

SEC/Half year/2014/~~578~~

28 October 2014

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
EXCHANGE PLAZA, C-1, BLOCK G,
BANDRA – KURLA COMPLEX, BANDRA (EAST)
MUMBAI – 400 051

Dear Sir/s,

Scrip Code : BAJFIANCE - EQ
Sub: Half yearly communication

Please find enclosed herewith Chairman's communication to the shareholders of the Company for the half year ended 30 September 2014 for your records.

Thanking you,

Yours faithfully,
FOR BAJAJ FINANCE LIMITED



ANANT DAMLE
COMPANY SECRETARY



Bajaj Finance Limited

Corporate Office: 4th Floor, Bajaj Finserv Corporate Office, Off Pune-Ahmednagar Road,
Viman Nagar, Pune 411014, Maharashtra, India
Registered Office: Mumbai - Pune Road, Akurdi, Pune - 411 035, Maharashtra, India

Tel: +91 20 30405060
Fax: +91 20 30405020
Corporate ID No.:
L65910MH1987PLC042961

www.bajajfinserv.in



Bajaj Finance Limited

Consumer Lending



SME Lending



Commercial Lending

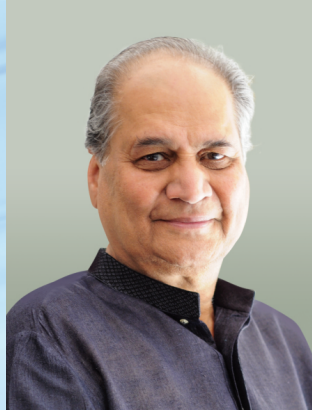


Wealth Management



Dear Shareholder,

I am pleased to share with you the financial results of your Company for the half year ended 30 September 2014. The Company delivered an excellent performance in H1 FY15.



Highlights of H1 FY15 v/s H1 FY14

Assets under management for H1 FY15 ↑ **41%** to ₹ 28,004 crore from ₹ 19,829 crore in H1 FY14.

Customers acquired during H1 FY15 ↑ **34%** to 22.3 lakh from 16.59 lakh in H1 FY14.

Deployments during H1 FY15 ↑ **49%** to ₹ 17,082 crore from ₹ 11,449 crore in H1 FY14.

Total income for H1 FY15 ↑ **31%** to ₹ 2,488 crore from ₹ 1,896 crore in H1 FY14.

Profit after tax for H1 FY15 ↑ **19%** to ₹ 409 crore from ₹ 343 crore in H1 FY14.

Loan losses and provisions for H1 FY15 ↑ **41%** to ₹ 163 crore as against ₹ 116 crore in H1 FY14.

(The Company continues to provide for loan losses in excess of RBI requirements).

Capital adequacy ratio (including Tier-II capital) stood at 19.3% as on 30 September 2014.

The Company continues to be well capitalized to support its growth trajectory.

The Company had an excellent half year aided by strong volume growth in the Consumer and Small & Medium Business Enterprise business lines.

During the period, the Company undertook the following initiatives:

- Expanded its geographic reach in urban India to 126 locations from 114 in Q1 FY15.
- Expanded its rural footprint to 151 rural locations across Maharashtra and Gujarat from a total of 136 rural locations in Q1 of this financial year.
- Added 2 new products to its Digital Grid portfolio – Business Loans and Home Loans.
- Launched Financial Fitness Report - a first of its kind, individual financial counselling tool for its customers.
- Awarded at this year's CIO 100 Awards for the project 'Customer Eye – 360 degree Service CRM'. This is the 2nd time in 3 years that one of the Company's technology capabilities has won a CIO 100 award.
- Rated the 2nd most admired NBFC through an independent research by Fortune India and 3rd best Financial Services company to work for in India by the Great Place To Work (GPTW) institute.

With active governance in New Delhi and improving economic environment, the economy is on the move towards accelerated growth, which is expected to benefit your Company in the second half of the year.

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

Rahul Bajaj

Chairman

14 October 2014

Highlights of the financial results for the half year ended 30 September 2014

1. Summary of financial results

₹ In Crore

Particulars	H1 FY15	H1 FY14	FY14
Funds deployed	17,082	11,449	26,024
Total income	2,488	1,896	4,073
Interest expenses	1,044	713	1,573
Net interest income (NII)	1,444	1,183	2,500
Operating expenses	662	547	1,151
Loan losses & provision	163	116	258
Profit before tax	619	520	1,091
Profit after tax	409	343	719
Earnings per share (₹) for the period (not annualised, before and after extraordinary item)			
Basic (₹)	81.97	69.10	144.79
Diluted (₹)	81.22	68.56	143.65

2. Key financial figures

₹ In Crore

Particulars	H1 FY15	H1 FY14	FY14
Customers acquired (Nos. in '000)	2,230	1,659	3,389
Assets under management	28,004	19,829	24,061
Receivables under financing activity	26,751	18,982	22,971

Bajaj Finance Limited

CIN: L65910MH1987PLC042961

Registered Office: Akurdi, Pune 411 035

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Off Pune-Ahmednagar Road, Viman Nagar, Pune - 411 014

Website: www.bajajfinserv.in/finance