

BAJAJ FINANCE LIMITED

PRESS RELEASE

Bajaj Finance Limited financial results – 2nd quarter FY18

Bajaj Finance reports Assets Under Management (AUM) of ₹ 72,139 crore and quarterly profit after tax of ₹ 557 crore - A growth of 37% over corresponding quarter of previous year.

The Board of Directors of Bajaj Finance Limited in their meeting held today took on record the Unaudited Financial Results of the Company for the quarter ended 30 September 2017.

Performance Highlights

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

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

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

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Key financial figures

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

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

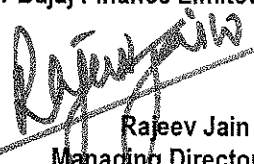
* Includes short term IPO financing book of ₹ 500 crore - adjusted for this the AUM growth of commercial business is 48%.

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

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

Pune
16th Oct 2017

For Bajaj Finance Limited


Rajeev Jain
Managing Director