

BAJAJ

Bajaj Finserv Limited

Mumbai - Pune Road, Akurdi, Pune 411 035

UNAUDITED STAND-ALONE FINANCIAL RESULTS OF BAJAJ FINSERV LIMITED FOR THE QUARTER ENDED DECEMBER 31, 2009

(Rs. In Lakhs)

Particulars	QUARTER	QUARTER	NINE MONTHS	NINE MONTHS	YEAR
	ENDED 31.12.2009 (Unaudited)	ENDED 31.12.2008 (Unaudited)	ENDED 31.12.2009 (Unaudited)	ENDED 31.12.2008 (Unaudited)	ENDED 31.03.2009 (Audited)
Income from Operations	3093	2909	10058	8741	11203
EXPENDITURE :					
a) Employees Cost	98	64	338	200	343
b) Depreciation	515	745	1806	2230	2977
c) Other expenditure (See note 1 & 2)	1524	675	3453	1435	1717
d) Total	2137	1484	5597	3865	5037
Profit from Operations before Other Income and Interest	956	1425	4461	4876	6166
Other Income	119	41	182	123	168
Profit before Interest	1075	1466	4643	4999	6334
Interest	-	1	-	2	1
Profit / (Loss) from ordinary activities before tax	1075	1465	4643	4997	6333
Tax expense	670	360	1950	1503	2197
Net Profit / (Loss) for the period	405	1105	2693	3494	4136
Paid up Equity Share Capital (Face value of Rs. 5/-)	7234	7234	7234	7234	7234
Reserves excluding Revaluation Reserves					113321
Basic and Diluted Earnings Per Share (Rs.) (not annualised) before and after extraordinary items	0.3	0.8	1.9	2.4	2.9
Public shareholding					
No. of shares	65,817,175	64,885,980	65,817,175	64,885,980	65,805,185
Percentage of Shareholding	45.49%	44.85%	45.49%	44.85%	45.48%
Promoters & Promoter Group Shareholding					
(a) Pledged/Encumbered					
No. of shares	769,092	NA	769,092	NA	6,320,111
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	0.98%	NA	0.98%	NA	8.03%
Percentage of shares (as a % of the total share capital of the company)	0.53%	NA	0.53%	NA	4.37%
(b) Non-Encumbered					
No. of shares	77,907,458	NA	77,907,458	NA	72,356,439
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	99.02%	NA	99.02%	NA	91.97%
Percentage of shares (as a % of the total share capital of the company)	53.85%	NA	53.85%	NA	50.01%

Notes:

1. Other Expenditure includes a) repairs to windmill of Rs. 180 lakhs for the current quarter and Rs. 540 lakhs for the nine months ending 31 December 2009 (corresponding previous year quarter - Rs. 209 lakhs, corresponding previous nine months - Rs. 550 lakhs & previous year - Rs. 733 lakhs); b) wheeling & transmission charges of Rs. 41 lakhs for the current quarter and Rs. 488 lakhs for the nine months ending 31 December 2009 (corresponding previous year quarter - Rs. 225 lakhs, corresponding previous nine months - Rs. 225 lakhs & previous year - Rs. 225 lakhs); c) windmill income revaluation expenses of Rs. 10 lakh for the current quarter and Rs. 255 lakhs for the nine months ending 31 December 2009 (corresponding previous year quarter - Rs. Nil, corresponding previous nine months - Rs. Nil & previous year - Rs. Nil)
2. The company had acquired 2,178,490 detachable warrants, attached to non convertible debentures, issued by Bajaj Auto Finance Limited (hereinafter referred to as "BAFL") as part of rights issue of non convertible debentures in 2006-07. The warrant entitled the company to apply for equity shares in BAFL at the warrant exercise price of Rs. 500/- per warrant, within the warrant exercise period, which expired on 8 January 2010. Since the current market price of equity shares of BAFL is lower than the warrant exercise price of Rs. 500/-, the company did not exercise its right to apply for shares of BAFL. Consequently amount of Rs. 1046 lakhs, being cost of warrants has been fully provided for and included in "other expenditure".
3. The company did not have any investor complaints pending as on 1 October 2009 and as on 31 December 2009. There were two investors' complaints received and disposed of during the quarter ended 31 December 2009.
4. In response to the application made by the company, the company has been registered on 30 October 2009 as a Non-Banking Financial Institution (non-deposit taking). The company has complied with the prudential norms as applicable thereto, except in respect of 'concentration of investments', for which the company is in the process of filing applications to Reserve Bank of India for getting necessary exemptions.
5. The Company has opted to publish consolidated financial results, pursuant to option made available as per Clause 41 of the Listing Agreement. These stand alone financial results, which have been subjected to a limited review by the auditors, are available on the company's website viz. www.bajajfinserv.in and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).
6. Figures for previous year / period have been regrouped wherever necessary.
7. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 12 January 2010 and subjected to a limited review by the auditors.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ FINSERV LIMITED

