

# BAJAJ FINANCE LIMITED

SEC/SE/2017/662

14 November 2017

The Manager, BSE Limited DCS - CRD Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Scrip Code:500034	The Manager, Listing Department National Stock Exchange of India Ltd. Exchange Plaza, C-1. Block G, Bandra - Kurla Complex, Bandra (East) Mumbai - 400 051 Scrip Code : BAJFINANCE - EQ
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Dear Sir/Madam,

**Sub: Submission of half-yearly communication sent to shareholders**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of communication letter sent to the shareholders for the half-year ended 30 September 2017.

Kindly take the same on record.

Thanking you,

Yours sincerely,

For **Bajaj Finance Limited**



**Anant Damle**  
Company Secretary

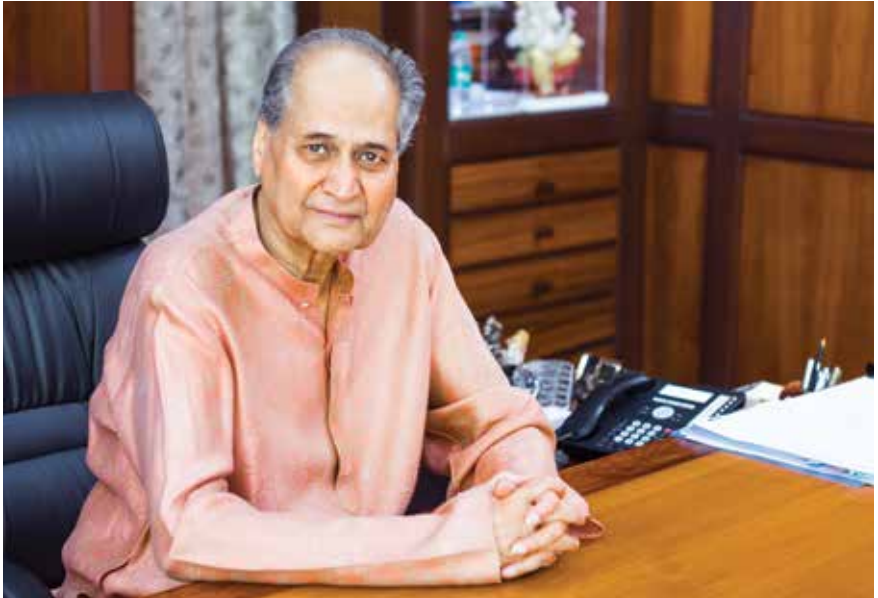


Encl: As above



# **BAJAJ FINANCE LIMITED**

**HALF  
YEARLY  
REPORT  
2017-18**



## Dear Shareholder,

I am pleased to share with you the financial results of your Company for the half year ended 30 September 2017. The Company recorded its **highest ever half yearly profit after tax** in the current half year.

### Highlights of H1 FY18 vs H1 FY17

**New loans booked** during H1 FY18 ↑48% to 7.00 million from 4.72 million in H1 FY17.

**Assets under management** for H1 FY18 ↑38% to ₹ 72,139 crore from ₹ 52,332 crore in H1 FY17.

**Total income** for H1 FY18 ↑35% to ₹ 6,229 crore from ₹ 4,619 crore in H1 FY17.

**Profit after tax** for H1 FY18 ↑39% to ₹ 1,159 crore from ₹ 832 crore in H1 FY17.

**Loan losses and provisions** for H1 FY18 were ₹ 509 crore as against ₹ 342 crore in H1 FY17. The Company continues to provide for loan losses in excess of RBI requirements.

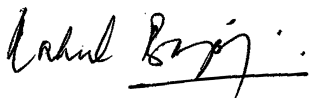
**Gross NPA and Net NPA** as of 30 September 2017 stood at 1.68% and 0.51% respectively with a healthy provisioning coverage ratio of 70%. As required by RBI guidelines, the Company has moved its NPA recognition policy from 4 months overdue to 3 months overdue during the current half year.

