

## Press Release

Gross revenue ↑ 11%; Profit after tax ↑ 46%

A meeting of the Board of Directors of Bajaj Finserv Limited was held today to consider and approve the results for Q3 FY13.

**Bajaj Finserv – a holding company**, is the financial services arm of the Bajaj group with business interest in "Protection", "Lending", and "Financial advisory and Wealth management" through its subsidiary companies.

### 1. PERFORMANCE

#### HIGHLIGHTS – Q3 FY13 v/s Q3 FY12

✓ Consolidated gross revenue	– ₹ 3,724 crore	v/s	₹ 3,359 crore	↑ 11%
✓ Consolidated income from operations	– ₹ 1,120 crore	v/s	₹ 825 crore	↑ 36%
✓ Consolidated profit after tax	– ₹ 249 crore	v/s	₹ 170 crore	↑ 46%
✓ Bajaj Finance, profit after tax	– ₹ 160 crore	v/s	₹ 120 crore	↑ 33%
✓ General insurance, profit after tax	– ₹ 91 crore	v/s	₹ 60 crore	↑ 52%
✓ Life insurance, shareholders' profit after tax	– ₹ 100 crore	v/s	₹ 63 crore	↑ 59%

#### HIGHLIGHTS – 9M FY13 v/s 9M FY12

✓ Consolidated gross revenue	– ₹ 10,697 crore	v/s	₹ 9,540 crore	↑ 12%
✓ Consolidated income from operations	– ₹ 3,055 crore	v/s	₹ 2,151 crore	↑ 42%
✓ Consolidated profit after tax	– ₹ 661 crore	v/s	₹ 457 crore	↑ 45%
✓ Bajaj Finance, profit after tax	– ₹ 428 crore	v/s	₹ 298 crore	↑ 44%
✓ General insurance, profit after tax	– ₹ 233 crore	v/s	₹ 162 crore	↑ 44%
✓ Life insurance, shareholders' profit after tax	– ₹ 263 crore	v/s	₹ 173 crore	↑ 52%

Summary of consolidated results is given in **Annexure A**.

A synopsis on the performance of the individual companies is given below:

#### A. Bajaj Finance Limited (BFL)

- Total income for Q3 FY13 **increased** by 37% to ₹ 828 crore v/s ₹ 603 crore in Q3 FY12.
- The company recorded its **highest ever quarterly profit after tax** of ₹ 160 crore in Q3 FY13 v/s ₹ 120 crore in Q3 FY12 – an increase of 33%.
- Deployments **increased** by 12% to ₹ 5,200 crore in Q3 FY13 v/s ₹ 4,649 crore in Q3 FY12.
- Assets under management stood at ₹ 16,844 crore as on 31 December 2012 v/s ₹ 13,107 crore as on 31 March 2012.
- Net NPA for Q3 FY13 stood at just 0.2% against 0.3% in Q3 FY12.
- Capital adequacy ratio stood at a healthy 17.5%.

Summary of financial results is given in **Annexure B**.

#### B. Bajaj Allianz General Insurance Company Limited (BAGIC)

- Gross written premium (excluding motor pool) for Q3 FY13 **increased** by 23% to ₹ 950 crore v/s ₹ 775 crore in Q3 FY12.
- Net earned premium (excluding motor pool) for Q3 FY13 stood at ₹ 694 crore v/s ₹ 563 crore in Q3 FY12 – an **increase** of 23%.
- Profit after tax - ₹ 91 crore in Q3 FY13 v/s ₹ 60 crore in Q3 FY12 – an **increase** of 52%.
- Claim ratio stood at 60.5% in Q3 FY13 v/s 58.1% in Q3 FY12.
- **Combined ratio (excluding motor pool losses)** was 91.1% in Q3 FY13 v/s 91.4% in Q3 FY12.
- Cash and investments as on 31 December 2012 stood at ₹ 5,552 crore.

Summary of financial results and key ratios is given in **Annexure C**.

#### C. Bajaj Allianz Life Insurance Company Limited (BALIC)

- New business premium for Q3 FY13 was ₹ 669 crore v/s ₹ 653 crore in Q3 FY12.
- Renewal premium for Q3 FY13 was ₹ 839 crore v/s ₹ 1,021 crore in Q3 FY12.
- Gross written premium was ₹ 1,508 crore in Q3 FY13 v/s ₹ 1,674 crore in Q3 FY12.
- BALIC's business profit for Q3 FY13 **increased** by 17% to ₹ 331 crore v/s profit of ₹ 283 crore in Q3 FY12.
- Shareholders' profit during the current quarter was ₹ 100 crore v/s ₹ 63 crore in Q3 FY12 – an **increase** of 59%.

