



Bajaj Finserv Limited

Mumbai - Pune Road, Akurdi, Pune 411 035

AUDITED STAND-ALONE FINANCIAL RESULTS OF BAJAJ FINSERV LIMITED FOR THE QUARTER AND YEAR ENDED MARCH 31, 2011

(₹ In Lakhs)

| Particulars | QUARTER | QUARTER | YEAR | YEAR |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | ENDED 31.03.2011 (Audited) | ENDED 31.03.2010 (Audited) | ENDED 31.03.2011 (Audited) | ENDED 31.03.2010 (Audited) |
| Income from Operations | 1886 | 2652 | 11981 | 12710 |
| EXPENDITURE : | | | | |
| a) Employees Cost | 314 | 57 | 748 | 395 |
| b) Depreciation | 111 | 390 | 1003 | 2196 |
| c) Other expenditure (See note 2) | 599 | 1002 | 2427 | 4455 |
| d) Total | 1024 | 1449 | 4178 | 7046 |
| Profit from Operations before Other Income, Interest & Exceptional Item | 862 | 1203 | 7803 | 5664 |
| Other Income | 211 | 88 | 625 | 270 |
| Profit before Interest & Exceptional Item | 1073 | 1291 | 8428 | 5934 |
| Interest | - | - | - | - |
| Profit after Interest but before Exceptional Item | 1073 | 1291 | 8428 | 5934 |
| Exceptional item | | | | |
| Surplus on pre-payment of sales tax deferral incentive/loan liability (See note 3) | 13907 | - | 13907 | - |
| Profit / (Loss) from ordinary activities before tax | 14980 | 1291 | 22335 | 5934 |
| Tax expense | 891 | 586 | 3501 | 2536 |
| Net Profit / (Loss) before deferred tax adjustments | 14089 | 705 | 18834 | 3398 |
| Adjustments on revaluation of deferred tax assets | - | (459) | - | (459) |
| Net Profit / (Loss) for the period | 14089 | 246 | 18834 | 2939 |
| Paid up Equity Share Capital (Face value of ₹ 5/-) | 7234 | 7234 | 7234 | 7234 |
| Reserves excluding Revaluation Reserves | | | 131782 | 114573 |
| Basic and Diluted Earnings Per Share (₹) (not annualised) before and after extraordinary items | 9.7 | 0.4 | 13.0 | 2.3 |
| Public shareholding | | | | |
| No. of shares | 60,088,059 | 65,001,484 | 60,088,059 | 65,001,484 |
| Percentage of Shareholding | 41.53% | 44.93% | 41.53% | 44.93% |
| Promoters & Promoter Group Shareholding | | | | |
| (a) Pledged/Encumbered | | | | |
| No. of shares | 64,786 | 622,708 | 64,786 | 622,708 |
| Percentage of shares (as a % of the total shareholding of promoters & promoter group) | 0.08% | 0.78% | 0.08% | 0.78% |
| Percentage of shares (as a % of the total share capital of the company) | 0.04% | 0.43% | 0.04% | 0.43% |
| (b) Non-Encumbered | | | | |
| No. of shares | 84,445,451 | 78,904,033 | 84,445,451 | 78,904,033 |
| Percentage of shares (as a % of the total shareholding of promoters & promoter group) | 99.92% | 99.22% | 99.92% | 99.22% |
| Percentage of shares (as a % of the total share capital of the company) | 58.37% | 54.54% | 58.37% | 54.54% |

Notes:

1. Disclosure of assets and liabilities as per clause 41(l)(ea) of the listing agreement for the year ended 31 March 2011 -

(₹ In Lakhs)

| Particulars | AS AT | AS AT |
|---|---------------------------|---------------------------|
| | 31.03.2011 | 31.03.2010 |
| | (Audited) | (Audited) |
| SOURCES OF FUNDS | | |
| 1. Shareholders' Funds | | |
| a) Share Capital | 7234 | 7234 |
| b) Reserves & Surplus | 131782 | 114573 |
| | <hr/> | <hr/> |
| | 139016 | 121807 |
| 2. Loan Funds (See note 3) | - | 31076 |
| 3. Deferred Tax Adjustments | 867 | 134 |
| Total | <hr/> 139883 <hr/> | <hr/> 153017 <hr/> |
| APPLICATION OF FUNDS | | |
| 1. Fixed Assets | 7173 | 8634 |
| 2. Investments | 135740 | 146659 |
| 3. Current Assets, Loans and Advances | | |
| a) Sundry Debtors | 130 | 83 |
| b) Cash and Bank Balances | 70 | 205 |
| c) Other Current Assets | 321 | 481 |
| d) Loans and Advances | 166 | 573 |
| | <hr/> | <hr/> |
| | 687 | 1342 |
| Less : Current Liabilities and Provisions | | |
| a) Liabilities | 687 | 1158 |
| b) Provisions | 3030 | 2460 |
| | <hr/> | <hr/> |
| | 3717 | 3618 |
| Net Current Assets | <hr/> (3030) <hr/> | <hr/> (2276) <hr/> |
| Total | <hr/> 139883 <hr/> | <hr/> 153017 <hr/> |

