

BAJAJ FINANCE LIMITED

SEC/BM/2018/387

23 October 2018

THE MANAGER, BSE LIMITED DCS - CRD PHIROZE JEEJEEBHOY TOWERS DALAL STREET, MUMBAI - 400 001	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: 500034	SCRIP CODE: BAJFINANCE – EQ

Dear Sir/Madam,

Sub: Intimation of unaudited standalone and consolidated financial results for the quarter and half year ended 30 September 2018

In terms of provision of Regulation 30 (read with Part A of Schedule III) and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors, at its Meeting held today approved unaudited standalone and consolidated financial results of the Company prepared as per Indian Accounting Standard (Ind AS) for the quarter and half year ended 30 September 2018 including recast unaudited Ind AS compliant financial results for the corresponding quarter and half year ended 30 September 2017.

A copy of the said standalone and consolidated financial results (Annexure-1), limited review reports for standalone and consolidated financial results (Annexure-2) and press release (Annexure-3) in this respect are enclosed.

The Meeting commenced at 11.00 a.m. and concluded at 1.30 p.m. ✓

Thanking you,

Yours faithfully,
For **BAJAJ FINANCE LIMITED**



R. VIJAY
COMPANY SECRETARY



Encl.: As above

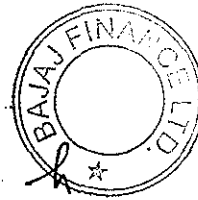
BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of Standalone unaudited financial results for the Quarter and Half year ended 30 September 2018

(₹ In Crore)

	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2018 (Reviewed)	30.06.2018 (Reviewed)	30.09.2017 (Reviewed)	30.09.2018 (Reviewed)	30.09.2017 (Reviewed)	31.03.2018 (Reviewed)
1	Income						
	(a) Revenue from operations						
	Interest income	3,680.20	3,497.01	2,847.05	7,177.22	5,466.27	11,817.52
	Dividend income	-	-	-	-	-	0.00
	Fees and commission income	254.20	222.37	89.47	476.57	212.92	453.76
	Net gain on fair value change	47.96	27.29	59.00	75.25	112.85	183.53
	Sale of Services	23.09	19.31	22.44	42.40	38.99	67.66
	Others	39.90	25.36	24.10	65.26	37.57	118.51
	Total Revenue from operations	4,045.35	3,791.34	3,042.06	7,836.70	5,868.60	12,640.98
	(b) Other income	48.04	4.85	15.50	52.89	16.32	41.45
	Total Income	4,093.39	3,796.19	3,057.56	7,889.59	5,884.92	12,682.43
2	Expenses						
	(a) Finance costs	1,428.19	1,294.17	1,140.55	2,722.36	2,213.31	4,574.61
	(b) Fees and commission expense	160.13	149.74	120.32	309.87	230.45	514.35
	(c) Impairment of financial instruments	309.92	321.05	219.96	630.97	525.07	1,030.44
	(d) Employee benefits expense	403.81	391.67	348.32	795.48	665.26	1,438.40
	(e) Depreciation and amortisation expense	31.85	28.70	24.07	60.55	45.95	101.96
	(f) Other expenses	330.85	314.49	285.94	645.35	580.22	1,191.45
	Total expenses	2,664.75	2,499.82	2,139.16	5,164.58	4,260.26	8,851.21
3	Profit before tax (1-2)	1,428.64	1,296.37	918.40	2,725.01	1,624.66	3,831.22
4	Tax expense						
	(a) Current Tax	476.26	414.47	38.55	890.73	370.05	1,427.00
	(b) Deferred Tax expense/(credit)	32.10	48.17	286.28	80.27	204.64	-80.29
	Total tax expense	508.36	462.64	324.83	971.00	574.69	1,346.71
5	Profit after tax (3-4)	920.28	833.73	593.57	1,754.01	1,049.97	2,484.51
6	Other comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	-8.04
	(ii) Income tax related to items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00	2.81
	B (i) Items that will be reclassified to profit or loss	-1.02	-15.91	-5.81	-16.93	-1.16	-19.04
	(ii) Income tax related to items that will be reclassified to profit or loss	0.36	5.56	2.03	5.92	0.41	6.65
	Total other comprehensive income, net of tax	-0.66	-10.35	-3.77	-11.01	-0.75	-17.62
7	Total Comprehensive Income (5+6)	919.62	823.38	589.80	1,743.00	1,049.22	2,466.89
8	Paid-up equity share capital (Face value of ₹ 2)						115.03
9	Other equity						15,702.20
10	Earnings per share (not annualised)						
	Basic (₹)	15.97	14.49	10.73	30.46	19.08	44.16
	Diluted (₹)	15.84	14.37	10.62	30.20	18.89	43.71



BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of Standalone Unaudited Financial Results for the Quarter and Half year ended 30 September 2018

Notes:

- 1 Disclosure of standalone assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at 30 September 2018:

(₹ In Crore)

Particulars		As at 30.09.2018 (Reviewed)	As at 30.09.2017 (Reviewed)	As at 31.03.2018 (Reviewed)
A	Assets			
1	Financial assets			
	(a) Cash and cash equivalents	1,024.68	571.13	227.24
	(b) Other bank balances	1.63	1.55	1.49
	(c) Loans	83,825.22	67,124.23	75,532.89
	(d) Investments	3,909.73	2,798.16	2,125.45
	(e) Other financial assets	1,228.37	1,203.95	904.66
	Sub-total - Financial assets	89,989.63	71,699.02	78,791.73
2	Non-financial assets			
	(a) Current tax assets (net)	45.82	29.01	24.28
	(b) Deferred tax assets (net)	688.63	775.60	762.98
	(c) Investment in subsidiary	2,551.71	328.00	1,528.00
	Non-current assets held for sale	-	-	-
	(d) Property, plant and equipment	413.56	287.70	343.87
	(e) Intangible assets	117.30	83.52	120.79
	(f) Other non-financial assets	88.60	79.28	43.75
	Sub-total - Non-financial assets	3,905.62	1,583.11	2,823.67
	Total - Assets	93,895.25	73,282.13	81,615.40
B	Liabilities and equity			
	Liabilities			
1	Financial liabilities			
	(a) Trade payables			
	Total outstanding dues to micro enterprises and small enterprises	-	-	0.43
	Total outstanding dues to creditors other than micro enterprises and small enterprises	567.90	455.86	453.56
	(b) Debt Securities	32,550.53	28,814.73	31,748.12
	(c) Borrowings (Other than debt securities)	26,336.75	16,095.82	20,169.35
	(d) Deposits	11,013.81	5,730.61	7,792.88
	(e) Subordinate Debts	3,921.19	3,920.10	3,918.98
	(f) Other financial liabilities	1,705.06	3,463.75	1,409.89
	Sub-total - Financial liabilities	76,095.24	58,480.87	65,493.21
2	Non-financial liabilities			
	(a) Current tax liabilities (net)	35.72	133.86	24.87
	(b) Provisions	85.36	73.31	61.71
	(c) Other non-financial liabilities	312.46	224.75	218.38
	Sub-total - Non-financial liabilities	433.54	431.92	304.96
3	Equity			
	(a) Equity Share Capital	115.29	114.95	115.03
	(b) Other equity	17,251.19	14,254.39	15,702.20
	Sub-total - Equity	17,366.47	14,369.34	15,817.23
	Total - Liabilities and equity	93,895.25	73,282.13	81,615.40



BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of Standalone Unaudited Financial Results for the Quarter and Half year ended 30 September 2018

Notes:

- 2 The Company has adopted Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from 1 April 2018 and the effective date of such transition is 1 April 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ('RBI') (collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2017 and the corresponding figures presented in these results have been restated / reclassified.

There is a possibility that these financial results for the current and previous periods may require adjustments due to changes in financial reporting requirements arising from new standards, modifications to the existing standards, guidelines issued by the Ministry of Corporate Affairs and RBI or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS permitted under Ind AS-101.

- 3 As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported under Previous GAAP and Ind AS is as under :

Particulars	₹ In Crore		
	Quarter ended 30.09.2017 (Reviewed)	Half Year ended 30.09.2017 (Reviewed)	Year ended 31.03.2018 (Reviewed)
Net profit after tax as reported under Previous GAAP	556.89	1,158.93	2,646.70
Adjustments increasing/(decreasing) net profit after tax as reported under Previous GAAP :			
Adjustment on account of EIR* for amortisation of income and expenses - financial assets at amortised cost	46.86	(75.26)	(118.02)
Adjustment on account of EIR for amortisation of expenses - financial liabilities at amortised cost	2.10	5.48	6.59
Expected Credit Loss	(0.84)	(9.24)	(0.92)
Fair valuation of employee stock options as per Ind AS 102	(12.14)	(20.89)	(45.01)
Actuarial loss on employee defined benefit plan recognised in 'Other comprehensive income' as per Ind AS 19	-	-	5.23
Fair valuation of financial assets at fair value through profit and loss	0.70	(9.05)	(10.06)
Net profit after tax as per Ind AS	593.57	1,049.97	2,484.50
Other comprehensive income, net of tax	(3.77)	(0.75)	(17.62)
Total comprehensive income	589.80	1,049.22	2,466.89

