

## Press release

### Financial results – Q2 FY15

A meeting of the Board of Directors of Bajaj Finserv Limited was held today to consider and approve the results for Q2 FY15.

Bajaj Finserv Limited (BFS), a holding company, represents Bajaj Group's interests in the financial services space through its subsidiaries, whose results it consolidates. Bajaj Finserv participates in the insurance business through - 74% holding in Bajaj Allianz Life Insurance Company Ltd. and Bajaj Allianz General Insurance Company Ltd. and in the lending business through - 61.54% holding in Bajaj Finance Ltd.

The Company has performed well during this quarter.

#### Highlights – Q2 FY15 v/s Q2 FY14

✓ Consolidated gross revenue	– ₹ 4,774 crore	v/s ₹ 4,056 crore	↑ 18%
✓ Consolidated income from operations	– ₹ 1,648 crore	v/s ₹ 1,309 crore	↑ 26%
✓ Consolidated profit after tax	– ₹ 316 crore	v/s ₹ 277 crore	↑ 14%
✓ Bajaj Finance, profit after tax	– ₹ 197 crore	v/s ₹ 167 crore	↑ 18%
✓ General insurance, profit after tax	– ₹ 145 crore	v/s ₹ 113 crore	↑ 28%
✓ Life insurance, shareholders' profit after tax	– ₹ 103 crore	v/s ₹ 107 crore	

#### Highlights - H1 FY15 v/s H1 FY14

✓ Consolidated gross revenue	– ₹ 8,630 crore	v/s ₹ 7,521 crore	↑ 15%
✓ Consolidated income from operations	– ₹ 3,277 crore	v/s ₹ 2,578 crore	↑ 27%
✓ Consolidated profit after tax	– ₹ 635 crore	v/s ₹ 555 crore	↑ 14%
✓ Bajaj Finance, profit after tax	– ₹ 409 crore	v/s ₹ 343 crore	↑ 19%
✓ General insurance, profit after tax	– ₹ 275 crore	v/s ₹ 213 crore	↑ 29%
✓ Life insurance, shareholders' profit after tax	– ₹ 218 crore	v/s ₹ 222 crore	

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

#### Bajaj Finserv Limited

Corporate Office: 6th 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 30405700  
Fax: +91 20 30405792

www.bajajfinserv.in  
Corporate ID No: L65923PN2007PLC130075

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

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

- Total income for Q2 FY15 **increased** by **29%** to **₹ 1,242 crore** v/s ₹ 964 crore in Q2 FY14.
- Profit after tax for Q2 FY15 **increased** by **18%** to **₹ 197 crore** v/s ₹ 167 crore in Q2 FY14.
- Deployments **increased** by **50%** to **₹ 7,816 crore** in Q2 FY15 v/s ₹ 5,200 crore in Q2 FY14.
- Assets under management stood at **₹ 28,004 crore** as on 30 September 2014 v/s ₹ 24,061 crore as on 31 March 2014.
- Net NPA for Q2 FY15 stood at 0.48%.
- Capital adequacy ratio stood at a healthy **19%**.

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

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

- Gross written premium for Q2 FY15 **increased** by **29%** to **₹ 1,475 crore** v/s ₹ 1,143 crore in Q2 FY14.
- Profit after tax for Q2 FY15 **increased** by **28%** to **₹ 145 crore** v/s ₹ 113 crore in Q2 FY14.
- Net earned premium for Q2 FY15 stood at **₹ 953 crore** v/s ₹ 881 crore in Q2 FY14 – an **increase** of **8%**.
- Underwriting profit for Q2 FY15 was **₹ 23 crore** v/s ₹ 22 crore in Q2 FY14 – an **increase** of **5%**.
- Investment and other income for Q2 FY15 **increased** by **18%** to **₹ 170 crore** from ₹ 144 crore.
- Claim ratio stood at **75.3%** in Q2 FY15 v/s 70.2% in Q2 FY14.
- Combined ratio stood at **96.3%** in Q2 FY15 v/s 95.8% in Q2 FY14.
- Cash and investments as on 30 September 2014 stood at **₹ 7,513 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 Q2 FY15 was ₹ 610 crore v/s ₹ 659 crore in Q2 FY14.
- Shareholders' profit during Q2 FY15 of ₹ 103 crore v/s ₹ 107 crore in Q2 FY14.
- Renewal premium for Q2 FY15 was ₹ 791 crore v/s ₹ 775 crore in Q2 FY14.
- Gross written premium was ₹ 1,401 crore in Q2 FY15 v/s ₹ 1,434 crore in Q2 FY14.
- Solvency ratio stood at a healthy **802%** as on 30 September 2014 as against the minimum regulatory requirement of 150%.
- Total investments as at 30 September 2014 stood at **₹ 40,943 crore**.

