	2.89
Χ.	13-03-15 - Sale	(183,909)	(0.11)	4,423,797	2.78
xi.	20-03-15 - Sale	(64,895)	(0.04)	4,358,902	2.7
	At the end of the year 31 March 2015	4,358,902	2.74		
3	Maharashtra Scooters Ltd.				
	At the beginning of the year and at the end of the year- No change during the year ended 31 March 2015	3,725,740	2.34		
4	Sikkim Jansewa Pratisthan Pvt. Ltd.				
	At the beginning of the year and at the end of the year- No change during the year ended 31 March 2015	2,012,953	1.27		
5	Ashoka Pte Ltd.				
	At the beginning of the year and at the end of the year- No change during the year ended 31 March 2015	1,938,247	1.22		

iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs) (Contd.)

			Shareholding at the beginning of the year		Cumulative shareholding during the year	
Sr. No.	Name of the shareholders	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
6	ICICI Prudential Focused Bluechip Equity Fund					
	At the beginning of the year 1 April 2014	<u> </u>	<u> </u>	<u> </u>		
	Date-wise increase/(decrease)					
i.	25-04-14 - Purchase	20,398	0.01	20,398	0.01	
ji.	05-09-14 - Purchase	1,533,109	0.96	1,553,507	0.97	
iii.	21-11-14 - Purchase	289,212	0.18	1,842,719	1.15	
iv.	28-11-14 - Purchase	108,023	0.07	1,950,742	1.22	
V	12-12-14 - Sale	(17,980)	(0.01)	1,932,762	1.21	
vi.	19-12-14 - Sale	(1,367)	(0.00)	1,931,395	1.21	
vii.	31-12-14 - Sale	(23,369)	(0.01)	1,908,026	1.20	
viii.	02-01-15 - Sale	(342)	(0.00)	1,907,684	1.20	
ix.	06-02-15 - Sale	(896)	(0.00)	1,906,788	1.20	
	At the end of the year 31 March 2015	1,906,788	1.20			
7	Valiant Mauritius Partners Offshore Ltd.					
	At the beginning of the year 1 April 2014	2,286,980	1.44		<u> </u>	
	Date-wise increase/(decrease)					
į.	23-05-14 - Sale	(52,298)	(0.03)	2,234,682	1.41	
īi.	30-05-14 - Sale	(31,020)	(0.02)	2,203,662	1.39	
iii.	01-08-14 - Sale	(185,000)	(0.12)	2,018,662	1.27	
iv.	05-09-14 - Sale	(246,300)	(0.15)	1,772,362	1.12	
V. /	23-01-15 - Purchase	116,133	0.07	1,888,495	1.19	
vi.	06-02-15 - Sale	(91,476)	(0.06)	1,797,019	1.13	
vii.	27-02-15 - Sale	(155,588)	(0.10)	1,641,431	1.03	
viii.	06-03-15 - Sale	(61,400)	(0.04)	1,580,031	0.99	
	At the end of the year 31 March 2015	1,580,031	0.99			

iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs) (Contd.)

		Shareho beginnin	lding at the g of the year	Cumulative shareholding during the year	
Sr. No.	Name of the shareholders	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8	Valiant Mauritius Partners Ltd.				
	At the beginning of the year 1 April 2014	2,578,938	1.62	-	
	Date-wise increase/(decrease)				
i.//	23-05-14 - Sale	(58,976)	(0.04)	2,519,962	1.58
ii.	30-05-14 - Sale	(34,980)	(0.02)	2,484,982	1.56
jii,	01-08-14 - Sale	(315,000)	(0.20)	2,169,982	1.36
iv.	05-09-14 - Sale	(293,700)	(0.18)	1,876,282	1.18
	23-01-15 - Sale	(116,133)	(0.07)	1,760,149	1.11
vi.	06-02-15 - Sale	(84,439)	(0.05)	1,675,710	1.06
vii.	27-02-15 - Sale	(144,412)	(0.09)	1,531,298	0.97
viii.	06-03-15 - Sale	(48,600)	(0.03)	1,482,698	0.94
	At the end of the year 31 March 2015	1,482,698	0.94		
9	Niraj Bajaj (Trustee of Narmada Trust, Bajaj Group Trust)				
	At the beginning of the year and at the end of the year- No change during the year ended 31 March 2015	1,092,075	0.69		
10	Macquarie Bank Ltd.				
	At the beginning of the year 1 April 2014	146,200	0.09	<u> </u>	<u> </u>
	Date-wise increase/(decrease)				
11/	05-09-14 - Purchase	543,800	0.34	690,000	0.43
	At the end of the year 31 March 2015	690,000	0.43		

v) Shareholding of directors and key managerial personnel

			Shareholding at the beginning of the year		Cumulative shareholding during the year	
Sr.No	Name of the directors/ key managerial personnel (KMP)	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	Rahulkumar Bajaj					
	At the beginning of the year 1 April 2014	1,667,085	1.05			
	29-08-2014 - Sale	(4,400)	(0.01)	1,662,685	1.04	
	At the end of the year 31 March 2015	1,662,685	1.04			
2	Sanjivnayan Bajaj					
	At the beginning of the year and at the end of the year- No change during the year ended 31 March 2015	465,024	0.29			
3	Madhur Bajaj					
	At the beginning of the year 1 April 2014	933,716	0.59		///// /	
	20-03-2015 - Purchase 20-03-2015 - Sale	35,220 (35,220)	0.02 (0.02)	933,716	0.59	
	At the end of the year 31 March 2015	933,716	0.59			
4	Rajivnayan Bajaj					
	At the beginning of the year and at the end of the year- No change during the year ended 31 March 2015	3,450	0.00			
5	S Sreenivasan (CFO)					
	At the beginning of the year and at the end of the year- No change during the year ended 31 March 2015	1,650	0.00			

V. Indebtedness

As on 31 March 2015, indebtedness of the Company including interest outstanding/accrued but not due for payment is nil.

Notes: (1) Shareholding of all the other Directors-Nil.
(2) Sonal R Tiwari (Company Secretary) does not hold any shares in the Company.



VI. Remuneration of directors and key managerial personnel

A. Remuneration to managing director(MD), whole-time directors(WTD) and/or Manager

(in ₹)

Particulars of remuneration	Sanjiv Bajaj (MD)	Total amount
Gross salary		
(a) Salary as per provisions contained under section 17(1) of the Income-tax Act, 1961	10,064,000	10,064,000
(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	1,562,505	1,562,505
(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	<u> </u>	<u> </u>
Stock options	-	-
Sweat equity	<u> </u>	
Commission		
- as % of profit		<u> </u>
- others (thrice the annual basic salary)	28,080,000	28,080,000
Others - Contribution to provident fund etc.	2,030,688	2,030,688
Total (A)	41,737,193	41,737,193
Ceiling as per the Act		78,800,000
	under section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites under section 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961 Stock options Sweat equity Commission - as % of profit - others (thrice the annual basic salary) Others - Contribution to provident fund etc. Total (A)	Gross salary (a) Salary as per provisions contained under section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites under section 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961 Stock options Sweat equity Commission as % of profit others (thrice the annual basic salary) 28,080,000 Others - Contribution to provident fund etc. 2,030,688 Total (A) 41,737,193

Notes: Salary and perquisites include all elements of remuneration i.e. salary, allowances and benefits. No bonus, pension and performance linked incentive is paid to any of the directors. The Company has not issued any stock options to any of the directors. The term of Managing Director does not exceed five years.

Appointment of Managing Director is governed by a service contract for a period of 5 years and notice period is of 90 days and is in compliance with the applicable provisions of the Companies Act, 2013.

B. Remuneration to other directors

(in ₹)

Particulars of remuneration	Name of directors					Total amount
1. Independent Directors ·	D J Balaji Rao	Nanoo Pamnani	S H Khan	Naresh Chandra	Dr.Gita Piramal	
i) Fee for attending board/ committee meetings.	500,000	700,000	600,000	600,000	350,000	2,750,000
ii) Commission.	500,000	700,000	600,000	600,000	350,000	2,750,000
iii) Others	7/7//// / /.	////// <u>-</u> /	/////- /.	7777 , //	///// /	//////
Total (1)	1,000,000	1,400,000	1,200,000	1,200,000	700,000	5,500,000
2. Non-Independent Non-Executive Directors	Rahul Bajaj	Madhur Bajaj	Rajiv Bajaj	 		
i) Fee for attending board/ committee meetings.	400,000	300,000	300,000			1,000,000
ii) Commission.	400,000	300,000	300,000	//// / //	///// - /	1,000,000
iii) Others	////// / /	///// / /		///// - //	//// /	
Total (2)	800,000	600,000	600,000	 	77777 ,	2,000,000
Total (B)=(1+2)						7,500,000
Total Managerial Remuneration (A+B)						49,237,193
Overall Ceiling as per the Act						94,600,000

Note: Overall ceiling as per Act is not applicable to sitting fees paid to non-executive directors.

C. Remuneration to key managerial personnel other than MD/WTD/Manager

(in ₹)

		Key managerial personnel				
		Company Secretary Chief Financial Officer (CFO)				
Sr. No.	Particulars of remuneration	Sonal R Tiwari	Kevin D'sa (from 1 April 2014 to 30 Sept. 2014)	S Sreenivasan (from 1 October 2014 to 31 March 2015)	Total	
1	Gross salary					
	(a) Salary as per provisions contained under section 17(1) of the Income-tax Act, 1961	2,155,105	1,250,000	4,920,639	8,325,744	
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	25,000		14,400	39,400	
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	<u> </u>	<u> </u>			
2	Stock options		/////// <u>/</u> //	<u> </u>	//// <u>-</u>	
3	Sweat equity	////// //	<u> </u>	<u> </u>	<u> </u>	
4	Commission					
	- as % of profit		<u> </u>	<u> </u>	//// ₋	
	- others	////// //	<u> </u>	 		
5	Others - Contribution to provident fund etc.	177,959		479,571	657,530	
///	Total	2,358,064	1,250,000	5,414,610	9,022,674	
<u>///</u>	lotal	2,358,064	1,250,000	5,414,610	9,02	

Note: Kevin D'sa was CFO for the first 6 months in 2014-15, while S Sreenivasan was CFO for the last 6 months in 2014-15. Their remuneration is accordingly disclosed for the period in which they were designated as CFO.

VII. Penalties/punishment/compounding of offences:

During the year 2014-15, there were no penalties/punishment/compounding of offences under Companies Act, 2013.



Secretarial Audit Report (Form MR-3)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended 31 March 2015.

To the Members **Bajaj Finserv Ltd.**,
L65923PN2007PLC130075
Bajaj Auto Ltd. Complex,
Mumbai-Pune Road,
Akurdi. Pune 411035.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bajaj Finserv Ltd., (hereinafter called as 'the Company'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31 March 2015, complied with the applicable statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31 March 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv)Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Bajaj Finserv Limited

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi)Rules, Regulations and Guidelines issued by the Reserve Bank of India as are applicable to Non-Deposit taking NBFC which are specifically applicable to the Company.

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. (NSE).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors for the Board meetings, including Committees thereof, alongwith agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the Company has allotted 2,832 right shares which were kept in abeyance and complied with the Act and Rules formed thereunder, during the reporting period.

I further report that during the audit period there was no other event/action having major bearing on Company's affairs.

Pune: 20 May 2015 Shyamprasad D Limaye FCS No. 1587 C P No.: 572



Auditors' certificate regarding compliance of conditions of Corporate Governance

To the Members of Bajaj Finserv Ltd.

We have examined the compliance of conditions of Corporate Governance by Bajaj Finserv Ltd., for the year ended 31 March 2015, as stipulated in clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Russell I Parera Partner Membership Number: 42190

Pune: 20 May 2015

Declaration by Chief Executive Officer (CEO)

I, Sanjiv Bajaj, Managing Director of Bajaj Finserv Ltd. hereby declare that all the Board members and Senior Management have affirmed for the year ended 31 March 2015 compliance with the Code of Conduct of the Company.

Sanjiv Bajaj Managing Director

Pune: 20 May 2015

Certificate by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

We, Sanjiv Bajaj, Managing Director and S Sreenivasan, Chief Financial Officer of Bajaj Finserv Ltd., certify to the Board:

- 1. That we have reviewed the financial statements and the cash flow statement for the year ended 31 March 2015 and that to the best of our knowledge and belief;
 - these statements do not contain any materially untrue statement nor omit any material fact or contain statements that might be misleading, and
 - these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations;
- 2. That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct:
- 3. That we accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify these deficiencies; and
- 4. That we have informed the auditors and the Audit Committee of:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Sanjiv Bajaj Managing Director S Sreenivasan Chief Financial Officer

Pune: 20 May 2015

Consolidated Financial Statements

Independent Auditors' Report on the Consolidated Financial Statements

To the Members of Bajaj Finserv Ltd.

1. We have audited the accompanying consolidated financial statements of Bajaj Finserv Ltd. ('hereinafter referred to as the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its jointly controlled entity; (refer Note 1 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at 31 March 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as 'the Consolidated Financial Statements').

Management's responsibility for the consolidated financial statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity in accordance with accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. The respective Board of Directors of the companies included in the Group and its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entity respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' responsibility

- 3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the Accounting Standards and matters which are required to be included in the audit report.
- 4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
- 5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
- 6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, and its jointly controlled entity as at 31 March 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other matter

8. We did not audit the financial statements of two subsidiaries and one jointly controlled entity whose financial statements reflect total assets of ₹ 54,209.77 crore and net assets of ₹ 8,770.05 crore as at 31 March 2015, total revenue of ₹ 12,502.69 crore, net profit of ₹ 1,437.95 crore and net cash flows amounting to ₹ 371.14 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity and our report in terms of sub-sections (3) and (11) of section 143 of the Act insofar as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on other legal and regulatory requirements

- 9. As required by the Companies (Auditors' Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, subsidiary companies and jointly controlled entity incorporated in India (Refer Note 1 to the consolidated financial statements), we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. Bajaj Allianz Life Insurance Company Ltd. and Bajaj Allianz General Insurance Company Ltd., the two subsidiaries are carrying out insurance business, hence Companies (Auditors' Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is not applicable to them. Bajaj Financial Holdings Ltd., a subsidiary of Holding Company has a financial year commencing from 7 February 2014 to 31 March 2015 hence the auditors' report on the same is issued under section 227 (3) of the Companies Act, 1956.
- 10. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group and jointly controlled entity incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group and jointly controlled entity audited by the other auditor incorporated in India including relevant records relating to the preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries as on 31 March 2015 taken on record by the Board of Directors of the Holding Company and its subsidiary companies, and the reports of the statutory auditors of its subsidiary companies and its jointly controlled company incorporated

Independent Auditors' Report on the Consolidated Financial Statements (Contd.)

in India, none of the directors of the Holding Company and its subsidiaries and jointly controlled company incorporated in India is disqualified as on 31 March 2015 from being appointed as a director in terms of section 164 (2) of the Act.

- (f) With respect to the other matters to be included in the Auditors' Report in accordance with rule 11 of the Companies (Audit and Auditors') Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at 31 March 2015 on the consolidated financial position of the Group and jointly controlled entity. In case of Bajaj Financial Holdings Ltd., a subsidiary of the Holding company, the requirements of reporting on this clause is not applicable, as the auditors' report on the same is issued under section 227 (3) of the Companies Act, 1956.
 - ii. The Group and jointly controlled entity audited by another auditor did not have any material foreseeable losses on long-term contracts except in case of Bajaj Finance Ltd. a subsidiary of the Holding Company, where provision has been made in the consolidated financial statements as required under the applicable law or Accounting Standards, for material forseeable losses, if any, on long-term contracts as at 31 March 2015. The aforesaid companies did not have long-term derivative contracts as at 31 March 2015.

In case of Bajaj Allianz General Insurance Company Ltd., a subsidiary of the Holding Company, audited by another firm of chartered accountants, who vide their report dated 15 May 2015 have reported as follows:

'The Company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any outstanding long-term derivative contracts.'

In case of Bajaj Allianz Life Insurance Company Ltd., a subsidiary of the Holding Company, audited by another firm of chartered accountants, who vide their report dated 15 May 2015 have reported as follows:

'The Company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts.'

In case of Bajaj Financial Holdings Ltd., a subsidiary of the Holding Company, the requirements of reporting on this clause is not applicable, as the auditors' report on the same is issued under section 227(3) of the Companies Act, 1956.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and based on the report of the other auditor of the jointly controlled entity incorporated in India during the year ended 31 March 2015 except in case of Bajaj Finance Ltd., a subsidiary of the Holding Company, where there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund during the year ended 31 March 2015.

In case of Bajaj Financial Holdings Ltd., a subsidiary of the Holding Company, the requirements of reporting on this clause is not applicable, as the auditors' report on the same is issued under section 227(3) of the Companies Act, 1956.

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

Russell I Parera Partner Membership Number: 42190 Pune: 20 May 2015

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Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Bajaj Finserv Ltd. on the consolidated financial statements as of and for the year ended 31 March 2015

1. (a) The Holding Company and its subsidiary, incorporated in India are maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'The Group has maintained proper records showing full particulars including quantitative details and situation of fixed assets.'

In case of Bajaj Financial Holdings Ltd., a subsidiary of the Holding Company, incorporated in India the Company does not hold any fixed assets. Therefore, the provisions of clause 3(i) of the said Order are not applicable to the Company.

(b) The fixed assets are physically verified by the respective Managements of the Holding Company and its subsidiary, incorporated in India according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the aforesaid Holding Company and its subsidiary and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the respective Managements of the aforesaid Holding Company and its subsidiary during the year and no material discrepancies have been noticed on such verification.

In case of subsidiaries of Bajaj Finance Ltd., a subsidiary of the Holding Company, incorporated in India the fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

In case of Bajaj Financial Holdings Ltd., a subsidiary of the Holding Company, incorporated in India the Company does not hold any fixed assets. Therefore, the provisions of clause 3(i) of the said Order are not applicable to the Company.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'As explained to us, the entire fixed assets have been physically verified by the Management during the year and no material discrepancies were noticed on such verification.'

2. The Holding Company is in the business of windpower generation and investment activity and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to such Holding Company.

In case of Bajaj Finance Ltd., a subsidiary of the Holding Company, incorporated in India is in the business of financing, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to the subsidiary of the Holding Company.

In case of Bajaj Financial Holdings Ltd., a subsidiary of the Holding Company, and subsidiaries of Bajaj Finance Ltd., incorporated in India are in the business of rendering services, and consequently, do not hold any inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to such subsidiaries.

In case of Bajaj Allianz Financial Distributors Ltd. a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'As explained to us, due to the nature of the business of the Company there are no inventories. Hence, the provision of clause 3(ii) of the Companies (Auditors' Report) Order, 2015 is not applicable to the Company.'

3. The Holding Company and its subsidiaries, incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act.

Therefore, the provisions of clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the aforesaid Holding Company and its subsidiaries.

On the basis of report of the other auditor, the jointly controlled entity of the Holding Company and its subsidiary, incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the aforesaid companies.

4. In our opinion, and according to the information and explainations given to us,, there is an adequate internal control system commensurate with the size of the Holding Company and its subsidiary, incorporated in India and the nature of their respective businesses for the purchase fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the aforesaid Holding Company and the subsidiary, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

In case of Bajaj Financial Holdings Ltd., a subsidiary of the Holding Company, subsidiaries of Bajaj Finance Ltd., subsidiary of the Holding Company, incorporated in India has an adequate internal control system commensurate with the size and the nature of their respective businesses for the sale of services . Further, on the basis of our examination of the books and records of the aforesaid companies and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Group and the nature of its business with regard to purchases of fixed assets and with regard to the sale of services. The activities of the Group do not involve purchase of inventory and sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.'

5. The Holding Company and its subsidiaries, incorporated in India have not accepted any deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

In case of Bajaj Finance Ltd., a subsidiary of the Holding Company incorporated in India, in our opinion, and according to the information and explanations given to us, has complied with the provisions of sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal on the Company in respect of the aforesaid deposits.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'According to the information and explanations given to us, the Group has not accepted any deposit during the year. The Company has no unclaimed deposits.'

6. We have broadly reviewed the books of account maintained by the Holding Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of section 148 of the Act, and based on such review, are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

The Central Government of India has not specified the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the products of the subsidiaries.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'As per the information and explanation given to us, the requirement for maintenance of Cost records prescribed by the Central Government under section 148(1) of the Companies Act, 2013 is not applicable to the Group.'

7. (a) In our opinion, and according to the information and explanations given to us and the records of the Holding Company and its subsidiaries examined by us, and based on the report of the other auditor of the jointly controlled entity incorporated in India, the Holding Company, its subsidiaries and jointly controlled entity are regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Holding Company examined by us, there are no dues of wealth tax and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax and sales tax as at 31 March 2015 which have not been deposited on account of a dispute, are as follows:

(₹ In Crore)

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Income Tax	Additional demand on the basis of assessment order received.	0.26	AY-2009-10	CIT(A)
Income Tax	Additional demand on the basis of assessment order received.	26.97	AY-2011-12	CIT(A)
Income Tax	Additional demand on the basis of assessment order received.	12.76	AY-2012-13	CIT(A)
Sales Tax	Additional demand on the basis of assessment order received.	0.29	2008-09	DCST
Sales Tax	Additional demand on the basis of assessment order received.	0.04	2009-10	JCST
Sales Tax	Additional demand on the basis of assessment order received.	0.39	2010-11	JCST
Sales Tax	Additional demand on the basis of assessment order received.	0.03	2011-12	DCST
////////	/ <i>////////////////////////////////////</i>	/ / / / / / / /	' / / / / / / / / / / / / / / / / / / /	/ / /////////////////////////////////

In case of Bajaj Finance Ltd., a subsidiary of the Holding Company, incorporated in India, according to the information and explanations given to us and the records of the subsidiary company there are no dues of income tax, wealth tax, duty of customs, duty of excise which have not been deposited on account of any dispute. The particulars of dues of sales tax, service tax, value added tax as at 31 March 2015 which have not been deposited on account of a dispute, are as follows:

(₹ In Crore)

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Sales Tax	Sales Tax	0.86	2005-06 to 2008-09	Additional Commissioner
	Sales Tax	0.09	2005-06	Appellate Tribunal
	Sales Tax	1.54	2008-09 to 2011-12	Rajasthan Tax Board
	Sales Tax	0.70	2012-13 to July 14	Deputy Commissioner Appeals
	Sales Tax	1.31	2005-06 to 2006-07	Sales Tax Appellate Tribunal
Central Excise	Service Tax	0.76	2007-08 to 2011-12	Customs, Excise and Service Tax Appellate Tribunal
	Service Tax	0.22	2012-13	Commissioner Appeals
ESIC ACT	Employee State Insurance Corporation	4.46	1999-2000 to 2006-07	Employee State Insurance Court
		0.68	1991-92 to 2002-03	Deputy Director Employee State Insurance Corporation

In case of Subsidiaries of Bajaj Finance Ltd., incorporated in India according to the information and explanations given to us and the records of the aforesaid, there are no dues of income tax and service tax which have not been deposited on account of any dispute.

In case of Bajaj Financial Holdings, a subsidiary of the Holding Company, according to the information and explanations given to us and the records of the subsidiary company, there are no dues of income tax which have not been deposited on account of any dispute.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'There are no dues of Income Tax, Service Tax, Value Added Tax and Cess which have not been deposited as on 31 March 2015 on account of disputes.'

c) There are no amounts required to be transferred by the Holding Company and its subsidiary incorporated in India to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the Rules made thereunder.

In case of Bajaj Finance Ltd., a subsidiary of the Holding Company, incorporated in India the amount required to be transferred to Investor Education and Protection Fund have been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the Rules made thereunder. There are no amounts required to be transferred by the subsidiaries of Bajaj Finance Ltd., incorporated in India to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the Rules made thereunder.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013.'

8. The Holding Company and its subsidiary incorporated in India have no accumulated losses as at the end of the financial year and they have not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

In case of Bajaj Housing Finance Ltd., a subsidiary of Bajaj Finance Ltd., subsidiary of the Holding Company, incorporated in India has accumulated losses exceeding fifty percent of its networth as at the end of the financial year and it has also incurred cash losses during the financial year ended on that date and in the immediately preceding financial year.

In case of Bajaj Financial Securities Ltd., a subsidiary of Bajaj Finance Ltd., subsidiary of the Holding Company, incorporated in India the accumulated losses did not exceed fifty percent of its net worth as at 31 March 2015 and it has not incurred cash losses in the financial year ended on that date, and it had incurred cash losses in the immediately preceding financial year.

In case of Bajaj Financial Holding Ltd., a subsidiary of the Holding Company, incorporated in India was registered for a period less than five years, the provisions of clause 3(viii) of the Order are not applicable to the aforesaid subsidiary.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'The Group does not have accumulated losses at the end of financial year nor has incurred any cash losses during the financial year of our audit or in the immediately preceding financial year.'

9. As the Holding Company and its subsidiary incorporated in India do not have any borrowings from any financial institution or bank nor have they issued any debentures as at the Balance Sheet date, the provisions of clause 3(ix) of the Order are not applicable to the aforesaid Holding Company and its subsidiary.

In case of Bajaj Finance Ltd., a subsidiary of the Holding Company, incorporated in India, according to the records examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.



Subsidiaries of Bajaj Finance Ltd., incorporated in India do not have any borrowings from any financial institution or bank nor have they issued any debentures as at the Balance Sheet date, the provisions of clause 3(ix) of the Order are not applicable to the aforesaid Subsidiaries.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'As the Group has not taken any loans from any financial institution and banks, the provision of clause 3(ix) of the Companies (Auditors' Report) Order, 2015 is not applicable to the Group. The Group has not issued any debentures.'

- 10. In our opinion, and according to the information and explanations given to us and based on the reports of the other auditor furnished to us, the Holding Company, its subsidiaries and jointly controlled entity incorporated in India have not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the aforesaid Holding Company, its subsidiaries and jointly controlled entity.
- 11. The Holding Company and its subsidiary, incorporated in India have not raised any term loans. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the aforesaid Holding Company and its subsidiary.

In case of Bajai Finance Ltd., a subsidiary of the Holding Company, incorporated in India in our opinion, and according to the information and explanations given to us, the term loans obtained by the subsidiary has been applied for the purposes for which they were obtained. Subsidiaries of Bajaj Finance Ltd., incorporated in India have not raised any term loans. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the aforesaid subsidiaries.

In case of Bajaj Allianz Financial Distributors Ltd., a jointly controlled entity of the Holding Company and its subsidiary, incorporated in India audited by another firm of chartered accountants, who vide their report dated 11 May 2015 have reported as follows:

'In our opinion, the provision of clause 3(xi) of the Companies (Auditors' Report) Order, 2015 are not applicable to the Group, as the Group has not taken any term loan from financial institution or banks.'

12. During the course of our examination of the books and records of the Holding Company and Subsidiaries carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and based on the report of the other auditor, we/the other auditor have neither come across any instance of material fraud on or by the Holding Company, its subsidiaries and jointly controlled entity incorporated in India noticed or reported during the year, nor have we/the other auditor been informed of any such case by the respective Managements of the aforesaid Holding Company, its subsidiaries and jointly controlled entity. In case of Bajaj Finance Ltd., a subsidiary of the Holding Company, incorporated in India there has been few instances of loans becoming doubtful of recovery consequent upon fraudulent misrepresentation by borrowers, the amounts whereof are not material in the context of the size of the Company and the nature of its business and which have been provided for.

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

Russell I Parera Partner Membership Number: 42190 Pune: 20 May 2015

Consolidated Balance Sheet

(₹ In Crore)

		As at 31 March	
Particulars	Note No.	2015	2014
EQUITY AND LIABILITIES		<u> </u>	
Shareholders' funds		<u> </u>	
Share capital	5	79.56	79.56
Reserves and surplus	6	10,885.08	9,231.59
		10,964.64	9,311.15
Funds for future appropriations	7	124.41	183.95
Minority interest		4,225.54	3,541.51
Non-current liabilities			
Long-term borrowings	8	17,931.01	10,300.26
Deferred tax liabilities (net)		11.36	10.46
Policy liabilities		13,232.39	10,603.70
Linked liabilities		3,044.58	1,956.12
Discontinued fund liabilities		284.42	145.50
Other long-term liabilities	9	135.77	105.50
Long-term provisions	10	174.37	120.97
		34,813.90	23,242.51
Current liabilities			
Short-term borrowings	11	4,313.90	5,472.78
Trade payables	12	5,360.82	5,115.10
Policy liabilities		1,373.15	1,104.75
Linked liabilities		18,600.27	19,331.48
Other current liabilities	12	5,539.38	4,505.49
Short-term provisions	10	2,952.41	2,582.42
		38,139.93	38,112.02
Total		88,268.42	74,391.14

The accompanying notes are an integral part of the financial statements In terms of our report of even date

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

Russell I Parera

Partner

Membership Number: 42190 Pune: 20 May 2015

Consolidated Balance Sheet (Contd.)

(₹ In Crore)

		As at 31 March		
Particulars	Note No.	2015	2014	
ASSETS				
Non-current assets				
Fixed assets				
Tangible assets	13	793.64	799.94	
Intangible assets	13	38.00	33.45	
Capital work-in-progress		2.76	1.38	
		834.40	834.77	
Goodwill on consolidation of subsidiary/associates		429.03	429.03	
Non-current investments	14	13,261.53	11,456.64	
Policyholders' investments		12,450.59	10,374.12	
Assets held to cover linked liabilities		3,308.83	2,909.84	
Deferred tax assets (net)		257.55	171.06	
Long-term loans and advances	15	329.77	310.13	
Receivables under financing activity	16	18,119.67	13,852.42	
Other non-current assets	18	388.47	848.46	
		49,379.84	41,186.47	
Current assets				
Current investments	14	1,737.87	888.29	
Policyholders' investments		1,987.29	1,162.10	
Assets held to cover linked liabilities		18,336.21	18,377.76	
Assets held to cover discontinued funds		284.23	145.50	
Receivables under financing activity	16	13,079.78	9,118.53	
Trade receivables	17	541.45	370.38	
Cash and bank balances	19	1,399.58	2,060.99	
Short-term loans and advances	15	439.91	394.24	
Other current assets	18	1,082.26	686.88	
		38,888.58	33,204.67	
Total		88,268.42	74,391.14	
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On behalf of the Board of Directors

Rahul Bajaj Chairman

Sanjiv Bajaj Managing Director

Nanoo Pamnani Chairman - Audit Committee

S Sreenivasan Chief Financial Officer

Sonal R Tiwari Company Secretary

Consolidated Statement of Profit and Loss

		(₹ In Crore)	
		For the year ended 31 March	
Particulars	Note No.	2015	2014
Revenue from operations	20	6,471.24	4,909.03
Other income	21	3.37	3.97
Operating result from general insurance business	22	627.88	473.91
Amount transferred from the policyholders' account		487.89	639.10
Total revenue		7,590.38	6,026.01
Expenses:			
Contribution to the policyholders' fund		116.25	6.94
Employee benefits expense	23///	578.02	440.73
Loan losses and provisions	24	384.56	258.83
Finance costs	25	2,229.58	1,561.87
Depreciation and amortisation	26	38.15	30.88
Other expenses	27///	997.67	825.15
Total expenses		4,344.23	3,124.40
Profit before tax		3,246.15	2,901.61
Tax expense			
Current tax		925.86	748.04
Share of current tax of joint venture		0.55	0.65
Deferred tax		(84.50)	(38.22)
Share of deferred tax of joint venture		0.03	0.02
Total tax expense		841.94	710.49
Profit after tax		2,404.21	2,191.12
Tax (debits)/credits pertaining to earlier years		4.94	(0.06)
Share of tax (debits)/credits pertaining to earlier years of joint venture		0.02	(0.13)
Minority interest		719.38	646.85
Profit for the year		1,689.79	1,544.08
Basic and diluted Earnings per share (In ₹)	28	106.2	97.0
(Nominal value per share ₹5)			

The accompanying notes are an integral part of the financial statements

In terms of our report of even date

For Dalal & Shah

Firm Registration Number: 102021W

Chartered Accountants

Russell I Parera Partner

Membership Number: 42190 Pune: 20 May 2015

S Sreenivasan Chief Financial Officer

Sonal R Tiwari Company Secretary On behalf of the Board of Directors Rahul Bajaj

Chairman

Sanjiv Bajaj Managing Director

Nanoo Pamnani Chairman - Audit Committee



1 (a) The consolidated financial statements include results of the following subsidiaries and joint ventures of Bajaj Finserv Ltd., consolidated in accordance with Accounting Standard 21 'Consolidated Financial Statements' and Accounting Standard 27 'Financial Reporting of Interests in Joint Ventures'.

