

BAJAJ

Bajaj Finserv Limited

Mumbai - Pune Road, Akurdi, Pune 411 035

AUDITED FINANCIAL RESULTS OF BAJAJ FINSERV LIMITED FOR THE YEAR ENDED MARCH 31, 2008

(Rs. In Million)

	NINE MONTHS ENDED 31.12.2007 (Audited)	QUARTER ENDED 31.03.2008 (Audited)	YEAR ENDED 31.03.2008 (Audited)
Income from Operations	815.7	224.0	1039.7
Other Income	12.0	12.0	24.0
TOTAL INCOME	827.7	236.0	1063.7
EXPENDITURE :			
a) Employees Cost	14.1	6.5	20.6
b) Depreciation	223.7	73.3	297.0
c) Other expenditure	56.0	40.2	96.2
Total	293.8	120.0	413.8
Profit / (Loss) from ordinary activities before tax	533.9	116.0	649.9
Tax expense (Including Fringe Benefit Tax)	178.2	32.2	210.4
Net Profit / (Loss) for the period	355.7	83.8	439.5
Paid up Equity Share Capital (Face value of Rs. 5/-)	723.4	723.4	723.4
Weighted average number of shares (In million)			139.6
Reserves excluding Revaluation Reserves as at 31 March 2008			11087.8
Basic and Diluted Earnings Per Share (Rs.)			
a) before extraordinary items			3.1
b) after extraordinary items			3.1
Public shareholding			
No. of shares (See note 6)			70,130,634
Percentage of Shareholding (See note 6)			48.47%

CONSOLIDATED FINANCIAL AND SEGMENT-WISE RESULTS OF BAJAJ FINSERV LIMITED AND ITS SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES			
AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2008			
	(Rs. In Million)		
	NINE MONTHS ENDED 31.12.2007 (Audited)	QUARTER ENDED 31.03.2008 (Audited)	YEAR ENDED 31.03.2008 (Audited)
Income from operations	902.3	(281.5)	620.8
Expenditure :			
a) Employees Cost	19.1	11.9	31.0
b) Depreciation	223.6	73.4	297.0
c) Other expenditure	101.3	49.7	151.0
Total	344.0	135.0	479.0
Profit / (Loss) from ordinary activities before tax and share of profit on Investments in Associates	558.3	(416.5)	141.8
Add: Share of Profit after tax on Investments in Associates	64.0	18.5	82.5
Profit / (Loss) from ordinary activities before tax	622.3	(398.0)	224.3
Tax expense (Including Fringe Benefit Tax)	740.5	92.8	833.3
Profit / (Loss) from ordinary activities after tax	(118.2)	(490.8)	(609.0)
Less: Minority Interest in Net Income of subsidiaries	(128.1)	(153.4)	(281.5)
Net Profit / (Loss) for the period	9.9	(337.4)	(327.5)
Paid up Equity Share Capital (Face value of Rs. 5/-)	723.4	723.4	723.4
Weighted average number of shares (In million)			139.6
Reserves excluding Revaluation Reserves as at 31 March 2008			19489.1
Basic and Diluted Earnings Per Share (Rs.)			
a) before extraordinary items			(2.3)
b) after extraordinary items			(2.3)

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. In Million)

	NINE MONTHS ENDED 31.12.2007 (Audited)	QUARTER ENDED 31.03.2008 (Audited)	YEAR ENDED 31.03.2008 (Audited)
Segment Revenue			
Insurance	94787.5	26436.0	121223.5
Windmill	317.1	30.6	347.7
Investments & Others	473.0	209.5	682.5
Total	95577.6	26676.1	122253.7
Segment Profit/(Loss) before Tax and Interest			
Insurance	69.8	(529.6)	(459.8)
Windmill	40.5	(67.0)	(26.5)
Retail financing - Share of Income from associate	64.0	18.5	82.5
Investments & Others	448.0	180.1	628.1
Total	622.3	(398.0)	224.3
Less: Interest	-	-	-
Total Profit Before Tax	622.3	(398.0)	224.3
Capital Employed			
Insurance	9253.6	12730.0	12730.0
Windmill	1017.3	942.3	942.3
Retail financing	4308.5	4327.0	4327.0
Investments & Others	8440.1	8553.2	8553.2
Unallocable	5.1	(122.6)	(122.6)
Total	23024.6	26429.9	26429.9

NOTE:

The consolidated financial results include results of the following companies:

Name of the company	% shareholding and voting power of Bajaj Finserv Limited	Segment	Consolidated as
a. Bajaj Allianz General Insurance Company Limited	74%	Insurance - general	Subsidiary
b. Bajaj Allianz Life Insurance Company Limited	74%	Insurance - life	Subsidiary
c. Bajaj Allianz Financial Distributors Limited	50%	Investment	Joint venture
d. Bajaj Auto Finance Limited	40.53%	Retail Financing	Associate

Notes:

1. Bajaj Holdings & Investment Limited [(BHIL) – erstwhile Bajaj Auto Limited (BAL)] was demerged under a Scheme of Arrangement sanctioned by the Hon'ble Bombay High Court under Sections 391 to 394 of the Companies Act 1956, whereby its manufacturing undertaking has been transferred to the new Bajaj Auto Limited (BAL) and its strategic business undertaking consisting of wind farm and financial services business has been vested with Bajaj Finserv Limited (BFS). All the businesses and all properties, assets, investments and liabilities of erstwhile BAL, other than the manufacturing undertaking, the strategic business undertaking and part of the investments transferred to BAL and BFS, remain vested with BHIL. The said scheme became effective with effect from 20 February 2008 (the effective date), but operative with retrospective effect from 1 April 2007 (the appointed date).

The results for the quarter and year ended 31st March 2008 are after giving effect to the assets, liabilities, incomes and expenses, as specified in the scheme.

2. Gross Written Premium (GWP) for the year ended March 31, 2008 of general insurance business is Rs. 25780.4 million. The corresponding figure for the year ended March 31, 2007 was Rs. 18033.4 million.

Gross Written Premium (GWP) for the year ended March 31, 2008 of life insurance business is Rs. 97253.1 million. The corresponding figure for the year ended March 31, 2007 was Rs. 53452.4 million.

3. For the purpose of consolidated financials the net result of the insurance business revenue accounts together with shareholders income and transfers to policyholders revenue account in accordance with the reporting framework of IRDA, amounting to a deficit of Rs. 409.4 million for the year ended March 31, 2008, has been included in a manner consistent with the parent's reporting format. However, for reporting segment information, segment revenues for both insurance businesses represent the premiums earned and other income.

4. Directors recommend a dividend of Re. 1 per share (20%) subject to approval of shareholders.

5. The company is currently unlisted. There were no investor complaints received by the company during the year.

6. After allotment of shares pursuant to scheme of demerger on 3 April 2008, the public shareholding in the company went up to 70,130,634 shares (48.47% of the total capital) as on 3 April 2008.

7. This being the first financial year of the company, previous years figures have not been disclosed.

8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on May 21, 2008.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ FINSERV LIMITED**

Pune

Date: May 21, 2008

**RAHUL BAJAJ
Chairman**