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

The Company intends to transfer by way of sale, at an arm's length price, its wholly-owned subsidiary viz. Bajaj Financial Solutions Ltd. together with its wholly-owned subsidiary, to Bajaj Finance Ltd., also a subsidiary of the Company, to carry on, through the former the business of Housing Finance. The said sale has been approved by the Board of Directors in their meeting held today.

---

**Sanjiv Bajaj**  
**Managing Director**  
14 October 2014

Annexure A - Consolidated results of BFS

₹ In Crore)		Q2 FY15	Q2 FY14	H1 FY15	H1 FY14	FY14
	<b>Gross revenue</b>					
	i. Gross written premium					
	a) Life Insurance - Bajaj Allianz Life Insurance Co. Ltd.	1,400.89	1,433.56	2,196.38	2,317.69	5,843.14
	b) General Insurance - Bajaj Allianz General Insurance Co. Ltd.	1,475.07	1,143.41	2,652.56	2,241.28	4,583.89
	ii. Gross income - Bajaj Finance Ltd.	1,241.83	963.98	2,487.79	1,896.41	4,073.33
	iii. Income from windpower generation - Bajaj Finserv Ltd.	19.91	27.33	33.45	49.24	60.44
	iv. Investment income (excluding accretions on unit linked investment)	608.15	466.76	1,200.68	971.53	2,059.57
	v. Others	28.64	20.94	58.99	45.17	91.78
	<b>Total</b>	<b>4,774.49</b>	<b>4,055.98</b>	<b>8,629.85</b>	<b>7,521.32</b>	<b>16,712.15</b>
<b>1</b>	<b>Income</b>					
	(a) Income from operations	1,647.69	1,308.61	3,276.76	2,578.42	5,381.92
	(b) Transfer from Policyholders' Account	-	-	-	-	639.10
	<b>Total income from operations (net)</b>	<b>1,647.69</b>	<b>1,308.61</b>	<b>3,276.76</b>	<b>2,578.42</b>	<b>6,021.02</b>
<b>2</b>	<b>Expenses</b>					
	(a) Transfer to Policyholders' Account	23.75	(0.62)	30.18	6.17	6.94
	(b) Employee benefits expense	136.63	102.95	277.23	208.54	440.73
	(c) Marketing and other commission	55.68	52.61	125.27	110.10	230.69
	(d) Recovery cost	49.71	41.50	96.56	77.34	167.85
	(e) Loan losses and provisions	80.02	52.32	162.94	116.20	257.81
	(f) Depreciation and amortisation	9.13	5.40	17.62	9.82	30.88
	(g) Other expenses	109.99	111.51	232.06	218.89	426.61
	<b>Total expenses</b>	<b>464.91</b>	<b>365.67</b>	<b>941.86</b>	<b>747.06</b>	<b>1,561.51</b>
<b>3</b>	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>1,182.78</b>	<b>942.94</b>	<b>2,334.90</b>	<b>1,831.36</b>	<b>4,459.51</b>
<b>4</b>	<b>Other income</b>	<b>0.77</b>	<b>0.81</b>	<b>1.63</b>	<b>1.87</b>	<b>3.97</b>
<b>5</b>	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>1,183.55</b>	<b>943.75</b>	<b>2,336.53</b>	<b>1,833.23</b>	<b>4,463.48</b>
<b>6</b>	<b>Finance costs</b>	<b>544.46</b>	<b>379.85</b>	<b>1,039.32</b>	<b>710.90</b>	<b>1,561.87</b>
<b>7</b>	<b>Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>639.09</b>	<b>563.90</b>	<b>1,297.21</b>	<b>1,122.33</b>	<b>2,901.61</b>
<b>8</b>	<b>Exceptional items</b>					
	(Provision)/reversal for loss of Renewable Energy Certificates (RECs)	-	(7.24)	-	(7.24)	-
<b>9</b>	<b>Profit from ordinary activities before tax (7+8)</b>	<b>639.09</b>	<b>556.66</b>	<b>1,297.21</b>	<b>1,115.09</b>	<b>2,901.61</b>
<b>10</b>	<b>Tax expense</b>	<b>182.79</b>	<b>159.61</b>	<b>376.59</b>	<b>316.46</b>	<b>710.49</b>
<b>11</b>	<b>Net Profit from ordinary activities after tax (9-10)</b>	<b>456.30</b>	<b>397.05</b>	<b>920.62</b>	<b>798.63</b>	<b>2,191.12</b>
<b>12</b>	<b>Add : Tax (debits)/credits pertaining to earlier years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.19)</b>
<b>13</b>	<b>Add: Share of Profit after tax on Investments in Associates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>14</b>	<b>Less: Minority Interest in Net Income of subsidiaries</b>	<b>140.37</b>	<b>120.51</b>	<b>285.32</b>	<b>243.29</b>	<b>646.85</b>
<b>15</b>	<b>Net Profit after taxes, minority interest and share of profit / (loss) of associates (11+12+13-14)</b>	<b>315.93</b>	<b>276.54</b>	<b>635.30</b>	<b>555.34</b>	<b>1,544.08</b>
<b>16</b>	<b>Basic and Diluted Earnings Per Share (₹) (not annualised) before and after extraordinary items</b>	<b>19.9</b>	<b>17.4</b>	<b>39.9</b>	<b>34.9</b>	<b>97.0</b>

