

SEC/BM/2012/583

19 October 2012

**THE MANAGER,
LISTING DEPARTMENT
NATIONAL STOCK EXCHANGE OF INDIA LTD.
EXCHANGE PLAZA, C-1. BLOCK G,
BANDRA - KURLA COMPLEX, BANDRA (EAST),
MUMBAI - 400 051**

Dear Sirs,

Ref.: **BAJFINANCE - EQ**

Enclosed please find :

1. Unaudited Financial Results of the Company for the quarter and half year ended 30 September 2012, which were taken on record by the Board of Directors at its Meeting held on 19 October 2012, pursuant to Clause 41 of the listing agreement.
2. Copy of Limited Review Report of the Statutory Auditors of the Company on the Unaudited Financial Results for the quarter ended 30 September 2012.
3. Copy of Press Release issued by the Company after the aforesaid meeting.

Kindly acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For **BAJAJ FINANCE LIMITED**



**ANANT DAMLE
COMPANY SECRETARY**

Encl.: As above

Bajaj Finance Limited

Corporate Office: 4th Floor, Bajaj Finserv Corporate Office, Off Pune-Ahmednagar Road, Viman Nagar, Pune - 411 014, Maharashtra, INDIA
Registered Office: Mumbai - Pune Road, Akurdi, Pune - 411 035, Maharashtra, INDIA
Tel +91 20 3040 5060 Fax +91 20 3040 5020 www.bajajfinservlending.in

Bajaj Finance Limited

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2012

(₹ In Crores)

Statement of Standalone Unaudited Results for the Quarter and Six Months Ended 30 September 2012

Particulars	Quarter ended 30.09.2012 (Unaudited)	Quarter ended 30.06.2012 (Unaudited)	Quarter ended 30.09.2011 (Unaudited)	Half Year ended 30.09.2012 (Unaudited)	Half Year ended 30.09.2011 (Unaudited)	Year ended 31.03.2012 (Audited)
Funds deployed	4334.17	4727.61	3352.31	9061.78	6939.93	15796.83
1 Income from operations						
(a) Income from operations	685.83	666.99	451.34	1352.82	867.69	1996.26
(b) Other operating income	49.69	34.28	40.34	83.97	73.66	166.76
Total income from operations (net)	735.52	701.27	491.68	1436.79	941.35	2163.02
2 Expenses						
a) Employee benefits expense	59.22	57.55	47.14	116.77	91.45	190.35
b) Depreciation and amortisation expense	3.21	3.10	2.81	6.31	5.00	11.77
c) Loan losses and provisions	53.38	32.02	44.06	85.40	78.27	154.38
d) Marketing and other commissions	40.58	45.49	37.96	86.07	71.80	160.69
e) Recovery costs	29.33	27.80	21.52	57.13	39.50	89.11
f) Other expenses	65.91	67.10	43.60	133.01	87.93	217.21
Total expenses	251.63	233.06	197.39	484.69	373.95	823.51
3 Profit / (Loss) from operations before other income and finance costs (1-2)	483.89	468.21	294.29	952.10	567.40	1339.51
4 Other income	1.14	1.75	1.62	2.89	3.70	8.89
5 Profit / (Loss) from ordinary activities before finance costs (3 + 4)	485.03	469.96	295.91	954.99	571.10	1348.40
6 Finance costs	294.74	263.62	167.03	558.36	307.59	746.18
7 Profit / (Loss) from ordinary activities after finance costs (5 - 6)	190.29	206.34	128.88	396.63	263.51	602.22
8 Tax expense	61.57	67.65	41.51	129.22	85.33	195.78
9 Net Profit / (Loss) from ordinary activities after tax (7 - 8)	128.72	138.69	87.37	267.41	178.18	406.44
10 Extraordinary items	-	-	-	-	-	-
11 Net Profit / (loss) for the period (9 + 10)	128.72	138.69	87.37	267.41	178.18	406.44
12 Paid-up Equity Share Capital (Face Value : ₹10/- per share)	41.39	41.32	36.63	41.39	36.63	41.32
13 Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	1970.93
14 i. Earnings Per Share (before extraordinary items) (of ₹ 10/- each) (not annualised):						
Basic (₹)	31.12	33.57	23.85	64.68	48.64	110.84
Diluted (₹)	30.61	33.20	21.39	63.64	45.98	110.29
ii. Earnings Per Share (after extraordinary items) (of ₹ 10/- each) (not annualised):						
Basic (₹)	31.12	33.57	23.85	64.68	48.64	110.84
Diluted (₹)	30.61	33.20	21.39	63.64	45.98	110.29
15 Public shareholding						
Number of shares	16165907	16090907	16090907	16165907	16090907	16090907
Percentage of shareholding	39.05%	38.94%	43.93%	39.05%	43.93%	38.94%
16 Promoters and Promoter Group shareholding						
a) Pledged / encumbered						
Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of shares (as a % of the total shareholding of Promoters and Promoter Group)	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
b) Non encumbered						
Number of shares	25228169	25228169	20538169	25228169	20538169	25228169
Percentage of shares (as a % of the total shareholding of Promoters and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the Company)	60.95%	61.06%	56.07%	60.95%	56.07%	61.06%
17 Particulars of Investors complaints						
Pending at the beginning of the quarter				3 months ended 30.09.2012		
Received during the quarter				Nil		
Disposed off during the quarter				4		
Remaining unresolved at the end of the quarter				4		
				Nil		



