BAJAJ FINSERV | LENDING

SEC/BM/2013/26

15 January 2013

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**

This is to inform you that, the Board of Directors in its meeting held on 15 January 2013 -

I. Approved Unaudited Financial Results of the Company for the quarter and nine months ended 31 December 2012 pursuant to Clause 41 of the listing agreement.
II. Approved the raising of funds through issue of 67,60,117 equity shares of ₹ 10 each to eligible shareholders on a rights basis in the ratio of 3 rights equity shares for every 19 equity shares of the face value of ₹ 10 each at a price of ₹ 1100 per share (inclusive of premium of ₹ 1090 per share), aggregating to ₹ 743.61 crore. The record date for determining the eligible equity shareholders is fixed as 25 January 2013. BSE Limited is designated as the Designated Stock Exchange for the purpose of the rights issue.
III. Approved, subject to applicable regulatory approvals, the commencement of business of distribution of mutual fund products.

Kindly find enclosed herewith –

1. Unaudited Financial Results of the Company for the quarter and nine months ended 31 December 2012.
2. Copy of Limited Review Report of the Statutory Auditors of the Company on the Unaudited Financial Results for the quarter and nine months ended 31 December 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 FINSERV | LENDING

Bajaj Finance Limited

Registered Office : Mumbai - Pune Road, Akurdi, Pune - 411 035
Corporate Office: 4th Floor, Bajaj Finserv Corporate Office, Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2012

(₹ In Crores)

	Particulars	Quarter ended 31.12.2012 (Unaudited)	Quarter ended 30.09.2012 (Unaudited)	Quarter ended 31.12.2011 (Unaudited)	Nine months ended 31.12.2012 (Unaudited)	Nine months ended 31.12.2011 (Unaudited)	Year ended 31.03.2012 (Audited)
	Funds deployed	5199.50	4334.17	4649.20	14261.29	11589.13	15796.83
1	**Income from operations**						
	(a) Income from operations	791.68	685.83	554.72	2144.50	1422.41	1996.26
	(b) Other operating income	33.00	49.69	48.04	116.97	121.70	166.76
	Total income from operations (net)	**824.68**	**735.52**	**602.76**	**2261.47**	**1544.11**	**2163.02**
2	**Expenses**						
	a) Employee benefits expense	63.35	59.22	50.00	180.12	141.45	190.35
	b) Depreciation and amortisation expense	3.58	3.21	3.30	9.89	8.30	11.77
	c) Loan losses and provisions	51.32	53.38	35.79	136.72	114.06	154.38
	d) Marketing and other commissions	49.06	40.58	47.01	135.13	118.81	160.69
	e) Recovery costs	31.30	29.33	23.90	88.43	63.40	89.11
	f) Other expenses	72.16	65.91	60.97	205.17	148.90	217.21
	Total expenses	**270.77**	**251.63**	**220.97**	**755.46**	**594.92**	**823.51**
3	**Profit / (Loss) from operations before other income and finance costs (1-2)**	**553.91**	**483.89**	**381.79**	**1506.01**	**949.19**	**1339.51**
4	Other income	3.55	1.14	0.80	6.44	4.50	8.89
5	**Profit /(Loss) from ordinary activities before finance costs (3 + 4)**	**557.46**	**485.03**	**382.59**	**1512.45**	**953.69**	**1348.40**
6	Finance costs	320.86	294.74	205.12	879.22	512.71	746.18
7	**Profit / (Loss) from ordinary activities after finance costs (5 - 6)**	**236.60**	**190.29**	**177.47**	**633.23**	**440.98**	**602.22**
8	Tax expense	76.51	61.57	57.48	205.73	142.81	195.78
9	**Net Profit / (Loss) from ordinary activites after tax (7 - 8)**	**160.09**	**128.72**	**119.99**	**427.50**	**298.17**	**406.44**
10	Extraordinary items	-	-	-	-	-	-
11	**Net Profit / (loss) for the period (9 + 10)**	**160.09**	**128.72**	**119.99**	**427.50**	**298.17**	**406.44**
12	Paid-up Equity Share Capital (Face Value : ₹10/- per share)	42.81	41.39	36.63	42.81	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 (₹)	38.44	31.12	32.76	103.09	81.40	110.84
	Diluted (₹)	38.15	30.61	32.62	102.34	81.11	110.29
	ii. Earnings Per Share (after extraordinary items) (of ₹ 10/- each) (not annualised):						
	Basic (₹)	38.44	31.12	32.76	103.09	81.40	110.84
	Diluted (₹)	38.15	30.61	32.62	102.34	81.11	110.29
A	**Particulars of Shareholding**						
1	Public shareholding						
	Number of shares	16275907	16165907	16090907	16275907	16090907	16090907
	Percentage of shareholding	38.02%	39.05%	43.93%	38.02%	43.93%	38.94%
2	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	26538169	25228169	20538169	26538169	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)	61.98%	60.95%	56.07%	61.98%	56.07%	61.06%

B	**Particulars of Investors complaints**	**3 months ended 31.12.2012**
	Pending at the beginning of the quarter	Nil
	Received during the quarter	7
	Disposed off during the quarter	7
	Remaining unresolved at the end of the quarter	Nil