Country of incorporation	% Shareholding of Bajaj Finserv Ltd.	Consolidated as
India	74%	Subsidiary
India	74%	Subsidiary
India	61.53%	Subsidiary
India	100%	Subsidiary
India	50%	Joint Venture
	India India India India India	India 74% India 74% India 61.53% India 100%

^{*} The consolidated financial results of Bajaj Finance Ltd. include 100% interest in Bajaj Housing Finance Ltd. (alongwith later's wholly-owned subsidiary Bajaj Financial Securities Ltd.) as a subsidiary.

(b) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended], other relevant provisions of the Companies Act, 2013 and the RBI guidelines/regulations to the extent applicable.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Companies Act, 2013.

- (c) Considering that the accounts of the two insurance companies have been prepared in accordance with and in the manner prescribed by the regulations of the Insurance Regulatory and Development Authority and the lack of homogeneity of the business, the financial statements of the insurance companies have been consolidated, to the extent possible in the format as adopted by the parent, as required by Accounting Standard 21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.
- 2 Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.
- 3 No adjustments have been made to the financial statements of the two insurance subsidiaries on account of diverse accounting policies as the same, being insurance companies, have been prepared under a regulated environment in contrast to those of Bajaj Finserv Ltd. and hence not practicable to do so. Also differences in accounting policies followed by the other entities consolidated have been reviewed and no adjustments have been made, since the impact of these differences is not significant.

On 1 November 2014, Bajaj Finserv Ltd. transferred by way of sale, its wholly-owned subsidiary viz. Bajaj Financial Solutions Ltd. together with its wholly-owned subsidiary, to Bajaj Finance Ltd., also a subsidiary of the Company, to carry on, through the former the business of Housing Finance. Subsequently, Bajaj Financial Solutions Ltd. is renamed as Bajaj Housing Finance Ltd.

^{**} The Company was incorporated on 7 February 2014. The first financial statements of the Company are prepared for the period from 7 February 2014 to 31 March 2015.

^{***} The consolidated financial results of Bajaj Allianz Financial Distributors Ltd. include 100% interest in Bajaj Allianz Staffing Solutions Ltd.

- 4 Significant accounting policies followed by subsidiaries and joint venture, to the extent, different and unique from the parent. (The accounting policies of the parent are best viewed in its independent financial statements, Note 2).
 - A. Bajaj Allianz Life Insurance Company Ltd.

Significant accounting policies followed by the Company

Basis of preparation

The accompanying financial statements are prepared and presented under the historical cost convention, unless otherwise stated, and on the accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP). The Company has prepared the financial statements in compliance with the Accounting Standards ('AS') notified under the section 133 of the Companies Act, 2013 read with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed thereunder, various circulars issued by the IRDA and the practices prevailing within the insurance industry in India.

The accounting policies have been consistently applied by the Company. The Management evaluates all newly issued or revised accounting pronouncements on an ongoing basis to ensure due compliance.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as on the date of financial statements. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

a) Revenue recognition

Premium income

Premium is recognised as income when due from policyholders. For unit linked business, premium is recognised as income when the associated units are created.

Premium on lapsed policies is recognised as income when such policies are reinstated.

Top up premiums paid by unit linked policyholders' are considered as single premium and recognised as income when the associated units are created.

Reinsurance premium ceded and commission thereon

Reinsurance premium ceded is accounted in accordance with the terms and conditions of the relevant treaties with the reinsurer.

Commission received on reinsurance ceded is recognised as income, and net off against commission paid, in the period in which reinsurance premium is ceded. Profit commission on reinsurance ceded is recognised as income, and net off against reinsurance premium, in the period in which reinsurance premium is ceded.

Income from investments

Interest income is recognised on accrual basis. Premium or discount on acquisition, as may be the case, in respect of debt securities, pertaining to non-linked investments is amortised/accreted over the period of maturity/holding using the effective yield methodology.



A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

In case of listed equity, dividend income is recognised on the 'ex-dividend' date. In case of unlisted equity dividend income is recognised when the right to receive dividend is established.

Fees received on lending of equity shares under Securities Lending and Borrowing scheme (SLB) is recognised as income over the period of lending on straight line basis.

Lease rentals on investment property is recognised on accrual basis and include only the realised rent and does not include any notional rent, as prescribed by IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002. Costs related to operating and maintenance of investment property are recognised as expense in the Revenue and Profit and Loss Account.

Profit or loss on sale/redemption of equity shares and mutual fund units is the difference between the net sale consideration and the weighted average cost in the books of the Company. Profit or loss on sale/redemption of such securities in other than linked investments is recognised on trade/redemption date and includes effects of accumulated fair value changes, as applicable and previously recognised.

Profit or loss on sale/redemption of debt securities held under other than linked business is the difference between the net sale consideration and the amortised cost computed on weighted average basis as on the date of sale.

Profit or loss on sale/redemption on debt securities held for linked business is the difference between the net sale consideration and the weighted average cost as on the date of sale.

Other income from unit linked policies

Fund management charges, policy/fund administration charges and cost of insurance are accounted for on accrual basis in accordance with terms and conditions of the policies issued.

Fees and charges

Interest income on loans to policyholders is recognised as income on an accrual basis and disclosed under other income.

Interest on overdue premium is recognised as income on reinstatement of the policy.

Loan processing fee is recognised as income when the loan is accounted for.

b) Acquisition cost

Acquisition costs are costs that vary with and are primarily related to acquisition of new insurance contracts. Acquisition cost mainly consist of commission, medical costs, stamp duty and other related expenses. These costs are expensed out in the year in which they are incurred.

Additional first year commission is accrued in the year of sale of the policy, but due and payable after receipt of second year renewal premium. Claw back in future, if any, for the first year commission paid, is accounted for in the year in which it is recovered.

c) Benefits paid

Benefits paid comprise of policy benefits and claim settlement costs.

Death and rider claims are accounted for on receipt of intimation. Survival, maturity and annuity benefits are accounted when due as per the terms of the contract with the policyholder. Withdrawals and surrenders under non-linked policies are accounted on the receipt of intimation. Withdrawals and surrenders under unit linked policies are accounted when the associated units are cancelled. Surrender charges recovered, if any, are net off against the claim expense incurred.

A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

Reinsurance recoveries are accounted for in the same period as the related claims and net off against the claim expense incurred. Repudiated claims disputed before judicial authorities are provided for based on the best judgment of the Management considering the facts and evidence in respect of each such claim.

d) Actuarial liability

The actuarial liabilities are calculated in accordance with accepted actuarial practice, requirements of Insurance Act, 1938, regulations notified by the Insurance Regulatory and Development Authority of India and Actuarial Practice Standards of the Institute of Actuaries of India.

The Company provides for liabilities in respect of all 'in force' policies and 'lapsed policies' that are likely to be revived in future, based on actuarial valuation done by the Appointed Actuary as per gross premium method in accordance with accepted actuarial practices, requirements of IRDA and the Institute of Actuaries of India.

Linked liabilities comprise unit liability representing the fund value of policies and non-unit liability for meeting insurance claims and expenses, etc. This is determined based on an actuarial valuation carried out by the Appointed Actuary.

e) Funds for future appropriations (FFA)

FFA (Non-linked) includes the amount of unappropriated profits held in the Balance Sheet as Funds for Future Appropriations based on the recommendation of Appointed Actuary.

f) Investments

Investments are made and accounted for in accordance with the Insurance Act, 1938, Insurance Regulatory and Development Authority (Investments) Regulations, 2000 amended from time to time, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 and various other circulars/notifications issued by the IRDA in this context from time to time.

Investments are recorded on trade date at cost, which includes brokerage, fees and related taxes, if any and excludes pre-acquisition interest, if any.

Broken period interest paid/received is debited/credited to interest accrued but not due account.

Bonus and rights entitlements are recognised as investments on ex-date basis.

i) Classification

Investments maturing within twelve months from the Balance Sheet date and investments made with the specific intention to dispose off within twelve months from Balance Sheet date are classified as short-term investments. Investments other than short-term investments are classified as long-term investments.

ii) Valuation - shareholders' investments and non-linked policyholders' investments

All debt securities are considered as 'held to maturity' and accordingly stated at historical cost adjusted for amortisation of premium or accretion of discount, as may be the case, over the period held to maturity/sale using the effective yield basis.

Money market instruments are valued at historical cost and adjusted for amortisation of premium or accretion of discount, as may be the case, over the period of maturity/holding on a straight line basis.

Listed equity shares are stated at fair value being the last quoted closing price on the National Stock Exchange of India ('NSE'). In case the equity shares are not listed on the NSE, then they are valued on the last quoted closing price on BSE Ltd. ('BSE'). Unlisted equity shares are stated at historical cost. Equity shares lent under the



A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

Securities Lending and Borrowing scheme (SLB) continue to be recognised in the Balance Sheet as the Company retains all the associated risks and rewards of these securities.

Mutual fund units are stated at fair value being the per unit net asset value on the Balance Sheet date declared by respective Mutual Fund.

Unrealised gains/losses on changes in fair values of listed equity shares and mutual funds are taken to the 'Fair value change account' in the Balance Sheet.

Investment in venture capital fund, security receipts, fixed deposits and loans are valued at cost.

Investment property is held to earn rental income or for capital appreciation and is not occupied by the Company. Investment property is initially valued at cost including any directly attributable transaction costs. Investment property is revalued at least once in every three years. The change in carrying amount of investment property is taken to 'Revaluation reserve' in the Balance Sheet.

The Company assesses at each Balance Sheet date whether there is any evidence of impairment of any investments. In case of impairment, the carrying value of such investment is reduced to its fair value and the impairment loss is recognised in the Revenue/Profit and Loss Account after adjusting it with previously recognised Revaluation reserve/Fair value change account. However, at the Balance Sheet date if there is any indication that a previously recognised impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent

iii) Valuation - linked business

Listed equity shares are valued at fair value, being the last quoted closing price on the NSE. In case the equity shares are not listed on the NSE, then they are valued on the last quoted closing price on BSE. Equity shares lent under Securities Lending and Borrowing scheme (SLB) are valued as equity shares as the Company retains the risk and reward of the shares lent.

Equity Exchange Traded Funds (ETF) are valued as equity shares. In case the ETF is not traded either on NSE or BSE on any day, NAV as published by the Mutual Fund is considered for valuation.

Government securities are valued at prices obtained from Credit Rating Information Services of India Ltd. (CRISIL).

Debt securities other than government securities with a residual maturity of over 182 days are valued on a yield to maturity basis, by using spreads over the benchmark rate (based on the matrix released by the CRISIL Ltd. ('CRISIL') on daily basis) to arrive at the yield for pricing the security. Debt securities with a residual maturity upto 182 days are valued at last valuation price plus the difference between the redemption value and last valuation price, spread uniformly over the remaining maturity period of the instrument.

Treasury bills, Certificate of Deposits and Commercial Papers are valued at cost and adjusted for amortisation of premium or accretion of discount, as the case, over the period of maturity/holding on a straight line basis

Fixed Deposit and Loans are valued at cost.

Mutual fund units and Venture capital funds are valued at the last available per unit Net Asset Value declared for the respective fund.

Unrealised gains and losses are recognised in the Revenue Account as prescribed by IRDA (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002.

Securities with call option are valued at the lower of the value as obtained by valuing the security upto final maturity date or the call option date. In case there are multiple call options, the security is valued at the lowest value obtained by valuing the security at various call dates or upto the final maturity date.

A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

Securities with put option are valued at the higher of the value as obtained by valuing the security upto final maturity date or the put option date. In case there are multiple put options, the security is valued at the highest value obtained by valuing the security at various put dates or upto the final maturity date.

The securities with both put and call option on the same day would be deemed to mature on the put/call date and would be valued on a yield to maturity basis, by using spreads over the benchmark rate based on the matrix released by CRISIL.

Valuation of discontinued policies fund is done as per the valuation policy applicable to unit linked business.

iv) Transfer of investments

Transfer of investments from shareholders' fund to the policyholders' fund is made at book value or market price; whichever is lower.

No transfer of investments is carried out between non-linked policyholders' funds.

Inter fund transfer of Treasury Bills, Certificate of Deposits and Commercial Papers between unit linked funds is done at cost plus accretion. Inter fund transfer of loans is done at cost.

All other transfer of investments between unit linked funds is done at prevailing price.

g) Loans

Loans are stated at historical cost, net of provision for impairment, if any.

h) Fixed assets, intangibles, depreciation and impairment

i) Tangible assets and depreciation

Tangible assets are stated at acquisition cost less accumulated depreciation and impairment loss, if any. Cost includes the purchase price net of trade discounts and rebates, if any, and any cost directly attributable to bringing the asset to its working condition for its intended use and other incidental expenses incurred upto that date.

Subsequent expenditure incurred on tangible assets is expensed out except where such expenditure results in an increase in future benefits from the existing assets beyond its previously assessed standard of performance.

In respect of liabilities incurred in acquisition of fixed assets in foreign exchange, the net gain or loss arising on conversion/settlement is charged to Revenue Account.

Asset costing upto ₹5,000 are charged off as revenue expenses.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Revenue Account when the asset is derecognised.

Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing after 1 April 2014, the Company has re-worked depreciation with reference to the estimated economic lives of fixed assets prescribed by Schedule II to the Act. In case of any asset whose life has completed as per provisions of Schedule II, the carrying value, net of residual value, as at 1 April 2014 has been adjusted with the retained earnings (accumulated Profit and Loss balance) and in other cases the carrying value has been depreciated over the remaining of the revised life of the assets and recognised in the Revenue Account.



A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

The estimated useful life of assets determined is as follows:

Useful life (in years)	
3	
Over the balance period of lease	
60	
10	
10	
3	
6	
5	
8	

Depreciation is provided prorated from the date of being ready to use, upto the date of sale, based on estimated useful life for each class of asset.

ii) Intangibles

Intangible assets comprising software are stated at cost less amortisation. Significant expenditure on improvements to software are capitalised when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Subsequent expenditures are amortised over the remaining useful life of original software. Software expenses are amortised using SLM over a period of 3 years from the date of being ready to use.

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Revenue Account when the asset is de-recognised.

iii) Capital work in progress

Assets not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

iv) Impairment of assets

At each Balance Sheet date, Management assesses whether there is any indication, based on internal/external factors, that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

An assessment is made at the Balance Sheet date to see if there is an indication that a previously assessed impairment loss no longer exists or may have decreased. If such indication exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to maximum of depreciable historical cost.

After impairment, depreciation is provided on the revised carrying amount of the asset over the remaining useful life.

Bajaj Finserv Limited

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

i) Taxation

i. Direct taxes

The Income Tax Act, 1961 prescribes that profits and gains of life insurance companies will be the surplus or deficit disclosed by the actuarial valuation made in accordance with the Insurance Act, 1938.

Income tax expense comprises of:

Current tax – which is the amount of tax for the year determined in accordance with the Income Tax Act, 1961. Current tax is the amount expected to be paid to the tax authorities after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred tax – this could be a charge or credit reflecting the tax effects of timing differences between accounting income and taxable income for the year. Deferred tax asset and liabilities are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. However, deferred tax asset in respect of unabsorbed depreciation or carried forward loss are recognised only if there is a virtual certainty of realisation of such assets. At each Balance Sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company allocates tax to the respective lines of businesses in the Revenue Account in order to ensure that the expenses pertaining to and identifiable with a particular line of business are represented as such to enable a more appropriate presentation of the financial statements.

ii. Indirect taxes

Service tax liability on premium and charges is set-off against available service tax credits from service tax payments made for eligible input services. Unutilised credits, if any, are carried forward under 'Advances and other assets' for adjustments/set-off in subsequent periods, after creating a provision based on estimated realisation of the unutilised credit. Such provisions are subsequently reversed only on reasonable certainty that the credits will be utilised in future periods.

j) Provisions and contingencies

The Company creates a provision when there is present legal obligation as a result of a past event/(s) that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate to settle the obligation on the reporting date. These estimates are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

A contingent liability is a possible obligation that arises from past event/(s) whose existence will be confirmed by the occurrence or non-occurrence will be confirmed by one or more uncertain future events. It also includes a present obligation that is not recognised as it is not probable that an outflow of resources will be required to settle the obligation. Accordingly, the Company does not recognise a contingent liability but discloses the existence of a contingent liability when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed.



A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

k) Long-term contracts

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/Accounting Standards for material foreseeable losses on such long-term contracts including derivative contracts has been made in the financial statements.

B. Bajaj Allianz General Insurance Company Ltd.

Significant accounting policies followed by the Company

Basis of preparation

The financial statements are prepared and presented in accordance with the generally accepted accounting principles followed in India under the historical cost convention and accrual basis of accounting and comply with applicable Accounting Standards referred to in section 133 of the Companies Act, 2013 and in accordance with the statutory requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 ('The Regulations') and orders and directions issued by the IRDAI in this behalf, the Companies Act, 2013 ('The Act') (to the extent applicable) and current practices prevailing in the insurance industry.

Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumption that affect the reported amounts of assets and liabilities as of the Balance Sheet date, revenue and expenses for the year ended and disclosure of contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

a. Revenue recognition

i) Premium

Premium (net of service tax), including reinstatement premium, on direct business and reinsurance accepted, is recognised as income at the commencement of risk over the contract period or the period of risk, whichever is appropriate, on a gross basis and for installment cases, it is recorded on installment due dates. Any subsequent revisions to premiums are recognised in the year in which they occur over the remaining period of risk or contract period, as applicable. Adjustments to premium income arising on cancellation of policies recognised in the period in which it is cancelled.

ii) Interest/dividend income

Interest income is recognised on accrual basis and dividend income is recognised when the right to receive the dividend is established.

iii) Premium/discount on purchase of investments

Premium or discount on acquisition, as the case may be, in respect of fixed income securities, is amortised/accreted on constant yield to maturity basis over the period of maturity/holding.

iv) Profit/loss on sale of securities

Profit or loss on sale/redemption of securities is recognised on trade date basis and includes effects of accumulated fair value changes, previously recognised and credited to Fair value reserve, for specific investments sold/redeemed during the year.

B. Bajaj Allianz General Insurance Company Ltd. (Contd.)

v) Commission on reinsurance ceded

Commission received on reinsurance ceded is recognised as income in the period in which reinsurance premium is ceded. Profit commission under re-insurance treaties, wherever applicable, is recognised in the year of final determination of the profits and as intimated by Reinsurer.

b. Reinsurance ceded

Reinsurance cost, in respect of proportional reinsurance ceded, is accrued at policy inception. Non-proportional reinsurance cost is recognised when incurred and due. Any subsequent revision to, refunds or cancellations of premiums are recognised in the year in which they occur.

c. Reinsurance accepted

Reinsurance inward acceptances are accounted for on the basis of returns, to the extent received, from the insurers.

d. Acquisition costs

Acquisition costs, defined as costs that vary with, and are primarily related to, the acquisition of new and renewal insurance contracts viz., commission, policy issue expenses etc., are expensed in the year in which they are incurred.

e. Premium received in advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the Balance Sheet date.

f. Reserve for unexpired risk

Represents that part of the net premium (i.e., premium, net of reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on contract period basis or risk period basis, whichever is appropriate, subject to a minimum of 100% in case of marine hull business and 50% in case of other businesses based on net premium written on all unexpired policies at Balance sheet date during the twelve months preceding the Balance Sheet date as required by section 64 V(1)(ii)(b) of the Insurance Act, 1938. (Also refer clause m.).

g. Premium deficiency

Premium deficiency is recognised if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceeds the sum of related premium carried forward to the subsequent accounting period as the reserve for unexpired risk. The Company considers maintenance costs as relevant direct costs incurred for ensuring claim handling operations. Further, as per IRDAI circular IRDA/F&A/CIR/FA/126/07/2013, dated 3 July 2013 (Corrigendum on master circular IRDA/F&I/CIR/F&A/231/10/2012, dated 5 October 2012), premium deficiency, if any, has been recognised for the Company as a whole. In computing the overall Premium deficiency in miscellaneous Revenue Account level, the Premium deficiency arising out of reinsurance acceptances from declined risk pool is not considered as per regulatory guidelines. The expected claim costs is calculated and duly certified by the Appointed Actuary.

h. Claims incurred

Claims are recognised as and when reported. Claims incurred comprises claims paid, change in the outstanding provision of claims and estimated liability for claims incurred but not reported ('IBNR') and claims incurred but not enough reported ('IBNER'). It also includes survey fees, legal expenses and other costs directly attributable to claims.



B. Bajaj Allianz General Insurance Company Ltd. (Contd.)

Claims paid (net of recoveries including salvage retained by the insured and includes interest paid towards claims) are charged to the respective Revenue Account when approved for payment. Where salvage is retained by the Company, the recoveries from sale of salvage are recognised at the time of sale.

Provision is made for estimated value of outstanding claims at the Balance Sheet date net of reinsurance, salvage and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim, as anticipated and estimated by the Management in light of past experience and subsequently modified for changes, as appropriate.

Amounts received/receivable from the re-insurers/coinsurers, under the terms of the reinsurance and coinsurance arrangements respectively, are recognised together with the recognition of the claim.

i. IBNR and IBNER (Claims incurred but not reported and claims incurred but not enough reported)

IBNR represents that amount of all claims that may have been incurred prior to the end of the current accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims incurred but not enough reported (IBNER). The said liability is determined based on actuarial principles by the Appointed Actuary. The methodology and assumptions on the basis of which the liability has been determined has also been certified by the Actuary to be appropriate, in accordance with guidelines and norms issued by the Institute of Actuaries of India in concurrence with the IRDAI regulations and, accordingly, the liability determined is certified as adequate by the Actuary.

i. Income from investments and other income

Income earned from investments and fixed deposits with banks, gain or loss on sale of investments and other income is allocated to the Revenue Account and the Profit and Loss Account on the basis of funds available from insurance operations and shareholders' funds and are further allocated to the lines of business in proportion of their respective gross direct premium.

k. Fixed assets and depreciation/amortisation

Fixed assets are stated at cost (including incidental expenses relating to acquisition and installation) less accumulated depreciation. Assets costing upto ₹ 20,000 are depreciated fully in the year of acquisition.

Depreciation on other assets is provided based on Management's assessment of useful life which is in accordance with the useful life specified in Schedule II of the Companies Act, 2013, as follows:

Nature of assets	Useful life as per Management's assessment	Useful life as per Schedule II of the Companies Act, 2013
Information technology equipment		
– End user devices, such as, desktops, laptops, etc.	3	3
– Servers and networks	6	6
Vehicles	8	8
Office equipment	5	5
Furniture and fixtures	10	10
Buildings	60	60
Air conditioner (part of office equipment)	5	5
Electrical fittings (part of furniture and fittings)*	10	10

Depreciation on permanent improvement in freehold premises is recognised over the period of 3 years, being the Management's estimate of the useful life of such assets

Permanent improvements to leased properties are depreciated over the primary period of lease of 3 years.

^{*} Electrical fittings installed at leased premises are depreciated over an estimated useful life of 3 years.

B. Bajaj Allianz General Insurance Company Ltd. (Contd.)

Intangible fixed assets and amortisation

Intangible fixed assets representing software are recorded at its acquisition price and are amortised over its estimated useful life on a straight line basis, commencing from the date the asset is available for its use. The Management has estimated the useful life for such software as three years. The useful life of the asset is reviewed by the Management at each Balance Sheet date.

The Company provides pro rata depreciation from/to the month in which the asset is acquired or put to use/disposed off as appropriate.

Impairment of assets

- (i) The carrying amounts of all assets are reviewed by the Company at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. In assessing value in use the estimated future cash flows are discounted to their present value at a rate that reflects current market assessments of the time value of money and the risks specific to the asset, as determined by the Management.
- (ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life, if any.

I. Investments

Investments are recorded on trade date at cost. Cost includes brokerage, transfer charges, transaction taxes as applicable, etc. and excludes pre-acquisition interest, if any.

Classification

Investments maturing within twelve months from Balance Sheet date and investments made with the specific intention to dispose off within twelve months from Balance Sheet date are classified as short-term investments. Investments other than short-term investments are classified as long-term investments.

Valuation

Debt securities

All debt securities are considered as 'held to maturity' and accordingly stated at historical cost adjusted for amortisation of premium or accretion of discount on constant yield to maturity basis in the Revenue Account and Profit and Loss Account over the period held to maturity/holding.

The realised gain or loss on the securities is the difference between the sale consideration and the amortised cost in the books of the Company as on the date of sale determined on weighted average cost basis.

Equities (listed and actively traded)

Listed and actively traded securities are stated at the last quoted closing price on the National Stock Exchange of India Ltd. (NSE). In case the equity shares are not listed on the NSE, then they are valued on the last quoted closing price on BSE. Unrealised gains or losses are credited/debited to the fair value change account.

The realised gain or loss on the listed and actively traded equities is the difference between the sale consideration and the carrying cost as on the date of sale, determined on a weighted average cost basis and includes the accumulated changes in the fair value previously taken to the Fair value change account, in respect of the particular security; such gain or loss is transferred to revenue on the trade date.



B. Bajaj Allianz General Insurance Company Ltd. (Contd.)

Mutual fund units

Mutual fund units are stated at their Net Asset Value ('NAV') at the Balance Sheet date. Unrealised gains or losses are credited/debited to the Fair value change account.

The realised gain or loss on the mutual fund units is the difference between the sale consideration and the carrying cost as on the date of sale, determined on a weighted average cost basis and includes the accumulated changes in the fair value previously taken to the Fair value change account, in respect of the particular security; such gain or loss is transferred to revenue on the trade date.

Real estate - investment property

Investment property is measured at historical cost less accumulated depreciation and impairment loss, if any.

Fair value change account

Fair value change account represents unrealised gains or losses in respect of investments in equity securities, derivative instruments and mutual fund units outstanding at the close of the year. The balance in the account is considered as a component of shareholders' funds and not available for distribution as dividend.

Unrealised losses on listed and actively traded investments held for long-term are not considered to be of a permanent nature and hence the investments are not considered as impaired. However, the Company, at each Balance Sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.

m. Contributions to Terrorism and Third Party Insurance Pools

i) Terrorism pool

In accordance with the requirements of IRDAI, the Company, together with other insurance companies, participated in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India ('GIC'). Amounts collected as terrorism premium in accordance with the requirements of the Tariff Advisory Committee ('TAC') are ceded at 100% of the terrorism premium collected to the Terrorism Pool, subject to conditions and an overall limit of ₹ 15.5 billion (Previous year ₹ 10 billion) per location/compound.

In accordance with the terms of the agreement, GIC retro cedes, to the Company, terrorism premium to the extent of the share agreed to be borne by the Company in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly confirmation received from GIC. Accordingly, reinsurance accepted on account of the Terrorism Pool has been recorded only upto 31 December 2014.

The entire amount of reinsurance accepted for the current year on this account, net of claims and expenses, upto the above date, has been carried forward to the subsequent accounting period as 'Unexpired risk reserve' for subsequent risks, if any, to be borne by the Company.

ii) The Indian Motor Third Party Declined Risk Insurance Pool ('IMTPDRIP')

IRDAI has formed a Declined Risk Insurance Pool with effect from 1 April 2012 wide order IRDA/NL/ORD/MPL/277/12/2011. The Indian Motor Third Party Declined Risk Insurance Pool (DR Pool), administered by the GIC, is an arrangement among all the existing general insurers to share in the standalone third party liability of commercial vehicles i.e. Act only policies. Any business relating to Act only policies of commercial vehicles which does not fall within the underwriting parameters of respective insurer shall be ceded to the DR Pool. The premium to the extent of 20% in respect of specified risks is to be retained by the Company, 5% is to be ceded to GIC under obligatory cession and residual 75% is to be ceded to DR Pool. The Company has to underwrite a minimum percentage, as prescribed, of Act only commercial vehicle third party insurance. DR pool shall be extinguished at the end of every underwriting year on a clean cut basis by transferring the risk at par to the members who have not fulfilled their mandatory obligation.

B. Bajaj Allianz General Insurance Company Ltd. (Contd.)

Accordingly, GIC has circulated the settlement statement upto 31 December 2014 stating the details of premium ceded to the pool, shortfall of obligation and share of the Company in the DR Pool premium. The Company has recorded its share of premiums and claims as inward reinsurance business, based on the returns submitted by the GIC, under the respective heads of income or expense as the case may be and included within the motor third party sub-segment of the Miscellaneous Revenue Account. Accordingly, such share has been recorded by the Company upto 31 December 2014 and for the period from 1 January 2015 to 31 March 2015 the losses from the pool of ₹ Nil (Previous year ₹ 8.61 crore) are provided based on the Management's estimate and recorded net under claims incurred.

During current Financial Year, IRDAI has issue Order Nos – IRDA/NL/ORD/MPL/251/11/2014 dated 27 November 2014, declaring revised ultimate loss ratio of 210% against the erstwhile loss ratio of 175%, for financial years 2013-14 and 2014-15, Accordingly, the Company has recorded its share under respective heads of account.

n. Contributions to Solatium funds

The Company provides for contribution to Solatium fund at 0.10% of total TP Premium of direct business as per requirements of IRDAI circular.

o. Income tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income and reversal of timing differences for earlier years. Timing differences are the differences between taxable income and accounting income for a period that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has unabsorbed depreciation or carry forward business losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against sufficient future taxable profits.

At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax asset (net of the deferred tax liability) is disclosed on the face of the Balance Sheet. The break-up of deferred tax assets and deferred tax liabilities into major components of the respective balances has been disclosed in notes.

p. Service tax

Service tax collected is considered as a liability against which service tax paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilised credits, if any, are carried forward under 'Others – unutilised service tax carried forward' for adjustments in subsequent periods and service tax liability to be remitted to the appropriate authority is disclosed under 'Others-service tax payable'. Service tax paid for eligible input services not recoverable by way of credits is recognised in the Revenue Account as expenses forming as separate line item.