**Annexure B - Summary financial results of BFL**

₹ In Crore	Q2 FY15	Q2 FY14	H1 FY15	H1 FY14	FY14
Total income	1,242	964	2,488	1,896	4,073
Interest expenses	544	382	1,044	713	1,573
<b>Net interest income</b>	<b>698</b>	<b>582</b>	<b>1,444</b>	<b>1,183</b>	<b>2,500</b>
Operating expenses	319	277	662	547	1,151
Loan losses and provisions	80	52	163	116	258
<b>Profit before tax</b>	<b>299</b>	<b>253</b>	<b>619</b>	<b>520</b>	<b>1,091</b>
<b>Profit after tax</b>	<b>197</b>	<b>167</b>	<b>409</b>	<b>343</b>	<b>719</b>

**Annexure C - Summary financial results of BAGIC**

₹ In Crore	Q2 FY15	Q2 FY14	H1 FY15	H1 FY14	FY14
Gross written premium	1,475	1,143	2,653	2,241	4,584
Net earned premium	953	881	1,874	1,697	3,493
Underwriting profit	23	22	47	24	-2
Investment income	170	144	328	283	589
<b>Profit before tax</b>	<b>193</b>	<b>166</b>	<b>375</b>	<b>307</b>	<b>587</b>
<b>Profit after tax</b>	<b>145</b>	<b>113</b>	<b>275</b>	<b>213</b>	<b>409</b>

**Key ratios**

Claim ratio	75.3%	70.2%	73.4%	70.6%	72.3%
Combined ratio	96.3%	95.8%	96.4%	96.6%	98.1%

**Annexure D - Summary financial results of BALIC**

₹ In Crore	Q2 FY15	Q2 FY14	H1 FY15	H1 FY14	FY14
Gross written premium	1,401	1,434	2,196	2,318	5,843
New business premium	610	659	1,003	1,097	2,592
Renewal premium	791	775	1,193	1,221	3,251
Policyholders' surplus*	140	145	311	326	649
Shareholders' profit	103	107	218	222	386
Total surplus* (policyholders' + shareholders')	243	252	529	548	1,035
Total shareholders' profit after tax**					1,025

\*Policyholders' distributable surplus, if any, will be transferred to shareholders' account in Q4 FY15 after audited accounts.

\*\*Shareholders' profit for FY14 comprises of profit for the year - ₹ 386 crore and distribution of surplus from policyholders' account - ₹ 639 crore.