**Capital adequacy ratio** (including Tier-II capital) stood at 25.42% as on 30 September 2017. The Company continues to be well capitalized to support its growth trajectory. In September 2017, the Company has raised ₹ 4,500 crore of equity capital through Qualified Institutions Placement (QIP).

During the period, the Company undertook the following initiatives to support its growth:

- Expanded its geographic reach in India from 801 locations in H1 FY17 to 1,031 in H1 FY18.
- Expanded the EMI Network from more than 29,800 stores as of 30 September 2016 to more than 46,000 stores as of 30 September 2017.
- Deposit book stood at ₹ 5,517 crore – contributing 10% of the Company's overall borrowings book.
- Grew customer franchise by 28% from 18.00 million as of 30 September 2016 to 22.99 million as of 30 September 2017.
- Existing Member Identification (EMI) card franchise crossed 10.25 million CIF (Cards In Force) as of 30 September 2017.
- The Company has entered into an agreement with One Mobikwik Systems Private Limited ('Mobikwik') and invested an amount of ₹ 225 crore in the equity shares and cumulative compulsorily convertible preference shares of Mobikwik. The investment has been made to transform customer experience at point of sale and grow Company's B2B businesses.
- The Company has launched digital Existing Member Identification (EMI) card on Bajaj Finserv Wallet App powered by Mobikwik.
- The Company has partnered with MakeMyTrip to offer air travel on EMI through its EMI card. Now Bajaj Finserv EMI cardholders can 'fly on EMI'.
- The Company has allotted 26,627,218 Equity Shares to the eligible Qualified Institutional Buyers at a price of ₹ 1,690 per Equity Share of face value ₹ 2 each (inclusive of premium of ₹ 1,688 per Equity Share) aggregating to ₹ 4,500 crore through QIP.
- The Company received AAA/Stable rating from ICRA in June 2017. The Company now has AAA/Stable rating from CRISIL, ICRA, CARE and India Rating. Ratings of AAA/Stable indicate, according to the ratings methodology of the respective rating agencies, the highest degree of safety with regard to timely payment of financial obligations.
- The Company's operations have been certified with CMMi SVC Level 3 (CMMi for Services) in the current half year. Capability Maturity Model Integration (CMMi) is best practice model for operations which has been developed by Carnegie Mellon University (USA) and administered by CMMi Institute (USA).
- The Company has been ranked as one of the 'Best Company to Work for' in India, for the fifth year in a row by Great Places to Work Institute.

On this happy note, I wish you and your family a very happy and prosperous New Year.



**Rahul Bajaj**

Chairman

16 October 2017

## Highlights of the financial results for H1 FY18

### 1. Summary of financial statements

Particulars	(₹ In Crore)		
	H1 FY18	H1 FY17	FY17
Total income	6,229	4,619	9,989
Interest expenses	2,222	1,839	3,803
Net interest income	4,007	2,780	6,186
Operating expenses	1,717	1,160	2,564
Loan losses and provisions	509	342	804
Profit before tax	1,781	1,278	2,818
Profit after tax	1,159	832	1,837
<b>Earnings per share:</b>			
Basic (₹)	21.06	15.51	34.01
Diluted (₹)	20.84	15.21	33.67

### 2. Key financial figures

Particulars	(₹ In Crore)		
	H1 FY18	H1 FY17	FY17
New loans booked (nos. in million)	7.00	4.72	10.09
Assets under management	72,139	52,332	60,194
Receivables under financing activity	68,614	49,981	56,832

## Bajaj Finance Limited

CIN: L65910MH1987PLC042961

Registered Office: Akurdi, Pune – 411 035

Corporate Office: 4th Floor, Bajaj Finserv Corporate Office,  
Off Pune-Ahmednagar Road, Viman Nagar, Pune – 411 014

Website: [www.bajajfinserv.in/finance](http://www.bajajfinserv.in/finance)