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Notes:

1. Disclosure of Balance Sheet items as per clause 41(l)(ea) of the listing agreement for the half year ended 30 September 2012

Standalone Statement of Assets and Liabilities		As at (Current Half Year end) 30.09.2012	As at (Previous Half Year end) 30.09.2011	As at (Previous Year end) 31.03.2012
Particulars				
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital		41.39	36.63	41.32
(b) Reserves and surplus		2242.03	1499.66	1970.93
(c) Money received against share warrants		21.32	97.65	21.32
Sub-total - Shareholders' funds		2304.74	1633.94	2033.57
2 Non-current liabilities				
(a) Long-term borrowings		6637.77	3847.71	6407.86
(b) Other long-term liabilities		62.89	21.85	49.53
(c) Long-term provisions		48.34	24.52	32.25
Sub-total- Non-current liabilities		6749.00	3894.08	6489.64
3 Current liabilities				
(a) Short-term borrowings		2754.19	3032.96	2794.56
(b) Trade payables		151.58	233.86	182.61
(c) Other current liabilities		3389.40	1325.54	1363.10
(d) Short-term provisions		5.53	3.95	63.20
Sub-total- Current liabilities		6300.70	4596.31	4403.47
TOTAL - EQUITY AND LIABILITIES		15354.44	10124.33	12926.68
B ASSETS				
1 Non-current assets				
(a) Fixed assets		152.44	129.52	138.79
(b) Non-current investments		5.41	5.52	5.48
(c) Deferred tax assets (net)		81.94	64.36	69.16
(d) Receivables under financing activity		8124.64	4780.75	6569.21
(e) Long-term loans and advances		46.04	45.78	72.44
Sub-total- Non-current assets		8410.47	5025.93	6855.08
2 Current assets				
(a) Current investments		6590.53	4552.62	5713.88
(b) Receivables under financing activity		81.00	278.70	59.83
(c) Cash and bank balances		183.14	209.31	221.87
(d) Short-term loans and advances		89.30	57.77	76.02
(e) Other current assets				
Sub-total- Current assets		6943.97	5098.40	6071.60
TOTAL - ASSETS		15354.44	10124.33	12926.68

2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 19 October 2012.

3 Figures for the previous period have been regrouped, wherever necessary, to make them comparable with the current period.

4 Out of 60,00,000 preferential warrants, the promoter, Bajaj Finserv Limited, exercised the option to convert 46,90,000 warrants. Accordingly 46,90,000 equity shares were issued and allotted on 29 March 2012. The balance warrants are open for exercise of options until 27 January 2013.

5 The Company continues to strengthen its provisioning norms beyond the Reserve Bank of India regulations by accelerating the provisioning to an early stage of delinquencies.

6 The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Accounting Standard 17 dealing with Segment Reporting.

7 During the quarter ended 30 September 2012, 75,000 equity shares of face value of ₹10/- each were allotted to BFL Employee Welfare Trust under ESOS, 2009 at applicable grant prices.

8 The Company has designated an exclusive e-mail ID viz. investor.service@bajajfinserv.in for investor grievance redressal.

By order of the Board of Directors
For Bajaj Finance Limited

Rahul Bajaj
Chairman

Pune
19 October 2012

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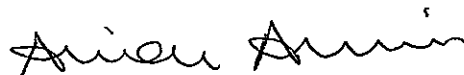
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The Board of Directors
Bajaj Finance Limited
C/o Bajaj Auto Limited
Mumbai – Pune Road
Akurdi
Pune – 411 035

1. We have reviewed the results of Bajaj Finance Limited (the "Company") for the quarter and six months ended September 30, 2012 which are included in the accompanying 'Unaudited Financial Results for the Quarter and Six Months Ended 30 September 2012' and the statement of assets and liabilities as on that date (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Anish Amin
Partner
Membership Number 40451

Pune
October 19, 2012

PRESS RELEASE

Bajaj Finance Limited Results - 2nd Quarter FY 12-13

Bajaj Finance reports AUM of ₹ 15,370 crores and a quarterly profit after tax of ₹ 129 Crores - A growth of 48% 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 2nd quarter ended 30 September 2012.