- Solvency ratio stood at a healthy **631%** as on 31 December 2012 as against the minimum regulatory requirement of 150%.
- Total investments as at 31 December 2012 stood at **₹ 40,249 crore**.
- BALIC was awarded the “Organisation of the Year” award at the SKOCH Financial Inclusion Award 2013 for financial inclusion initiatives.

Summary of financial results is given in **Annexure D**.

## 2. RIGHTS ISSUE

### A. Bajaj Finserv Limited (BFS)

On 17 October 2012, the company successfully allotted 14,438,842 equity shares of ₹ 5 each to its existing shareholders on a rights basis in the ratio of 1 equity share for every 10 equity shares of the face value of ₹ 5 each at a price of ₹ 650 per share (inclusive of premium of ₹ 645 per share), aggregating to ₹ 939 crore.

These shares were listed on NSE and BSE on 22 October 2012.

### B. Bajaj Finance Limited (BFL)

The Board of Directors of Bajaj Finance Limited at its meeting held today approved the raising of funds through issue of 67,60,117 shares of ₹ 10 each to its eligible shareholders on a **rights basis** in the ratio of 3 equity shares for every 19 equity shares of the face value of ₹ 10 each at a price of ₹ 1,100 per share (inclusive of premium of ₹ 1,090 per share), aggregating to ₹ 744 crore.

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Sanjiv Bajaj  
Managing Director  
15 January 2013



# Bajaj Finserv Limited

Registered Office : Mumbai - Pune Road, Akurdi, Pune 411 035

Corporate Office : Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014

## Statement of consolidated unaudited financial results for the quarter and nine months ended 31 December 2012

(₹ In Crore)

	Particulars	Quarter ended		Nine months ended		Year ended
		31.12.2012 (Unaudited)	31.12.2011 (Unaudited)	31.12.2012 (Unaudited)	31.12.2011 (Unaudited)	31.03.2012 (Audited)
	<b>Gross revenue</b>					
	i. Gross written premium					
	a) Life Insurance - Bajaj Allianz Life Insurance Co. Ltd.	1,508.04	1,673.85	4,311.58	4,740.02	7,483.80
	b) General Insurance - Bajaj Allianz General Insurance Co. Ltd.	949.69	775.39	2,903.43	2,384.12	3,675.89
	ii. Gross income - Bajaj Finance Ltd.	828.23	603.56	2,267.91	1,548.61	2,171.91
	iii. Income from windpower generation - Bajaj Finserv Ltd.	11.60	20.31	66.27	71.61	84.37
	iv. Investment income (excluding accretions on unit linked investment)	405.97	270.53	1,089.22	748.92	1,048.33
	v. Others	20.38	15.70	58.30	46.45	62.11
	<b>Total</b>	<b>3,723.91</b>	<b>3,359.34</b>	<b>10,696.71</b>	<b>9,539.73</b>	<b>14,526.41</b>
<b>1</b>	<b>Income</b>					
a.	Income from operations	1,119.83	825.19	3,055.14	2,151.49	2,833.92
b.	Transfer from Policyholders' Account	-	-	-	-	1,069.13
	<b>Total income from operations (net)</b>	<b>1,119.83</b>	<b>825.19</b>	<b>3,055.14</b>	<b>2,151.49</b>	<b>3,903.05</b>
<b>2</b>	<b>Expenses</b>					
(a)	Transfer to Policyholders' Account	(0.22)	(1.64)	1.72	1.10	2.85
(b)	Employee benefits expense	87.06	69.53	250.43	199.25	264.70
(c)	Marketing and other commission	49.06	47.01	135.13	118.81	160.69
(d)	Recovery cost	31.30	23.90	88.43	63.40	89.11
(e)	Loan losses and provisions	51.32	35.79	136.72	114.06	154.38
(f)	Depreciation	4.12	3.79	11.50	10.09	14.12
(g)	Other expenses	77.44	70.47	227.68	172.77	248.61
	<b>Total expenses</b>	<b>300.08</b>	<b>248.85</b>	<b>851.61</b>	<b>679.48</b>	<b>934.46</b>
<b>3</b>	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>819.75</b>	<b>576.34</b>	<b>2,203.53</b>	<b>1,472.01</b>	<b>2,968.59</b>
<b>4</b>	<b>Other income</b>	<b>0.88</b>	<b>0.38</b>	<b>1.62</b>	<b>1.29</b>	<b>1.73</b>
<b>5</b>	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>820.63</b>	<b>576.72</b>	<b>2,205.15</b>	<b>1,473.30</b>	<b>2,970.32</b>
<b>6</b>	<b>Finance costs</b>	<b>320.83</b>	<b>205.12</b>	<b>877.12</b>	<b>511.46</b>	<b>744.10</b>
<b>7</b>	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>499.80</b>	<b>371.60</b>	<b>1,328.03</b>	<b>961.84</b>	<b>2,226.22</b>
<b>8</b>	<b>Exceptional items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9</b>	<b>Profit from ordinary activities before tax (7+8)</b>	<b>499.80</b>	<b>371.60</b>	<b>1,328.03</b>	<b>961.84</b>	<b>2,226.22</b>
<b>10</b>	<b>Tax expense</b>	<b>138.69</b>	<b>117.04</b>	<b>370.93</b>	<b>286.65</b>	<b>336.47</b>
<b>11</b>	<b>Net Profit from ordinary activities after tax (9-10)</b>	<b>361.11</b>	<b>254.56</b>	<b>957.10</b>	<b>675.19</b>	<b>1,889.75</b>
<b>12</b>	<b>Add: Share of Profit after tax on Investments in Associates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13</b>	<b>Less: Minority Interest in Net Income of subsidiaries</b>	<b>112.40</b>	<b>84.50</b>	<b>296.32</b>	<b>218.21</b>	<b>551.98</b>
<b>14</b>	<b>Net Profit after taxes, minority interest and share of profit / (loss) of associates (11+12-13)</b>	<b>248.71</b>	<b>170.06</b>	<b>660.78</b>	<b>456.98</b>	<b>1,337.77</b>
<b>15</b>	<b>Paid up Equity Share Capital (Face value of ₹ 5)</b>	<b>79.56</b>	<b>72.34</b>	<b>79.56</b>	<b>72.34</b>	<b>72.34</b>
<b>16</b>	<b>Reserves excluding Revaluation Reserves</b>					<b>5,027.79</b>
<b>17</b>	<b>Basic and Diluted Earnings Per Share (₹) (not annualised) before and after extraordinary items</b>	<b>15.8</b>	<b>11.5</b>	<b>43.8</b>	<b>31.0</b>	<b>90.6</b>