* EIR = Effective Interest Rate

- 4 As required by paragraph 32 of Ind AS 101, equity reconciliation between the figures reported under Previous GAAP and Ind AS is as under: (All figures are net of related tax impacts)

Particulars	As at	
	30.09.2017 (Reviewed)	31.03.2018 (Reviewed)
Equity as reported under Previous GAAP	15,024.42	16,518.29
Adjustments increasing/(decreasing) equity as reported under Previous GAAP :		
Adjustment on account of EIR* for amortisation of income and expenses - financial assets at amortised cost	-593.63	-636.41
Adjustment on account of EIR for amortisation of expenses - financial liabilities at amortised cost	56.81	57.92
Expected Credit Loss	-185.15	-176.83
Fair value change on financial assets at fair value through other comprehensive income	1.80	-9.84
Recognition of servicing asset on assignment transactions as per Ind AS 109	64.14	64.14
Fair valuation of financial assets at fair value through profit and loss	0.97	-0.05
Equity as per Ind AS	14,369.34	15,817.23

* EIR = Effective Interest Rate

- 5 The Company has opted to publish Extracts of the Unaudited Consolidated Financial Results in addition to Standalone Financial Results, pursuant to option made available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The standalone financial results are available on the website of the Company viz. www.bajajfinserv.in/finance and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

- 6 On 19 September 2018, the Company has invested an amount of ₹ 1,000 crore in Bajaj Housing Finance Limited, a wholly owned housing finance subsidiary of the Company, by subscribing to 100 crore equity shares of face value of ₹ 10 for cash at par, offered on rights basis.

- 7 On 10 August 2018, the Company has acquired 100% shareholding in Bajaj Financial Securities Limited from its wholly owned subsidiary, Bajaj Housing Finance Limited.

- 8 The secured non-convertible debentures issued by the Company are fully secured by first pari passu charge by mortgage of the Company and its subsidiary's immovable property at Chennai and by hypothecation of book debts/loan receivables to the extent as stated in the respective information memorandum.

- 9 The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment.

- 10 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 23 October 2018 and subjected to a limited review by the statutory auditors as indicated above

- 11 The Company has designated an exclusive email ID viz. investor.service@bajajfinserv.in for investor grievance redressal.

Pune
23 October 2018



By order of the Board of Directors
For Bajaj Finance Limited

Rahul Bajaj
Chairman

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 | Tel. : 020-30405060 Fax : 020-30405030

Email : investor.service@bajajfinserv.in | Website : www.bajajfinserv.in/finance

Corporate Office Ext.: 3rd Floor, Panchshil Tech Park, Viman Nagar, Pune - 411014,
Maharashtra, India
Registered Office: Mumbai-Pune Road, Akurdi, Pune - 411035, Maharashtra, India

Tel: +91 20 30186403
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Corporate ID No.:
L65910MH1987PLC042961

www.bajajfinserv.in/finance



BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of Consolidated unaudited financial results for the Quarter and Half year ended 30 September 2018

(₹ In Crore)