Performance Highlights-Q2

- Customers acquired during Q2 FY13 ↑ 22 % to 6,00,792 from 4,91,695 in Q2 FY12.
- Deployments during Q2 FY13 ↑ 29 % to ₹ 4,334 Crores from ₹ 3,352 Crores in Q2 FY12.
- Total income for Q2 FY13 ↑ 49% to ₹ 737 Crores from ₹ 493 Crores in Q2 FY12.
- Profit after tax for Q2 FY13 ↑ 48 % to ₹ 129 Crores from ₹ 87 Crores in Q2 FY12.
- Loan losses and provisions for Q2 FY13 ↑ 20% at ₹ 53 Crores as against ₹ 44 Crores in Q2 FY12. The provisioning coverage ratio stood at 80% as of 30 September 2012 which is at the same level as of 30 September 2011. The Company continues to provide for loan losses in excess of RBI requirements. During the quarter, the Company took an accelerated provision of ₹ 14 crores as against ₹ 5 crores in the corresponding quarter of the previous year. Excluding the accelerated provision, the loan loss provision was flat at ₹ 39 crores.
- Net NPA for Q2 FY13 stood at 0.2% against 0.3% in Q2 FY12.
- Capital adequacy ratio as at 30 September 2012 (including Tier-II capital) stood at 17.7%. The Company continues to be well capitalized to support its growth trajectory.

Key financial figures

(₹ in Crores)							
Particulars	Q2'13	Q2'12	QoQ	H1'13	H1'12	QoQ	FY 11-12
Customers acquired (nos in '000)	601	492	22%	1353	1035	31%	2221
Assets under Management	15370	10071	53%	15370	10071	53%	13107
Receivables under financing activity	14715	9333	58%	14715	9333	58%	12283
Interest and fee income	737	493	49%	1440	945	52%	2172
Interest Expenses	295	167	77%	558	307	82%	746
Net Interest Income (NII)	442	326	36%	882	638	38%	1426
Operating Expenses	199	153	30%	400	296	35%	670
Loan Losses & Provisions	53	44	20%	85	78	9%	154
Profit before tax	190	129	47%	397	264	50%	602
Profit after tax	129	87	48%	267	178	50%	406

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(₹ in Crores)

Deployments	Q2'13	Q2'12	QoQ	H1'13	H1'12	HOH	FY 11-12
Consumer	2112	1586	33%	4538	3221	41%	7040
SME	1411	845	67%	2939	1899	55%	4411
Commercial	811	921	-12%	1585	1820	-13%	4346
Total deployments	4334	3352	29%	9062	6940	31%	15797

(₹ in Crores)

Assets Under Management (AUM)	Q2'13	Q2'12	QoQ	FY 11-12
Consumer	5970	4104	45%	4979
SME	6977	4388	59%	5701
Commercial	2423	1579	53%	2427
Total AUM	15370	10071	53%	13107

Analytical Ratios	Q2'13	Q2'12	H1'13	H1'12	FY 11-12
Secured to Unsecured mix	84:16	84:16	84:16	84:16	85:15
Operating expenses to NII	45.0%	46.9%	45.4%	46.4%	47.0%
Loan Losses to NII	12.0%	13.5%	9.6%	12.2%	10.8%
Return on average assets under financing activity	0.9% *	1.0% *	2.0% *	2.1% *	4.2%
Return on average equity	5.8% *	5.6% *	12.3% *	11.9% *	23.9%
Net NPA	0.2%	0.3%	0.2%	0.3%	0.1%

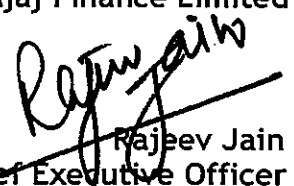
* not annualized

New Initiatives

The Company launched India's fastest On-Line Personal loans in August 2012 for salaried customers. The facility allows the customer to obtain an approval for a loan upto ₹ 15 lakhs in 15 minutes time. The Company continues to increase its loan offerings through the digital medium of internet and mobile.

The company launched its new look web-site in the month of September 2012 with added features for customer service thereby improving customer experience significantly.

For Bajaj Finance Limited


Rajeev Jain
Chief Executive Officer

Pune
19 October 2012

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