B. Bajaj Allianz General Insurance Company Ltd. (Contd.)

q. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is neither recognised nor disclosed.

C. Bajaj Finance Ltd.

Significant accounting policies followed by the Company

- a. Fixed assets, depreciation and amortisation
 - **I)** (i) **Tangible assets** are carried at cost of acquisition.
 - (ii) Depreciation on tangible assets
 - (a) From the current year, depreciation is provided on a pro rata basis for all tangible assets except buildings on straight line method over the useful life of assets as against the past practice of determination of life based on minimum of rates provided by Schedule XIV of the Companies Act, 1956 on written down value (WDV) method.
 - (b) Useful lives of assets are determined by the Management by an internal technical assessment except where such assessment suggests a life significantly different from those prescribed by Schedule II Part C of the Companies Act, 2013 where the useful life is as assessed and certified by a technical expert.
 - (iii) Depreciation on leasehold improvements is provided for on straight line method over the primary period of lease of premises.
 - (iv) Depreciation on addition to assets and assets sold during the year is being provided for, at their respective rates on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
 - (v) Tangible assets which are depreciated over useful life different than those indicated in Schedule II are as under:

Nature of assets	Useful life as per Schedule II	by the Company
Motor vehicles	10 years	4 years

II) Intangible assets and amortisation thereof

Intangible assets, representing specialised software etc., are recognised at cost and carried net of amortisation, consistent with the criteria specified in Accounting Standard 26 'Intangible Assets' as prescribed by Companies (Accounting Standards) Rules, 2006. Intangible assets are amortised systematically over the useful life of the assets. Accordingly, software cost is amortised as an intangible equally over a period of sixty months.

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

C. Bajaj Finance Ltd. (Contd.)

b. Income from

(i) From financing activity

Interest, finance charges, service charges etc. are recognised as income on accrual basis with reference to the terms of contractual commitments and finance agreements entered into with borrowers, as the case may be, except in the case of Non- Performing Assets where income is recognised only when realised.

(ii) Investment

- a. Dividend is accrued when the right to receive is established i. e. when declared by the investee entity.
- b. Interest on securities is accounted for on accrual basis except where the ultimate collection cannot be established with reasonable certainty.
- c. In order to reflect the contracted yield as interest income, the premium/discount on fixed income securities is amortised with reference to the 'yield to maturity' prevailing on acquisition.

(iii) Other income

Other income is mainly accounted on accrual basis, except in case of significant uncertainties.

c. Receivables under financing activity

- (i) Receivables under financing activity represent principal and matured finance charges outstanding at the close of the year but net of amount written off.
- (ii) The Company assesses all receivables for their recoverability and accordingly makes provisions for non-performing assets as considered necessary including by accelerating provision to an early stage based on past experience, emerging trends and estimates. However, the Company ensures that the said provisions are not lower than the provisions stipulated in the applicable Reserve Bank of India (RBI) Regulations/Guidelines.
- (iii) A general provision, as required by RBI regulations, is also made by the Company on the standard assets outstanding which is disclosed under 'Long-term provisions'.

d. Borrowing costs

All borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

e. Employee Stock Option Scheme

The Company operates its Employee Stock Option Scheme through a trust formed for the purpose. Equity shares are issued to the trust on the basis of the Company's expectation of the options being exercised by employees. Cost of any benefit, if any, is recognised as an expense by the Company. The balance equity shares not exercised and held by the trust are disclosed as a reduction from the Share capital and Securities premium account with an equivalent adjustment to the subscription loan advanced to the Trust.

D. Bajaj Allianz Financial Distributors Ltd.

Background

Bajaj Allianz Financial Distributors Ltd. is a joint venture between Bajaj Finserv Ltd. and Allianz SE incorporated on 16 March 2007 with an objective to engage in the business of distribution of variety of financial products and services such as mutual funds, personal loans, credit cards and home loans and providing manpower and recruitment support services under the name of Bajaj Allianz Staffing Solutions, a Division of Bajaj Allianz Financial Distributors Ltd.



D. Bajaj Allianz Financial Distributors Ltd. (Contd.)

Bajaj Allianz Staffing Solutions Ltd. is a wholly owned subsidiary of Bajaj Allianz Financial Distributors Ltd., incorporated on 16 March 2015 with an objective to engage in the business of providing manpower and recruitment support services.

Significant accounting policies followed by the Company

Accounting assumptions

The financial statements are prepared under the historical cost convention, on accrual basis of accounting to comply in all material respects, with the mandatory Accounting Standards as specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied by the Company; and the accounting policies not referred to otherwise, are in conformity with Indian GAAP.

Use of estimates

The presentation of financial statements in conformity with the Indian GAAP requires the Management to make estimates and assumptions to be made that may affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of incomes and expenses during the reporting period. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from those estimated.

a) Revenue recognition

Income from distribution of financial products operations includes brokerage and commission on sale of mutual fund units, life and general insurance policies, personal loans, receipts from mutual funds which is recognised when due, on completion of transaction.

Income from manpower and recruitment support services are recognised on the basis of contractual service agreement entered.

Brokerage and commission on sale of mutual fund units and life and general insurance policies is recognised net of service tax.

b) Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current/short-term or long-term based on the Management's intention at the time of purchase. Long-term investments are carried at cost less any permanent diminution in value, determined separately for each individual investment. Current/short-term investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

c) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed by way of notes to accounts.

Contingent assets are not recognised.

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

5 Share capital

		(₹ In Crore)
	As at 31 M	arch
Particulars	2015	2014
Authorised:		
200,000,000 equity shares of ₹ 5 each	100.00	100.00
Issued, subscribed and fully paid-up shares:		70.54
159,125,184 (159,122,352) equity shares of ₹ 5 each	79.56	79.56
	79.56	79.56

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31 March 2015		As at 31 March 2014	
	Nos.	₹ In Crore	Nos.	₹ In Crore
Equity shares				
At the beginning of the year	159,122,352	79.56	159,122,352	79.56
Equity shares earlier held in abeyance, issued during the year [See note 5 e.]	2,832		<u> </u>	
Outstanding at the end of the year	159,125,184	79.56	159,122,352	79.56

b. Further, of the above

- i. 101,183,510 equity shares were allotted as fully paid up pursuant to the scheme of arrangement for demerger of erstwhile Bajaj Auto Ltd. (now Bajaj Holdings & Investment Ltd.) by the Company on 3 April 2008.
- ii. 1,805,071 equity shares thereof are deemed to be issued by way of Euro Equity Issue represented by Global Depository Receipts (GDR) evidencing Global Depository Shares outstanding on the record date. Outstanding GDRs at the close of the year were 41,132 (41,132)

c. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of \mathbb{Z} 5 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Details of shareholders holding more than 5% shares in the Company

	As at 31 Ma	rch 2015	As at 31 Ma	rch 2014
	Nos.	% Holding	Nos.	% Holding
quity shares of ₹ 5 each fully paid				
aj Holdings & Investment Ltd.	62,314,214	39.16%	62,314,214	39.16%
nalal Sons Pvt. Ltd.	15,110,824	9.50%	15,106,424	9.49%

5 Share capital (Contd.)

e. Shares reserved for issue at a subsequent date

26,677 (29,509) equity shares of ₹5 each offered by way of right in an earlier year, have been held in abeyance pending adjudication of title and subscription thereafter.

f. Utilisation of funds raised on issue of equity shares

	As at 31 Ma	arch
Particulars	2015	2014
Amount receivable from rights issue - as per letter of offer	940.44	940.44
Less: Amount not received on shares kept in abeyance	1.73	1.92
Amount received from rights issue - (A)	938.71	938.52
Deployment of rights issue proceeds:		
(a) Investment in Bajaj Finance Ltd conversion of warrants	63.96	63.96
(b) Investment in Bajaj Finance Ltd subscription to rights issue	478.67	478.67
(c) Share issue expenses	3.16	3.16
(d) General corporate purposes - investment in mutual funds	185.55	185.36
Total deployment of rights issue proceeds - (B)	731.34	731.15
Balance amount to be utilised (A - B)	207,37	207.37
Interim utilisation of balance rights issue proceeds:		
(a) Investment in debentures		101.02
(b) Investment in money market instruments and mutual funds	207.37	106.35
Total	207.37	207.37

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

6 Reserves and surplus

		(₹ In Crore)
	As at 31 N	+++++
Particulars	2015	2014
Securities premium account		
Balance as at the beginning of the year	1,853.00	1,835.95
Add/(Less): Adjustment because of change in shareholding in subsidiary	(0.11)	1,033.73
Add/(Less): Received during the year	0.59	17.05
Closing balance	1,853.48	1,853.00
Revaluation reserve	/ ///////////////////////////////////	
Balance as at the beginning of the year	/ ////////////////////////////////////	<u>/////</u>
Add: Addition during the year	3.70	<u> </u>
Closing balance	3.70	
Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934		
Balance as at the beginning of the year	357.20	253.44
Add/(Less): Adjustment because of change in shareholding in subsidiary	(0.03)	(1.53)
Add: Transferred from surplus in Statement of Profit and Loss	139.02	105.29
Closing balance	496.19	357.20
Infrastructure reserve in terms of section 36 (1) (viii) of the Income Tax Act, 1961		
Balance as at the beginning of the year	2.24	1.27
Add/(Less): Adjustment because of change in shareholding in subsidiary	<u> </u>	(0.01)
Add: Transferred from surplus in Statement of Profit and Loss	1.29	0.98
Closing balance	3.53	2.24
General reserve		
Balance as at the beginning of the year	1,694.13	1,651.43
Add/(Less): Adjustment because of change in shareholding in subsidiary	(0.02)	(9.95)
Add: Transferred from surplus in Statement of Profit and Loss	67.97	52.65
Closing balance	1,762.08	1,694.13
Surplus in the Statement of Profit and Loss	F/22F/02	2004 44
Balance as at the beginning of the year	5,325.02	3,981.44
Add/(Less): Adjustment because of change in shareholding in subsidiary and others	(8.47)	(13.73)
Less:Transitional adjustments to carrying value of tangible assets whose revised useful life has expired, net of deferred tax aggregating ₹ 0.97 crore	4.11	<u> </u>
Profit for the year	1,689.79	1,544.08
Less: Appropriations		
Transfer to Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	139.02	105.29
Transfer to Infrastructure reserve in terms of section 36 (1) (viii) of the Income Tax Act, 1961	1.29	0.98
Transfer to General reserve	67,97	52.65
Proposed dividend	27.85	27.85
Total appropriations	236.13	186.77
Balance in the Statement of Profit and Loss	6,766.10	5,325.02
	10,885.08	9,231.59
	10,003.00	7,231.3

7 Funds for future appropriations in policyholders' account

		(₹ In Crore)		
	As at 31 M	Narch		
Particulars	2015	2014		
Premiums earned -net				
(a) Premium	6,017.30	5,843.14		
(b) Reinsurance ceded	(69.27)	(67.11)		
Subtotal	5,948.03	5,776.03		
Income from investment				
(a) Interest, dividend and rent - gross	1,521.93	1,478.27		
(b) Profit on sale/redemption of investments	4,848.37	3,244.34		
(c) Loss on sale/redemption of investments	(395.61)	(1,379.70)		
(d) Transfer/gain on revaluation/change in fair value	1,326.32	1,399.56		
(e) Other investment income	157.98	171.70		
Other income	50.23	29.98		
Contribution from the shareholders' account	116.25	6.94		
Subtotal	7,625.47	4,951.09		
Total (A)	13,573.50	10,727.12		
Commission	206.22	148.96		
Operating expenses related to insurance business	1,121.74	1,346.10		
Provision for doubtful debts	1.27	2.52		
Other provisions	98.22	124.19		
Provision for income tax	86.53	146.92		
Total (B)	1,513.98	1,768.69		
Benefits paid (Net)	8,230.49	8,477.25		
Interim bonuses paid	7.42	4.73		
Change in valuation of liability against life policies in force		,,5		
(a) Gross	2,956.11	2,954.19		
(b) Fund reserve	357.25	(3,208.98)		
(c) Reserve for discontinuance fund	138.93	96.52		
(d) Amount ceded in reinsurance	(59.03)	(14.27)		
Total (C)	11,631.17	8,309.44		
Surplus/(deficit) (D) = (A) - (B) - (C)	428.35	648.99		
Opening balance of funds for future appropriations	183.95	174.06		
Less: Transfer to shareholders' account	487.89	639.10		
Closing balance of funds for future appropriations	124.41	183.95		

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

8 Long-term borrowings*

(₹ In Crore)

	Non-current	t portion	Current ma	nturities
	As at 31 A	March	As at 31 N	March
Particulars	2015	2014	2015	2014
Secured		<u> </u>	<u> </u>	
Privately placed redeemable non convertible debentures	6,824.10	3,587.30	1,701.00	898.00
From banks, against hypothecation of assets under finance, book debts and other receivables	9,284.47	5,816.67	2,142.20	2,478.33
	16,108.57	9,403.97	3,843.20	3,376.33
Amount disclosed under the head 'other current liabilities' [See note 12]		<u> </u>	(3,843.20)	(3,376.33)
	16,108.57	9,403.97		///// <u>/</u>
Unsecured				
Privately placed redeemable non convertible debentures	 		50.00	310.00
Privately placed subordinated (Tier II) redeemable non convertible debentures of ₹ 10 lakh each	985.80	533.30	<u> </u>	<u> </u>
Term loans from banks	175,00	200.00	///// / /	///// /
Fixed deposits	661.64	162.99	210.05	47.48
	1,822.44	896.29	260.05	357.48
Amount disclosed under the head 'other current liabilities' [See note 12]	<u>- </u>	<u> </u>	(260.05)	(357.48)
	1,822.44	896.29	<u> </u>	///// -
	17,931.01	10,300.26	 	
* F. / / P. / / / I. / / / I. / / / / / / / / / /	<u> </u>	7////// /7	<u> </u>	7//////

 $[\]ensuremath{^{*}}$ For details and terms of repayment refer note 29 C. 4

9 Other long-term liabilities

	As at 31 Ma	rch
Particulars	2015	2014
Trade payables	32.21	35.20
Share of trade payables of joint venture		0.03
Security deposits	17,11	20.15
Others	86.45	50.12
	135.77	105.50

10 Provisions

				(₹ In Crore)
	Long-ter	m	Short-te	erm
	As at 31 Ma	rch	As at 31 N	arch
Particulars	2015	2014	2015	2014
Provision for employee benefits		 		
Provision for gratuity	11.72	3.44		
Share of provision for gratuity of joint venture	1.06	1.20	0.01	0.13
Provision for compensated absences		/////- //	57.11	53.64
Share of provision for compensated absences of joint venture	//////- ///		1.54	2.11
Provision for long-term service plan/awards	7.82	4.01	7.45	31.69
	20.60	8.65	66.11	87.57
Other provisions				
Fair value change account	///// / ///	///// - //	207.61	67.71
Reserve for unexpired risk	<u> </u>	///// - //	2,223.85	2,046.89
General provision on standard assets	136.17	101.72	///// / //	0.60
Provision for restructured standard assets	8.78	1.62		7//// /
Provision for interest sacrifice on restructured assets	7.13	7.13	<u> </u>	///// - /
Provision for tax (net of tax paid in advance)		//// / //	426.44	351.15
Share of provision for tax (net of tax paid in advance) of joint venture	1.69	1.85	0.55	0.65
Proposed dividend	<u> </u>	//// - //	27.85	27.85
	153.77	112.32	2,886.30	2,494.85
	174.37	120.97	2,952.41	2,582.42

11 Short-term borrowings*

	As at 31 March	
Particulars	2015	2014
Secured		
From banks, against hypothecation of assets under finance, book debts and other receivables		
Cash credit and demand loans	2,002.69	1,674.65
Overdraft facility	239.87	/////-
Other short-term loans	 	1,200.00
	2,242.56	2,874.65
Unsecured		
From banks:		
Overdraft facility	28.37	15.88
Term loans	500.00	///// /
Fixed deposits	111.67	7//// -
	640.04	15.88
Borrowings by issue of Commercial Papers	1,431.30	2,582.25
	2,071.34	2,598.13
	4,313.90	5,472.78
	/	///////

^{*} For details and terms of repayment refer note 29 C. 5

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

12 Current liabilities

		(₹ In Crore)
	As at 31 M	larch
Particulars	2015	2014
Trade payables		
Share of other dues of joint venture	0.01	0.01
Other than dues to micro and small enterprises	531.62	521.19
	531.63	521.20
Outstanding claims	3,075.62	3,237.08
Agents' balances	110.76	111.47
Balances due to other insurance companies	861.61	333.59
Claims settled but not paid	55.30	66.50
Unallocated premiums	216.96	101.87
Premium and other deposits		106.58
Due to policyholders/insured	508.94	636.81
	5,360.82	5,115.10
Other current liabilities		
Current maturities of long-term borrowings [See note 8]		
Secured	3,843.20	3,376.33
Unsecured	260.05	357.48
Premiums received in advance	219.97	177.45
Solatium fund	3.41	2.46
Unsettled investment contract payable	378.48	197.16
Interest accrued but not due	492.62	258.85
Interest accrued and due	0.01	0.01
Income received in advance	0.01	0.24
Share of income received in advance of joint venture	0.23	0.20
Security deposits	1.68	3.34
Unclaimed dividend	1.01	0.83
Book overdraft	53,50	1.66
Unit payable	103.27	///// /
Directors' remuneration and commission payable	3.18	2.69
Share of employee benefits payable of joint venture	0.44	0.29
Employee benefits payable	90.14	72.65
Share of taxes payable of joint venture	0.96	0.91
Taxes payable	43.97	37.49
Share of other payables of joint venture	0.91	1.26
Other payables	42.34	14.19
	5,539.38	4,505.49
	10,900.20	9,620.59

13 Fixed assets (tangible and intangible assets)

(₹ In Crore)

		Gros	s block			D	epreciation			Net b	lock
Particulars	As at 31 Mar 14	Additions	Deductions/ adjustments	As at 31 Mar 15	As at 31 Mar 14	Adjustments	Deductions	For the year	As at 31 Mar 15	As at 31 Mar 15	As at 31 Mar 14
Tangible assets:											
Land freehold	14.92	8.19	/////- /	23.11	//// - /	/////- ,	//// - //	////- /	////- /	23.11	14.92
Buildings	692.73	0.62	15.80	677.55	61.40	1.47	///// / /	15.33	78.20	599.35	631.33
Leasehold improvements	79.84	15.93	12.58	83.19	68.14	/////	12.57	7.72	63.29	19.90	11.70
Freehold improvements	2.42	////-		2.42	2.14	<i></i>	//// /	0.28	2.42	////- /	0.28
Information technology equipment	281.33	20.07	34.78	266.62	248.05	0.07	34.12	17.89	231.89	34.73	33.28
Office equipment	69.19	15.55	4.89	79.85	42.76	1.42	4.64	11.12	50.66	29.19	26.43
Furniture and fixtures	112.34	20.99	5.03	128.30	56.85	3.29	4.82	12.07	67.39	60.91	55.49
Electric fittings	3.31	0.02	////- /	3,33	0.88	0.09	////- /	0.34	1.31	2.02	2.43
Vehicles	15.63	3.85	1.74	17.74	5.74	///// -	0.92	2.68	7.50	10.24	9.89
Wind energy generators	283.72	////- /	/////- /	283.72	269.53		////- /		269.53	14.19	14.19
Plant and machinery	17.64	7777=	17.64	////- /	17.64	///// -	17.64	////- /	////- /	////- /	//// ,
Dies and moulds	7/////	////-	///// <u>-</u> /						////- /	////- /	//// .
Total	1,573.07	85.22	92.46	1,565.83	773.13	6.34	74,71	67.43	772.19	793.64	799.94
Share of fixed assets of joint ventures	0.15	////- /	0.05	0.10	0.11	0.02	0.03	//// / /	0.10	////- /	0.04
Previous year total	1,495.59	113.92	36.44	1,573.07	740.63		32.20	64.70	773.13	799.94	
Share of fixed assets of joint ventures – previous year	0.15		<u> </u>	0.15	0.11		<u> </u>		0.11	0.04	
Intangible assets:											
Computer softwares	69.82	21.48	9.22	82.08	36.37	/////- /	0.24	7.95	44.08	38.00	33.45
Previous year total	50.36	26.98	7.52	69.82	26.48	7////	0.91	10.80	36.37	33.45	7777.

14 Investments

				(₹ In Crore)
	Non-current	portion	Current mate	urities
	As at 31 N	As at 31 March		
Particulars	2015	2014	2015	2014
In Government and Trust Securities	8,202.18	5,276.70	157.74	29.34
In fully Paid Preference Shares	75.00	5,270.70	1,517.174	27.34
In Equity Shares				
Others	 	<u> </u>	1.25	1.25
In Debentures, Bonds and Secured Premium Notes	4,849.28	5,606.04	519.96	548.44
In Mutual Fund Units		356.67	84.85	129.52
Share of joint ventures	3.48	3.48	2.00	1.91
In Certificate of Deposits		77777 - 77	583.09	22.87
In Commercial Paper	////// / //		69.28	//// -
In Fixed Deposits with banks	110.95	213.75	243.80	153.96
In Other Investments	20.64	///// - //	75.90	1.00
	13,261.53	11,456.64	1,737.87	888.29

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

15 Loans and advances

(Unsecured, good, unless stated otherwise)

				(₹ In Crore)	
	Long-ter	rm	Short-te	rm	
	As at 31 Ma	arch	As at 31 March		
Particulars	2015	2014	2015	2014	
Capital advances	1.98	3.66			
Security deposits	47,44	44.69	4.33	4.22	
Share of security deposits of joint venture	0.04	0.04	 	//// -	
Policy loans	163.27	48.30	4.80	4.39	
Advances to dealers	 	 	229.28	120.07	
Discount on Commercial Papers/NCDs raised representing interest paid in advance		<u> </u>	36.07	122.18	
Advances recoverable in cash or kind					
Secured considered good	19.45	14.97	23.08	18.79	
Unsecured considered good	11,22	29.86	46.59	55.96	
Doubtful	0,19	0.82	2.69	1.34	
	30.86	45.65	72.36	76.09	
Provision for doubtful advances	0.19	0.82	2.69	1.34	
	30.67	44.83	69.67	74.75	
Other loans and advances					
Prepaid expenses	5.32	9.04	29.16	26.33	
Share of prepaid expenses of joint venture	 	//// - ///	0.25		
VAT refund receivable	1,57	1,31	 	 - 	
CENVAT credit receivable	 	0.15	63.86	41.05	
Share of CENVAT credit receivable of joint venture			0.25	0.20	
Advance income tax (net of provision for tax)	59.12	137.40	0.01	0.01	
Share of advance income tax (net of provision for tax) of joint venture	4.59	4.62		///// <u>-</u>	
MAT credit entitlement	15.70	15.70		//// /	
Share of others advances of joint venture	//// / //	//// - ///	0.43	0.16	
Other advances	0.07	0.39	1.80	0.88	
	86.37	168.61	95.76	68.63	
	329.77	310.13	439.91	394.24	

16 Receivables under financing activity (Good, unless stated otherwise)

	N 16-2			(₹ In Crore)
	Non-cur	/////////////////////////////////////	Currer	//////
<u></u>	As at 31 N	/////////////////////////////////////	As at 31 M	+++++
Particulars	2015	2014	2015	2014
(I) Secured:				
(i) (a) Against hypothecation of automobiles, equipments, durables etc. (Includes overdue instalments ₹ 330.00 crore) [Previous year ₹ 272.20 crore]	1,273.50	1,297.07	7,099.28	5,454.05
(b) Stock of reposessed vehicles under finance agreements at estimated realisable/balance value	<u> </u>		13.92	14.80
	1,273.50	1,297.07	7,113.20	5,468.85
(c) Overdue instalments under finance agreements considered doubtful	<u> </u>		239.62	177.22
Less: Provision:				
(i) Against NPAs	 	 	(171.39)*	(129.53)*
(ii) Against loss estimation of delinquent assets not yet NPAs	<u> </u>	<u> </u>	(68.23)*	(47.69)*
		///// <u>/</u> /	/////-//	///// /
	1,273.50	1,297.07	7,113.20	5,468.85
(ii) Against equitable mortgage of immovable property under finance agreements (Includes overdue instalments ₹ 11.44 crore) [Previous year ₹ 0.70 crore]				
Good	11,319.42	8,964.19	717,21	313.72
Doubtful	 	<u> </u>	40.20	4.06
Less: Provision:				
(i) Against NPAs		 	(34.26)*	(4.06)*
(ii) Against loss estimation of delinquent assets not yet NPAs			(5.94)*	-*
	11,319.42	8,964.19	717.21	313.72
(iii) Infrastructure finance:				
Against joint hypothecation of plant and machinery, immovable property and other assets (Includes overdue instalments ₹ 35.99 crore) [Previous year ₹ 29.20 crore]				
Good	398.15	442.88	20.30	81.98
Doubtful	//// - //	 	22,40*	1.94*
Less: Provision:				
(i) Against NPAs	///// - //	///// / //	(22.40)*	(1.94)*
	398.15	442.88	20.30	81.98
(iv) Loan against shares (secured by pledge of shares) (Includes overdue instalments ₹ 2.20 crore) [Previous year ₹ 0.03 crore]	82.98	74.60	1,502.29	772.74
Total (I)	/////////////////////////////////////	10,778.74	/////////////////////////////////////	6,637.29
iviai (i)	13,074.05	10,778.74	9,353.00	0,037.29

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

16 Receivables under financing activity

(Good, unless stated otherwise) (Contd.)

(₹ In Crore) Current Non-current As at 31 March As at 31 March **Particulars** 2015 2014 2015 2014 (II) Unsecured:+ (i) Loans at agreement values less instalments received (Includes overdue instalments ₹ 130.81 crore) [Previous year ₹ 93.64 crore] Good 5,045.62 3,073.68 3,726.78 2,481.24 Doubtful 134.13 93.12 Less: Provision: (i) Against NPAs (111.48)* (76.29)* (ii) Against loss estimation of delinquent assets not yet NPAs (22.65)*(16.83)* 5,045.62 3,073.68 3,726.78 2,481.24 (ii) Receivables under loan assignments Total (II) 5,045.62 3,073.68 3,726.78 2,481.24 Total (I + II) 18,119.67 13,852.42 13,079.78 9,118.53

17 Trade receivables

(Unsecured, considered good, unless stated otherwise)

				(₹ In Crore)
	Non-curre	Current As at 31 March		
	As at 31 Ma			
Particulars	2015	2014	2015	2014
Outstanding for a period exceeding six months from the date they are due for payment	0.05	0.41	0.07	15.19
Share of trade receivables, others, good of joint venture		 	0.36	0.52
Others, good		 	191.09	66.01
Outstanding premiums		 	350.00	288.66
	0.05	0.41	541.52	370.38
Provision for doubtful receivable	0.05	0.41	0.07	
			541.45	370.38

^{*} See note 4 C. c.

⁺ Includes receivables from related parties amounting to ₹ 46.69 crore (previous year ₹ 28.50 crore)



18 Other assets

(Unsecured, good, unless stated otherwise)

				(₹ In Crore)
	Non-curr	ent	Curren	t
	As at 31 March		As at 31 March	
Particulars	2015	2014	2015	2014
Non-current bank balances [See note 19]	130.25	409.40	<u> </u>	
Interest receivable on investments	255.66	435.66	860.74	549.34
Investments redemption proceeds receivable			52.84	48.89
Credit receivable for windpower generated	 	 	5.85	3.80
REC receivable	<u> </u>		0.01	0.01
Other finance charges receivable	<u> </u>	 	153.81	70.46
Others		<u> </u>	9.01	14.16
Share of other assets of joint venture	2.56	3.40		0.22
	388.47	848.46	1,082.26	686.88
	//////////////////////////////////////	<u> </u>		///////

19 Cash and bank balances

			(₹ In Crore)
Non-curi	rent	Currer	ıt
As at 31 M	arch	As at 31 M	arch
2015	2014	2015	2014
	<u> </u>		
	<u> </u>		
///// / //		619.45	953.55
///// / //	///// / //	1.10	0.46
<u> </u>	///// - //	0.86	0.77
 	///// / /	113.09	109.22
///// / //		234.17	195.89
///// - //		169.41	14.63
			574.90
//////- //	 	1,138.08	1,849.42
 	 	0.24	0.20
130.25	409.40		///// -
 		261.26	211.37
130.25	409.40	261.50	211.57
(130.25)	(409.40)		
////// / //	///// - //	1,399.58	2,060.99
	As at 31 M 2015	130.25 409.40	As at 31 March 2015 2014 2015 619.45 1.10 0.86 113.09 169.41 1,138.08 1,138.08 0.24 130.25

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

20 Revenue from operations

(₹ In Crore) For the year ended 31 March **Particulars** 2015 2014 Windfarm activity: Income from power generation 44.98 59.88 Income from Renewable Energy Certificates (REC)* 5.33 0.56 50.31 60.44 **Investment Activity:** Interest: Financial charges from assets under finance and secured loans 3,524.27 2,705.88 Interest on loans 1,368.00 925.81 Service and administration charges 227.70 157.88 Interest income on Bank deposits 21.52 4.35 Long-term investments 164.08 131.97 Others 720.67 604.83 Share of interest of joint venture 0.06 0.10 Amortisation of (premium)/discount on acquisition of fixed income securities on Long-term investments 6.58 3.28 Current investments 8.23 4.98 6,041.11 4,539.08 Other financial services: Sundry credit balances appropriated 17.35 7.96 Bad debt recoveries 19.01 22.50 Profit on sale of investments, net 176.84 107.82 Share of profit on sale of investments, net of joint venture 0.17 0.13 Surplus on redemption of securities, net 0.01 Provision for diminution in value of investment written back, net 0.24 Share of manpower and recruitment services of joint venture 111.00 85.23 Share of brokerage of joint venture 5.50 6.03 Miscellaneous income 49.36 80.13 Share of miscellaneous income of joint venture 0.05 6,420.93 4,848.59 6,471.24 4,909.03

^{*} Due to the sudden drop in the demand for Renewable Energy Certificates (RECs) on the energy exchange from the financial year 2013-14, considerable uncertainty has emerged over the ultimate recoverability of this 'Green Initiative' incentive. Hence in accordance with the accounting policy followed by the Company, revenue from RECs is recognised only to the extent of reasonable certainty and the uncertain portion is deferred for recognition as and when collected.