	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2018 (Reviewed)	30.06.2018 (Reviewed)	30.09.2017 (Reviewed)	30.09.2018 (Reviewed)	30.09.2017 (Reviewed)	31.03.2018 (Reviewed)
1	Income						
	(a) Revenue from operations						
	Interest income	3,887.20	3,609.18	2,848.91	7,496.39	5,468.15	11,891.41
	Dividend income	-	-	-	-	-	-
	Fees and commission income	259.36	226.06	89.59	485.42	213.04	455.36
	Net gain on fair value change	51.88	35.33	65.61	87.21	125.75	214.74
	Sale of Services	23.09	19.31	22.44	42.40	38.99	67.66
	Others	34.39	46.57	24.10	80.96	37.57	118.83
	Total Revenue from operations	4,255.92	3,936.45	3,050.65	8,192.38	5,883.50	12,748.00
	(b) Other income	40.43	4.85	15.34	45.28	16.36	23.87
	Total Income	4,296.35	3,941.30	3,065.99	8,237.66	5,899.86	12,771.87
2	Expenses						
	(a) Finance costs	1,567.34	1,363.64	1,141.37	2,930.98	2,214.25	4,621.61
	(b) Fees and commission expense	157.25	149.74	120.33	306.99	230.46	514.34
	(c) Impairment of financial instruments	314.56	326.75	220.52	641.31	525.63	1,034.92
	(d) Employee benefits expense	459.97	447.11	348.32	907.08	665.26	1,456.56
	(e) Depreciation and amortisation expense	33.38	28.87	24.09	62.25	45.99	102.07
	(f) Other expenses	329.34	327.85	288.46	657.20	582.76	1,198.96
	Total expenses	2,861.84	2,643.96	2,143.09	5,505.81	4,264.35	8,928.46
3	Profit before tax (1-2)	1,434.51	1,297.34	922.90	2,731.85	1,635.51	3,843.42
4	Tax expense						
	(a) Current Tax	480.41	415.85	345.91	896.26	677.41	1,439.43
	(b) Deferred Tax expense/(credit)	30.63	45.60	(20.88)	76.23	(100.68)	(92.35)
	Total tax expense	511.04	461.45	325.03	972.49	576.73	1,347.08
5	Profit after tax (3-4)	923.47	835.89	597.87	1,759.36	1,058.78	2,496.34
6	Other comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(8.04)
	(ii) Income tax related to items that will not be reclassified to profit or loss	-	-	-	-	-	2.81
	B (i) Items that will be reclassified to profit or loss	(1.02)	(15.91)	(5.81)	(16.93)	(1.16)	(19.04)
	(ii) Income tax related to items that will be reclassified to profit or loss	0.36	5.56	2.03	5.92	0.41	6.65
	Total other comprehensive income, net of tax	(0.66)	(10.35)	(3.78)	(11.01)	(0.75)	(17.62)
7	Total Comprehensive Income (5+6)	922.81	825.54	594.09	1,748.35	1,058.03	2,478.72
8	Paid-up equity share capital (Face value of ₹ 2)						115.03
9	Other equity						15,732.82
10	Earnings per share (not annualised)						
	Basic (₹)	16.03	14.53	10.80	30.56	19.24	44.38
	Diluted (₹)	15.90	14.41	10.70	30.29	19.05	43.92



BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of Consolidated unaudited financial results for the Quarter and Half year ended 30 September 2018

Notes:

1 The consolidated financial results include results of the following companies:

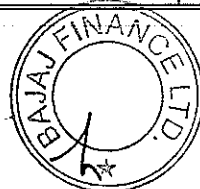
Name of the Company	% Shareholding and voting power of Bajaj Finance Limited	Consolidated as
Bajaj Housing Finance Limited	100%	Subsidiary
Bajaj Financial Securities Limited *	100%	Subsidiary

* On 10 August 2018, the Company has acquired 100% shareholding in Bajaj Financial Securities Limited from its wholly owned subsidiary, Bajaj Housing Finance Limited.

2 Disclosure of consolidated assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at 30 September 2018:

(₹ In Crore)

Particulars	As at 30.09.2018 (Reviewed)	As at 30.09.2017 (Reviewed)	As at 31.03.2018 (Reviewed)
A Assets			
1 Financial assets			
(a) Cash and cash equivalents	1,169.91	573.41	338.08
(b) Other bank balances	1.63	1.55	1.49
(c) Loans	94,477.89	67,592.15	79,102.51
(d) Investments	4,252.29	3,226.30	3,139.41
(e) Other financial assets	1,223.52	1,203.86	906.46
Sub-total - Financial assets	1,01,125.24	72,597.27	83,487.95
2 Non-financial assets			
(a) Current tax assets (net)	50.94	31.58	24.61
(b) Deferred tax assets (net)	696.53	766.71	767.45
(c) Property, plant and equipment	425.80	289.27	346.15
(d) Goodwill on consolidation	3.27	3.27	3.27
(e) Intangible assets	117.64	83.52	120.84
(f) Other non-financial assets	93.36	79.35	46.12
Sub-total - Non-financial assets	1,387.54	1,253.70	1,308.44
Total - Assets	1,02,512.78	73,850.97	84,796.39
B Liabilities and equity			
Liabilities			
1 Financial liabilities			
(a) Trade payables			
Total outstanding dues to micro enterprises and small enterprises	-	-	0.45
Total outstanding dues to creditors other than micro enterprises and small enterprises	578.38	459.44	460.17
(b) Debt Securities	37,343.60	29,012.22	33,790.22
(c) Borrowings (Other than debt securities)	29,565.12	16,168.33	21,055.15
(d) Deposits	11,013.81	5,730.61	7,792.88
(e) Subordinate Debts	3,921.19	3,920.10	3,918.98
(f) Other financial liabilities	2,238.04	3,730.68	1,616.49
Sub-total - Financial liabilities	84,660.14	59,021.38	68,634.34
2 Non-financial liabilities			
(a) Current tax liabilities (net)	32.20	133.86	26.61
(b) Provisions	89.44	73.31	62.20
(c) Other non-financial liabilities	328.60	225.49	225.39
Sub-total - Non-financial liabilities	450.24	432.66	314.20
3 Equity			
(a) Equity Share Capital	115.29	114.95	115.03
(b) Other equity	17,287.11	14,281.98	15,732.82
Sub-total - Equity	17,402.40	14,396.93	15,847.85
Total - Liabilities and equity	1,02,512.78	73,850.97	84,796.39



BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of Consolidated unaudited financial results for the Quarter and Half year ended 30 September 2018

Notes:

3 The Group has adopted Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 from 1 April 2018 and the effective date of such transition is 1 April 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ('RBI') and National Housing Bank ('NHB') (collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2017 and the corresponding figures presented in these results have been restated / reclassified.

There is a possibility that these financial results for the current and previous periods may require adjustments due to changes in financial reporting requirements arising from new standards, modifications to the existing standards, guidelines issued by the Ministry of Corporate Affairs and RBI/NHB or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS permitted under Ind AS-101.

4 As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported under Previous GAAP and Ind AS is as under :

Particulars	₹ In Crore		
	Quarter ended 30.09.2017 (Reviewed)	Half year ended 30.09.2017 (Reviewed)	Year ended 31.03.2018 (Reviewed)
Net profit after tax as reported under Previous GAAP	559.36	1,161.46	2,674.11
Adjustments increasing/(decreasing) net profit after tax as reported under Previous GAAP :			
Adjustment on account of EIR* for amortisation of income and expenses - financial assets at amortised cost	45.77	(76.35)	(128.47)
Adjustment on account of EIR for amortisation of expenses - financial liabilities at amortised cost	2.14	5.51	8.43
Expected Credit Loss	0.65	(7.75)	10.65
Fair valuation of employee stock options as per Ind AS 102	(12.14)	(20.89)	(45.01)
Actuarial loss on employee defined benefit plan recognised in 'Other comprehensive income' as per Ind AS 19	-	-	5.23
Fair valuation of financial assets at fair value through profit and loss	2.10	(3.20)	(28.58)
Net profit after tax as per Ind AS	597.87	1,058.79	2,496.35
Other comprehensive income, net of tax	(3.78)	(0.75)	(17.62)
Total comprehensive income	594.09	1,058.03	2,478.73

* EIR = Effective Interest Rate

5 As required by paragraph 32 of Ind AS 101, equity reconciliation between the figures reported under Previous GAAP and Ind AS is as under: (All figures are net of related tax impacts)

Particulars	₹ In Crore	
	As at 30.09.2017 (Reviewed)	As at 31.03.2018 (Reviewed)
Equity as reported under Previous GAAP	15,026.89	16,545.65
Adjustments increasing/(decreasing) equity as reported under Previous GAAP :		
Adjustment on account of EIR* for amortisation of income and expenses - financial assets at amortised cost	-594.73	-646.87
Adjustment on account of EIR for amortisation of expenses - financial liabilities at amortised cost	56.84	59.76
Expected Credit Loss	-183.66	-165.26
Fair value change on financial assets at fair value through other comprehensive income	1.80	-9.84
Recognition of servicing asset on assignment transactions as per Ind AS 109	64.14	64.14
Fair valuation of financial assets at fair value through profit and loss	25.66	0.27
Equity as per Ind AS	14,396.93	15,847.85

* EIR = Effective Interest Rate

6 The Company has opted to publish Extracts of the Unaudited Consolidated Financial Results in addition to Standalone Financial Results, pursuant to option made available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The standalone financial results are available on the website of the Company viz. www.bajajfinserv.in/finance and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

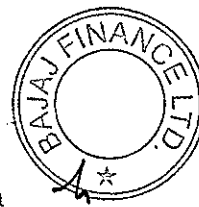
7 The secured non-convertible debentures issued by the Company and its subsidiary are fully secured by first pari passu charge by mortgage of the Company and its subsidiary's immovable property at Chennai and by hypothecation of book debts/loan receivables to the extent as stated in the respective information memorandum.