Pune
Date: 12 January 2010

RAHUL BAJAJ
Chairman

BAJAJ

Bajaj Finserv Limited
Mumbai - Pune Road, Akurdi, Pune 411 035

UNAUDITED CONSOLIDATED FINANCIAL AND SEGMENT-WISE RESULTS OF BAJAJ FINSERV LIMITED AND ITS SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES FOR THE QUARTER ENDED DECEMBER 31, 2009

(Rs. in Lakhs)

Particulars	QUARTER ENDED 31.12.2009 (Unaudited)	QUARTER ENDED 31.12.2008 (Unaudited)	NINE MONTHS ENDED 31.12.2009 (Unaudited)	NINE MONTHS ENDED 31.12.2008 (Unaudited)	YEAR ENDED 31.03.2009 (Audited)
KEY BUSINESS STATISTICS OF CONSOLIDATED ENTITIES					
i. Gross written premium					
a) Life Insurance - Bajaj Allianz Life Insurance Co. Ltd.	275546	241961	727623	674363	1062452
b) General Insurance - Bajaj Allianz General Insurance Co. Ltd.	58271	58119	180045	199734	286618
ii. Funds deployed - Bajaj Auto Finance Ltd.	120967	61233	325905	179942	245093
iii. Wind energy generated - Bajaj Finserv Limited	810	918	3821	3538	4160
Income from operations	11925	8585	33219	24530	38530
Expenditure :					
a) Transfer to Policyholders' Fund	3467	4625	5622	22089	16391
b) Employees Cost	1281	871	3518	1493	2745
c) Depreciation	519	745	1812	2230	2981
d) Other expenditure (See note 3)	1508	678	3621	1579	2373
e) Total	6775	6919	14573	27391	24490
Profit from Operations before Other Income and Interest	5150	1666	18646	(2861)	14040
Other Income	76	-	76	-	-
Profit before Interest	5226	1666	18722	(2861)	14040
Interest	-	1	-	2	2
Profit / (Loss) from ordinary activities before tax and share of profit on investments in Associates	5226	1665	18722	(2863)	14038
Add: Share of Profit after tax on Investments in Associates	1147	457	2697	764	1397
Profit / (Loss) from ordinary activities before tax	6373	2122	21419	(2099)	15435
Tax expense	2192	1004	6841	4155	7668
Profit / (Loss) from ordinary activities after tax	4181	1118	14578	(6254)	7767
Less: Minority Interest in Net Income of subsidiaries	695	(111)	2483	(2672)	636
Net Profit / (Loss) for the period	3486	1229	12095	(3582)	7131
Paid up Equity Share Capital (Face value of Rs. 5/-)	7234	7234	7234	7234	7234
Reserves excluding Revaluation Reserves					201560
Basic and Diluted Earnings Per Share (Rs.) (not annualised) before and after extraordinary items	2.5	0.8	8.4	(2.5)	4.9
Public shareholding					
No. of shares	65,817,175	64,885,980	65,817,175	64,885,980	65,805,185
Percentage of Shareholding	45.49%	44.85%	45.49%	44.85%	45.48%
Promoters & Promoter Group Shareholding					
(a) Pledged/Encumbered					
No. of shares	769,092	NA	769,092	NA	6,320,111
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	0.98%	NA	0.98%	NA	8.03%
Percentage of shares (as a % of the total share capital of the company)	0.53%	NA	0.53%	NA	4.37%
(b) Non-Encumbered					
No. of shares	77,907,458	NA	77,907,458	NA	72,356,439
Percentage of shares (as a % of the total shareholding of promoters & promoter group)	99.02%	NA	99.02%	NA	91.97%
Percentage of shares (as a % of the total share capital of the company)	53.85%	NA	53.85%	NA	50.01%