Dalal & Shah Chartered Accountants FRN 102021W Pune

BAJAJ FINANCE LTD. PUNE

Notes :

1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 15 January 2013 and have been subjected to a limited review by the Statutory Auditors.
2 Figures for the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.
3 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.
4 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.
5 During the quarter 1,10,000 equity shares of face value of ₹10/- each were allotted to BFL Employee Welfare Trust under ESOS 2009 at applicable grant prices.
6 During the quarter, Bajaj Finserv Limited exercised the option to convert the balance 13,10,000 warrants out of 60,00,000 warrants issued on preferential basis and accordingly 13,10,000 equity shares of the face value of ₹ 10/- each were allotted to Bajaj Finserv Limited on 11 December 2012 at a premium of ₹ 641/- per equity share. The funds received upon allotment have been utilized for meeting funding requirements of the business activities of the Company as specified in the explanatory statement to the notice of the annual general meeting approving the issue of the aforesaid warrants.
7 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**

Pune
15 January 2013

Rahul Bajaj
Chairman

Dalal & Shah
Chartered Accountants
FRN 102021W
Pune

BAJAJ FINANCE LTD.
PUNE

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

1. We have reviewed the accompanying 'Unaudited Financial Results for the quarter and nine months ended 31 December, 2012' (the 'Statement') in which are incorporated the results for the quarter and nine months ended 31 December, 2012 of Bajaj Finance Limited, 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
15th January 2013

PRESS RELEASE

Bajaj Finance Limited Results - 3rd Quarter FY 12-13

Bajaj Finance reports AUM of ₹ 16,844 crores and the highest ever quarterly profit after tax of ₹ 160 Crores - A growth of 33% over corresponding quarter of previous year.

The Board of Directors of Bajaj Finance Limited in their meeting held today -

I. Took on record the Unaudited Financial Results of the Company for the 3rd quarter ended 31 December 2012.

Performance Highlights-Q3

- **Customers** acquired during Q3 FY13 ↑ 22 % to 8,33,280 from 6,84,238 in Q3 FY12.
- **Deployments** during Q3 FY13 ↑ 12 % to ₹ 5,200 Crores from ₹ 4,649 Crores in Q3 FY12.
- **Total income** for Q3 FY13 ↑ 37% to ₹ 828 Crores from ₹ 603 Crores in Q3 FY12.
- **Profit after tax** for Q3 FY13 ↑ 33 % to ₹ 160 Crores from ₹ 120 Crores in Q3 FY12.
- **Loan losses and provisions** for Q3 FY13 ↑ 42% at ₹ 51 Crores as against ₹ 36 Crores in Q3 FY12. The provisioning coverage ratio stood at 80% as of 31 December 2012 as compared to 81% as of 31 December 2011. The Company continues to provide for loan losses in excess of RBI requirements.
- **Net NPA** for Q3 FY13 stood at 0.2% against 0.3% in Q3 FY12.
- **Capital adequacy ratio as at 31 December 2012** (including Tier-II capital) stood at 17.5%. The Company continues to be well capitalized to support its growth trajectory.

Key financial figures

(₹ in Crores)

Particulars	Q3'13	Q3'12	QoQ	9m'13	9m'12	9m on 9m	FY 11-12
Customers acquired (nos in '000)	833	684	22%	2186	1719	27%	2221
Assets under Management	16844	11919	41%	16844	11919	41%	13107
Receivables under financing activity	16283	11052	47%	16283	11052	47%	12283
Interest and fee income	828	603	37%	2268	1549	46%	2172
Interest Expenses	321	205	57%	879	513	71%	746
Net Interest Income (NII)	507	398	27%	1389	1036	34%	1426
Operating Expenses	219	185	18%	619	481	29%	670
Loan Losses & Provisions	51	36	42%	137	114	20%	154
Profit before tax	237	177	34%	633	441	44%	602
Profit after tax	160	120	33%	428	298	44%	406

In the nine months ended 31 December 2012, the Company's profit after tax crossed that of the previous financial year.

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

(₹ in Crores)

Deployments	Q3'13	Q3'12	QoQ	9m'13	9m'12	9m on 9m	FY 11-12
Consumer	2948	2146	37%	7485	5367	39%	7040
SME	1521	1243	22%	4460	3142	42%	4411
Commercial	731	1260	-42%	2316	3080	-25%	4346
Total deployments	5200	4649	12%	14261	11589	23%	15797

(₹ in Crores)

Assets Under Management (AUM)	Q3'13	Q3'12	QoQ	FY 11-12
Consumer	6895	4810	43%	4979
SME	7738	5108	51%	5701
Commercial	2211	2001	10%	2427
Total AUM	16844	11919	41%	13107

II. Approved the raising of funds through issue of 67,60,117 equity shares of ₹ 10 each to eligible shareholders on a rights basis in the ratio of 3 rights equity shares for every 19 equity shares of the face value of ₹ 10 each at a price of ₹ 1100 per share (inclusive of premium of ₹ 1090 per share), aggregating to ₹ 743.61 crore. The record date for determining the eligible equity shareholders is fixed as 25 January 2013

III. Approved, subject to applicable regulatory approvals, the commencement of business of distribution of mutual fund products.

For Bajaj Finance Limited

Rajeev Jain
Chief Executive Officer

Pune
15 January 2013

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