8 The Group is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment.

9 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 23 October 2018 and subjected to a limited review by the statutory auditors as indicated above

10 The Company has designated an exclusive email ID viz. investor.service@bajajfinserv.in for investor grievance redressal.

Pune
23 October 2018



By order of the Board of Directors
For Bajaj Finance Limited

Rahul Bajaj
Rahul Bajaj
Chairman

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 | Tel. : 020-30405060 Fax : 020-30405030

Email : investor.service@bajajfinserv.in | Website : www.bajajfinserv.in/finance

Corporate Office Ext.: 3rd Floor, Panchshil Tech Park, Viman Nagar, Pune - 411014,
Maharashtra, India
Registered Office: Mumbai-Pune Road, Akurdi, Pune - 411035, Maharashtra, India

Tel: +91 20 30186403
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Corporate ID No.:
L65910MH1987PLC042961

www.bajajfinserv.in/finance



Limited Review Report

**Review Report to
The Board of Directors
Bajaj Finance Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Bajaj Finance Limited (the 'Company') for the quarter and six months ended September 30, 2018 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (the 'Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. 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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

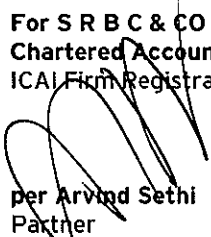
per Arvind Sethi
Partner
Membership No. 089802

Pune
October 23, 2018

Limited Review Report**Review Report to
The Board of Directors
Bajaj Finance Limited**

1. We have reviewed the accompanying statement of unaudited consolidated Ind AS financial results of Bajaj Finance Group comprising Bajaj Finance Limited (the 'Company') and its subsidiaries (together referred to as the 'Group') for the quarter and six months ended September 30, 2018 (the 'Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (the 'Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. 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. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated Ind AS financial results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The accompanying consolidated Ind AS financial results include unaudited financial statements and other unaudited financial information in respect of one subsidiary, whose financial statements and other financial information reflect total assets of Rs.21.89 crore as at September 30, 2018 and total revenues of Rs.0.20 crore and Rs.0.45 crore for the quarter and six months ended on that date respectively. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of this subsidiary, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Group. Our conclusion is not modified in respect of this matter.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003


per Arvind Sethi
Partner
Membership No. 089802

Pune
October 23, 2018

BAJAJ FINANCE LIMITED**PRESS RELEASE****Financial results for Q2 FY19**

- ✓ **Highest ever quarterly consolidated profit of ₹ 923 crore - a growth of 54% over Q2 FY18**
- ✓ **Assets Under Management crossed a milestone of ₹ 1,00,000 crore in Q2 FY19**
- ✓ **Deposits book crossed a milestone of ₹ 10,000 crore and stood at ₹ 10,651 crore**

A meeting of the Board of Directors of Bajaj Finance Limited (BFL) was held today to consider and approve the unaudited standalone and consolidated results for the quarter ended 30 September 2018.

Bajaj Finance Limited conducts its mortgage business through a 100% subsidiary called Bajaj Housing Finance Limited (BHFL) which is registered with National Housing Bank as a Housing Finance Company.

On 10 August 2018, the Company has acquired 100% shares of Bajaj Financial Securities Limited (BFinsec) from its wholly owned subsidiary Bajaj Housing Finance Limited. The strategy is to offer a full product suite (demat & broking) to Loan Against Securities' (LAS) clients and grow the profit pool of LAS business.

The consolidated results of the Company include the results of its wholly owned subsidiaries viz. BHFL and the newly acquired wholly owned subsidiary BFinsec.

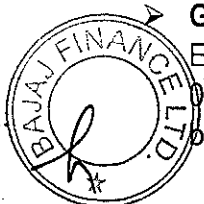
The Company has adopted **Indian Accounting Standards (Ind AS)** for FY19 with Ind AS compliant comparatives for FY18. Accordingly, figures for previous year / periods have been recast and reviewed by statutory auditors as per new accounting standards.

