

PRESS RELEASE

Bajaj Finance Limited Results - 1st Quarter FY 13-14

Bajaj Finance reports AUM of ₹ 19,229 crores and the highest ever quarterly profit after tax of ₹ 176 Crores - A growth of 27% 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 1st quarter ended 30 June 2013.

Performance Highlights-Q1

- **Total income for Q1 FY14 ↑ 33% to ₹ 932 Crores from ₹ 703 Crores in Q1 FY13.**
- **Profit after tax for Q1 FY14 ↑ 27% to ₹ 176 Crores from ₹ 139 Crores in Q1 FY13.** Adjusted for the increase in standard assets provision of ₹ 18 Crores, the profit after tax would have been up by 35%.
- **Customers acquired during Q1 FY14 ↑ 29 % to 9,69,447 from 7,52,231 in Q1 FY13.**
- **Deployments during Q1 FY14 ↑ 32% to ₹ 6,250 Crores from ₹ 4,728 Crores in Q1 FY13.**
- **Loan losses and provisions for Q1 FY14 ↑ 46% to ₹ 41 Crores as against ₹ 28 Crores in Q1 FY13.**
- **General provisions on standard assets for Q1 FY14 amounted to ₹ 23 crores as against ₹ 4 crores in Q1 FY13.** Consequent to Reserve Bank of India's proposal, communicated in December 2012, to amend the regulatory framework relating to Non Banking Finance Companies, the Company has applied the recommended changes to the extent they would be applicable for the financial year ending 31st March 2014. Accordingly, the provision on standard assets has been increased to 0.40% of the amount outstanding as on 30th June 2013. As a result, the Company has made an incremental provision aggregating ₹ 18 crores during the quarter.
- **Gross NPA and Net NPA for Q1 FY14 stood at 1.14% and 0.25% respectively.** The provisioning coverage ratio stood at 78% as of 30 June 2013. The Company continues to provide for loan losses in excess of RBI requirements.
- **Capital adequacy ratio (including Tier-II capital) stood at 21.5%.** The Company continues to be well capitalized to support its growth trajectory.

Key financial figures

(₹ in Crores)

Particulars	Q1'14	Q1'13	QoQ	FY 12-13
Customers acquired (nos in '000)	969	752	29%	2808
Assets under Management	19229	14485	33%	17517
Receivables under financing activity	18506	13750	35%	16744
Interest and fee income	932	703	33%	3111
Interest Expenses	331	264	25%	1205
Net Interest Income (NII)	601	439	37%	1906
Operating Expenses	270	201	34%	852
Loan Losses & Provisions	41	28	46%	157
General Provisions on standard assets	23	4	475%	25
Profit before tax	267	206	30%	872
Profit after tax	176	139	27%	591

(₹ in Crores)

Deployments	Q1'14	Q1'13	QoQ	FY 12-13
Consumer	3413	2426	41%	9783
SME	2130	1528	39%	6573
Commercial	707	774	-9%	3011
Total deployments	6250	4728	32%	19367

(₹ in Crores)

Assets Under Management (AUM)	Q1'14	Q1'13	QoQ	FY 12-13
<i>Consumer</i>	8002	5669	41%	7070
<i>SME</i>	9371	6462	45%	8467
<i>Commercial</i>	1856	2354	-21%	1980
Total AUM	19229	14485	33%	17517

Launch of Digital Product financing:

The company added digital product financing as an extension to its consumer electronics financing business.

Launch of Rural Lending:

The company launched its rural financing business in 7 branches and 30 spokes across Maharashtra. The full product suite consisting of consumer electronics financing, gold loans and refinancing loans have been launched in these markets.

Among the top 3 BFSI companies to work for in India:

The company has been ranked as the 3rd Best Financial Service Company to Work For in India by 'Great Place to Work Institute' - Amongst the most prestigious employer awards in India.

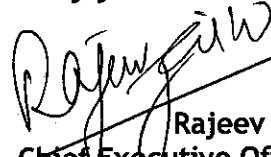
Application for banking licence:

Bajaj Finserv Limited, the holding Company of Bajaj Finance Limited, has submitted its application to Reserve Bank of India on June 26, 2013 for a licence to commence banking business in terms of section 22 of the Banking Companies Act, 1949.

It is proposed to do this by converting its subsidiary Bajaj Finance Ltd. into a Bank in terms of RBI Guidelines for Licensing of New Banks in the Private Sector dated February 22, 2013.

Pune
18 July 2013

For Bajaj Finance Limited


Rajeev Jain
Chief Executive Officer