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED					
Particulars	QUARTER	QUARTER	NINE MONTHS	NINE MONTHS	(Rs. In Lakhs)
	ENDED 31.12.2009 (Unaudited)	ENDED 31.12.2008 (Unaudited)	ENDED 31.12.2009 (Unaudited)	ENDED 31.12.2008 (Unaudited)	YEAR ENDED 31.03.2009 (Audited)
Segment Revenue					
Insurance					
General Insurance					
Net earned premium	41384	43760	126302	127094	189109
Investment & Other Income	5899	8185	17621	14937	25075
subtotal	47283	51945	143923	142031	214184
Life Insurance					
Net earned premium	274779	241376	725240	672639	1060107
Investment & Other Income (See note 2)	94876	(183107)	939984	(349805)	(300695)
subtotal	369655	58269	1665224	322834	759412
total	416938	110214	1809147	464865	973596
Investments & Others	3519	2801	9175	6317	9483
Windmill	810	918	3821	3538	4160
Total	421267	113933	1822143	474720	987239
Segment Profit/(Loss) before Tax, Interest					
Insurance					
General Insurance					
	4604	2356	12956	7523	14959
Life Insurance					
	(407)	(2142)	1484	(15149)	(7067)
total	4197	214	14440	(7626)	7892
Investments & Others	1028	1868	4091	4453	6082
Retail financing - Share of Income from associate	1147	457	2697	764	1397
Windmill	1	(416)	191	312	66
Total	6373	2123	21419	(2097)	15437
Less: Interest	-	1	-	2	2
Total Profit Before Tax	6373	2122	21419	(2099)	15435
Capital Employed					
Insurance					
General Insurance					
	72903	61152	72903	61152	65609
Life Insurance					
	66307	54427	66307	54427	63121
total	139210	115579	139210	115579	128730
Investments & Others	93664	87638	93664	87638	88762
Retail financing	48421	43862	48421	43862	46083
Windmill	5164	8377	5164	8377	7737
Unallocable	(882)	262	(882)	262	(1299)
Total	285577	255718	285577	255718	270013

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%	Others	Joint venture
d. Bajaj Auto Finance Limited	42%	Retail Financing	Associate
e. Bajaj Financial Solutions Limited	100%	Others	Subsidiary

Notes:

- For the purpose of consolidated financials the surplus of the insurance business revenue accounts together with shareholders income in accordance with the reporting framework of IRDA, amounting to Rs. 20299 lakhs for the nine months ended 31 December 2009, has been recognised as "income from operations" (corresponding previous nine months surplus of Rs. 14675 lakhs & previous year surplus of Rs. 24887 lakhs). Transfers to Policyholders' revenue accounts is recognised as an expense. For reporting segment information, segment revenues for both insurance businesses represent the premiums earned and other income.
- As per accounting regulations prescribed by IRDA in respect of investments corresponding to unit linked policyholders' fund, mark to market gains / losses have to be accounted for. Accordingly, segment revenues from Investment & Other Income in respect of the life insurance business, includes an unrealised loss of Rs. 2097 lakhs for the current quarter and unrealised gain of Rs. 665535 lakhs for the nine months ended 31 December 2009 (corresponding previous year quarter unrealised loss of Rs. 115721 lakhs, corresponding previous nine months unrealised loss of Rs. 269523 lakhs & previous year unrealised loss of Rs. 191895 lakhs).
- The company had acquired 2,178,490 detachable warrants, attached to non convertible debentures, issued by Bajaj Auto Finance Limited (hereinafter referred to as "BAFL") as part of rights issue of non convertible debentures in 2006-07. The warrant entitled the company to apply for equity shares in BAFL at the warrant exercise price of Rs. 500/- per warrant, within the warrant exercise period, which expired on 8 January 2010. Since the current market price of equity shares of BAFL is lower than the warrant exercise price of Rs. 500/-, the company did not exercise its right to apply for shares of BAFL. Consequently amount of Rs. 1046 lakhs, being cost of warrants has been fully provided for and included in "other expenditure".
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Date: 12 January 2010

RAHUL BAJAJ
Chairman