Highlights for Q2 FY19 versus Q2 FY18

Consolidated Assets Under Management	- ₹ 1,00,217 crore v/s ₹ 72,669 crore	↑ 38%
Consolidated profit after tax	- ₹ 923 crore v/s ₹ 598 crore	↑ 54%
Standalone Assets Under Management	- ₹ 89,876 crore v/s ₹ 72,199 crore	↑ 24%
Standalone profit after tax	- ₹ 920 crore v/s ₹ 594 crore	↑ 55%

Consolidated Performance Highlight

- **New loans booked** during Q2 FY19 **increased by 63%** to 5.26 million from 3.23 million in Q2 FY18.
- **Customer franchise** as of 30 September 2018 **increased by 31%** to 30.05 million from 22.99 million as of 30 September 2017.
- **Assets under Management (AUM)** as of 30 September 2018 **grew by 38%** to ₹ 1,00,217 crore from ₹ 72,669 crore as of 30 September 2017.
- **Total income** for Q2 FY19 was **up by 40%** to ₹ 4,296 crore from ₹ 3,066 crore in Q2 FY18.
- **Loan losses and provisions** for Q2 FY19 were ₹ 315 crore as against ₹ 221 crore in Q2 FY18.
- **Profit after tax** for Q2 FY19 **grew by 54%** to ₹ 923 crore from ₹ 598 crore in Q2 FY18.
- **Gross NPA and Net NPA**, recognized as per extant RBI prudential norms and provisioned as per Expected Credit Loss (ECL) method prescribed in Ind AS, as of 30 September 2018 stood at 1.49% and 0.53% respectively. The provisioning coverage ratio stood at 65%. Standard assets provisioning was 86 bps as per ECL (stage 1 & 2) provisioning under Ind AS versus 40 bps as per RBI prudential norms.



BAJAJ FINANCE LIMITED

Bajaj Finance Limited - Standalone Performance Highlight

- **Assets under Management (AUM)** as of 30 September 2018 grew by 24% to ₹ 89,876 crore from ₹ 72,199 crore as of 30 September 2017.
- **Total income** for Q2 FY19 was up by 34% to ₹ 4,093 crore from ₹ 3,058 crore in Q2 FY18.
- **Loan losses and provisions** for Q2 FY19 were ₹ 310 crore as against ₹ 220 crore in Q2 FY18.
- **Profit after tax** for Q2 FY19 grew by 55% to ₹ 920 crore from ₹ 594 crore in Q2 FY18.
- **Capital adequacy ratio** (including Tier-II capital) as of 30 September 2018 stood at 22.13%. The Tier-I capital stood at 17.17%.

Bajaj Housing Finance Limited - Performance Highlight

- **Assets under management (AUM)** stood at ₹ 10,712 crore as on 30 September 2018.
- **Total revenue** for Q2 FY19 was ₹ 243 crore.
- **Profit after tax** for Q2 FY19 was ₹ 9 crore
- **Capital adequacy ratio** (including Tier-II capital) as of 30 September 2018 stood at 30.49%.

A – Breakup of consolidated Assets Under Management (AUM) and Deposit book

Assets Under Management (AUM)	As of 30 September 2018			Consolidated as of 30 September 2017	Growth
	BFL Standalone	BHFL	BFL Consolidated		
Consumer B2B	20,113	-	20,113	14,981	34%
Consumer B2C	18,684	-	18,684	12,973	44%
Rural Lending	7,439	-	7,439	4,343	71%
SME Lending	13,370	-	13,370	10,052	33%
Commercial Lending	11,760	-	11,760	8,525	38%
Mortgage Lending	18,510	10,712	28,851	21,795	32%
Total AUM	89,876	10,712	1,00,217	72,669	38%

Deposits	As of 30 September 2018			Consolidated as of 30 September 2017	Growth
	BFL Standalone	BHFL	BFL Consolidated		
Deposits book	@10,651	-	10,651	5,517	93%

@ Approximately 15% of the overall standalone borrowings.



BAJAJ FINANCE LIMITED

B – Summary of consolidated financial results

(₹ In Crore)

Particulars	Q2'19	Q2'18	QoQ	H1'19	H1'18	HoH	FY'18
New loans booked (No. in million)	5.26	3.23	63%	10.90	7.00	56%	15.34
Assets under Management	1,00,217	72,669	38%	1,00,217	72,669	38%	84,135
Receivables under financing activity	96,682	69,144	40%	96,682	69,144	40%	80,816
Total Income	4,296	3,066	40%	8,238	5,900	40%	12,772
Interest Expenses	1,567	1,141	37%	2,931	2,214	32%	4,622
Net Interest Income (NII)	2,729	1,925	42%	5,307	3,686	44%	8,150
Operating Expenses	979	781	25%	1,934	1,524	27%	3,272
Loan Losses and Provisions	315	221	43%	641	526	22%	1,035
Profit before tax	1,435	923	55%	2,732	1,636	67%	3,843
Profit after tax	923	598	54%	1,759	1,059	66%	2,496

C – Summary of standalone financial results

(₹ In Crore)