3.37

0.59

3.97

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

21 Other income

Particulars

Interest - others

Provision no longer required

(₹ In Crore) For the year ended 31 March 2015 2014 0.56 0.53 2.54 Business support service 2.21 Miscellaneous receipts 0.07 0.61 0.23

22 Operating result from general insurance business

(Revenue Account for the year ended 31 March 2015)

Particulars	For the year ende	ed 31 March 2014
Particulars	2015	2014
7//////////////////////////////////////		///// /
Premiums earned - (net) 1	3,831.90	3,493.05
Premiums earned - (net)	3,831.90	3,493.03
Profit/(loss) on sale/redemption of investments (Net)	30.89	5.75
Other income - miscellaneous income	13.16	10.57
Amortisation of discount/(premium)	10.64	7.66
Interest, dividend and rent-gross	488.54	449.96
2	543.23	473.94
1+2	4,375.13	3,966.99
Claims incurred (net)	2,756.00	2,525.27
Commission	49.24	135.20
Contribution to solatium fund	0.56	0.84
Change in premium deficiency	-	(2.64)
Operating expenses related to insurance business	941,45	834.41
3	3,747.25	3,493.08
Operating profit/(loss) from general insurance business 1+2-3	627.88	473.91
Balance carried to the Statement of Profit and Loss	627.88	473.91

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

23 Employee benefits expense

		(₹ In Crore)			
	For the year ended 31 Mare				
Particulars	2015	2014			
Salaries, wages and bonus to employees	424.13	324.00			
Share of salaries, wages and bonus to employees of joint venture	103.35	78.40			
Remuneration to whole-time director	3.74	3.36			
Contribution to provident and other funds	20.34	16.86			
Share of contribution to provident and other funds of joint venture	6,84	5.65			
Staff welfare expenses	19.15	11.87			
Share of staff welfare expenses of joint venture	0.47	0.59			
	578,02	440.73			

24 Loan losses and provisions

(₹ In Crore)

	For the year ended 31 March		
Particulars	2015	2014	
Bad debts written off	182.53	120.43	
Provision release on account of bad debts written off	(139.47)	(61.71)	
Provision for standard assets	33.85	44.59	
Provision for restructured standard assets	7.16	1.62	
Provision for delinquncies	300.49	153.90	
	384.56	258.83	

25 Finance costs

(₹ In Crore)

For the year	For the year ended 31 March		
Particulars 20°	2014		
Interest expense 1,826.	71 1,235.34		
Discount in respect of 'Commercial Papers' 383.	312.66		
Others 19.0	13.87		
2,229.5	1,561.87		

26 Depreciation and amortisation

Fo		d 31 March
Particulars	2015	2014
Depreciation on tangible assets	29.17	24.16
Depreciation on intangible assets	8.98	6.72
	38.15	30.88



27 Other expenses

		(₹ In Crore)
	For the year ended	l 31 March
Particulars	2015	2014
Repairs to buildings	2.73	0.93
Repairs to machinery - windmill	7.87	7.87
Repairs to others	0.16	0.09
Energy generation expenses	9.31	13.81
Rent	16,40	11.55
Share of rent of joint venture	0.14	0.12
REC registration, issuance and brokerage charges	0.22	0.38
Rates and taxes	2.69	2.08
Insurance		0.03
Payment to auditor	0.80	0.65
Share of payment to auditor of joint venture	0.04	0.04
Directors' fees and travelling expenses	0,40	0.13
Commission to non-executive directors	1,97	1.53
Loss on sale of assets	0.26	0.44
Share of loss on sale of assets of joint venture	0.02	
Travelling (including foreign travel) expenses	47.15	37.74
Share of travelling (including foreign travel) expenses of joint venture	2.85	2.70
Business support service expenses	3,40	1.99
Interest paid on income tax	 	1.40
Outsourcing/back office expenses	109.08	108.63
Expenditure towards Corporate Social Responsibility (CSR) activities	21.20	///// /
Miscellaneous expenses	295.19	233.30
Share of miscellaneous expenses of joint venture	1.82	1.20
Marketing commission	61.34	92.76
Recovery costs	204.35	167.85
Dealer incentive	208,28	137.93
	997.67	825.15

28 Earnings Per Share (EPS)

For the year.	For the year ended 31 March		
Particulars 2	015	2014	
Profit for the year (₹ In Crore) 1,689	79	1,544.08	
Weighted average number of shares outstanding during the year (Nos) 159,123,	927	159,122,352	
Earnings per share (Basic and Diluted) ₹ //	6.2	97.0	
Face value per share ₹	5.0	5.0	

29 Notes pertaining to subsidiaries and joint ventures, to the extent required to fairly present the needed disclosures. The figures disclosed in this note are at full value and not the proportionate share of the parent company.

A. Bajaj Allianz Life Insurance Company Ltd.

1. Actuarial method and assumptions

Liabilities for life insurance policies are determined by the Appointed Actuary in accordance with the IRDAI Regulations and relevant guidance notes issued by the Institute of Actuaries of India.

Non-linked business is reserved using the prospective gross premium method of valuation. The non-linked business is predominantly participating and the reserves are established having regard to the assumptions as to future experience, including the interest rate that will be earned on premiums not yet received, together with associated bonus rates. Regular premium participating and non-participating business has been reserved using an interest rate range from 6.50% per annum to 7.50% per annum, which is same as the last year assumption. Further, margin for adverse deviation as per APS 7 issued by Institute of Actuaries of India is considered.

Assumptions as to the future bonus rates are set to be consistent with the interest rate assumptions. Provision has been made for bonus distribution in respect of business in force at the valuation date on a basis considered appropriate by the Appointed Actuary having taken into account the reasonable expectations of policyholders'.

The asset shares of the participating policyholders' has increased during the year due to change in asset share methodology as approved by the with-profit committee. Consequently, the provision for future bonuses component of mathematical reserves have increased to be consistent with increased asset shares.

The policies under Invest Plus and Invest Plus Premier products in the non-linked non-par business has been reserved using an interest rate of 7.25% and the Guaranteed Investment Return (GIR) consistent with the interest rate assumption.

Linked business has been reserved using the unit price of the respective unit funds prevailing at the valuation date plus a non-unit reserve to allow for the cost of insurance and any expenses and commissions in excess of future charges.

Mortality assumptions are based on the published 'Indian Assured Lives Mortality (2006-2008) ultimate mortality table' with adjustments to reflect expected experience and with an allowance for adverse deviation.

Assumptions for morbidity and for the incidence of accidental death are based on terms available from reinsurers and the standard morbidity rate table 'CIBT 93 (Critical Illness Base Table for year 93)'.

The reserve is sufficient to allow for any adverse lapse experience. Further it has been ensured that for each policy the reserve is sufficient to pay the minimum guaranteed surrender value.

Commission has been allowed for at the Company's table rates with an allowance for service tax. Maintenance expenses have been allowed for in accordance with pricing assumptions, which have been duly validated by the actual experience of the Company during the last one year. An additional reserve has been included to allow for the possible adverse deviations in experience in excess of offsetting adjustments in bonus rates and to allow for the contingency of closure to new business as is required by guidance notes (APS1) issued by the Institute of Actuaries of India.

The reserve for the group term business has been calculated having regard to the unearned gross premium and expenses already incurred. The group non-linked non-par savings business has been valued having regard to the accrued account value of the members of the group schemes.

A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

As per the IRDAI (Treatment of Discontinued Linked Insurance Policies) Regulations, 2010, a segregated fund called 'Discontinued Policy Fund' is maintained for the discontinued policies of the products which are launched on or after 1 September 2010. The fund value as at the date of discontinuance after deducting the discontinuance charges as applicable by said regulations is credited to the discontinued fund. As an assured return is guaranteed on this fund, reserve is held towards the shortfall in meeting the guarantee on the reporting date, if any.

Provisions have been made for the incurred but not reported death claims (IBNR) based on the Company's past experience of delay in reporting the event of deaths.

Where minimum surrender value is guaranteed, the minimum reserve under those policies has been set as the guaranteed surrender value. In all other cases the minimum reserve has been set to zero.

Additional reserves are held for substandard lives, free look cancellations and guaranteed insurability options available.

Provisions for future claims in payment are made as part of other contingency reserves.

The Appointed Actuary is satisfied that the nature and extent of reinsurance arrangements require no additional reserve to be set aside. All reserves have been calculated using gross exposure and gross office premiums.

2. Claims settled and remaining unpaid

Claims settled and remaining unpaid for a period of more than six months as at 31 March 2015 is ₹73.64 crore (at 31 March 2014: ₹ 66.69 crore). This includes claims payable on death, maturity or otherwise.

3. Unclaimed amount of policyholders

Disclosure of unclaimed amounts of policyholders as required vide IRDAI circular No. IRDA/F&I/CIR/CMP/174/11/2010 dated 4 November 2010 is as follows:

Statement showing age-wise analysis of the unclaimed amount of the policyholders at 31 March 2015:

Age-wise analysis	Claims settled but not paid to the policyholders/insured due to any reasons except under litigation from the insured/ policyholder# (A)	Sum due to the insured/ policyholders on maturity or otherwise	Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	Cheques issued but not encashed by the policyholder/ insured* (D)	Total amount (A+B+C+D)
0 - 01 month	34.67	15.25	<u> </u>	10.00	59.92
01 – 06 months	13.34	21.16		49.13	83.63
07 – 12 months	2.83	10.80		31.61	45.24
13 - 18 months	1.29	22.94		23.10	47.33
19 – 24 months	0.92	5.45	 	50.27	56.64
25 – 30 months	1.16	9.85		35.72	46.73
31 – 36 months	0.36	3.95	 	32.78	37.09
Beyond 36 months	2.23	11.86	 	33.50	47.59
Total	56.80	101.26	 	266.11	424.17

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

Statement showing age-wise analysis of the unclaimed amount of the policyholders at 31 March 2014:

(₹ In Crore)

Age-wise analysis	Claims settled but not paid to the policyholders/insured due to any reasons except under litigation from the insured/ policyholder # (A)	Sum due to the insured/ policyholders on maturity or otherwise	Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	Cheques issued but not encashed by the policyholder/ insured* (D)	Total amount (A+B+C+D)
0 - 01 month	74.52	79.68		19.95	174.15
01 – 06 months	7.50	61.29		29.25	98.04
07 – 12 months	1.79	13.66		77.79	93.24
13 - 18 months	2.11	21.54		28.57	52.22
19 - 24 months	1.01	6.38	 	60.36	67.75
25 – 30 months	0.61	10.37	 	9.78	20.76
31 - 36 months	0.52	2.19	 	6.20	8.91
Beyond 36 months	1.91	4.60		22.52	29.03
Total	89.97	199.71		254.42	544.10

^{*} represents cheques issued but not encashed that have exceeded their validity period. Cheques issued to the policyholders' but not encashed which do not exceed their validity period amounting to ₹ 296.39 crore (Previous year: ₹ 175.73 crore) form part of the bank reconciliation statement and consequently have not been considered in unclaimed amount of policyholders'.

4. Risk retained and reinsured

(₹ In Crore)

	At 31 March 2015	At 31 March 2014	1	
<u>Particulars</u>	Sum at risk	%	Sum at risk	9%
Risk retained	279,258.91	85%	226,332.79	83%
Risk reinsured	49,733.40	15%	45,672.98	17%

5. Discontinued policy fund

Pursuant to IRDA's circular number IRDA/F&A/CIR/MISC/232/12/2013 dated 11 December 2013, the following details are disclosed with respect to the policies discontinued either on customer request or for non-payment of premium amount within grace period:

[#] includes all open title cases (individual and group).

A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

a. Movement in funds for discontinued policies:

(₹ In Crore)

	As at 31 Ma	irch
Particulars	2015	2014
Opening balance of funds for discontinued policies	145.50	48.98
Add: Amount transferred to fund on discontinuance of policies during the year	140.84	95.22
Less: Amount transferred out of fund on revival of policies during the year	19,25	4.32
Add: Net income/gains on investments of the fund	19.08	6.25
Less: Fund management charges levied	1.25	0.40
Less: Amount refunded to policyholders' during the year	0.50	0.23
Closing balance of funds for discontinued policies#	284.42	145.50
	<u> </u>	//////

[#] includes unit linked discontinued fund of ₹ 0.19 crore (Previous year: ₹ Nil) forming part of Assets held to cover linked liabilities.

b. Movement in funds for discontinued policies:

Number of policies discontinued during the year ended 31 March 2015*: 15,111 (Previous year: 13,272).

c. Percentage of discontinued to total policies (product wise) during the year ended 31 March 2015*:

	As at 31 Ma	arch
Product name	2015	2014
Bajaj Allianz Max Advantage Insurance Plan	8.91%	13.09%
Bajaj Allianz Assured Protection Insurance Plan	11.42%	14.58%
Bajaj Allianz iGain III Insurance Plan	4,29%	7.67%
Bajaj Allianz Smart Insurance Plan III	20.07%	13.76%
Bajaj Allianz Money Secure Insurance Plan	15.69%	14.42%
Bajaj Allianz Life Assure Plan	37.87%	///// -
Bajaj Allianz Future Gain	0.35%	///// <u>-</u>
) 		7/////

d. Number and percentage of the policies revived during the year ended 31 March 2015*:

	As at 31 Ma	arch
Particulars	2015	2014
Number of policies revived	1,263	729
Number of policies discontinued	52,506	29,845
Percentage of policies revived	2.41%	2.44%

A. Bajaj Allianz Life Insurance Company Ltd. (Contd.)

e. Charges imposed/readjusted on account of discontinued policies/revival of discontinued policies during the year ended 31 March 2015*:

(₹ In Crore)

	As at 31 Ma	rch
Particulars	2015	2014
Charges imposed on account of discontinued policies	2.30	1.92
Charges readjusted on account of revival of discontinued policies	(0.14)	(0.09)
Total	2.16	1.83

^{*}excluding policies discontinued and revived during the same reporting year.

6. Contribution from shareholders' account to policyholders' account

The shareholders' of the Company, in their extra ordinary general meeting held on 7 May 2010 have authorised the Board of Directors of the Company to decide on the transfer of amounts from the shareholders' account to the policyholders' account to make good the deficit, if any, in the policyholders' funds in respect of any financial year, which shall be subject to the approval of the shareholders of the Company at the ensuing annual general meeting of the respective years. Such contributions made by the shareholders' to the policyholders' account are irreversible in nature.

B. Bajaj Allianz General Insurance Company Ltd.

1. The appointed actuary has certified to the Company that actuarial estimates for IBNR (including IBNER) have been determined using actuarial principles. In the determination, the Guidance Notes issued by the Institute of Actuaries of India with the concurrence of the Authority and any directions issued by the Authority in this behalf have been followed. Where sufficient data is available, the actuary has chosen to adopt the chain ladder method. The chain ladder method has accordingly been applied to motor, fire, marine, engineering, personal accident, workmen's compensation and health. These constitute 97.6% (Previous year 99.3%) of the Company's total net written business excluding third party premium of commercial vehicle business. For liability line of business and commercial vehicle TP business, the expected ultimate loss ratio method has been used to arrive at the estimate of IBNR. For aviation and marine hull line of business, a flat IBNR of ₹1 crore and ₹50 lakh respectively has been adopted.

Net IBNR reserves have been arrived at on the basis of actuarial estimates based on the claim data, after allowance for reinsurance recoveries.

2. Extent of risk written and reinsured based on gross written premium (excluding excess of loss and catastrophe reinsurance).

Particulars	For the year ended 31 March 2015 % of business written	For the year ended 31 March 2014 % of business written
Risk retained	81%	84%
Risk reinsured	19%	16%
Total	100%	100%

3. Contribution to Environment relief fund

The Company has collected an amount of ₹ 0.68 crore (Previous year – ₹ 0.89 crore) towards Environment relief fund from public liability policies. The Company has paid all the funds collected towards Environment relief fund upto 28 February 2015 to United India Insurance Company, the implementing agency for the fund. The balance payable has been disclosed under the head current liabilities.



B. Bajaj Allianz General Insurance Company Ltd. (Contd.)

4. IRDAI has vide circular no. IRDA/F&I/CIR/CMP/174/11/2010 advised all insurers to disclose under – Current liabilities amount due to policyholders/Insured on accounts of claims settled but not paid (except under litigation), excess collection of the premium/tax which is refundable and cheques issued but not encashed by policy holders/insured. Age wise analysis of the amount due to policyholders/insured is disclosed as below:

(₹ In Crore)

Ageing	Upto 6 months	7 to 12 months	13 to 18 months	19 to 24 months	25 to 30 months	31 to 36 months	Beyond 36 months
Claims settled but not paid to the policyholders/insured due to any reasons except under litigation from the insured/policyholders	56.01	<u> </u>	<u> </u>	<u> </u>	<u> </u>		<u> </u>
Sum due to the insured/policyholders on maturity or otherwise	////- //	 	/////-				
Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the authority but not refunded so far	8.32	0.97	0.94	0.72	0.03	_	
Cheques issued but not encashed by the policyholder/insured*	0.07	0.71	0.13	0.22	0.17	0.19	5.68

^{*} Does not include cheques issued to policyholders and appearing in bank reconciliation as on 31 March 2015.

5. The Company periodically reviews all its long-term contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for these long-term contracts in the books of account as required under any applicable law/Accounting Standard.

As at 31 March 2015 the Company did not have any outstanding long-term derivative contracts.

C. Bajaj Finance Ltd.

1. Employee Stock Option Plan

The Board of Directors at its meeting held on 14 October 2009, approved an issue of Stock Options upto a maximum of 5% of the issued equity capital of the Company aggregating to 1,829,803 equity shares in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 subject to the approval of the shareholders under section 81(1A) of the Companies Act, 1956. The shareholders of the Company vide their special resolution passed through postal ballot on 15 December, 2009 approved the issue of equity shares of the Company under one or more Employee Stock Option Scheme(s). The shareholders, at the annual general meeting held on 16 July 2014, approved an additional issue of 677,313 equity shares under the Stock Options schemes of the Company i.e. Employee Stock Option Plan 2009.

The Remuneration and Nomination Committee has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Under the scheme, seven grants have been made, details of which as on 31 March 2015, are given as under:

Grant date	Exercise price (In ₹)	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
12 Jan 10	358.70	132,000	27,937	<u> </u>	100,313	3,750	27,937
21 Jul 10	542.00	326,750	79,562	 	215,251	31,937	79,562
28 Jul 11	705.15	376,200	72,400	72,200	190,200	41,400	144,600
16 May 12	876.10	359,500	68,700	142,350	97,400	51,050	211,050
15 May 13	1,380.35	394,930	47,670	245,610	36,975	64,675	293,280
01 Nov 13	1,353.05	19,700		14,775	4,925	///// / /	14,775
16 Jul 14	2,196.55	281,600	 	280,200	 	1,400	280,200
Total		1,890,680	296,269	755,135	645,064	194,212	1,051,404

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

C. Bajaj Finance Ltd. (Contd.)

Method used for accounting for share based payment plan

The Company has elected to use intrinsic value method to account for the compensation cost of stock options to employees of the Company. Intrinsic value is the amount by which the quoted market price of the underlying share exceeds the exercise price of the option.

The fair value of options used to compute pro forma net profit and earnings per share have been estimated on the date of grant using the Black – Scholes model. The key assumptions used in Black – Scholes model for calculating fair value as on the date of grant are:

Variables	12 Jan 10	21 Jul 10	28 Jul 11	16 May 12	15 May 13	1 Nov 13	16 Jul 14
1) Risk free interest rate	6.70%	7.42%	8.27%	8.36%	7.32%	8.71%	8.66%
2) Expected life	1-5 years	3.5-6.5 years	3.5-6.5 years	3.5-6.5 years	1-5 years	1-5 years	1 -5 years
3) Expected volatility	54.01%	55.38%	53.01%	49.58%	29.97%	32.83%	38.01%
4) Dividend yield	0.62%	1.28%	1.42%	1.37%	1.09%	1.11%	0.73%
5) Price of the underlying share in the market at the time of the option grant (₹)	358.70	542.00	705.15	876.10	1,380.35	1,353.05	2,196.55

Impact on fair value method on net profit and earnings per share

Had compensation cost for the stock option plans outstanding been determined based on fair value approach, the standalone net profit and earnings per share would have been as per the pro forma amounts indicated below:

	As at 31 March	
Particulars	2015	2014
Net profit (as reported)	897.87	719.01
Add: Stock – based employee compensation expense included in net income		///// -
Less: Stock based compensation expense determined under fair value based method (pro forma)	16.73	14.98
Net Profit (pro forma)	881.14	704.03
Basic earnings per share (as reported)	179.94	144.79
Basic earnings per share (pro forma)	176.59	141.77
Diluted earnings per share (as reported)	177.70	143.65
Diluted earnings per share (pro forma)	174.39	140.66
	/ / / / / / / / / / / / / / / / / / / 	//////



C. Bajaj Finance Ltd. (Contd.)

2. During the year, the Company transferred assets through direct assignment of cash flows and the underlying securities to four banks. The disclosure as required by the revised guidelines on Securitisation Transactions issued by RBI on 21 August 2012 is given as under:

(₹ In Crore)

As	Assets transferred during FY2015	
1.	Gross amount of assets assigned including exposure retained by the seller	941.79
2.	Total amount of exposure retained by the NBFC to comply with MRR - In form of on-Balance Sheet retention of assets	94.18
3.	Total amount of exposure retained by NBFC other than MRR - In form of on-Balance Sheet retention of assets	20.88
4.	Net amount of assets transferred through direct assignment in FY2015	826.73
5.	The cumulative amount of assets transferred through direct assignment, outstanding as on 31 March 2015	1,210.14

3. The Company changed the method of computing depreciation on all assets except buildings from written down value to straight line method. The impact of this change in accounting policy has been calculated retrospectively from the date of addition of the asset and consequently the opening carrying value has been restated by writing back the excess depreciation aggregating ₹ 13.70 crore to the Statement of Profit and Loss.

Thereupon, consequent to Schedule II of the Companies Act, 2013 becoming effective from 1 April 2014, depreciation has been computed over the revised useful life of the asset in the manner specified in Schedule II. As a result of change in the estimate the charge on account of depreciation for the year is higher by ₹ 15.90 crore.

C. Bajaj Finance Ltd. (Contd.)

4. Details and terms of repayment of long-term borrowings

a) Details of privately placed secured redeemable non convertible debentures

				Non-curr	ent
		Of face v	ralue	As at 31 March	
Date of maturity	Repayment schedule	₹ 1 Crore	₹ 10 Crore	2015	2014
Nov 24	Bullet repayment	<u> </u>	100.00	100.00	
Mar 20	Bullet repayment	<u> </u>	25.00	25.00	/////-
Dec 19	Bullet repayment	 	125.00	125.00*	///// /
Nov 19	Bullet repayment	 	15.00	15,00	//////
Oct 19	Bullet repayment	 	180.00	180.00*	///// /
Aug 19	Bullet repayment	 	72.50	72.50*	
Jul 19	Bullet repayment	 	145.00	145.00*	///// /
Apr 19	Bullet repayment	<u> </u>	45.00	45.00	
Jan 19	Bullet repayment	<u> </u>	50.00	50.00	50.00*
May 18	Bullet repayment	<u> </u>	159.00	159.00*	159.00
Apr 18	Bullet repayment	 	267.00	267.00*	175.00
Mar 18	Bullet repayment		181.50	181.50	///// -
Feb 18	Bullet repayment	 	29.10	29.10	
Jan 18	Bullet repayment	595.00	96.50	691.50*	595.00
Dec 17	Bullet repayment	<u> </u>	49.90	49.90	
Nov 17	Bullet repayment	<u> </u>	388.00	388.00	///// /
Oct 17	Bullet repayment	125.00	332.80	457.80*	125.00
Sep 17	Bullet repayment	 	261.60	261.60	///// ,
Aug 17	Bullet repayment	- -	191.40	191.40	
Jul 17	Bullet repayment	 	5.00	5.00	
Jun 17	Bullet repayment	<u> </u>	300.00	300.00	/////-
May 17	Bullet repayment	<u> </u>	5.30	5.30	/////-
Apr 17	Bullet repayment	<u> </u>	361.30	361.30*	///// /
Mar 17	Bullet repayment		100.80	100.80	68.80
Feb 17	Bullet repayment	 	61.90	61.90	///// /
Jan 17	Bullet repayment	 	352.00	352.00*	260.00
Dec 16	Bullet repayment	 	129.00	129.00	10.50
Nov 16	Bullet repayment	<u> </u>	150.60	150.60	/////-
Oct 16	Bullet repayment	<u> </u>	725.00	725.00*	360.00
Sep 16	Bullet repayment	 	264.90	264.90	///// -
Aug 16	Bullet repayment		775.00	775.00*	/////-
Jul 16	Bullet repayment	 	40.00	40.00	///// ,
May 16	Bullet repayment	<u> </u>	110.00	110.00	110.00
Apr 16	Bullet repayment	<u> </u>	349.00	349.00	100.00
Jan 16	Bullet repayment	<u> </u>			125.00
Nov 15	Bullet repayment	<u> </u>		///// / ///	250.00

C. Bajaj Finance Ltd. (Contd.)

a) Details of privately placed secured redeemable non convertible debentures (Contd.)

(₹ In Crore)

			////// <u>/</u>	Non-curi	ent
		Of face v	alue	As at 31 M	arch
Date of maturity	Repayment schedule	₹ 1 Crore	₹ 10 Crore	2015	2014
Oct 15	Bullet repayment				100.00
Jul 15	Bullet repayment	////// / //	///// / //	///// / //	50.00
Jun 15	Bullet repayment	////// / //	///// / //	///// - //	5.70
May 15	Bullet repayment	<u> </u>	///// / //	///// / //	210.20
Арг 15	Bullet repayment	<u> </u>	<u> </u>		1,008.10
				7,164.10	3,762.30
///////////////////////////////////////	, , , , , , , , , , , , , , , , , , , 	1 1 1 1 1 1 1 1 1 1	/ / / / / / / / / /		

Note:

b) Terms of repayment of bank loans - secured

		Non-curre	ent
		As at 31 Ma	rch
Date of maturity	Repayment schedule	2015	2014
Mar 20	Bullet repayment	300.00	<u> </u>
Feb 20	Bullet repayment	100.00	///// /
Dec 19	Bullet repayment	200.00	///// /
	4 quarterly payments of ₹ 37.5 crore starting Jun 19	150.00	///// /
	4 quarterly payments of ₹50 crore starting Jun 19	200.00	///// -
	4 quarterly payments of ₹ 25 crore starting Mar 19	100.00	//// /
	4 quarterly payments of ₹ 25 crore starting Mar 19	100.00	//// -
	4 quarterly payments of ₹ 12.5 crore starting Mar 19	50.00	///// -
Dec 18	Bullet repayment	200.00	200.00
	4 quarterly payments of ₹ 25 crore starting Dec 18	100.00	///// /
	4 quarterly payments of ₹50 crore starting Sep 18	200.00	///// -
	4 quarterly payments of ₹25 crore starting Sep 18	100.00	///// -
	4 semi-annual payments of ₹25 crore starting Sep 18	100.00	///// -
	4 semi-annual payments of ₹25 crore starting Aug 18	100.00	///// -
Jun 18	Bullet repayment	100.00	
	4 semi-annual payments of ₹25 crore starting Jun 18	100.00	
	4 quarterly payments of ₹25 crore starting Jun 18	100.00	100.00
	4 quarterly payments of ₹ 37.5 crore starting Jun 18	150.00	//// /
	4 quarterly payments of ₹25 crore starting May 18	100.00	///// ,
	4 quarterly payments of ₹25 crore starting May 18	100.00	100.00
	4 semi-annual payments of ₹25 crore starting Apr 18	100.00	///// ,
/////////////////////////////////////		' 	/////

As on 31 March 2015, of the total Non-current Secured Zero Coupon Bonds issued, ₹ 2,467.30 crore are to be redeemed at a premium.

* Related parties are current holders of ₹ 425 crore of the mentioned issue (previous year ₹ 175 crore).

Interest rates range from 8.85% p.a. to 10.08% p.a. as at 31 March 2015.

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

C. Bajaj Finance Ltd. (Contd.)

b) Terms of repayment of bank loans - secured (Contd.)