## Annexure B - Summary financial results of BFL

₹ In Crore	Q3 FY13	Q3 FY12	9M FY13	9M FY12	FY 12
Total income	828	603	2268	1549	2,172
Interest expenses	321	205	879	513	746
<b>Net interest income</b>	<b>507</b>	<b>398</b>	<b>1389</b>	<b>1036</b>	<b>1,426</b>
Operating expenses	219	185	619	481	670
Loan losses and provisions	51	36	137	114	154
<b>Profit before tax</b>	<b>237</b>	<b>177</b>	<b>633</b>	<b>441</b>	<b>602</b>
<b>Profit after tax</b>	<b>160</b>	<b>120</b>	<b>428</b>	<b>298</b>	<b>406</b>
Earnings per share (EPS), basic, ₹	38.4*	32.8*	103.1*	81.4*	110.8
Earnings per share (EPS), diluted, ₹	38.2*	32.6*	102.3*	81.1*	110.3

\*Not annualised

## Annexure C - Summary financial results of BAGIC

₹ In Crore	Q3 FY13	Q3 FY12	9M FY13	9M FY12	FY 12
Gross Written Premium *	950	775	2,866	2,384	3,338
Net Earned Premium *	694	563	1,934	1,629	2,196
Underwriting profit/(loss) excluding Motor Pool losses	62	48	172	111	86
Provision for Motor Pool losses	-53	-42	-177	-126	-264
Investment Income	122	96	339	268	372
<b>Profit before tax</b>	<b>131</b>	<b>102</b>	<b>334</b>	<b>253</b>	<b>194</b>
<b>Profit after tax</b>	<b>91</b>	<b>60</b>	<b>233</b>	<b>162</b>	<b>124</b>

### KEY RATIOS

Claim Ratio	60.5%	58.1%	58.9%	60.4%	62.3%
Combined ratio (excluding pool losses)**	91.1%	91.4%	91.1%	93.2%	96.1%
Combined ratio (including pool losses)**	98.7%	98.9%	100.2%	100.9%	107.2%

\* Figures are excluding inward reinsurance premiums from motor pool

\*\* (Net claims incurred + Net commission income + operating expenses) / Net earned premium

## Annexure D - Summary financial results of BALIC

₹ In Crore	Q3 FY13	Q3 FY12	9M FY13	9M FY12	FY 12
Gross Written Premium	1,508	1,674	4,312	4,740	7,484
New Business Premium	669	653	1,804	1,595	2,718
Renewal Premium	839	1,021	2,508	3,145	4,766
Policyholders' Surplus*	231	220	665	681	1,006
Shareholders' Profit	100	63	263	173	242
Total Profit (Policyholders' + Shareholders')	331	283	928	854	1,248
Total Shareholders' Profit **					1,311

\*\* Policyholders' surplus, if any, will be transferred to shareholders' account in Q4 FY13 after audited accounts.

\*\*Shareholders' profit for the year comprises of profit for the year - ₹ 242 crore, distribution of surplus from policyholders' account - ₹ 979 crore and release from "Reserve for Lapsed unit linked policies unlikely to be revived" - ₹ 90 crore.