Particulars	Q2'19	Q2'18	QoQ	H1'19	H1'18	HoH	FY'18
New loans booked (No. in million)	5.24	3.23	62%	10.86	7.00	55%	15.32
Assets under Management	89,876	72,199	24%	89,876	72,199	24%	80,546
Receivables under financing activity	85,970	68,674	25%	85,970	68,674	25%	77,227
Total Income	4,093	3,058	34%	7,890	5,885	34%	12,682
Interest Expenses	1,428	1,141	25%	2,723	2,213	23%	4,575
Net Interest Income (NII)	2,665	1,917	39%	5,167	3,672	41%	8,107
Operating Expenses	926	779	19%	1,811	1,522	19%	3,246
Loan Losses and Provisions	310	220	41%	631	525	20%	1,030
Profit before tax	1,429	918	56%	2,725	1,625	68%	3,831
Profit after tax	920	594	55%	1,754	1,050	67%	2,485



BAJAJ FINANCE LIMITED

D – Summary of reconciliation between consolidated profit as per previous GAAP and Ind AS

(₹ In Crore)

Particulars	Q2'19	Q2'18	H1'19	H1'18	FY'18
Profit before tax as per previous GAAP @	1,572	858	3,134	1,784	4,096
Ind AS adjustments increasing / (decreasing) profit:					
Adoption of EIR* for financial assets recognised at amortised cost	(115)	70	(335)	(116)	(197)
Adoption of EIR* for financial liabilities recognised at amortised cost	9	4	16	8	13
Expected Credit Loss	(17)	-	(54)	(13)	9
Fair value of stock options as per Ind AS 102	(22)	(12)	(39)	(21)	(45)
Actuarial loss on employee defined benefit plan recognised in 'Other comprehensive income' as per Ind AS 19	-	-	-	-	8
Gain/ (losses) on fair valuation of financial assets at fair value through profit and loss	-	3	2	(6)	(41)
Recognition of Servicing Asset on assignment transactions	8	-	8	-	-
Net profit before tax as per Ind AS	1,435	923	2,732	1,636	3,843
Tax expense (including current tax and deferred tax)	(512)	(325)	(973)	(577)	(1,347)
Net profit after tax as per Ind AS	923	598	1,759	1,059	2,496
Net profit after tax as per previous GAAP @	1,022	559	2,041	1,161	2,674

E – Summary of reconciliation between standalone profit as per previous GAAP and Ind AS

(₹ In Crore)

Particulars	Q2'19	Q2'18	H1'19	H1'18	FY'18
Profit before tax as per previous GAAP @	1,562	856	3,120	1,781	4,056
Ind AS adjustments increasing / (decreasing) profit:					
Adoption of EIR* for financial assets recognised at amortised cost	(99)	71	(305)	(115)	(182)
Adoption of EIR* for financial liabilities recognised at amortised cost	5	3	7	8	10
Expected Credit Loss	(26)	(1)	(71)	(14)	(1)
Fair value of stock options as per Ind AS 102	(20)	(12)	(35)	(21)	(45)
Actuarial loss on employee defined benefit plan recognised in 'Other comprehensive income' as per Ind AS 19	-	-	-	-	8
Gain/ (losses) on fair valuation of financial assets at fair value through profit and loss	(1)	1	1	(14)	(15)
Recognition of Servicing Assets on assignment transactions	8	-	8	-	-
Net profit before tax as per Ind AS	1,429	918	2,725	1,625	3,831
Tax expense (including current tax and deferred tax)	(509)	(324)	(971)	(575)	(1,346)
Net profit after tax as per Ind AS	920	594	1,754	1,050	2,485
Net profit after tax as per previous GAAP @	1,016	557	2,025	1,159	2,647

@ Amounts as per previous GAAP for Q2 & H1 FY19 are based on management estimates and are not reviewed by auditors.

* EIR = effective interest rate



4 of 5

BAJAJ FINANCE LIMITED

F – Summary of standalone financial results of Bajaj Housing Finance Limited

(₹ In Crore)

Particulars	Q2'19	Q2'18	H1'19	H1'18	FY'18
Assets under Management	10,712	470	10,712	470	3,589
Total Income	243	8	388	14	106
Interest Expenses	139	1	209	1	47
Net Interest Income (NII)	104	7	179	13	59
Operating Expenses	87	3	156	3	43
Loan Losses and Provisions	5	1	10	1	4
Profit before tax	12	4	13	10	11
Profit after tax	9	4	11	8	10

Pune
23 October 2018



For Bajaj Finance Limited

Rajeev Jain
Rajeev Jain
Managing Director