A semi-annual payments of ₹25 crore starting Apr 18 100.00 100.00 4 quarterly payments of ₹25 crore starting Apr 18 100.00 100.00 4 quarterly payments of ₹25 crore starting Mar 18 100.00 4 semi-annual payments of ₹12.5 crore starting Mar 18 100.00 100.0			Non-current	
A semi-annual payments of ₹25 crore starting Apr 18 100.00 100.00 4 quarterly payments of ₹25 crore starting Apr 18 100.00 100.00 4 quarterly payments of ₹25 crore starting Mar 18 100.00 4 semi-annual payments of ₹25 crore starting Mar 18 100.00			As at 31 March	
4 quarterly payments of ₹ 25 crore starting Apr 18 100.00 100.00 4 quarterly payments of ₹ 25 crore starting Mar 18 100.00	Date of maturity	Repayment schedule	2015	2014
4 quarterly payments of ₹ 25 crore starting Apr 18 100.00 100.00 4 quarterly payments of ₹ 25 crore starting Mar 18 100.00		A semi-annual nayments of ₹ 25 crore starting Apr 18	100.00	
4 quarterly payments of ₹ 25 crore starting Mar 18 50.00 4 semi-annual payment 5 ₹ 12.5 crore starting Mar 18 50.00 100.00			/ ///////////////////////////////////	100.00
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Mar 18 Bullet repayment 200.00 100.00 Feb 18 Bullet repayment 100.00			/ / /////////////////////////////////	/////
Feb 18 Bullet repayment 100.00 1	Mar 19		 	100.00
Jan 18 Bullet repayment 250,00				100.00
Dec 17 Bullet repayment 4 semi-annual payments of ₹ 12.5 crore starting Dec 17 5 0.00 4 semi-annual payments of ₹ 50 crore starting Dec 17 2 000.00 4 semi-annual payments of ₹ 100 crore starting Dec 17 4 semi-annual payments of ₹ 100 crore starting Dec 17 5 0.00 4 semi-annual payments of ₹ 12.5 crore starting Dec 17 5 0.00 4 semi-annual payments of ₹ 25 crore starting Dec 17 5 0.00 5 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0				/////
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4 semi-annual payments of ₹ 12.5 crore starting Dec 17 4 semi-annual payments of ₹ 25 crore starting Dec 17 100.00 4 semi-annual payments of ₹ 25 crore starting Dec 17 100.00 Oct 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 4 semi-annual payments of ₹ 26.5 crore starting Sep 17 250.00 4 semi-annual payments of ₹ 26.5 crore starting Sep 17 50.00 50.00 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 50.00 50.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 50.00 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 100.00 Jul 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting Aug 17 100.00 100.00 Jul 17 Bullet repayment 235.00 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 100.00 100.00 May 17 Bullet repayment 50.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 100.00 May 17 Bullet repayment 50.00 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 Mar 17 Bullet repayment 50.00 4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 Mar 17 Bullet repayment 50.00 Mar 17 Bullet repayment 50.00 Aug 16 Bullet repayment 50.00 Aug 16 Bullet repayment 50.00 Aug 16 Bullet repayment 50.00 400.00 Aug 16 Bullet repayment 50.00 400.00			 	400.00
4 semi-annual payments of ₹ 25 crore starting Dec 17 100.00 4 semi-annual payments of ₹ 25 crore starting Dec 17 100.00 Oct 17 Bullet repayment 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 100.00 4 semi-annual payments of ₹ 62.5 crore starting Sep 17 250.00 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 50.00 50.00 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 100.00 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 150.00 150.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 Aug 17 Bullet repayment 150.00 4 semi-annual payments of ₹ 25 crore starting Aug 17 100.00 100.00 Jul 17 Bullet repayment 225.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 150.00 150.00 A semi-annual payments of ₹ 25 crore starting Jun 17 100.00 100.00 May 17 Bullet repayment 50.00 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 100.00 May 17 Bullet repayment 50.00 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 100.00 May 17 Bullet repayment 50.00 100.00 May 17 Bullet repayment 50.00 100.00 Aug 16 Bullet repayment 150.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Bullet repayment 150.00 300.00 Aug 16 Bullet repayment 150.00 400.00 Bullet repayment 50.00 50.00 Bullet repayment 50.00 50.00 Aug 16 Bullet repayment 50.00 Bullet repayment 50.00 Aug 16 Bullet repayment 50.00 Aug 17 Aug 18				400.00
A semi-annual payments of ₹ 25 crore starting Dec 17 Oct 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting Sep 17 4 semi-annual payments of ₹ 62.5 crore starting Sep 17 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 50.00 50.00 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 50.00 50.00 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 100.00 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 Aug 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting Aug 17 100.00 100.00 Jul 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 May 17 Bullet repayment 50.00 4 semi-annual payments of ₹ 25 crore starting May 17 4 semi-annual payments of ₹ 25 crore starting May 17 4 semi-annual payments of ₹ 25 crore starting May 17 4 semi-annual payments of ₹ 25 crore starting May 17 Mar 17 Bullet repayment 50.00 Aug 16 Bullet repayment 50.00 150.00 Aug 16 Bullet repayment 50.00 150.00				
Oct 17 Bullet repayment 100.00			100.00	<u> </u>
4 semi-annual payments of ₹ 25 crore starting Sep 17 4 semi-annual payments of ₹ 62.5 crore starting Sep 17 50.00 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 50.00 50.00 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 50.00 50.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 - Aug 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting Aug 17 100.00 100.00 Jul 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting Jun 17 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 4 semi-annual payments of ₹ 25 crore starting Jun 17 4 semi-annual payments of ₹ 25 crore starting Jun 17 4 semi-annual payments of ₹ 25 crore starting Jun 17 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 May 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - Bullet repayment 50.00 50.00 Aug 17 Bullet repayment 50.00 50.00 150.00 Aug 16 Bullet repayment 50.00 1			100.00	<u> </u>
4 semi-annual payments of ₹ 62.5 crore starting Sep 17 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 50.00 50.00 4 semi-annual payments of ₹ 12.5 crore starting Sep 17 100.00 4 semi-annual payments of ₹ 37.50 crore starting Sep 17 150.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 Aug 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting Aug 17 100.00 Jul 17 Bullet repayment 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 4 semi-annual payments of ₹ 25 crore starting Jun 17 4 semi-annual payments of ₹ 25 crore starting Jun 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting May 17 4 semi-annual payments of ₹ 25 crore starting May 17 4 semi-annual payments of ₹ 25 crore starting May 17 Bullet repayment 50.00 Aug 17 Bullet repayment 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 Aug 17 Bullet repayment 50.00 Aug 16 Bullet repayment 50.00 400.00	Oct 17	Bullet repayment	100.00	
4 semi-annual payments of ₹ 12.5 crore starting Sep 17 50.00 50.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 4 semi-annual payments of ₹ 37.50 crore starting Sep 17 150.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 50.00 Aug 17 Bullet repayment 150.00 50.00 A semi-annual payments of ₹ 25 crore starting Aug 17 100.00 100.00 Jul 17 Bullet repayment 235.00 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 150.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 150.00 150.00 A semi-annual payments of ₹ 25 crore starting Jun 17 100.00 May 17 Bullet repayment 50.00 4 semi-annual payments of ₹ 25 crore starting May 17 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 As semi-annual payments of ₹ 25 crore starting Mar 17 100.00 50.00 Mar 17 Bullet repayment 50.00 50.00 60 Bullet repayment 50.00 150.00 60 Aug 16 Bullet repayment 50.00 150.00 60 60 60 60 60 60 60 60 60 60 60 60 6		4 semi-annual payments of ₹ 25 crore starting Sep 17	100.00	100.00
4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 100.00 4 semi-annual payments of ₹ 37.50 crore starting Sep 17 150.00 150.00 Aug 17 Bullet repayment 150.00 - Aug 17 Bullet repayment of ₹ 25 crore starting Aug 17 100.00 100.00 Jul 17 Bullet repayment of ₹ 25 crore starting Aug 17 100.00 - Jun 17 Bullet repayment of ₹ 25 crore starting Jun 17 150.00 - 4 semi-annual payments of ₹ 25 crore starting Jun 17 150.00 150.00 May 17 Bullet repayment of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 300.00 300.00 Nov 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹ 62.5 crore starting Sep 17	250.00	///// /
4 semi-annual payments of ₹ 37.50 crore starting Sep 17 150.00 150.00 4 semi-annual payments of ₹ 25 crore starting Sep 17 100.00 - Aug 17 Bullet repayment 150.00 - 4 semi-annual payments of ₹ 25 crore starting Aug 17 100.00 100.00 Jun 17 Bullet repayment 235.00 - 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 150.00 150.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 100.00 May 17 Bullet repayment 50.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹ 12.5 crore starting Sep 17	50.00	50.00
Aug 17 Bullet repayment 150.00 - Aug 17 Bullet repayment 150.00 - 4 semi-annual payments of ₹25 crore starting Aug 17 100.00 100.00 Jul 17 Bullet repayment 100.00 - Jun 17 Bullet repayment 235.00 - 4 semi-annual payments of ₹37.50 crore starting Jun 17 150.00 150.00 4 semi-annual payments of ₹25 crore starting Jun 17 100.00 - May 17 Bullet repayment 50.00 - 4 semi-annual payments of ₹25 crore starting May 17 100.00 - 4 semi-annual payments of ₹25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹25 crore starting Sep 17	100.00	100.00
Aug 17 Bullet repayment 150.00 - 4 semi-annual payments of ₹ 25 crore starting Aug 17 100.00 - Jul 17 Bullet repayment 100.00 - Jun 17 Bullet repayment 235.00 - 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 150.00 150.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 400.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹ 37.50 crore starting Sep 17	150.00	150.00
Jul 17 Bullet repayment 100.00 - Jun 17 Bullet repayment 235.00 - Jun 17 Bullet repayment 235.00 - 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 150.00 150.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 100.00 May 17 Bullet repayment 50.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 300.00 300.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 400.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹ 25 crore starting Sep 17	100.00	///// -
Jul 17 Bullet repayment 100.00 - Jun 17 Bullet repayment 235.00 - 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 150.00 150.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 100.00 May 17 Bullet repayment 50.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 150.00 150.00 Aug 16 Bullet repayment 150.00 400.00 Jul 16 Bullet repayment 400.00 400.00	Aug 17	Bullet repayment	150.00	///// -
Jun 17 Bullet repayment 235.00 - 4 semi-annual payments of ₹ 37.50 crore starting Jun 17 150.00 150.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 100.00 May 17 Bullet repayment 50.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹25 crore starting Aug 17	100.00	100.00
4 semi-annual payments of ₹ 37.50 crore starting Jun 17 150.00 150.00 4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 100.00 May 17 Bullet repayment 50.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00	Jul 17	Bullet repayment	100.00	/////-
4 semi-annual payments of ₹ 25 crore starting Jun 17 100.00 100.00 May 17 Bullet repayment 50.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00	Jun 17	Bullet repayment	235.00	///// /
May 17 Bullet repayment 50.00 - 4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹ 37.50 crore starting Jun 17	150.00	150.00
4 semi-annual payments of ₹ 25 crore starting May 17 100.00 - 4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹25 crore starting Jun 17	100,00	100.00
4 semi-annual payments of ₹ 25 crore starting Mar 17 100.00 - Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00	May 17	Bullet repayment	50.00	
Mar 17 Bullet repayment 250.00 150.00 Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹ 25 crore starting May 17	100.00	
Dec 16 Bullet repayment 400.00 400.00 Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00		4 semi-annual payments of ₹25 crore starting Mar 17	100.00	
Nov 16 Bullet repayment 300.00 300.00 Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00	Mar 17	Bullet repayment	250.00	150.00
Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00	Dec 16	Bullet repayment	400.00	400.00
Aug 16 Bullet repayment 150.00 150.00 Jul 16 Bullet repayment 400.00 400.00	/////////////////////////////////////			300.00
Jul 16 Bullet repayment 400.00 400.00	/////////////////////////////////////			150.00
	/////////////////////////////////////		/////////////////////////////////////	400.00
	Jun 16	// /-/////////////////////////////////	/ / /////////////////////////////////	50.00

C. Bajaj Finance Ltd. (Contd.)

b) Terms of repayment of bank loans – secured (Contd.)

(₹ In Crore)

		Non-current	
		As at 31 M	arch
Date of maturity	Repayment schedule	2015	2014
May 16	Bullet repayment	50.00	50.00
	4 quarterly payments of ₹ 50 crore starting Mar 16	150.00	200.00
	16 quarterly payments of ₹ 6.25 crore starting Feb 16	93.75	<u> </u>
	7 quarterly payments of ₹ 21.4286 crore starting Feb 16	128,57	///// /
	7 quarterly payments of ₹ 15 crore starting Feb 16	90.00	<u> </u>
Dec 15	Bullet repayment		50.00
	7 quarterly payments of ₹15 crore starting Dec 15	75.00	
Nov 15	Bullet repayment	///// / //	100.00
	7 quarterly payments of ₹ 20 crore starting Nov 15	100.00	///// -
Oct 15	Bullet repayment		50.00
Sep 15	Bullet repayment	<u> </u>	50.00
	7 quarterly payments of ₹ 14.2857 crore starting Aug 15	57.14	100.00
Jul 15	Bullet repayment	<u> </u>	175.00
Jun 15	Bullet repayment	<u> </u>	375.00
May 15	Bullet repayment		250.00
Apr 15	Bullet repayment		350.00
	3 semi-annual payments of ₹33.334 crore starting Mar 15		66.67
	4 quarterly payments of ₹25 crore starting Feb 15	<u> </u>	75.00
	4 quarterly payments of ₹25 crore starting Jul 14	<u> </u>	25.00
	3 annual payments of ₹ 26.667 crore starting Jun 14	26.67	53.33
	3 annual payments of ₹73.334 crore starting Jun 14	73.34	146.67
	5 semi-annual payments of ₹ 30 crore starting May 14	30.00	90.00
	5 semi-annual payments of ₹10 crore starting Mar 14		20.00
	5 semi-annual payments of ₹ 20 crore starting Feb 14	<u> </u>	40.00
	3 annual payments of ₹100 crore starting Aug 13	<u> </u>	100.00
	16 quarterly payments of ₹ 18.75 crore starting May 13	75.00	150.00
		9,284.47	5,816.67
			///////

Note:

Interest rates range from 9.65% p.a. payable monthly to 10.30% p.a. payable monthly as at 31 March 2015.

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

C. Bajaj Finance Ltd. (Contd.)

c) Details of privately placed unsecured redeemable non convertible debentures subordinated debt issued at face value of ₹ 0.10 crore

(₹ In Crore)

	Non-currer	nt	
	As at 31 Marc	at 31 March	
Date of maturity	2015	2014	
Apr 23	452.50	/////-	
Apr 23	50.00	50.00	
Jan 23	49.70*	49.70*	
Aug 22	157.40	157.40	
May 21	50.00	50.00	
Oct 20	36.20*	36.20*	
Sep 20	27.50	27.50	
Jul 20	50.00	50.00	
Jun 20	50.00	50.00	
Apr 20	65.00	65.00	
	988.30	535.80	

d) Terms of repayment of bank loans - unsecured

(₹ In Crore)

		Non-curre	ent //
		As at 31 Ma	rch
Date of maturity	Repayment schedule	2015	2014
Jun 17	Bullet repayment	100.00	<u> </u>
Nov 16	Bullet repayment	75.00	75.00
Jul 15	Bullet repayment		125.00
		175.00	200.00

Note:

Interest rates is 10.05% p.a. payable monthly as at 31 March 2015.

Interest rates range from 9.45% p.a. to 10.21% p.a. as at 31 March 2015.

* Related parties are current holders of ₹2.5 crore of the mentioned issue (previous year ₹2.5 crore).

C. Bajaj Finance Ltd. (Contd.)

e) Terms of repayment of fixed deposits

(₹ In Crore)

Maturing upto		Non-curre	ent
	Repayment schedule	As at 31 Ma	irch
		2015	2014
Mar 20		8.16	
Mar 19		6.17	5.91
Mar 18		259,06	0.22
Mar 17		388,36	148.01
Mar 16			8.85
		661.75	162.99
////////////////	, , , , , , , , , , , , , , , , , , , 	////////////// ///////////////////////	

Note:

Interest rates range from 7% p.a.to 10.25% p.a. as at 31 March 2015.

5. Details and terms of repayment of short-term borrowings

Terms of repayment of secured short-term loans

(₹ In Crore)

	As at 31 M	arch
Date of maturity	2015	2014
Nov 14	- -	120.00
Oct 14		540.00
Sep 14		220.00
Aug 14		160.00
Jul 14		60.00
Jun 14		100.00
		1,200.00
	//////////////////////////////////////	///////

Note:

Interest rates stood at 10.25% p.a. payable monthly as at 31 March 2014.

Terms of repayment of unsecured short-term loans

(₹ In Crore)

	As at 31 March
Date of maturity	2015 2014
Apr 15	500.00
	500.00

Note:

Interest rate is 10% p.a. payable monthly as at 31 March 2015.

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

C. Bajaj Finance Ltd. (Contd.)

Terms of repayment of Commercial Papers

(₹ In Crore)

	As at 31 N	Narch
Date of maturity	2015	2014
Feb 16	200.00	///// /
Nov 15	10.00	///// /
Oct 15	94,00	///// ,
Aug 15	85.00	///// /
Jun 15	500.80	///// /
May 15	491.50	///// /
Apr 15	50.00	///// ,
Feb 15		392.70
Jan 15		457.40
Dec 14		187.75
Nov 14		254.00
Oct 14		174.40
Sep 14		107.00
Jul 14		415.00
Jun 14		303.00
May 14		50.00
Apr 14		241.00
	1,431.30	2,582.25
		//////

Note:

Interest rates stood at 8.75% p.a. to 9.55% p.a. as at 31 March 2015

Terms of repayment of Fixed Deposits

(₹ In Crore)

	As at 31 Marc	:h
Maturing in	2015	2014
Mar 16	6.03	
Feb 16	46.13	//// -
Jan 16	0.61	
Dec 15	0.40	//// -
Nov 15	0.68	//// -
Oct 15	50.35	//// /
Sep 15	1.75	//// /
Aug 15	0.41	//// /
Jul 15	0.47	////-
Jun 15	0.38	////-
May 15	0.60	-
Apr 15	3.86	//// <u>-</u>
	111.67	//// /

Note:

Interest rates range from 8.9% p.a.to 10% p.a. as at 31 March 2015

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

C. Bajaj Finance Ltd. (Contd.)

6. Disclosure of restructured accounts as per notification No. DNBS (PD) No. 271/CGM (NSV)-2014 dated 23 January 2014 of the Reserve Bank of India

	9,100		1			ĺ						1	1								
Asset classification Details	fication	Standard	Sub- standard	Doubtful	Loss	Total	Standard	Sub- standard	Doubtful	Loss	Total	Standard	stan	Sub- idard Doubtful	Loss	Total	Standard	Sub- standard	Doubtful	Loss	Total
	No of borrowers	1.00				1.00						3.00		00.6		12.00	4.00	9.00	l i		13.00
Restructured accounts as on April 1 of the FY	Amount outstanding	56.57				56.57						- 2.19		35.21		37.40	58.76	35.21			93.97
(sainfii filiilado)	provision thereon	1.56*				1.56						- 0.06*		6.70		6.76	1.62	6.70			8.32
	No of borrowers											1.00		97.00		98.00	1:00	97.00			98.00
Fresh restructuring during the year	Amount outstanding					V						- 160.60		26.71		187.31	160.60	26.71			187.31
ning the year	provision thereon											8.78		2.67		11.45	8.78	2.67			11.45
	No of borrowers																				
Upgradations to restructured standard category	Amount outstanding																				
	provision thereon																				
Restructured standard advances which cease to	No of borrowers																				
autact riighter provisioning and/or additional risk weight at the end of the FY and hance need not be shown	Amount outstanding																				
as restructured standard advances at the beginning of the next FY	provision thereon																				
	No of borrowers	-1:00	1.00														-1.00	1:00			
Downgradations of restructured accounts during the EV	Amount outstanding	-56.57	56.56			-0.01											-56.57	56.56			-0.01
	provision thereon	-1.56	21.35			19.79											-1.56	21.35			19.79
7	No of borrowers					1						3.00		-3.00		-6.00	-3.00	-3.00			-6.00
Write-offs of restructured accounts during the EV®	Amount outstanding											2.19	9 -15.92	92		-18.11	-2.19	-15.92			-18.11(i)
	provision thereon											0.06		151		1.45	-0.06	1.51			1.45(ii)
	No of borrowers		1:00		1	1.00	Ì					1.00	0 103.00	00		104.00	1.00	104.00			105.00
kestilutioned accounts as on March 31 of the FY (Closing figures.)	Amount outstanding		56.56		1	56.56						- 160.60		46.00		206.60	160.60	102.56			263.16
Complete Building	provision thereon		21.35		1	21.35	V	ı				- 8.78		10.88	1	19.66	8.78	32.73			41.01

Provision made @ 2.75% consequent to notification No. DNBS (PD) No. 271/CGM (NSV)-2014 dated 23 january 2014 of the Reserve Bank of India Represents recoveries from restructured advances
Represents rended interest component pursuent to CDR arrangement

⁽i) Net rol back of ₹ 18.11 crore is after considering a write off amounting to ₹ 2.92 crore (ii) ₹ 1.45 crore comprises of additional provision amounting to ₹ 6.11 crore and a release of ₹ 4.66 crore on account of write oil/collections (iii) ₹ 1.45 crore comprises of additional provision amounting to ₹ 6.11 crore and a release of ₹ 4.66 crore on account of write oil/collections

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

30 Contingent liabilities

	(₹ In Crore)
As at 31 Ma	ırch
2015	2014
16.10	18.90
107.90	83.56
22.80	19.57
2.24	
	16.10 107.90 22.80

31 Capital and other commitments

(₹ In Crore)

	As at 31 March
Particulars	2015 2014
Capital commitments, net of capital advances	218.92 167.07

32 Cash flow statement

Two subsidiaries of the Company carrying out insurance business, are mandated by IRDA regulations to draw up cash flows on direct method due to the unique nature of their business and reporting framework. Owing to the impractability to draw up meaningful cash flow statements of these two subsidiaries on the indirect method as done by the parent, a detailed consolidated cash flow statement on a consistent method across the group is not possible.

However, to better view cash flows of the group, the cashflow statement has been drawn up at an activity level on the basis of their independent cash flows statements.

The independent cash flow statements of the two insurance subsidiaries are attached herewith for viewing.

Consolidated cash flows for the year could be better viewed when summarised as follows:

(₹ In Crore)

For the year ended 31 March

Particulars	2015	2014	
From operating activities	(10,740.07)	(9,790.16)	
From investing activities	3,709.28	3,907.75	
From financing activities	6,838.77	6,521.46	
Net change	(192.02)	639.05	
Cash and cash flow equivalents at the beginning of the year	2,034.89	1,395.84	
Cash and cash flow equivalents at the end of the year **	1,842.87	2,034.89	
** Cash and cash flow equivalents at the end of the year			
Cash and bank balance as per note 19	1,138.08	1,849.42	
Other bank balances as per note 19	391.51	620.77	
Cash and bank balances for unit linked business	9.07	24.44	
Other short-term liquid investment	816.08	161.03	
Less: Fixed deposits having maturity more than 3 months/Temporary overdraft	511.87	620.77	
	1,842.87	2,034.89	



For the year ended 31 March

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

32 Cash flow statement (Contd.)

Bajaj Allianz General Insurance Company Ltd. Receipts and payments account

	//// <u>////////</u>	77///////
Particulars	2015	2014
. Operating activities		
Premium received from policyholders,including advance receipts and service tax	5,612.09	4,936.41
(Payments)/receipts to reinsurers, net of commissions and claims	339.01	(128.89)
Receipts from coinsurers, net of claims recovery	49.62	9.69
Payment of claims	(3,949.19)	(2,644.36)
Payment of commission	(271.57)	(251.82)
Payment of other operating expenses	(946.54)	(754.83)
Miscellaneous income	0.90	0.45
Preliminary and preoperative expenses	 	
Income tax paid (Net)	(261.44)	(171.36)
Service tax Paid	(353.52)	(348.25)
Deposits placed during the year	(3.10)	(1.61)
Deposits recovered during the year	1,69	2.65
Other payments	 	
Cash flow before extraordinary items	217.95	648.08
Cash flow from extraordinary operations	 	
Net cash inflow from operating activities	217.95	648.08
II. Investment activities		
Purchase of fixed assets including capital work in progress and capital advances	(21.19)	(34.85)
Proceeds from sale of fixed assets	0.35	1.10
Purchase of investments	(4,437.65)	(2,975.83)
Sale of investments	3,600.42	1,784.93
Rent/interests/dividends received	636.32	465.99
Investments in money market instruments and in liquid mutual funds (net)	(92.70)	(71.92)
Investment property purchase	<u> </u>	
Interest expense and other investment expenses	(1.06)	(1.04)
Cash deposit under section 7 of the Insurance Act, 1938		
Investment in fixed deposit placed during the year	(100.00)	(145.00)
Investment in fixed deposit matured during the year	261.27	402.72
Net cash outflow from investment activties	(154.24)	(573.90)

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

32 Cash flow statement (Contd.)

Bajaj Allianz General Insurance Company Ltd. Receipts and payments account (Contd.)

	For the year ende	For the year ended 31 March		
Particulars	2015	2014		
II. Financing activities				
Proceeds from issuance of share capital				
Interest/dividends paid	////// / //	///// -		
Proceeds from borrowing	////// / //	///// /		
Repayments of borrowing				
Net cash flow from financing activities				
Effect of foreign exchange rates on cash and cash equivalents,net	0,34	0.99		
Increase/(decrease) in cash and cash equivalents during the year	64.05	75,17		
Cash and cash equivalent at the begining of the year	329.66	254.49		
Cash and cash equivalent at the end of the year**	393.71	329.66		
** Cash and cash equivalent at the end of the year				
Cash and bank balance	851.84	949.06		
Less: Fixed deposit maturity more than 3 months	458.13	619.40		
Less: Temporary overdraft	<u> </u>	//////		
Cash and cash equivalent at the end of the year	393.71	329.66		
				

For the year ended 31 March

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

32 Cash flow statement (Contd.)

Bajaj Allianz Life Insurance Company Ltd. Receipts and payments account

	' / / / / / / / / / / / / / / / / /	
Particulars	2015	2014
. Operating activities		
Premium received from policyholders, including advance receipts	6,226.42	6,164.22
Other receipts	51.13	30.56
Payments to the reinsurers, net of commissions and claims	(22.76)	(23.39)
Payment of claims	(8,391.56)	(8,403.68)
Payment of commission and brokerage	(202.76)	(295.91)
Payment of operating expenses	(1,236.57)	(1,547.35)
Preliminary and pre-operative expenses	 	//////
Deposits, advances and staff loans	13.24	55.20
Income taxes paid (net)	(141.58)	(160.67)
Service tax paid	(226.37)	(256.92)
Other payments		
Cash flows before extraordinary items	(3,930.81)	(4,437.94)
Cash flow from extraordinary operations		
Net cash from operating activities	(3,930.81)	(4,437.94)
I. Investing activities		
Purchase of fixed assets	(12.31)	(27.63)
Proceeds from sale of fixed assets	0.61	1.56
Purchase of investments	(34,686.50)	(35,783.37)
Loans disbursed	(73.50)	(100.27)
Loans against policies	(43.06)	(22.09)
Sale of investments	36,937.10	38,514.77
Repayment received	35.77	120.97
Rent, interest and dividend received	1,938.57	1,816.00
Investment in money market intruments and in liquid mutual funds (net)	143.48	116.85
Expense related to investments	(2.90)	(2.94)
Net cash from investing activities	4,237.26	4,633.85

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

32 Cash flow statement (Contd.)

Bajaj Allianz Life Insurance Company Ltd. Receipts and payments account (Contd.)

(₹ In Crore)

Tor the year chae	d 31 March	
2015	2014	
	///// -	
·	//////	
<u> </u>	//////-	
<u> </u>	/////-	
306,45	195.91	
917.53	721.62	
1,223.98	917.53	
258.67	154.93	
149.23	601.57	
816.08	161.03	
1,223.98	917.53	
	306.45 917.53 1,223.98 258.67 149.23 816.08	

The above Receipts and payments account has been prepared as prescribed by Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 under the 'Direct method' in accordance with Accounting Standard 3 Cash Flow Statements notified under Companies (Accounting Standard) Rules, 2006.

33 Segment information

Segment information is based on the consolidated financial statements.

Segment wise revenue, results and capital employed for the year ended 31 March 2015

(a) Primary segment: Business segment

Particulars	Insurance*	Windmill	Retail financing	Investments and others	Consolidated
Revenue					
External sales and other income	12,385.38	50.31	5,402.79	212.75	18,051.23
Inter segment sales and other income		<u> </u>	15.49	65.93	81.42
Total revenue	12,385.38	50.31	5,418.28	278.68	18,132.65
Segment result	1,783.70	31.68	1,368.02	62.75	3,246.15
Unallocated corporate results					77777 7
Interest expense	 	//////- //	777777 7		
Tax expense					841.94
Tax (debits)/credits pertaining to earlier years					4.96
Minority interest					719.38
Profit for the year	1,783.70	31.68	1,368.02	62.75	1,689.79
Segment assets	54,149.44	39.92	33,003.95	792.56	87,985.87
Unallocated corporate assets					25.00
Total assets	54,149.44	39.92	33,003.95	792.56	88,010.87
Segment liabilities	45,432.32	0.94	1,212.50	21.83	46,667.59
Unallocated corporate liabilities					51.13
Total liabilities	45,432.32	0.94	1,212.50	21.83	46,718.72
Capital employed	8,717.12	38.98	31,791.45	770.73	41,292.15
Capital expenditure	31,88	8.19	65.87	0.76	106.70
Depreciation and amortisation		///// - //	35.61	2.54	38.15
Non cash expenses other than depreciation and amortisation	<u> </u>	<u> </u>	<u> </u>		

^{*} Segment revenues for insurance business represents the premiums earned and other income. However, for the purpose of consolidated financial statements the net result of the insurance business revenue accounts together with shareholders' income in accordance with the reporting framework of IRDA amounting to a net revenue of ₹1,436.64 crore for the year ended 31 March 2015 has been included in a manner consistent with the parent's reporting format. External sales and other income excludes accretions to unit linked investments. Business segments of the consolidated group have been identified as distinguishable components that are engaged in a group of related product or services and that are subject to risks and returns different from other business segments. Accordingly Insurance, Windmill, Retail financing and Investments and others have been identified as the business segments.

⁽b) All the companies included in above reporting operate within India. Hence Geographic segment is not applicable.

33 Segment information

Segment information is based on the consolidated financial statements.

Segment wise revenue, results and capital employed for the year ended 31 March 2014

(a) Primary segment: Business segment

(₹ In Crore)

Particulars	Insurance*	Windmill	Retail financing	Investments and others	Consolidated
Revenue	<u> </u>				
External sales and other income	11,297.24	60.44	4,050.82	146.65	15,555.15
Inter segment sales and other income	<u> </u>	<u> </u>	23.53	41.99	65.52
Total revenue	11,297.24	60.44	4,074.35	188.64	15,620.67
Segment result	1,749.18	37.07	1,086.95	29.81	2,903.01
Unallocated corporate results					(1.40)
Interest expense	 	 	 	 	
Tax expense					710.49
Tax (debits)/credits pertaining to earlier years					(0.19)
Minority interest					646.85
Profit for the year	1,749.18	37.07	1,086.95	29.81	1,544.08
Segment assets	48,436.55	28.11	24,926.86	807.34	74,198.86
Unallocated corporate assets					21.22
Total assets	48,436.55	28.11	24,926.86	807.34	74,220.08
Segment liabilities	41,166.87	1.25	783.69	18.37	41,970.18
Unallocated corporate liabilities					50.99
Total liabilities	41,166.87	1,25	783.69	18.37	42,021.17
Capital employed	7,269.68	26.86	24,143.17	788.97	32,198.91
Capital expenditure	64.78	<u> </u>	73.98	2.14	140.90
Depreciation and amortisation	///// / //	0.06	29.19	1.63	30.88
Non cash expenses other than depreciation and amortisation					

^{*} Segment revenues for insurance business represents the premiums earned and other income. However, for the purpose of consolidated financial statements the net result of the insurance business revenue accounts together with shareholders' income in accordance with the reporting framework of IRDA amounting to a net revenue of ₹ 1,129.00 crore for the year ended 31 March 2014 has been included in a manner consistent with the parent's reporting format. External sales and other income excludes accretions to unit linked investments. Business segments of the consolidated group have been identified as distinguishable components that are engaged in a group of related product or services and that are subject to risks and returns different from other business segments. Accordingly Insurance, Windmill, Retail financing and Investments and others have been identified as the business segments.

(b) All the companies included in above reporting operate within India. Hence Geographic segment is not applicable.

34 Disclosure of transactions with related parties as required by the Accounting Standard 18

		2014-15		201	3-14
ne of related party and Nature of relationship	Nature of transaction	Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
Holding company, subsidiaries and fellow su	bsidiary:				
Since consolidated financial statements present in enterprise, it is unnecessary to disclose intra - gro	formation about the holding and its subsidiaries as a single reporting up transactions.				
Associates, joint ventures and investing part	ies:				
Bajaj Holdings and Investment Ltd. (investing part - holds 39.16% shares of Bajaj Finserv Ltd.)	/		(31.16)		(31.16)
	Dividend paid	10.90	 	9.35	//////
	Business support services received	2.66	////// //	2.47	//////
	Business support services rendered	1.95	///// /	1.57	
	Sale of investments	34.97	 	//// -	/////
	Income tax cross-adjustment paid to BHIL	//// _	////// /	7.24	
	Interest paid on income tax cross-adjustment		/ ///// /	1.25	
	Purchase of investments	/////		5.00	
	Insurance premium received	0.05	(////// /	0.01	/////
	Unallocated premium		(0.07)	////	
Bajaj Allianz Financial Distributors Ltd (a joint venture - 50% shares held by Bajaj Finserv Ltd.)	Contribution to Equity (1,200,000 shares of ₹ 10 each)		1.20	<u> </u>	1.20
	Services received	0.36	(0.03)	0.32	(0.03
	Billable expenses incurred on behalf	/////	 	0.01	
	Rental income	0.28	 	0.24	/////
	Insurance premium received	0.24	////// /	0.44	0.0
	Insurance claim paid		/ ///// //	0.65	
	Unallocated premium	/////	0.01	///// _	/////
	Manpower supply charges	222.47	(0.07)	162.47	(0.35
	Insurance commission paid/payable	11.87	(0.65)	10.93	(0.68
	Benefits paid	0.03	 		
Allianz Cornhill Information Services Pvt. Ltd.	Insurance premia received	0.01	/ ///// /	0.03	
	Insurance claims paid	/	////// /	0.49	//////
Allianz SE	Contribution to equity of BALICL including premium		(1,099.13)	0.45	(1,099.13
Allight 3t	Contribution to equity of BAGICL including premium	/////	(195.27)		(195.27
	Billable expenses incurred on behalf of Allianz SE	0.03	(193.21)	0.14	(135.27
	Reimbursement of revenue expenses received	0.02	////// /	0.14	
Allianz Insurance Management Asia Pacific Pte.	Billable expenses incurred	0.02	(0.01)	0.04	
Allianz insufance Management Asia Facility Fte.	Reimbursement received of revenue expenditure	0.01	(0.01)	0.04	(0.05
	/////////////////////////////////////	0.06	(////// //	0.01	(0.05
Allians Investment Management Cingapore Pto Lit.	Paid towards revenue expenditure	0.06	(0.73)	+++++	(0.72
Allianz Investment Management Singapore Pte. Ltd	/////////////////////////////////////	3.18	(0.72)	3.19	(0.72
ACCC Marine Incurrence Communication		(0.07)	0.32	(0.07	
AGCS Marine Insurance Company	Reinsurance premium paid/payable	2.49	0.22	1.79	0.53
	Commission on reinsurance premium	0.65	(////////////////////////////////////	0.28	
	Claims recovery on reinsurance	0.99	/ ////////////////////////////////////	1.13	
Allianz Global Risks US Insurance Company	Reinsurance premium paid/payable	0.53	(0.44)	1.32	(0.66)
	Commission on reinsurance premium	0.06	<u> </u>	0.25	///// /

34 Disclosure of transactions with related parties as required by the Accounting Standard 18 (Contd.)

		20	2014-15		3-14
e of related party and Nature of relationship	Nature of transaction	Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Shee
Allianz Global Corporate and Speciality AG, Canada	Reinsurance premium paid/payable	<u> </u>	<u> </u>	0.01	
	Commission on reinsurance received/receivable		\ \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	0.01	
Allianz Global Corporate and Speciality AG, Spain	Reinsurance premium paid/payable	0.09	(0.02)	0.12	(0.10
Amone global corporate and speciality way spain	Commission on reinsurance received/receivable	0.01	(0,02)	0.02	(0.10
Allianz Global Corporate and Speciality AG, UK	Reinsurance premium paid/payable	3.65	(2.10)	3.20	(2.54
Amin's global corporate and speciality ha, ok	Commission on reinsurance received/receivable	0.55	(2.10)	0.50	(2:34
	Claims recovery on reinsurance	11.41	////// /	0.04	
	Risk survey fees	0.04	0.04	0.04	
Allianz Global Corporate and Speciality AG,	Kisk survey rees		 		
Netherlands	Reinsurance premium paid/payable	0.22	///// / /	0.30	(0.13)
	Commission on reinsurance received/receivable	0.10	////// /	0.09	
Allianz Global Corporate and Speciality AG, Italy	Reinsurance premium paid/payable	0.10	(0.34)	0.42	(0.35)
	Commission on reinsurance received/receivable	0.11		0.08	
Allianz Global Corporate and Speciality AG, iwitzerland	Reinsurance premium paid/payable	0.27	(0.40)	6.78	(0.25)
	Commission on reinsurance received/receivable	0.11	///// / /	0.12	////// /
Allianz Global Corporate and Speciality AG, Denmark	Reinsurance premium paid/payable	0.58	(0.01)	0.44	(0.77)
- Nordic Region	Commission on reinsurance received/receivable	0.07		0.05	
Allianz Global Corporate and Speciality - Malaysia	Reinsurance premium paid/payable		 	0.49	
	Commission on reinsurance received/receivable	/////// /		0.03	
	Billabale expenses	0.01	(0.01)	0.01	(0.01)
Insurance Joint Stock Company Allianz, Russia	Reinsurance premium paid/payable	0.02		///// -	0.0
	Commission on reinsurance received/receivable	0,01	 	///// -	77777,
Allianz Global Corporate and Speciality AG, Munich	Reinsurance premium paid/payable	59.30	(8.67)	56.24	(23.14)
	Commission on reinsurance received/receivable	11.84	////// -//	5.64	///////
	Claims recovery on reinsurance	18.37	//////- /	12.49	/////
Allianz SE Reinsurance, branch Asia Pacific	Reinsurance premium paid/payable	441.69	24.27	76.52	(19.05)
	Commission on reinsurance received/receivable	104.90	0,01	14.09	1.13
	Claims recovery on reinsurance	171.07	4.60	25.02	7.64
	Reinsurance profit commission receivable	0,91	/////- //	0.71	////// /
	Portfolio premium withdrawal			4.19	////// :
	Portfolio claims withdrawal	///////-	////// /	11.61	///////
	CAT XOL premium paid/payable	12.05	////// /	12.55	////// _?
	CAT XOL claim recovered	155.16	///// /		
Allianz Hongkong-	Reinsurance premium paid/payable	0.02	 	/////-	0.0
(Formerly known as Allianz China)	Commission on reinsurance received/receivable	0.01	////// /	/////- .	//////
Allianz Marine and Aviation Versicherungs AG	Reinsurance premium paid/payable	0.04	///// //		0.07
	Commission on reinsurance received/receivable	0.01	////// /	/////- ,	/////
	Claims recovery on reinsurance	0.04			
Allianz Global Corporate and Speciality AG Singapore	Reinsurance premium paid/payable	0.62	(0.23)	2.38	(0.18)

34 Disclosure of transactions with related parties as required by the Accounting Standard 18 (Contd.)

		2014-15		2013-14		
e of related party and Nature of relationship	Nature of transaction	Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value		
(Previously known as Allianz Insurance Company of Singapore - PTE)	Commission on reinsurance received/receivable	0.08		0.48		
company of singapore 1 12)	Claim recovery on reinsurance	0.00	/ ///// /	0.46		
	Reinsurance premium received/receivable	2.55		0.43		
	Commission on reinsurance premium	0.28	 	0.45	//////	
	Billable expenses incurred on behalf	0.28	////// /;	0.07		
	Risk survey fee	0.07	(0.04)	0.01		
Allianz Belgium	Reinsurance premium paid/payable	0.47	(0.28)	2.21	0.4	
Among Delgium	Commission on reinsurance received/receivable	0.05	(0.26)	0.44	0.4.	
	/ ////////////////////////////////////	0.03	\ \\\\\ \;	++++++		
Alliana Florantas Versicherungs Austria	Claim recovery on reinsurance	////////	(0.17)	0.77	(0.00	
Allianz Elementar Versicherungs - Austria	Reinsurance premium paid/payable	0.30	(0.17)	0.17	(0.09	
	Commission on reinsurance received/receivable	0.08	\ /-	0.07		
	Claim recovery on reinsurance	0.15	(////////////////////////////////////			
Allianz Global Corporate and Speciality, France	Reinsurance premium paid/payable	23.17	(9.72)	8.39	(5.09	
	Commission on reinsurance received/receivable	2.15	///////	0.89		
	Claims recovery on reinsurance	24.24	/ ///// /,	6.21		
Allianz Risk Transfer AG	Reinsurance premium paid/payable	29.29	<u> </u>	24.95		
	Commission on reinsurance received/receivable	0.27	\ <u> </u>	0.01		
Allianz Australia Insurance Ltd.	Reinsurance premium paid/payable	<u> </u>	<u> </u>	0.05		
	Commission on reinsurance received/receivable	<u> </u>		0.01		
Euler Hermes Deutschland	Reinsurance premium paid/payable	9.24	(0.44)	9.12	(4.89	
[Formerly known as Euler Hermes Cr Insurance (S) Ltd.]	Commission on reinsurance received/receivable	1.69		1.63		
	Claims recovery on reinsurance	4,22	<u> </u>	0.50		
	Billable expenses incurred on behalf of Euler Hermes	2.48	0.85	(2.03)	2.29	
Euler Hermes Europe, Singapore Branch	Reinsurance premium paid/payable	3.87	(3.09)			
	Commission on reinsurance received/receivable	0.78	<u> </u>	<u> </u>		
Allianz CP General Ins Co. Ltd	Claims paid/payable	9.65		1.72		
PT Asuransi Allianz Life Indonesia	Billable expenses incurred on behalf	////// /	///// / /	0.02		
Allianz Managed Operations and Services SE	SAS license fees	0.20	(2.09)	//// -		
	Paid towards opus revenue expenditure	4.02	(2.67)	4.78	(2.73	
	Income from software consultancy	0.04	 	1.83	0.70	
	Billable expenses incurred on behalf	0.08	//////- //	0.02		
Allianz Managed Operations and Services SE Pune Branch	Insurance premium received	0.06	 	0.39		
	Insurance claims paid	0.15	///// //	0.11		
	Unallocated premium		(0.06)	/////- -	(0.01	
Allianz China General Insurance Company Ltd.	Billable expenses incurred on behalf	 		0.01		
AGA Assistance (India) Pvt. Ltd.	Insurance claims paid	7.44	/ ////// //	6.76		
	Premium received as an agent	 	(0.02)	2.55		
	Insurance commission paid/payable	0,54	(0.05)	0.36	(0.06	
AGA Services (India) Pvt. Ltd.	Insurance claims paid	19.62	/ ////// /7	15.28		
	Fees received for loss minimisation activity	0.19	/////// /		//////	

34 Disclosure of transactions with related parties as required by the Accounting Standard 18 (Contd.)

			20	2014-15		3-14
Name o	of related party and Nature of relationship	Nature of transaction	Transaction value		Transaction value	Outstanding amounts carried in Balance Sheet
+-	ler Hermes Services India Pvt. Ltd.	Credit risk assessment fees paid	1.89	<u> </u>	2.01	0.1
All	lianz Sri Lanka	Reinsurance premium received/receivable	0.08	////// <u>/</u> //	/////	<u> </u>
		Commission on reinsurance paid/payable	0.02	/ <u>/////</u> /,		
+	S Gmbh uransi Allianz Utama Indonesia	Legal and professional charges Reimbursement made of revenue expenditure	0.31	(0.07)	0.37	(0.40)
AS	uransi Amanz utama muonesia	Reinibulsement made of revenue expenditure			0.08	
C. Inc	dividuals controlling voting power/exercisin	g significant influence and their Relatives:				
Ra	hul Bajaj (Chairman)	Sitting fees	0,10	 	0.04	
		Commission	0.10	(0.10)	0.07	(0.07)
Ma	adhur Bajaj	Sitting fees	0.07		0.02	//////
		Commission	0.07	(0.07)	0.06	(0.06)
Ra	ijiv Bajaj (Non-executive Director)	Sitting fees	0.06		0.02	
		Commission	0.06	(0.06)	0.05	(0.05)
Nif	raj Bajaj	Nil	////////		/////	
	ekhar Bajaj	Nil	/////// -	 		/////
	njiv Bajaj (Managing Director)	Remuneration	1.37	/ ///// /	1.24	
+++	Iso Key management personnel)	Sitting fees	0.09			
		Commission	2.90	(2.90)	2.52	(2.52)
D. Ke	ey Management Personnel and their Relative					
+		\ \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	3.83	\ \\\\\ \;	1.71	
	pan Singhel (MD and CEO - BAGICL)	Remuneration	3.83	(////// /	+++++	
	Philip (MD and CEO - BALICL)	Remuneration	1/200	\ \\\\\\ \;	2.02	/////
+++	nuj Agarwal (MD and CEO - BALICL)	Remuneration	1.79	(5.70)	0.86	44/201
Ra	jeev Jain (MD - BFL)	Remuneration	5.14	(2.28)	3.67	(1.65)
		ESOPs exercised	2.86		1.14	<u> </u>
Na	anoo Pamnani (Vice Chairman - BFL)	Commission	0.89	(0.89)	0.83	(0.83)
		Sitting fees and expenses	0.09	 	0.03	//////
	njay Asher irector-Bajaj Allianz Life Insurance Co. Ltd.)	Sitting fees	0.04	<u> </u>	0.01	
	anu Tandon irector-Bajaj Allianz Life Insurance Co. Ltd.)	Sitting fees	0.03	///// <u>-</u> /	0.01	//////
Su (Di	raj Mehta irector-Bajaj Allianz Life Insurance Co. Ltd.)	Sitting fees	0.02		0.01	
	H Khan irector-Bajaj Allianz Life Insurance Co. Ltd.)	Sitting fees	0.07		0.02	
<u> </u>				/ <u>//////</u> /.		
+	terprises over which anyone in (c) and (d) e	(<u> </u>	/ <u>//////</u> /	////// /	
Ba	ıjaj Auto Ltd.	Sale of windpower	1.67	/ <u>/////</u> /.	27.83	<u> </u>
		CSS recovery reimbursed	0.26	<u> </u>	2.20	
<u>///</u>		Business support services received	17.24	0.69	14.09	0.02
		Business support services rendered	1.52	<u> </u>	2.01	0.0
		Aviation charges paid	0.54		0.93	

34 Disclosure of transactions with related parties as required by the Accounting Standard 18 (Contd.)

(₹ In Crore)

		201	2014-15		3-14
me of related party and Nature of relationship	Nature of transaction	Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Shee
	Interest subsidy	7.24		3.88	
	Investment sold	151.45	 		
	Insurance premium received by BAGICL/BALICL	9.29	/////// //	10.83	(0.01
	Insurance claims paid by BAGICL/BALICL	7.27	 	5.63	
	Other expenses	- 	/ ////// /7	0.01	
	Unallocated premium	- 	(6.46)	/////	(1.81
Bajaj Electricals Ltd.	Purchases	0.34	(////// //	0.63	(0.14
	Insurance claims paid	4.98	////// //	3.90	
	Insurance premia received	4.22	 	5.40	/////
	Unallocated premium	+ 	(0.09)	///// -	(0.09
	Billable expenses incurred on behalf		 	0.02	
Bajaj Auto Holdings Ltd.	Purchase of shares by BAHL (209,005 shares of ₹5 each)	0.10	(0.10)	/////	/////
Bajaj International Ltd.	Other credits	- - - - - - - - - - 		0.01	
Hind Musafir Agency Ltd.	Services received	23.40	(0.46)	14.33	0.83
	Commission on travel expenses	 	////// //	0.02	
	Insurance premium received	0,01	 	0.01	//////
	Other expenses paid/payable	0.11	(0.01)	0.07	(0.01
Mukand Ltd.	Sale of windpower	40.15	3.74	19.61	0.4
	CSS recovery and other charges reimbursed	2.61	/ ////// //	2.11	
	Insurance premium received	3.97	////// /7	3.59	/////
	Insurance claims paid	3.07	 	3.13	
	Unallocated premium	 	(0.01)	/////	(0.03
	Rent and other expenses paid	0.06	 	0.06	/////
	Security deposit paid	<u> </u>	4.00	/////	4.00
	Interest received	5,59	///// //	3.94	
	Loan given	34.68	46.69	 	28.50
	Principal repayment received	16.49	 	19.71	
Mukand Engineers Ltd.	Insurance Premium received	0.35	 	0.35	/////
	Insurance claims paid	0.21	0.01	0.24	
	Unallocated premium	-	(0.01)		(0.01
Hercules Hoists Ltd.	Fixed deposits accepted	13.50	(13.50)	3.00	(3.00
	Fixed deposits repaid	3,00	 		//////
	Interest paid on fixed deposits	0.29	/ ///// //		
	Interest accrued on fixed deposits	1.27	(1.27)	0.03	(0.03
Maharashtra Scooters Ltd.	Business support services received	0.08	(////// //	/////	/////
/////////////////////////////////////		++++++	/ ////// /-	///// /	/ //////

Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions between the related parties. In other cases, disclosure has been made only when there have been transactions with those parties.

Related parties as defined under clause 3 of the Accounting Standard 18 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company.

Notes to consolidated financial statements for the year ended 31 March 2015 (Contd.)

35 Deferred taxes

	(₹ In Cro
	As at 31 March
Particulars	2015 20
Liabilities	39.59 33.
Assets	285.78 194.
Net	(246.19) (160.6

36 Disclosure in terms of Schedule III of the Companies Act, 2013

(₹ In Crore)

					(, .,, ,, ,, ,,		
Particulars		Net assets (i.e. total assets minus tota	ıl liabilities)	Share in profit or (loss)			
		As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount		
1,	Parent:						
<u> </u>	Bajaj Finserv Ltd.	23.35%	2,560.29	7.45%	125.93		
2.	Subsidiaries (Indian):						
	Bajaj Allianz General Insurance Company Ltd.	20.30%	2,225.49	33.28%	562.32		
	Bajaj Allianz Life Insurance Company Ltd.	61.56%	6,749.00	51.85%	876.21		
$\overline{//}$	Bajaj Finance Ltd.	44.86%	4,918.82	53.14%	897.88		
//	Bajaj Financial Holdings Ltd.	0.02%	2.48	 	(0.02)		
//	(Less): Minority interests in all subsidiaries	(38.54%)	(4,225.54)	(42.57%)	(719.38)		
<u> </u>	(Less): Inter-company eliminations	(11.61%)	(1,272.46)	(3.22%)	(54.37)		
3.	Joint ventures (as per proportionate consolidation method) (Indian):						
	Bajaj Allianz Financial Distributors Ltd.	0.07%	7.76	0.07%	1.22		
	(Less): Inter-company eliminations	(0.01%)	(1.20)		<u> </u>		
To	tal	100.00%	10,964.64	100.00%	1,689.79		
				7 / / / / / / / / / / / / / / / / / /			

37 Previous year figures

Previous year figures have been regrouped wherever necessary to make them comparable with those of the current year.

38 Miscellaneous

₹1 crore is equal to ₹10 million.

In terms of our report of even date

For Dalal & Shah

Firm Registration Number: 102021W

Chartered Accountants

Russell I Parera Partner

Membership Number: 42190

Pune: 20 May 2015

S Sreenivasan Chief Financial Officer

Sonal R Tiwari Company Secretary On behalf of the Board of Directors

Rahul Bajaj Chairman

Sanjiv Bajaj Managing Director

Nanoo Pamnani Chairman - Audit Committee

Salient features of the financial statements of subsidiaries for the year ended 31 March 2015

Form AOC-1:

In accordance with section 129(3) of the Companies Act, 2013, the salient features of the financial statements of subsidiaries is given below:

Part A: Subsidiaries

(₹ In Crore)

<u> </u>	Particulars	Bajaj Allianz General Insurance Co. Ltd.	Bajaj Allianz Life Insurance Co. Ltd.	Bajaj Finance Ltd. (Consolidated)	Bajaj Financial Holdings Ltd.*
a	Reporting period for the subsidiary	1 April 2014 to 31 March 2015	1 April 2014 to 31 March 2015	1 April 2014 to 31 March 2015	7 February 2014 to 31 March 2015
Ь	Paid up share capital	110.23	150.71	50.00	2.50
c	Reserves and surplus	2,115.26	6,598.29	4,749.71	(0.02)
d	Total assets	2,225.49	43,615.83	32,811.33	2.49
e	Total liabilities	2,225.49	43,615.83	32,811.33	2.49
f	Investments	7,006.93	7,186.62	326.29	2.40
g	Turnover/Operating result	784.66	651.97	5,418.28	0.02
	Transfer from policyholders' account	 	487.89	 	
h	Profit before tax	777.02	1,006.69	1,356.95	(0.01)
i	Provision for tax	214.70	130.48	459.07	0.01
j	Profit after tax	562.32	876.21	897.88	(0.02)
k	Proposed dividend	 	 	90.27	-
1	% of shareholding	74.00%	74.00%	61.53%	100.00%
/-		 /			

^{*} The Company was incorporated on 7 February 2014. The first financial statements of the Company are prepared for the period from 7 February 2014 to 31 March 2015.

Name of subsidiary sold during the year:

Bajaj Financial Solutions Ltd. (together with its subsidiary Bajaj Financial Securities Ltd.)

On 1 November 2014, Bajaj Finserv Ltd. transferred by way of sale, its wholly-owned subsidiary viz. Bajaj Financial Solutions Ltd. together with its wholly-owned subsidiary, to Bajaj Finance Ltd., also a subsidiary of the Company, to carry on, through the former the business of Housing Finance. Subsequently, Bajaj Financial Solutions Ltd. is renamed as Bajaj Housing Finance Ltd.

Salient features of the financial statements of subsidiaries for the year ended 31 March 2015 (Contd.)

Part B: Joint venture

Pune: 20 May 2015

(₹ In Crore)

Pa	rticulars	Bajaj Allianz Financial Distributors Ltd. (Consolidated)*
a	Latest audited Balance Sheet date	31 March 2015
Ь	Shares of joint venture held by the Company on the year end	
	- Number	1,200,000
	- Amount of investment in joint venture	1.20
7	- Extent of holding %	50.00%
c	Description of how there is significant influence	By way of shareholding
d	Reason why associate/joint venture is not consolidated	N.A.
e	Net worth attributable to shareholding as per latest audited Balance Sheet	7.76
f	Profit/(loss) for the year	
	- Considered in consolidation	2.43
	- Not considered in consolidation	

^{*} The consolidated financial results of Bajaj Allianz Financial Distributors Ltd. include 100% interest in Bajaj Allianz Staffing Solutions Ltd.

S Sreenivasan Chief Financial Officer

Sonal R Tiwari Company Secretary On behalf of the Board of Directors

Rahul Bajaj Chairman

Sanjiv Bajaj Managing Director

Nanoo Pamnani Chairman - Audit Committee

Standalone Financial Statements

Independent Auditors' Report on the Standalone Financial Statements

To the Members of Bajaj Finserv Ltd.

1. We have audited the accompanying standalone financial statements of Bajaj Finserv Ltd. ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

- 3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
- 4. We have taken into account the provisions of the Act and the Rules made thereunder including the Accounting Standards and matters which are required to be included in the audit report.
- 5. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
- 7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its profit and its cash flows for the year ended on that date.



Independent Auditors' Report on the Standalone Financial Statements (Contd.)

Report on other legal and regulatory requirements

- 9. As required by 'the Companies (Auditors' Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the 'Order'), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 10. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditors' Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at 31 March 2015, on its financial position in its standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31 March 2015.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2015.

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

Russell I Parera Partner Membership Number: 42190 Pune: 20 May 2015

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Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Bajaj Finserv Ltd. on the standalone financial statements as of and for the year ended 31 March 2015

- 1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- 2. The Company is in the business of wind power generation and investment, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to the Company.
- 3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- 4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of windmill units. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- 5. The Company has not accepted any deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- 6. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax and sales tax as at 31 March 2015 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Income Tax	Additional demand on the basis of assessment order received.	0.26	AY-2009-10	CIT(A)
Income Tax	Additional demand on the basis of assessment order received.	26.97	AY-2011-12	CIT(A)
Income Tax	Additional demand on the basis of assessment order received.	12.76	AY-2012-13	CIT(A)
Sales Tax	Additional demand on the basis of assessment order received.	0.29	2008-09	DCST
Sales Tax	Additional demand on the basis of assessment order received.	0.04	2009-10	JCST
Sales Tax	Additional demand on the basis of assessment order received.	0.39	2010-11	JCST
Sales Tax	Additional demand on the basis of assessment order received.	0.03	2011-12	DCST
/////////////	/ ////////////////////////////////////	////////	/ / / / / / / / / / / / / / / / /	/ / ////////////



Annexure to Independent Auditors' Report (Contd.)

- c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the Rules made thereunder.
- 8. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 9. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the Balance Sheet date, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- 10. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company
- 11. The Company has not raised any term loans. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- 12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

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

Russell I Parera Partner Membership Number: 42190 Pune: 20 May 2015

Balance Sheet

(₹ In Crore)

		As at 31 N	March	
Particulars	Note No.	2015	2014	
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	3	79.56	79.56	
Reserves and surplus	4	2,480.73	2,383.49	
		2,560.29	2,463.05	
Non-current liabilities				
Deferred tax liabilities (net)	5	11.36	10.46	
Other long-term liabilities	6		1.87	
Long-term provisions	1	5.98	3.45	
		17.34	15.78	
Current liabilities				
Trade payables	8	2.10	1.52	
Other current liabilities	8	8.52	5.20	
Short-term provisions	1////	51.76	51.54	
		62.38	58.26	
Total		2,640.01	2,537.09	
ASSETS				
Non-current assets				
Fixed assets				
Tangible assets	9	75.11	70.32	
Capital work-in-progress		0.76	0.59	
		75.87	70.91	
Non-current investments	10	1,800.77	2,200.36	
Long-term loans and advances	11	30.98	26.93	
		1,907.62	2,298.20	
Current assets				
Current investments	10	712.82	226.29	
Trade receivables	12	3.74	0.70	
Cash and bank balances	14	3.37	7.59	
Short-term loans and advances	11	1.00	0.50	
Other current assets	13	11,46	3.81	
		732.39	238.89	
Total		2,640.01	2,537.09	
Summary of significant accounting policies followed by the Company	2			

The accompanying notes are an integral part of the financial statements $% \left(1\right) =\left(1\right) \left(1\right) \left($

In terms of our report of even date

For Dalal & Shah

Firm Registration Number: 102021W

Chartered Accountants

Russell I Parera Partner

Membership Number: 42190 Pune: 20 May 2015 S Sreenivasan Chief Financial Officer

Sonal R Tiwari Company Secretary On behalf of the Board of Directors

Rahul Bajaj Chairman

Sanjiv Bajaj Managing Director

Nanoo Pamnani Chairman - Audit Committee

Statement of Profit and Loss

(₹ In Crore)

	For the year ended 3		d 31 March
Particulars	Note No.	2015	2014
Revenue from operations	15	200.24	144.49
Other income	16	11.42	12.8
Total revenue		211.66	157.30
Expenses:			
Employee benefits expense	17	16.63	15.19
Depreciation and amortisation		2.54	1.30
Other expenses	18	34.39	35.30
Total expenses		53.56	51.79
Profit before tax		158.10	105.51
Tax expense			
Current tax		30.73	20.36
Deferred tax		1.44	1.64
Total tax expense		32.17	22.00
Profit after tax		125.93	83.51
Tax (debits)/credits pertaining to earlier years			(0.12)
Profit for the year		125.93	83.39
Basic and diluted Earnings per share (In ₹)	19	7.9	5.2
(Nominal value per share ₹5)			
Summary of significant accounting policies followed by the Company The accompanying notes are an integral part of the financial statements	2		

For Dalal & Shah

Firm Registration Number: 102021W

In terms of our report of even date

Chartered Accountants

Russell I Parera Partner

Membership Number: 42190 Pune: 20 May 2015

S Sreenivasan Chief Financial Officer

Sonal R Tiwari Company Secretary

On behalf of the Board of Directors Rahul Bajaj Chairman

Sanjiv Bajaj Managing Director

Nanoo Pamnani Chairman - Audit Committee

Cash Flow Statement

				(₹ In Crore)
<u>,</u>	//////////	or the year ended	+ + + + + + + + + + + + + + + + + + +	
articulars	2015		2014	
Operating activities				
Profit before tax		158.10		105.51
Adjustments:				
Add:				
i) Depreciation and amortisation	2.54		1.30	
ii) Loss on sale of assets	0.02		0.08	
iii) Amortisation of premium/discount on acquisition of fixed income securities	(11.72)		(6.53)	
		(9.16)		(5.15)
Less:				
i) Profit on sale of investments, net	74.70		10.37	
ii) Surplus on redemption of securities, net	0.01		///// / //	
iii) Profit on sale of subsidiary	5.00			
		79.71		10.37
		69.23		89.99
Change in assets and liabilities				
i) Trade receivables	(3.04)		0.93	
ii) Loans and advances and other assets	(8.42)		12.05	
iii) Other bank balances	(0.04)		(0.01)	
iv) Liabilities and provisions	4.60		1.01	
		(6.90)		13.98
(Purchase)/sale of money market mutual funds, etc., net *		10.60		9.44
Net cash from operating activities before income tax		72.93		113.41
Income tax refund/paid for earlier years (net)		<u> </u>		(5.28)
Income tax paid		(34.37)		(23.94)
Net cash from operating activities		38.56		84.19
Carried forward		38.56		84.19

Cash Flow Statement (Contd.)

(₹ In Crore)

	For the year ended 31 March			
Particulars	2015		2014	
Brought forward		38.56		84.19
I. Investing activities				
i) Capital expenditure	(9.12)		(2.46)	
ii) Sales proceeds of assets	0.04		0.07	
iii) Sale of subsidiary*	17.00			
iv) Investment in subsidiary*			(2.50)	
v) Sale of other current and long-term investments*	873.49		301.25	
vi) Purchase of other current and long-term investments*	(896.60)		(351.22)	
Net cash from investing activities		(15.19)		(54.86)
II. Financing activities				
i) Dividend paid	(27.81)		(23.86)	
ii) Rights issue proceeds (net of expenses)	0.18		<u>-</u>	
Net cash from financing activities		(27.63)		(23.86)
Net change in cash and cash equivalents		(4.26)		5.47
Cash and cash equivalents as at 1 April 2014		7.39		1.92
[Opening balance]				
Cash and cash equivalents as at 31 March 2015		3.13		7.39
[Closing balance]				
		///// / //		///// ,

^{*} As Company is an investment company, dividend received and interest earned are considered as part of cash flow from operating activities. Purchase and sale of investment has been classified into operating and investing activity based on the intention of Management at the time of purchase of securities

In terms of our report of even date

For Dalal & Shah

Firm Registration Number: 102021W

Chartered Accountants

Russell I Parera Partner

Membership Number: 42190 Pune: 20 May 2015

S Sreenivasan Chief Financial Officer

Sonal R Tiwari Company Secretary On behalf of the Board of Directors

Rahul Bajaj Chairman

Sanjiv Bajaj Managing Director

Nanoo Pamnani Chairman - Audit Committee

Notes to financial statements for the year ended 31 March 2015

1 The Company is primarily engaged in the business of promoting financial services such as finance, insurance, wealth management etc. through its investments in subsidiaries and joint ventures. The Company is also engaged in the business of generating power through wind turbines, a renewable source of energy. Since investments dominated the composition of assets and revenue, the Company was registered on 30 October 2009 by RBI as a Non-Banking Financial Institution (Non-Deposit taking). However, the Company has obtained an exemption from RBI vide its letter dated 8 March 2010 on the compliance with the norms in respect 'concentration of investments' prescribed in para 18(1) of the Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. The said exemption has been renewed for one more year upto 31 March 2015 vide its letter dated 8 July 2014.

2 Summary of significant accounting policies followed by the Company

Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended], other relevant provisions of the Companies Act, 2013 and the RBI quidelines/regulations to the extent applicable.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Companies Act, 2013.

1) System of accounting

- i) The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties.
- ii) Financial statements are prepared under the historical cost convention. These costs are not adjusted to reflect the impact of changing value in the purchasing power of money.
- iii) Estimates and assumptions used in the preparation of the financial statements and disclosures are based upon Management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

2) Revenue recognition

a) Income

The Company recognises income (including rent etc.) on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

- 1) Income from debentures and bonds is accrued over the maturity of the security, net of amortisation of premium/discount, thereby recognising the implicit yield to maturity, with reference to the coupon dates, where applicable. However, income is accrued only where interest is serviced regularly and is not in arrears, as per the applicable prudential norms prescribed for NBFCs by RBI to the extent applicable to the Company and the quidelines framed by the Management.
- 2) Dividend is accrued in the year in which it is declared whereby a right to receive is established.
- 3) Profit/loss on sale of investments is recognised on the contract date.

2 Summary of significant accounting policies followed by the Company (Contd.)

b) Wind-farm income

Income from windpower generation is recognised on acceptance by Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) of units generated and after giving allowance for wheeling and transmission losses. Simultaneously, relevant entitlements for generating green energy are recognised to the extent the ultimate collection is reasonably certain.

3) Fixed assets and depreciation

A. Tangible assets

- i) Tangible assets except land are carried at cost of acquisition, construction or at manufacturing cost, as the case may be, less accumulated depreciation and amortisation. Land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition for its expected use.
- ii) Land and buildings acquired/constructed, not intended to be used in the operations of the Company are categorised as investment property under Investments and not as Fixed assets.

B. Depreciation and amortisation

- (a) Leasehold land
 Premium on leasehold land is amortised over the period of lease.
- (b) On other tangible assets
 - (i) a. From the current year, depreciation is provided on a pro rata basis on the straight line method over the useful lives of the assets as against the past practice of computing depreciation at rates with reference to the life of assets subject to the minimum of rates provided by Schedule XIV of the Companies Act, 1956.
 - b. Useful life of assets are determined by the Management by internal technical assessments.
 - (ii) Assets which are depreciated over useful life/residual value different than those indicated by Schedule II are as under:

Asset class having residual value at ₹1 Computers Furniture Office equipment Electric fittings

- (iii) Depreciation on additions is being provided on pro rata basis from the month of such additions.
- (iv) Depreciation on assets sold, discarded or demolished during the year is being provided at their rates upto the month in which such assets are sold, discarded or demolished.

C. Impairment of assets

An assessment is done at each Balance Sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/Cash Generating Unit (CGU) is made. Where the carrying value of the asset/CGU exceeds the recoverable amount, the carrying value is written down to the recoverable amount.

2 Summary of significant accounting policies followed by the Company (Contd.)

4) Investments

- a) Current investments representing fixed income securities with a maturity less than 1 year and those intended to be held for a period less than 1 year from the date on which the investment is made are stated at cost adjusted for amortisation and diminution with reference to realisable value, as necessary.
- b) Fixed income securities, other than current, are carried at cost, less amortisation of premium/discount, as the case may be, and provision for diminution, if any, as considered necessary.
- c) Investments other than fixed income securities (Eg. equity, mutual funds etc.) are valued at cost of acquisition, less provision for diminution as considered necessary where they are intended to be held for a long-term, else current investments are valued at lower of cost or realisable value.
- d) Investments with maturity of less than 3 months from the date of acquisition are classified as cash and cash equivalents.
- e) Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments.
- f) The Management has laid out guidelines for the purpose of assessing likely impairments in investments and for making provisions based on given criteria. Appropriate provisions are accordingly made, which in the opinion of the Management are considered adequate and also considering the prudential norms specified by RBI, applicable to the Company in this behalf.

5) Employee benefits

a) Privilege leave entitlements

Privilege leave entitlements are recognised as a liability, in the calendar year of rendering of service, as per the rules of the Company. As accumulated leave can be availed and/or encashed at any time during the tenure of employment the liability is recognised at the actuarially determined value by an appointed actuary.

b) Gratuity

Payment for present liability of future payment of gratuity is being made to approved gratuity fund, which fully covers the same under Cash Accumulation Policy and Debt fund of the Life Insurance Corporation of India (LIC) and Bajaj Allianz Life Insurance Company Ltd. (BALIC). However, any deficit in plan assets managed by LIC and BALIC as compared to the actuarial liability is recognised as a liability.

c) Superannuation

Defined contribution to superannuation fund is being made as per the scheme of the Company.

- d) Defined provident fund contribution is made to Government Provident Fund Authority.
- e) Defined contribution to Employees Pension Scheme 1995 is made to Government Provident Fund Authority.

f) Long-term incentive plan

The Company's liability towards long-term incentive plan being defined benefit plan is accounted for on the basis of an independent actuarial valuation.



2 Summary of significant accounting policies followed by the Company (Contd.)

6) Taxation

- a) Provision for tax is made for the current accounting period (reporting period) on the basis of the taxable profits computed in accordance with the Income Tax Act, 1961. Excess/short provisions and interest thereon are recognised only on completion of assessment or where adjustments made by the Assessing Officer are disputed, on receiving the 'Order Giving Effect' to the tax determined by the CIT (Appeals) and thereafter on final settlement of further disputes.
- b) MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.
- c) Deferred tax resulting from timing difference between book profits and taxable profits are accounted for to the extent deferred tax liabilities are expected to crystalise with reasonable certainty. However, in case of deferred tax assets (representing unabsorbed depreciation or carried forward losses) are recognised, if and only if there is virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realised. Deferred tax is recognised on adjustments to revenue reserves to the extent the adjustments are allowable as deductions in determination of taxable income and they would reverse out in future periods.

7) Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

8) Operating leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease.

As a lessor

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

9) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes to financial statements for the year ended 31 March 2015 (Contd.)

3 Share capital

		(₹ In Crore)
	As at 31 M	arch
Particulars	2015	2014
Authorised:		100.00
200,000,000 equity shares of ₹5 each	100.00	100.00
Issued, subscribed and fully paid-up shares: 159,125,184 (159,122,352) equity shares of ₹ 5 each	79.56	79.56
	79.56	79.56
		7777

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

As at 31 March 2015		As at 31 March 2014	
Nos.	₹ In Crore	Nos.	₹ In Crore
159,122,352	79.56	159,122,352	79.56
2,832		<u> </u>	<u> </u>
159,125,184	79.56	159,122,352	79.56
	159,122,352 2,832	Nos. ₹ In Crore 159,122,352 79.56 2,832	Nos. ₹ In Crore Nos. 159,122,352 79.56 159,122,352 2,832 -

b. Further, of the above

- i. 101,183,510 equity shares were allotted as fully paid up pursuant to the scheme of arrangement for demerger of erstwhile Bajaj Auto Ltd. (now Bajaj Holdings & Investment Ltd.) by the Company on 3 April 2008.
- ii. 1,805,071 equity shares thereof are deemed to be issued by way of Euro Equity Issue represented by Global Depository Receipts (GDR) evidencing Global Depository Shares outstanding on the record date. Outstanding GDRs at the close of the year were 41,132 (41,132)

c. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

d. Details of shareholders holding more than 5% shares in the Company

	As at 31 Ma	As at 31 March 2015		As at 31 March 2014	
	Nos.	% Holding	Nos.	% Holding	
₹ 5 each fully paid					
it Ltd.	62,314,214	39.16%	62,314,214	39.16%	
	15,110,824	9.50%	15,106,424	9.49%	
	<u> </u>	/			

e. Shares reserved for issue at a subsequent date

26,677 (29,509) equity shares of ₹5 each offered by way of right in an earlier year, have been held in abeyance pending adjudication of title and subscription thereafter.

3 Share capital (Contd.)

f. Utilisation of funds raised on issue of equity shares

	As at 31 Ma	arch
Particulars	2015	2014
Amount receivable from rights issue - as per letter of offer	940.44	940.44
Less: Amount not received on shares kept in abeyance	1,73	1.92
Amount received from rights issue - (A)	938.71	938.52
Deployment of rights issue proceeds:		
(a) Investment in Bajaj Finance Ltd conversion of warrants	63.96	63.96
(b) Investment in Bajaj Finance Ltd subscription to rights issue	478.67	478.67
(c) Share issue expenses	3.16	3.16
(d) General corporate purposes - investment in mutual funds	185,55	185.36
Total deployment of rights issue proceeds - (B)	731,34	731.15
Balance amount to be utilised (A - B)	207.37	207.37
Interim utilisation of balance rights issue proceeds:		
(a) Investment in debentures	//////////////////////////////////////	101.02
(b) Investment in money market instruments and mutual funds	207.37	106.35
Total	207.37	207.37

Notes to financial statements for the year ended 31 March 2015 (Contd.)

4 Reserves and surplus

		(₹ In Crore)
	As at 31 M	larch
nce as at the beginning of the year Received during the year Ing balance Perve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 Ince as at the beginning of the year Transferred from surplus in Statement of Profit and Loss Ing balance Peral reserve Ince as at the beginning of the year Transferred from surplus in Statement of Profit and Loss Ing balance Pollus in the Statement of Profit and Loss Ince as at the beginning of the year Transitional adjustments to carrying value of tangible assets whose revised useful life expired, net of deferred tax aggregating ₹ 0.54 crore [See note 9] It for the year	2015	2014
Securities premium account		
Balance as at the beginning of the year	928.29	928.29
Add: Received during the year	0.18	///// -
Closing balance	928.47	928.29
Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934		
Balance as at the beginning of the year	94.91	78.23
Add: Transferred from surplus in Statement of Profit and Loss	25.19	16.68
Closing balance	120.10	94.91
General reserve		
Balance as at the beginning of the year	1,168.24	1,159.90
Add: Transferred from surplus in Statement of Profit and Loss	12.59	8.34
Closing balance	1,180.83	1,168.24
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	192.05	161.53
Less: Transitional adjustments to carrying value of tangible assets whose revised useful life has expired, net of deferred tax aggregating ₹ 0.54 crore [See note 9]	1.02	
Profit for the year	125.93	83.39
Less: Appropriations		
Transfer to Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	25.19	16.68
Transfer to General reserve	12.59	8.34
Proposed dividend	27.85	27.85
Total appropriations	65.63	52.87
Balance in the Statement of Profit and Loss	251.33	192.05
	2,480.73	2,383.49

5 Deferred tax liabilities (net)

		(₹ In Crore)
	As at 31 Mai	ch
Particulars	2015	2014
Deferred tax liability		
On account of timing difference in		
Depreciation	10.99	10.73
Adjustment of carrying value of tangible assets against retained earnings	(0.54)	///// /
Amortisation of discount on acquisition of fixed income securities	2.13	0.64
Gross deferred tax liability	12.58	11.37
Deferred tax asset		
On account of timing difference in		
Provision for privilege leave etc.	0.22	0.19
Adjustments on account of gratuity provisions	1.00	0.72
Gross deferred tax asset	1.22	0.91
	11.36	10.46

6 Other long-term liabilities

 Particulars
 As at 31 March

 Security deposits
 2015
 2014

 1.87

 1.87

7 Provisions

(₹ In Crore) Long-term Short-term As at 31 March As at 31 March **Particulars** 2015 2014 2015 2014 Provision for employee benefits [See note 24] Provision for gratuity 2.90 2.12 Provision for compensated absences 0.63 0.55 Provision for long-term incentive plan 3.08 1.33 5.98 3.45 0.63 0.55 Other provisions Provision for tax (net of tax paid in advance) 23.28 23.14 Proposed dividend* 27.85 27.85 51.13 50.99 5.98 3.45 51.76 51.54

^{*} Dividend per equity share proposed and recognised as distribution to equity shareholders, for the year ended 31 March 2015 and 2014 amounts to ₹ 1.75 for both the years.

Notes to financial statements for the year ended 31 March 2015 (Contd.)

8 Current liabilities

		(₹ In Crore)
	As at 31 Mai	rch
Particulars	2015	2014
Trade payables		
her than dues to micro and small enterprises*	2.10	1.52
	2.10	1.52
Other current liabilities		
Security deposits	1.87	//// /
Unclaimed dividend	0.24	0.20
Directors' remuneration and commission payable	3.18	2.69
Employee benefits payable	2.25	1.94
Taxes payable	0.42	0.27
Other payables	0.56	0.10
	8.52	5.20
	10.62	6.72

^{*} In absence of any information on earlier requests to the vendors with regards to their registration (filing of Memorandum) under 'The Micro, Small and Medium Enterprises Development Act, 2006. (27 of 2006)' and in view of the terms of payments not exceeding 45 days, which has been promptly paid, no liability exists at the close of the year and hence no disclosures have been made in this regard.

Fixed assets (tangible assets)

		Gross block (a)			Gross block (a	Gross block (a)	ck (a) Depreciati				Depreciation			epreciation			ock
Particulars	As at 31 Mar 14	Additions	Deductions/ adjustments	As at 31 Mar 15	As at 31 Mar 14	Adjustments	Deductions	For the year (a)	As at 31 Mar 15	As at 31 Mar 15	As at 31 Mar 14						
Land freehold (c)	10.76	8.19		18.95				<u> </u>		18.95	10.76						
Buildings (b)	46.19	//// /	///// /	46.19	5.96	1,47	/////- /	0.70	8.13	38.06	40.23						
Computers	0.99	0.10	0.01	1.08	0.76	0.06	///// //	0.17	0.99	0.09	0.23						
Electric fittings	0.47	////// /	/////- //	0.47	0.09	/////- /	/////= /	0.06	0.15	0.32	0.38						
Furniture	1.56	////- /	/////- //	1.56	0.47	/////- /	//// - //	0.19	0.66	0.90	1.09						
Office equipment	1.54	0.18	7////- //	1,72	0.39	0.03	///// //	1.05	1.47	0.25	1.15						
Vehicles	2.77	0.48	0.10	3.15	0.48	/////- /	0.05	0.37	0.80	2.35	2.29						
Wind energy generators	283.72	//// - /	77777- /	283.72	269.53	/////		////- /	269.53	14.19	14.19						
Total	348.00	8.95	0.11	356,84	277.68	1.56	0.05	2.54	281.73	75.11	70.32						
Previous year total	346.17	2.14	0.31	348.00	276.54		0.16	1.30	277.68	70.32							

⁽a) Refer note 2 clause 3) A. and B. of summary of significant accounting policies.

⁽b) Includes office premises given on lease ₹ 8.25 crore, depreciation for the year ₹ 0.13 crore (previous year ₹ 0.13 crore), accumulated depreciation ₹ 2.10 crore (previous year ₹ 1.97 crore), net block ₹ 6.15 crore (previous year ₹ 6.28 crore).

⁽c) Includes proportionate ownership in land consequent to acquisition of office premises under a Deed of Apartment, at an attributed cost of ₹ 2.94 crore and cost of shares therein ₹ 2000.

⁽d) Consequent to the enactment of the Companies Act, 2013(the Act) and its applicability for accounting periods commencing after 1 April 2014, the Company has re-worked depreciation with reference to the estimated economic lives of fixed assets in the manner prescribed by Schedule II to the Act as against past practice of providing at the minimum of rates prescribed in Schedule XIV of the Companies Act, 1956. In case of any asset whose useful life has completed at the beginning of the year, the carrying value, net of residual value, as at 1 April 2014 has been adjusted to the retained earnings and in other cases the carrying value has been depreciated over the remaining of the revised life of the assets and recognised in the Statement of Profit and Loss. Depreciation Adjustments as disclosed above includes ₹ 1.56 crore adjusted against retained earnings. As a result of this change, the charge of depreciation in Statement of Profit and Loss is higher by ₹ 1.15 crore.



10 Investments

		Non-current	portion	Current mate	(₹ In Crore) urities
		As at 31 M	larch	As at 31 Ma	ırch
Particulars		2015	2014	2015	2014
(A) Long-term I	nvestments:				
///////////	l Equity Shares:				
Trade:	requiry sincies:				
	diary Company:				
Quoted:					
	Shares of ₹10 each in Bajaj Finance Ltd.	1,502.62	1,502.62		
Unquote	ıd:				
111,524,660	Shares of ₹10 each in Bajaj Allianz Life Insurance Co. Ltd.	111.52	111.52	///// / ///	
81,568,165	Shares of ₹10 each in Bajaj Allianz General Insurance Co. Ltd.	81.57	81.57		<u>, </u>
2,500,000	Shares of ₹ 10 each in Bajaj Financial Holdings Ltd.	2.50	2.50		///// ₂
<u> </u>	(39,000,000) Shares of ₹10 each in Bajaj Financial Solutions Ltd.		39.00		
	Less: Provision for diminution in the value of investment	 	27.00	///// / //	
		/////- /	12.00	/////- ///	
		195.59	207.59	///// / ///	///// -
In Joint V	Venture:				
Unquote	/////////////////////////////////////				
1,200,000	Shares of ₹10 each in Bajaj Allianz Financial Distributors Ltd.	1.20	1.20	<u> </u>	
In Bonds an	d Debentures:				
Fully pai	d:				
Others					
Quoted:					
////// /	(100) 8.75% Axis Bank Ltd. of ₹1,000,000 each		10.51		
////// /	(50) 10.10% Axis Bank Ltd. of ₹1,000,000 each		5.59		///// /
250	(-) 9% Bajaj Finance Ltd. of ₹ 1,000,000 each	25.00			
500	(-) 9.58% Bajaj Finance Ltd. of ₹1,000,000 each	50.89		<u> </u>	
250	(-) 9.66% Bajaj Finance Ltd. of ₹1,000,000 each	25.51		<u> </u>	
	(250) 10.75% Bharat Forge Ltd. of ₹1,000,000 each	<u> </u>	<u> </u>	<u> </u>	19.95
	(600) Zero Percent Housing Development Finance Corporation Ltd. of ₹ 1,000,000 each		61.92		
	(100) 9.56% LIC Housing Finance Ltd. of ₹1,000,000 each	<u> </u>	10.83		<u>/////</u>
	Carried over	101.40	88.85		19.95
	Carried over	1,699.41	1,711.41		

Notes to financial statements for the year ended 31 March 2015 (Contd.)

10 Investments (Contd.)

		Non-current	portion	Current matu	(₹ In Crore) I rities
		As at 31 M	arch	As at 31 Ma	rch
ticulars		2015	2014	2015	2014
	Brought over	1,699.41	1,711.41	<u> </u>	
In Bonds and Debenture	s: (Contd.)				
Fully paid: (Contd.)					
Others: (Contd.)					
Quoted: (Contd.)		<u> </u>	<u> </u>		
	Brought over	101.40	88.85	<u> </u>	19.95
- (50) 9.57% L	C Housing Finance Ltd. of ₹1,000,000 each	<u> </u>	5.13	<u> </u>	<u> </u>
- (50) 9.70% L	IC Housing Finance Ltd. of ₹1,000,000 each		5.40		
- (250) 9.80%	LIC Housing Finance Ltd. of ₹1,000,000 each				26.84
	ercent Mahindra & Mahindra Financial of ₹1,000,000 each	<u> </u>	<u> </u>	<u> </u>	8.22
- (150) 8.50% of ₹ 1,000,00	Power Finance Corporation Ltd. 0 each	<u>- </u>	<u> </u>	<u> </u>	16.0
- (50) 8.78% P of ₹1,000,00	ower Finance Corporation Ltd. 0 each	<u>-</u>	5.39	<u>-</u>	<u> </u>
- (100) 8.95% of ₹1,000,00	Power Finance Corporation Ltd. 0 each	<u> </u>	<u> </u>	<u> </u>	10.63
- (50) Zero Per of ₹1,000,00	cent Sundaram Finance Ltd. 0 each	<u> </u>		<u> </u>	4.06
- (100) 9.99%	Sundaram Finance Ltd. of ₹1,000,000 each		10.48		///// ,
- (100) 9.30%	Tata Sons Ltd. of ₹1,000,000 each	///// - //	10.11		///// ,
		101.40	125.36	<u> </u>	85.7
Less: Amortis	sation of premium/(discount) on acquisition	0.04	(6.92)	 	1.56
		101.36	132.28		84.15
In Mutual Fund Units:					
Unquoted:					
- (15,000,000) (Series 55)	Units of Axis Fixed Term Plan Direct Growth	<u> </u>	15.00	<u> </u>	<u> </u>
- (4,867,384.17	7)Birla Sunlife Income Plus-Direct Growth		25.60		
- (25,000,000) (Series GA)	Birla Sun Life Fixed Term Plan Growth	<u> </u>	<u> </u>		25.00
- (25,000,000) Growth (Seri	DSP Blackrock Fixed Maturity Plan Direct es 153)		<u> </u>	<u> </u>	25.00
- (30,000,000) (Series 47/52	DWS Fixed Maturity Plan Direct Growth	<u> </u>	30.00	<u> </u>	
6,750,000 (50,000,000) (Series 29)	HDFC Fixed Maturity Plan Direct Growth		50.00	6.75	<u> </u>
	Carried over		120.60	6.75	50.00
	Carried over	1,800.77	1,843.69		84.15
		/////////		<u>, , , , , , , , , , , , , , , , , , , </u>	



10 Investments (Contd.)

		Non-current portion		Current matu	(₹ In Crore) urities	
		As at 31 M	arch	As at 31 March		
articulars		2015	2014	2015	2014	
	Brought over	1,800.77	1,843.69		84.15	
In Mutual Fi	und Units: (Contd.)	1,800.77	1,043.03		04.1.	
	ed: (Contd.)		////// /			
Onquote	Brought over		120.60	6.75	50.00	
13,500,000			120.00	0.,3	30.00	
.3,300,000	(Series 72[Plan L/S])		40.00	13.50	///// <u>-</u>	
18,700,000	(25,000,000) IDFC FTP Series 70 Direct Plan- Growth		25.00	18.70	///// <u>-</u>	
///// -	(20,130,757.644) IDFC-Dynamic Bond Fund-Growth (Plan B)		26.86			
///// -	(7,921,779.646) Kotak Bond Scheme Growth (Plan A)		25.98	///// / ///	///// <u>-</u>	
<u> </u>	(10,000,000) Kotak Fixed Maturity Plan Growth (Series 145)		10.00	<u> </u>	<u> </u>	
3,000,000	(20,000,000) L&T Fixed Maturity Plan Growth (Series 10[Plan H])	<u> </u>	20.00	3.00	<u> </u>	
4,500,000	(10,000,000) Reliance Fixed Horizon Fund Plan Growth (Plan XXV[Series 21])	<u> </u>	10.00	4.50	<u> </u>	
	(1,196,525.343) Reliance Dynamic Bond Fund-Growth	<u> </u>	1.80		///// <u>-</u>	
	(16,010,451.623) Reliance Dynamic Bond Fund -Direct -Growth	<u> </u>	25.00	<u> </u>	<u> </u>	
	(20,000,000) Religare Invesco Fixed Maturity Plan Direct (Series 23[Plan F])	<u>-</u>	<u> </u>	<u> </u>	20.00	
	(18,804,803.981) SBI Dynamic Bond Fund-Growth	 	26.43	<u> </u>	///// :	
8,000,000	(25,000,000) Tata Fixed Maturity Plan Growth (Series 46[Plan M/Q])	<u> </u>	25.00	8.00	<u> </u>	
			356.67	54.45	70.00	
otal (A)		1,800.77	2,200.36	54.45	154.15	
3) Current Inve	estments:					
In Certificat	e of Deposit:					
Unquote	d:					
2,500	(-) Certificate of Deposit of ₹100,000 each of Axis Bank Ltd 08-03-2016	<u> </u>	<u> </u>	23.04	///// <u></u>	
2,500	(-) Certificate of Deposit of ₹100,000 each of Axis Bank Ltd 26-06-2015			23.95		
2,500	(-) Certificate of Deposit of ₹100,000 each of Axis Bank Ltd 28-10-2015			23.32		
2,500	(-) Certificate of Deposit of ₹100,000 each of Axis Bank Ltd 30-10-2015			23.31		
	(2,500) Certificate of Deposit of ₹ 100,000 each of Canara Bank - 12-03-2015		<u> </u>	<u> </u>	22.77	
	Carried over			93.62	22.77	

Notes to financial statements for the year ended 31 March 2015 (Contd.)

10 Investments (Contd.)

		Non-current p	ortion	Current mate	(₹ In Crore) Jrities
		As at 31 March		As at 31 March	
Particulars		2015	2014	2015	2014
R) Current Inv	estments: (Contd.)				
/ 	e of Deposit: (Contd.)		///// //		
	ed: (Contd.)		///// //		
Oliquott	Brought over		///// /	93.62	22.77
2,500	(-) Certificate of Deposit of ₹ 100,000 each of Canara Bank - 01-03-2016	<u> </u>	<u> </u>	23.02	
7,500	(-) Certificate of Deposit of ₹ 100,000 each of Canara Bank - 17-02-2016		<u> </u>	68.96	
2,500	(-) Certificate of Deposit of ₹ 100,000 each of Corporation Bank - 11-03-2016	<u> </u>	<u> </u>	23.05	
7,500	(-) Certificate of Deposit of ₹100,000 each of Corporation Bank - 11-12-2015	<u> </u>	<u> </u>	69.18	<u> </u>
5,000	(-) Certificate of Deposit of ₹100,000 each of Export-Import Bank of India - 16-03-2016			46.08	<u> </u>
2,500	(-) Certificate of Deposit of ₹100,000 each of IDBI Bank Ltd 02-03-2016			23.01	
5,000	(-) Certificate of Deposit of ₹ 100,000 each of IDBI Bank Ltd 15-02-2016		<u> </u>	45.93	
7,500	(-) Certificate of Deposit of ₹100,000 each of Indian Bank - 09-03-2016	<u> </u>	<u> </u>	69.17	
5,000	(-) Certificate of Deposit of ₹ 100,000 each of Oriental Bank Of Commerce - 12-02-2016	<u> </u>	<u> </u>	45.99	
2,500	(-) Certificate of Deposit of ₹ 100,000 each of Oriental Bank Of Commerce - 17-02-2016			22.97	
2,500	(-) Certificate of Deposit of ₹ 100,000 each of Punjab National Bank - 21-03-2016	<u> </u>		23.08	
2,500	(-) Certificate of Deposit of ₹ 100,000 each of State Bank of Patiala - 23-03-2016	<u> </u>	<u> </u>	23,11	
			<u> </u>	577.17	22.7
	Less: Amortisation of premium/(discount) on acquisition			(5.92)	(0.10
			<u> </u>	583.09	22.83
In Commerc	ial Paper:				
Unquote	ed:				
500	(-) Commercial Paper of ₹500,000 each of Housing Development Finance Corporation Ltd. 364D - 10-03-2016			22.99	
1,000	(-) Commercial Paper of ₹500,000 each of Small Industries Development Bank of India 364D - 16-03-2016			46.05	
			<u> </u>	69.04	
	Less: Amortisation of premium/(discount) on acquisition			(0.24)	
		//// /// ///		69.28	
	Carried over			652.37	22.87

10 Investments (Contd.)

(₹ In Crore)

	Non-current	portion	Current mate	ırities
	As at 31 N	larch	As at 31 Ma	rch
Particulars	2015	2014	2015	2014
Brought over	-	<u> </u>	652.37	22.87
In Mutual Fund Units:				
Unquoted:				
- (6,328,881.03) Birla Sunlife Short-term Fund-Growth	///// / //	///// - //	<u> </u>	26.52
- (72,551.3286) L&T Liquid Fund Direct Plan- Growth		///// / //		12.75
- (7,210,949.105) SBI Short-term Debt Fund- Direct Plan -Growth	<u> </u>		<u> </u>	10.00
27,226 (–) Tata Money Market Fund Direct Growth			6.00	///// /
			6.00	49.27
Total (B)	<u> </u>	<u> </u>	658.37	72.14
Total (A+B)	1,800.77	2,200.36	712.82	226.29
				<u> </u>
Aggregate provision for diminution in value of investments	<u> </u>	27.00		

(₹ In Crore)

	As at 31 March		Market value As at 31 March	
//////////////////////////////////////				
Particulars	2015	2014	2015	2014
Quoted	1,603.98	1,719.05	12,779.28	5,740.77
Unquoted	909.61	707.60		
Total	2,513.59	2,426.65	7//////////////////////////////////////	////////

Notes to Investments

- 1 Quoted investments for which quotations are not available, if any, have been included in market value at the face value/paid up value, whichever is lower, except in case of Debentures and Bonds, where the Net Present Value at current yield to maturity have been considered.
- 2 Investments made by the Company other than those with a maturity of less than one year, are intended to be held for long-term, hence diminutions in the value of quoted investments are considered to be of a temporary nature. On an assessment of the non-performing investments (quoted and unquoted) and keeping in mind the relevant provisioning norms applicable to the Company as a NBFC and the guidelines adopted by the Management, no provision has been determined during the year ended 31 March 2015.
- 3 Refer note 2 clause 4 for accounting policy and valuation principles for investments.

Notes to financial statements for the year ended 31 March 2015 (Contd.)

11 Loans and advances

(Unsecured, good, unless stated otherwise)

				(₹ In Crore)
	Long-term As at 31 March		Short-term As at 31 March	
Particulars	2015	2014	2015	2014
Capital advances	0.11	 	<u> </u>	
Security deposits	4,28	4.36	//// / ///	//// - /
Loan and advances to related parties [See note 26]	<u> </u>	//// - ///	0.66	0.29
Other loans and advances				
VAT refund receivable	1.57	1.31		
CENVAT credit receivable				0.01
Advance income tax (net of provision for tax)	9.29	5.51	0.01	0.01
MAT credit entitlement	15,70	15.70		//// / /
Others	0.03	0.05	0.33	0.19
	26.59	22.57	0.34	0.21
	30.98	26.93	1.00	0.50
· 	/////////////////////////////////////	' 	' / / / / / / / / / / / / / / / / / / /	////// /

12 Trade receivables

(Unsecured, considered good, unless stated otherwise)

			(₹ In Crore)
Non-curre	ent	Current	
As at 31 March		As at 31 March	
2015	2014	2015	2014
<u> </u>			
		3.74	0.70
		3.74	0.70
	As at 31 Ma 2015	2015 2014	As at 31 March

13 Other assets

(Unsecured, good, unless stated otherwise)

			(₹ In Crore)	
Non-curre	ent	Current		
As at 31 Ma	arch	As at 31 Mai	rch	
2015	2014	2015	2014	
<u> </u>	<u> </u>	5.85	3.80	
<u> </u>	 	0.01	0.01	
	 	5.60		
		11.46	3.81	
	As at 31 Ma 2015		As at 31 March 2015 2014 2015 5.85 0.01 - 5.60	

14 Cash and bank balances

		Non-current As at 31 March		(₹ In Crore)	
	Non-curre			Current	
	As at 31 Ma			rch	
Particulars	2015	2014	2015	2014	
Cash and cash equivalents					
Balances with banks					
In current accounts		<u> </u>	3.04	7.39	
Cash equivalents					
Cheques/drafts on hand			0.09	77777	
	- -	//// - ///	3.13	7.39	
Other bank balances					
Unclaimed dividend accounts	<u> </u>	 	0.24	0.20	
		<u> </u>	3.37	7.59	
	'		<u> </u>	 /	

15 Revenue from operations

	For the year ended	d 31 March
Particulars	2015	2014
Windfarm activity:		
Income from power generation	44.98	59.88
Income from Renewable Energy Certificates (REC)*	5.33	0.56
	50.31	60.44
Investment activity:		
Interest:		
Interest income on		
Long-term investments	9.13	20.87
Amortisation of (premium)/discount on acquisition of fixed income securities on		
Long-term investments	3,49	1.55
Current investments	8.23	4.98
	20.85	27.40
Other financial services:		
Dividend income on Investment in subsidiaries	49.37	46.28
Profit on sale of subsidiary	5,00	///// ·
Profit on sale of investments, net #	74.70	10.37
Surplus on redemption of securities, net #	0.01	
	149.93	84.05
	200.24	144.49

^{*} Due to the sudden drop in the demand for Renewable Energy Certificates (RECs) on the energy exchange from the financial year 2013-14, considerable uncertainty has emerged over the ultimate recoverability of this 'Green Initiative' incentive. Hence in accordance with the accounting policy followed by the Company, revenue from RECs is recognised only to the extent of reasonable certainty and the uncertain portion is deferred for recognition as and when collected.

Including on current investments ₹ 11.94 crore (previous year ₹ 4.27 crore)

Notes to financial statements for the year ended 31 March 2015 (Contd.)

16 Other income

2015	2014
	/////

	For the year ended .	31 March
Particulars	2015	2014
Interest - others	0.53	0.56
Rent	1.87	1.87
Business support service	8.72	9.18
Miscellaneous receipts	0.07	0.61
Provision no longer required	0.23	0.59
	11.42	12.81
		

17 Employee benefits expense

(₹ In Crore)

(₹ In Crore)

	For the year ended	331 March
Particulars	2015	2014
Salaries, wages and bonus to employees	10.89	9.98
Remuneration to whole-time director	3.74	3.36
Contribution to provident and other funds	1.83	1.66
Staff welfare expenses	0.17	0.19
	16.63	15.19

18 Other expenses

	For the year ended 31 M		
Particulars	2015	2014	
Rent	0.06	0.06	
Repairs to buildings	2.73	0.93	
Repairs to machinery - windmill	7.87	7.87	
Repairs to others	0.16	0.08	
Energy generation expenses	9.31	13.81	
REC registration, issuance and brokerage charges	0.22	0.38	
Rates and taxes	0.64	0.60	
Insurance	0.28	0.29	
Payment to auditor	0.29	0.17	
Directors' fees and travelling expenses	0.40	0.13	
Commission to non-executive directors	0.38	0.17	
Travelling (including foreign travel) expenses	1.75	1.60	
Business support service expenses	3.56	1.94	
Interest paid on income tax		1.40	
Expenditure towards Corporate Social Responsibility (CSR) activities	1.00	///// /	
Miscellaneous expenses	5.74	5.87	
	34.39	35.30	
	//////////////////////////////////////		



18 Other expenses (Contd.)

		(₹ In Crore)
	For the year en	ded 31 March
Particulars	2015	2014
Payment to auditor		
As auditor:		
Audit fee	0.07	0.07
Tax audit fee	0.02	0.02
Limited review	0.07	0.06
Other services (certification fees and other matters)	0.12	0.02
Reimbursement of expenses (previous year ₹ 12,727)	0.01	
	0.29	0.17
19 Earnings Per Share (EPS)		
	For the year en	ded 31 March
Particulars	2015	2014
Profit for the year (₹ In Crore)	125.93	83.39
Weighted average number of shares outstanding during the year (Nos)	159,123,927	159,122,352
Earnings per share (Basic and Diluted) ₹	7.9	5.2
Face value per share ₹	5.0	5.0
20 Contingent liabilities	As at 31	(₹ In Crore) March
Particulars	2015	2014
a Claims against the Company not acknowledged as debts	8.26	12.23
b Income Tax matters under dispute		
Appeal by Company	27.85	27.85
c Value Added Tax (VAT) matters under dispute	1.64	0.6
21 Capital and other commitments		
		(₹ In Crore
	As at 31	//////
Particulars	2015	2014
Capital commitments, net of capital advances	0.55	0.69
<u> </u>	<u> </u>	/////////

Notes to financial statements for the year ended 31 March 2015 (Contd.)

22 Expenditure in foreign currency (accrual basis)

	For the year ended	(₹ In Crore) d 31 March
Particulars	2015	2014
Travelling expenses	0.06	0.03
Other matters	1.47	1.93
	1.53	1.96

23 Details of windpower generation and turnover

		(₹ In Crore)
	For the year ended	l 31 March
Particulars	2015	2014
Credit for units brought forward from previous year		
In units (In Lakh)	72	78
In value (₹ In Crore)	3.80	4.78
Generated, during the year		
In units (In Lakh)	746	931
Sold, during the year		
In units (In Lakh)	689	937
In value (₹ In Crore)	42.93	60.86
Credits receivable		
In units (In Lakh)	129	72
In value (₹ In Crore)	5.85	3.80

24 Employee benefits

Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (Revised) the details of which are as hereunder.

Funded scheme

	Gratuity		
	As at 31 Ma	irch	
Particulars	2015	2014	
Amount to be recognised in Balance Sheet			
Present value of funded obligations	5.12	3.84	
Fair value of plan assets	(2.22)	(1.72)	
Net liability	2.90	2.12	
Amounts in Balance Sheet			
Liability	2.90	2.12	
Assets			
Net liability	2,90	2.12	



24 Employee benefits (Contd.)

Funded scheme (Contd.)

Particúlars	As at 31 A 2015	7/////
Particulars	// ///////////	/////
Particulars	2015	2014
Expense to be recognised in the Statement of Profit and Loss		
Current service cost	0.20	0.19
Interest on defined benefit obligation	0.20	0.19
Expected return on plan assets	(0.08)	(0.07)
Net actuarial losses/(gains) recognised in year	0.66	0.64
Total, included in 'Employee benefits expense'	1.09	0.96
Actual return on plan assets	0.20	0.13
Reconciliation of benefit obligations and plan assets for the period		
Change in defined benefit obligation		
Opening defined benefit obligation	3.84	2.75
Current service cost	0.20	0.19
Interest cost	0.31	0.20
Actuarial losses/(gains)	0.77	0.70
Closing defined benefit obligation	5.12	3.84
Change in fair value of assets		
Opening fair value of plan assets	1.72	1.31
Expected return on plan assets	0.08	0.07
Actuarial gains/(losses)	0.11	0.06
Contributions by employer	0.31	0.28
Closing fair value of plan assets	2.22	1.72
Expected employer's contribution next year	0.30	0.30
		(₹ In Crore)
	As at 31 March	
Particulars 201	2015	2014
Assets information		
Insurer managed funds 2.2	2 100.00%	100.00%

Notes to financial statements for the year ended 31 March 2015 (Contd.)

24 Employee benefits (Contd.)

Funded scheme (Contd.)

(₹ In Crore)

	Year ended 31 March				
Particulars	2011	2012	2013	2014	2015
Experience adjustments					
Defined benefit obligation	1.87	2.34	2.75	3.84	5.12
Plan assets	0.74	1.00	1.31	1.72	2.22
Surplus/(deficit)	(1.13)	(1.34)	(1.44)	(2.12)	(2.90)
Exp. adj. on plan liabilities	0.49	0.32		0.51	0.20
Exp. adj. on plan assets	0.03	0.03	0.04	0.06	0.11

(₹ In Crore)

As at 31 Ma	\arch	
2015	2014	
7.90%	9.35%	
7.50%	7.50%	
10.00%	10.00%	
10.00%	10.00%	
	7.90% 7.50% 10.00%	

Unfunded scheme

	As at 31 N	March 2015	As at 31 N	March 2014
Particulars	Compensated absences	Long-term incentive plan	Compensated absences	Long-term incentive plan
Present value of unfunded obligations	0.63	3.08	0.55	1.33
Expense recognised in the Statement of Profit and Loss	0,21	1,75	0.30	0.65
Discount rate (p.a.)	7.90%	7.90%	9.35%	9.35%
Salary escalation rate (p.a.) - senior staff	10.00%		10.00%	
Salary escalation rate (p.a.) - junior staff	10.00%		10.00%	

24 Employee benefits (Contd.)

Amount recognised in the Statement of Profit and Loss

(₹ In Crore)

	As at 31 Mai	rch
Particulars	2015	2014
Defined contribution plans:		
Provident fund paid to Government authorities	0.45	0.44
Superannuation paid to Trust	0.27	0.25
Pension fund paid to Government authorities	0.02	0.01
Others [₹ 12,801 (Previous year ₹ 9,073)]		
Defined benefit plans:		
Gratuity	1.09	0.96
Others [₹ 18,670 (Previous year ₹ 36,096)]		
	1.83	1.66
		/ / / / / / /

25 Segment information

Segment information based on consolidated financial statements is given in note 33 to consolidated financial statements.

The Company has disclosed the business segments as primary reporting segment on the basis that risks and returns are primarily determined by the nature of products and services. Consequently, geographical segment has been considered as a secondary segment.

The business segments have been identified on the basis of the nature of products and services, the risks and returns and internal performance reporting systems.

The business segments comprise the following:

- i. Insurance
- ii. Windmill
- iii. Retail financing
- iv. Investments and others

26 Disclosure of transactions with related parties as required by the Accounting Standard 18

//			201	14-15	201	13-14
Nan	ne of related party and Nature of relationship	Nature of transaction	Transaction value	Outstanding amounts carried in Balance Sheet		Outstanding amounts carried
A.	Holding company, subsidiaries and fellow subsi	diary:				
	Bajaj Allianz General Insurance Co. Ltd. (74 % shares held by Bajaj Finserv Ltd.)	Contribution to equity (81,568,165 shares of ₹ 10 each)		81.57		81.5
2	Held by Bajaj Hilselv Etd.)	Rent received	1.87	81.37	1.87	01.3
$\frac{1}{2}$		Deposit received		(1.87)	1.07	(1.87
7		Insurance premium paid	0.33	0.52	0.36	0.2
	Bajaj Allianz Life Insurance Co. Ltd.					/////
_	(74 % shares held by Bajaj Finserv Ltd.)	Contribution to equity (111,524,660 shares of ₹ 10 each)	<u> </u>	111.52		111.5
4		Revenue expenses reimbursed	///////	0.14		
	Bajaj Finance Ltd. (BFL) (61.53% shares held by Bajaj Finserv Ltd.)	Contribution to equity (30,856,613 shares of ₹ 10 each)		1,502.62		1,502.6
		Investment in non convertible debentures	////// -	100.00		
		Dividend received	49.37		46.28	
		Business support services received	0,16		///// -	
		Business support services rendered	6.18		6.94	
/		Sale of shares of Bajaj Financial Solutions Ltd. to BFL	17.00			
/	Bajaj Financial Holdings Ltd. (Fully owned subsidiary)	Contribution to equity (2,500,000 shares of ₹ 10 each)	<u> </u>	2.50	2.50	2.50
7		Expenses incurred on behalf			0.03	
	Bajaj Financial Solutions Ltd. (Now Bajaj Housing Finance Ltd.) (Fellow Subsidiary)	Contribution to/(sale of) equity (Previous year 39,000,000 shares of ₹ 10 each)	(39.00)		///// -	39.00
		Business support services rendered	 		0.02	
/	Bajaj Financial Securities Ltd. (Fellow Subsidiary)	Business support services rendered			0.01	
В.	Associates, joint ventures and investing parties:					
7	Bajaj Holdings & Investment Ltd. (investing party)	Purchase of shares by BHIL (62,314,214 shares of ₹ 5 each)	<u> </u>	(31.16)	/////-	(31.16
		Dividend paid	10.90		9.35	//////
7		Business support services received	0.12	////// /	0.11	//////
		Business support services rendered	1,79	/////- //	1.57	
		Income tax cross-adjustment paid to BHIL	\ 		7.24	
/		Interest paid on income tax cross-adjustment	<u> </u>	/////- //	1.25	//////
		Sale of investments to BHIL	34.97	//////- //	/////-	
7	Bajaj Allianz Financial Distributors Ltd. (a joint venture - 50% shares held by Bajaj Finserv Ltd.)	Contribution to equity (1,200,000 shares of ₹ 10 each)	<u> </u>	1.20		1.20
		Services received	0.36	(0.03)	0.32	(0.03
4	Individuals controlling voting power/exercising	significant influence and their relatives:	/////////////////////////////////////	 		
7	Rahul Bajaj (Chairman)	Sitting fees	0.04	\ \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	0.02	
$\overline{/}$		Commission	0.04	(0.04)	0.02	(0.02
7	Madhur Bajaj	Sitting fees	0.03	 	0.01	
/		Commission	0.03	(0.03)	0.02	(0.02
7	Rajiv Bajaj	Sitting fees	0.03	(////// /	0.01	
		Commission	0.03	(0.03)	0.02	(0.02
	Sanjiv Bajaj (Managing Director) (Also Key management personnel)	Remuneration	1.37		1.24	
7		Commission	2.81	(2.81)	2.52	(2.52)
	Shekhar Bajaj	Nil	<u> </u>	////// / /	///// -	//////
Z	Niraj Bajaj	Nil				
\angle	May management acceptable in the second	Included in 1/1 above		<u> </u>	//////	<u> </u>
D	Key management personnel and their relatives	: included in 'C above	<u> </u>	/ ////// /		/ //////

26 Disclosure of transactions with related parties as required by the Accounting Standard 18 (Contd.)

	<u> </u>	_///////	//////////////////////////////////////		(VIII CIOIC)
		201	4-15	201	3-14
Name of related party and Nature of relationship	Nature of transaction	Transaction value	Outstanding amounts carried in Balance Sheet	Transaction value	Outstanding amounts carried in Balance Sheet
E. Enterprises over which anyone in (c) and (d) o	exercises significant influence:				
Bajaj Autó Ltd.	Sale of windpower	1.67	///// /	27.83	//////-
	CSS recovery reimbursed	0.26	///// //	2.20	
	Business support services received	2.90	/////- //	1.62	//////
	Business support services rendered	0.61	//////- //	0.52	/////// -
	Aviation charges paid	0.54	////// /	0.93	////// -
	Sale of investments to BAL	151.45	//////- //	///// - /	////// -
Bajaj Electricals Ltd.	Purchases		//////- //	777777	////// -
Bajaj Auto Holdings Ltd.	Purchase of shares by BAHL (209,005 shares of ₹ 5 each)	0,10	(0.10)	/////- /	//////
Bajaj International Pvt. Ltd.	Other credits	/////// /	777777 7	0.01	///////
Hind Musafir Agency Ltd.	Services received	0.20	///// /	0.12	(0.04)
Hindustan Housing Co. Ltd.	Services received (₹ Nil, Previous year - ₹ 196)	////// - ,	<i></i>	///// - /	777777 ,
Mukand Ltd.	Sale of windpower	40.15	3.74	19.61	0,41
	CSS recovery and other charges reimbursed	2,61	//////- //	2.11	////// ,
	Rent and other expenses paid	0.06	/////// /	0.06	///////
	Security deposit paid	<u> </u>	4.00	/////- /	4.00
	Interest received	0.52	////// //	0.56	777777,

Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions between the related parties. In other cases, disclosure has been made only when there have been transactions with those parties.

Related parties as defined under clause 3 of the Accounting Standard 18 'Related Party Disclosures' have been identified based on representations made by key managerial personnel and information available with the Company.

27 Lease

As a lessor:

The Company has given a premise on operating leases. This lease arrangement is for a period of 3 years and is a cancellable lease. This lease agreement is renewable for further period on mutually agreeable terms and also include escalation clauses.

(₹ In Crore)

Ac at 21 March

		As at 31 Ma	rcn
Pa	reciation for the year Imulated depreciation	2015	
i)	Office premises:		
	Gross carrying amount	8.25	8.25
7	Depreciation for the year	0.13	0.13
7	Accumulated depreciation	2.10	1.97
ii)	The total future minimum lease rentals receivable at the Balance Sheet date is as under:		
	Receivable		
	Within one year	0.78	1.87
7	After one year but not more than five years		0.78
7	More than five years	 	///// /
		0.78	2.65

Notes to financial statements for the year ended 31 March 2015 (Contd.)

27 Lease (Contd.)

As a lessee:

Company has taken a premise on operating leases. This lease arrangement is for a period of 3 years and is a cancellable lease. This lease agreement is renewable for further period on mutually agreeable terms and also include escalation clauses.

(₹ In Crore)

	As at 31 March	
rticulars	2015	2014
The total future minimum lease rentals payable at the Balance Sheet date is as under:		
Payable		
Within one year	0.03	0.06
After one year but not more than five years	 	0.03
More than five years		77777 7
	0.03	0.09
	// / ////////////////////////////////	/////

28 Schedule to Balance Sheet as at 31 March 2015

Balance Sheet of a Non Deposit taking Non-Banking Financial Company

(As required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(₹ In Lakh)

Liabilities side	Amount outstanding	Amount overdue
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures: secured	 	//////-
: /unsecured	 	///// /
(Other than falling within the meaning of public deposit*)	//////- //	
(b) Deferred credits	//////- //	7/////
(c) Term loans	 	///// /
(d) Inter-corporate loans and borrowings	//////- //	
(e) Commercial paper	//////- //	///// /
(f) Other loans (specify nature)	///////- //	///// /

^{*} Please see note 1 below



28 Schedule to Balance Sheet as at 31 March 2015 (Contd.)

	(₹ In Lakh) Amount
Asset side	outstanding
/5V parally 1/2 / 2 / 2 / 2 / 2 / 2 / 2 / 2 / 2 / 2	
(2) Break-up of loans and advances including bills receivables (other than those included in (4) below)	
(a) Secured	-
(b) Unsecured	3,198
(Comprises advance income tax paid, capital advances and miscellaneous dues)	
(3) Break up of leased assets and stock on hire and other assets counting towards AFC activities	
(i) Lease assets including lease rentals under sundry debtors	
(a) Financial lease	
(b) Operating lease	//////// /
(ii) Stock on hire including hire charges under sundry debtors	
(a) Assets on hire	<u> </u>
(b) Repossessed assets	<u> </u>
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	
(b) Loans other than (a) above	<u> </u>
(4) Break up of investments	
Current investments	
(i) Shares: (a) Equity	
(b) Preference	////////////// /
(ii) Debentures and bonds	
(iii) Units of mutual funds	//////////////////////////////////////
(iv) Government securities	
(v) Others	
2. Unquoted:	
(i) Shares: (a) Equity	
(b) Preference	
(ii) Debentures and bonds	
(iii) Units of mutual funds	600
(iv) Government securities	//////////////////////////////////////
(v) Others: (a) Certificate of deposit	58,309
(b) Commercial paper	6,928
Long-term investments	
1. Quoted	
(i) Shares: (a) Equity	150,262
(b) Preference	/////////////////////////////////////
(ii) Debentures and bonds	10,136
(iii) Units of mutual funds	
(iv) Government securities	/////////////////////////////////////
(v) Others (please specify)	/// / ////// /

28 Schedule to Balance Sheet as at 31 March 2015 (Contd.)

(₹ In Lakh)

Asset side	Amount outstanding
2. Unquoted:	
(i) Shares: (a) Equity	19,679
(b) Preference	Nil
(ii) Debentures and bonds	Nil
(iii) Units of mutual funds	5,445
(iv) Government securities	Nil
(v) Others (please specify)	Nil
otal	251,359

(5) Borrower group-wise classifications of assets financed as in (2) and (3) above: (Please see note (2) below)

Amount net of provisions

	//////////////////////////////////////	7oont not of provisions		
Category	Secured	Unsecured	Total	
1. Related parties**				
(a) Subsidiaries		66	66	
(b) Companies in the same group		 	-	
(c) Other related parties		400	400	
2. Other than related parties		2,732	2,732	
otal		3,198	3,198	
	, , , , , , , , , , , , , , , , , , , 			

(6) Investor group wise classification of all investments (current and long-term) in shares and securities (both quoted and unqouted) Please see Note 3 below.

Categ	ory	Market value/break up or fair value or NAV	Book value (net of provisions)
1.	Related Parties **		
	(a) Subsidiaries		
	- Quoted (disclosed at market value)	1,277,928	160,398
	- Unquoted (disclosed at break up value)	660,487	19,559
	(b) Companies in the same group	766	120
	(c) Other related parties	<u> </u>	
2.	Other than related parties		
	Unquoted @	71,877	71,282
	Quoted (disclosed at market value)		-
Total		2,011,058	251,359
////		//////////////////////////////////////	<i></i>

^{**} As per Accounting Standard of ICAI (Please see Note 3)

[@] Investments in equity shares are disclosed at break up value and investments in mutual funds are disclosed at fund value.

The break up values are computed based on latest available consolidated financial statements/reports.

The investments in non-performing investments are disclosed at book value net of provisions.

28 Schedule to Balance Sheet as at 31 March 2015 (Contd.)

(7) Other information

(₹ In Lakh)

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debt	Nil
	, , , , , , , , , , , , , , , , , , ,

Notes:

- 1. As defined in paragraph 2(1)(xii) of the Non Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2. Provisioning norms shall be applicable as prescribed In Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- 3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long-term or current in (4) above.

(8) Investments

(₹ In Lakh)

	As at 31 M	arch
rțiculars	2015	2014
(1) Value of investments		
(i) Gross value of investments		
(a) In India	251,359	245,365
(b) Outside India		///// <u>-</u>
(ii) Provisions for depreciation		
(a) In India		2,700
(b) Outside India		
(iii) Net value of investments		
(a) In India	251,359	242,665
(b) Outside India	 	///// -
(2) Movement of provisions held towards depreciation on investments.		
(i) Opening balance	2,700	2,700
(ii) Add: Provisions made during the year		
(iii) Less: Write-off/write-back of excess provisions during the year	2,700	7//// -
(iv) Closing balance	//////////////////////////////////////	2,700

28 Schedule to Balance Sheet as at 31 March 2015 (Contd.)

(9) Provisions and contingencies

(₹ In Lakh)

	As at 31 March	
Break up of 'Provisions and Contingencies' shown under the head expenditure in Profit and Loss Account	2015	2014
(i) Provisions for depreciation on investment.		
(ii) Provision towards NPA	////// / ///	/////
(iii) Provision made towards income tax	3,217	2,200
(iv) Other provision and contingencies	 	//// - /
(v) Provision for standard assets	<u> </u>	////-
, , , , , , , , , , , , , , , , , , , 	- 	-/-/-/- /

(10) CRAR

	As at 31 March	
<u>Items</u>	2015	2014
(i) CRAR %	202%	96%
(ii) CRAR - Tier I capital (%)	202%	96%
(iii) CRAR - Tier II capital (%)	0%	0%
(iv) Amount of subordinated debt raised as Tier-II capital		-
(v) Amount raised by issue of Perpetual Debt Instruments		

(11) Exposures

11.1 Exposures to real estate sector

(₹ In Lakh)

		Narch
Category	2015	2014
(a) Direct exposure	///// / //	///// /
(i) Residential mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by borrower or that is rented: (Individual housing loans upto ₹ 15 lakh may be shown sepera		<u> </u>
(Ii) Commercial real estate -		
Lending secured by mortgages on commercial real estate (office building, retail space, multipurpose commercial premises,multi-family residential buildings, multitenanted commercials, industrial or warehouse space, hotels, land acquisition, development and construction construction would also include non-fund based (NFB) limits		
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -	<u> </u>	///// <u>-</u>
(a) Residential	<u> </u>	///// /
(b) Commercial real estate		
(b) Indirect exposure		11,689
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		11,689

28 Schedule to Balance Sheet as at 31 March 2015 (Contd.)

11.2 Exposures to capital market

(₹ In Lakh)

		As at 31 March	
Cate	egory	2015	2014
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	150,262	150,262
(ii)	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs),convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	<u>-</u>	<u> </u>
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	<u> </u>	<u> </u>
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances;		<u> </u>
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	<u> </u>	<u>-</u>
(vi)	Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	<u> </u>	<u> </u>
(vii)	Bridge loans to companies against expected equity flows/issues;		
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)		
Tota	ol exposure to capital market	150,262	150,262
+	, , , , , , , , , , , , , , , , , , , 	' 	/ / / / / / / /

(12) Asset Liability Management

(₹ In Lakh)

Maturity pattern of certain items of assets and liabilities

Particulars	1 day to 30/31 days (1 month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities		<u> </u>	<u> </u>	<u> </u>			<u> </u>	<u> </u>	<u> </u>
Borrowings from banks	/////- /	/////- /	///// /			/////- //		<u> </u>	
Market borrowings	/////- /			77777- 1	 	<u> </u>	 		7///-
Foreign currency liabilities			/////- /	/////- /				//// - //	////- /
Assets	5,070	975	2,450		62,787	///// - //	10,136	169,941	251,359
Deposits	/////- /			77777 - ,	///// - //	///// <u>-</u> /		///// / //	7//// /
Advances	///// /	/////- /	/////- /	/////- /	////// //			77777 - 77	/////- /
Investments	5,070	975	2,450		62,787	///// - //	10,136	169,941	251,359
Foreign currency assets		///// - /	77777,	77777 - 7		/////- /			7//// - /

28 Schedule to Balance Sheet as at 31 March 2015 (Contd.)

(13) Miscellaneous disclosures

- a) Registration obtained from other financial sector regulators: Apart from RBI, Company is also governed by SEBI and MCA.
- b) Disclosure of penalties imposed by RBI and other regulators:

 During previous year, no penalty was imposed by RBI or other regulators.
- Related party transactions:
 Please refer note 26 for details of related party transactions.
- d) Ratings assigned by credit rating agencies and migration of ratings during the year: Not applicable

Note:

Company is a non-deposit taking/accepting NBFC. It does not carry out lending/securitisation activity. Hence, there are 'Nil' values in respect of following disclosures -

- 1. Derivatives
- Forward rate agreement/Interest rate swap
- Exchange traded interest rate (IR) derivatives
- Qualitative disclosures on risk exposure in derivatives
- Quantitative disclosures on risk exposure in derivatives
- 2. Securitisation
- Disclosures relating to securitised assets etc.
- Details of financial assets sold to securitisation/reconstruction company for asset reconstruction
- Details of assignment transactions undertaken by NBFCs
- Details of non-performing financial assets purchased/sold
- 3. Details of financing of parent company products
- 4. Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC
- 5. Unsecured advances
- 6. Concentration of deposits, advances, exposures and NPAs
 - Concentration of deposits (for deposit taking NBFCs)
 - Concentration of advances
 - Concentration of exposures
 - Concentration of NPAs
 - Sector-wise NPAs
 - Movement of NPAs
- 7. Overseas assets (for those with joint ventures and subsidiaries abroad)
- 8. Off-balance sheet SPVs sponsored
- 9. Disclosure of customer complaints

29 Joint ventures

The Company has the following investment in jointly controlled entity:

	As at 31 March		
Country of			
incorporation	2015	2014	
India	50%	50%	
India	74%	74%	
India	74%	74%	
	India India	Country of incorporation 2015 India 50% India 74%	

^{*}Consolidated as subsidiary

The Company's share of each of the assets, liabilities, income and expenses in the joint venture, based on the audited financial statements are as below:

31	31 March 2014				
BAFDL*	BAGICL	BALICL	BAFDL*	BAGICL	BALICL
-	209.07	168.13	0.04	213.64	189.06
<u> </u>	5,185.13	32,229.79	<u> </u>	4,453.21	28,697.05
3.48	<u> </u>	<u> </u>	3.48	 	
0.10	33.43	<u> </u>	0.12	23.52	///// /
0.04			0.04	 	///// /
4.59	///// / //		4.63		
2.00		///// / //	1.92		///// /
0.36	<u> </u>	///// - //	0.53	///// / /	///// -
1.10	630.35	334.73	0.46	702.30	541.72
0.17	///// / //	///// / //	0.16	///// / //	///// /
<u> </u>	529.38	966.88	///// / //	359.91	847.09
3.31			3.83		
<u> </u>	-	///// - //	0.03		///// -
2.73	-	<u> </u>	3.05	 	///// -
0.01	<u> </u>		0.01	<u> </u>	///// /
2.54	3,276.14	1,128.15	2.66	2,977.89	980.66
2.11	//// / //		2.89		///// /
-	1,664.38	295.67		1,543.11	238.87
<u> </u>	<u> </u>	27,189.38	77777 - 77		24,574.85
<u> </u>	///// / //	92.06	///// - //	///// - //	136.12
	3.48 0.10 0.04 4.59 2.00 0.36 1.10 0.17 - 3.31	- 209.07 - 5,185.13 3.48 - 0.10 33.43 0.04 - 4.59 - 2.00 - 0.36 - 1.10 630.35 0.17 - 529.38 3.31	SAFDL* BAGICL BALICL	BAFDL* BAGICL BALICL BAFDL* - 209.07 168.13 0.04 - 5,185.13 32,229.79 - 3.48 - - 3.48 0.10 33.43 - 0.12 0.04 - - 0.04 4.59 - - 4.63 2.00 - - 1.92 0.36 - - 0.53 1.10 630.35 334.73 0.46 0.17 - - 0.16 - 529.38 966.88 - - 529.38 966.88 - 3.31 - - 3.83 0.03 2.73 7.001 2.54 3,276.14 1,128.15 2.66 2.11 2.89 1,664.38 295.67 27,189.38 27,189.38 27,189.38	BAFDL* BAGICL BALICL BAFDL* BAGICL - 209.07 168.13 0.04 213.64 - 5,185.13 32,229.79 - 4,453.21 3.48 - - 3.48 - 0.10 33.43 - 0.12 23.52 0.04 - - 0.04 - 4.59 - - 4.63 - 2.00 - - 1.92 - 0.36 - - 0.53 - 1.10 630.35 334.73 0.46 702.30 0.17 - - 0.16 - - 529.38 966.88 - 359.91 3.31 - - 0.03 - - - 0.03 - - - 0.03 - - - 0.03 - - - 0.03 -

Notes to financial statements for the year ended 31 March 2015 (Contd.)

29 Joint ventures (Contd.)

(₹ In Crore)

	31	As at 31 March 2014				
Particulars	BAFDL*	BAGICL	BALICL	BAFDL*	BAGICL	BALICI
(c) Income:						
Amounts transferred from the policyholders' account	<u> </u>	<u> </u>	361.04	<u> </u>	<u> </u>	472.93
Revenue from operations	117.02	579.98	482.46	90.73	433.49	399.75
Other income	0.28	0.67		0.23	2.21	<u> </u>
(d) Expenses:						
Employee benefits expense	110.66		 	84.64		///// /
Other expenses	4.86	5.66	98.55	4.04	1.34	12.65
Current and deferred tax	0.58	162.86	96.55	0.67	131.72	101.82
Tax (debits)/credits pertaining to earlier years	0.02	3.98	<u> </u>	(0.13)	<u> </u>	

(e) Share of the Company in the contingent liabilities and commitments has been disclosed in note 30 and 31 to consolidated financial statements.

30 The consolidated financial statements of the Company and its group are attached to these independent financial statements. The details of the group regarding the nature of relationship and the basis of consolidation can be referred to in note 1 to the said consolidated financial statements.

31 Previous year figures

Previous year figures have been regrouped wherever necessary to make them comparable with those of the current year.

32 Miscellaneous

- a. ₹1 crore is equal to ₹10 million.
- b. Amounts less than ₹ 50,000 have been shown at actual against respective line items statutorily required to be disclosed.

In terms of our report of even date

For Dalal & Shah

Firm Registration Number: 102021W

Chartered Accountants

Russell I Parera

Partner

Membership Number: 42190

Pune: 20 May 2015

S Sreenivasan Chief Financial Officer

Sonal R Tiwari Company Secretary On behalf of the Board of Directors

Rahul Bajaj Chairman

Sanjiv Bajaj Managing Director

Nanoo Pamnani Chairman - Audit Committee

^{*} Based on consolidated financials.



Bajaj Finserv Limited Akurdi, Pune - 411 035, India. www.bajajfinserv.in