Notes (contd) :

2. Other Expenditure includes following -

(₹ In Lakhs)

| Particulars | Quarter ended | | Year ended | |
|---|---------------|------------|------------|------------|
| | 31.03.2011 | 31.03.2010 | 31.03.2011 | 31.03.2010 |
| Operation & maintenance charges of windmill | 176 | 157 | 698 | 697 |
| Wheeling & transmission charges | 12 | 426 | 293 | 914 |
| Unsubscribed warrants written off | - | - | - | 1046 |

3. Sales tax deferral benefit available to the company as a wind power generator was availed by the erstwhile Bajaj Auto Ltd. The amount of liability deferred by the latter had been passed on under a scheme of demerger to the company, and recognised as a liability, as the obligation to pay vested with the company. The said liability was prepaid at a discounted value of ₹ 17,169 Lakhs under Rule 84 of the Maharashtra Value Added Tax Rules, 2005 thereby resulting in a surplus of ₹13,907 Lakhs. The said sum has been reflected as an exceptional item and considered as a capital receipt.

4. Directors recommend a dividend of ₹ 1.25 per share (25%) subject to approval of shareholders.

5. The company did not have any investor complaint pending as on 1 January 2011 and as on 31 March 2011. There was one investor complaint received and disposed of during the quarter ended 31 March 2011.

6. 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 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).

7. Figures for previous year / period have been regrouped wherever necessary.

8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 17 May 2011.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ FINSERV LIMITED

Pune
Date: 17 May 2011

RAHUL BAJAJ
Chairman



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

AUDITED CONSOLIDATED FINANCIAL AND SEGMENT-WISE RESULTS OF BAJAJ FINSERV LIMITED AND ITS SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES FOR THE QUARTER AND YEAR ENDED MARCH 31, 2011

| Particulars | (₹ In Lakhs) | | | |
|---|--------------------------|--------------------------|-----------------------|-----------------------|
| | QUARTER ENDED 31.03.2011 | QUARTER ENDED 31.03.2010 | YEAR ENDED 31.03.2011 | YEAR ENDED 31.03.2010 |
| | (Audited) | (Audited) | (Audited) | (Audited) |
| Gross revenues | | | | |
| i. Gross written premium | | | | |
| a) Life Insurance - Bajaj Allianz Life Insurance Co. Ltd. | 320315 | 414348 | 960995 | 1141971 |
| b) General Insurance - Bajaj Allianz General Insurance Co. Ltd. | 103495 | 92444 | 312937 | 272489 |
| ii. Interest and finance charges - Bajaj Finance Ltd. (See note 5) | 39456 | - | 110939 | - |
| iii. Income from windpower generation - Bajaj Finserv Ltd. | 572 | 490 | 4179 | 4311 |
| iv. Investment income (excluding accretions on unit linked investment) | 17757 | 20463 | 76619 | 63532 |
| v. Others | 1469 | 1147 | 5514 | 4336 |
| Total | 483064 | 528892 | 1471183 | 1486639 |
| Income from operations | 38149 | 12753 | 150781 | 45972 |
| Transfer from Policyholders's Account | 93551 | 52448 | 93551 | 52448 |
| TOTAL INCOME | 131700 | 65201 | 244332 | 98420 |
| Expenditure : | | | | |
| a) Transfer to Policyholders' Account | (2178) | 1323 | 3167 | 6945 |
| b) Employees Cost | 6243 | 1217 | 17746 | 4735 |
| c) Marketing & Other Commission | 3337 | - | 8528 | - |
| d) Recovery Commission | 1210 | - | 3819 | - |
| e) Provision for Doubtful Debts net and Bad Debts written off | 3756 | - | 14394 | - |
| f) Depreciation | 517 | 390 | 2028 | 2202 |
| g) Other expenditure | 3612 | 1832 | 13275 | 5453 |
| h) Total | 16497 | 4762 | 62957 | 19335 |
| Profit from Operations before Other Income, Interest & Exceptional Item | 115203 | 60439 | 181375 | 79085 |
| Other Income | 28 | 45 | 125 | 121 |
| Profit before Interest & Exceptional Item | 115231 | 60484 | 181500 | 79206 |
| Interest | 11838 | - | 30523 | - |
| Profit after Interest but before Exceptional Item | 103393 | 60484 | 150977 | 79206 |
| Exceptional item | | | | |
| Surplus on pre-payment of sales tax deferral incentive/loan liability (See note 4) | 13907 | - | 13907 | - |
| Profit / (Loss) from ordinary activities before tax and share of profit on Investments in Associates | 117300 | 60484 | 164884 | 79206 |
| Add: Share of Profit after tax on Investments in Associates | - | 1125 | 2089 | 3822 |
| Profit / (Loss) from ordinary activities before tax | 117300 | 61609 | 166973 | 83028 |
| Tax expense | 2548 | 3034 | 17820 | 9875 |
| Profit / (Loss) from ordinary activities after tax | 114752 | 58575 | 149153 | 73153 |
| Prior period adjustments (net) | 33 | - | 33 | - |
| | 114785 | 58575 | 149186 | 73153 |
| Less: Minority Interest in Net Income of subsidiaries | 27527 | 14758 | 37702 | 17241 |
| Net Profit / (Loss) before deferred tax adjustments | 87258 | 43817 | 111484 | 55912 |
| Adjustments on revaluation of deferred tax assets | - | (459) | - | (459) |
| Net Profit / (Loss) for the period | 87258 | 43358 | 111484 | 55453 |
| Paid up Equity Share Capital (Face value of ₹ 5/-) | 7234 | 7234 | 7234 | 7234 |
| Weighted average number of shares (In lakhs) | 1447 | 1447 | 1447 | 1447 |
| Reserves excluding Revaluation Reserves | | | 365278 | 255341 |
| Basic and Diluted Earnings Per Share (₹) (not annualised) before and after extraordinary items | 60.3 | 30.3 | 77.1 | 38.6 |
| Public shareholding | | | | |
| No. of shares | 60,088,059 | 65,001,484 | 60,088,059 | 65,001,484 |
| Percentage of Shareholding | 41.53% | 44.93% | 41.53% | 44.93% |
| Promoters & Promoter Group Shareholding | | | | |
| (a) Pledged/Encumbered | | | | |
| No. of shares | 64,786 | 622,708 | 64,786 | 622,708 |
| Percentage of shares (as a % of the total shareholding of promoters & promoter group) | 0.08% | 0.78% | 0.08% | 0.78% |
| Percentage of shares (as a % of the total share capital of the company) | 0.04% | 0.43% | 0.04% | 0.43% |
| (b) Non-Encumbered | | | | |
| No. of shares | 84,445,451 | 78,904,033 | 84,445,451 | 78,904,033 |
| Percentage of shares (as a % of the total shareholding of promoters & promoter group) | 99.92% | 99.22% | 99.92% | 99.22% |
| Percentage of shares (as a % of the total share capital of the company) | 58.37% | 54.54% | 58.37% | 54.54% |

| SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED | | | | |
|--|---|---|--|--|
| | (₹ In Lakhs) | | | |
| Particulars | QUARTER ENDED 31.03.2011 (Audited) | QUARTER ENDED 31.03.2010 (Audited) | YEAR ENDED 31.03.2011 (Audited) | YEAR ENDED 31.03.2010 (Audited) |
| Segment Revenue | | | | |
| Insurance | | | | |
| Gross written premium | | | | |
| Life Insurance | 320315 | 414348 | 960995 | 1141971 |
| General Insurance | 103495 | 92444 | 312937 | 272489 |
| | 423810 | 506792 | 1273932 | 1414460 |
| Less: Reinsurance ceded | 24365 | 23060 | 85364 | 78157 |
| Reserve for unexpired risk | 7172 | 7718 | 16085 | 8747 |
| | 392273 | 476014 | 1172483 | 1327556 |
| Investment and other income(excluding accretions to unit linked holders) | 17651 | 18087 | 70958 | 55170 |
| Insurance total | 409924 | 494101 | 1243441 | 1382726 |
| Investments & Others | 2994 | 3523 | 13941 | 12698 |
| Retail financing | 39456 | - | 110939 | - |
| Windmill | 572 | 490 | 4179 | 4311 |
| | 452946 | 498114 | 1372500 | 1399735 |
| Less : Inter-segment revenue | 1419 | - | 2766 | - |
| Total | 451527 | 498114 | 1369734 | 1399735 |
| Segment Profit/(Loss) before Tax, Interest | | | | |
| Insurance | | | | |
| General Insurance | (9055) | 5004 | 6191 | 17960 |
| Life Insurance | 102322 | 54216 | 109454 | 55700 |
| total | 93267 | 59220 | 115645 | 73660 |
| Investments & Others | 280 | 1736 | 4422 | 5827 |
| Retail financing | 9582 | 1125 | 31005 | 3822 |
| Windmill | 14171 | (472) | 15901 | (281) |
| Total | 117300 | 61609 | 166973 | 83028 |
| Less: Interest | - | - | - | - |
| Total Profit Before Tax | 117300 | 61609 | 166973 | 83028 |
| Capital Employed | | | | |
| Insurance | | | | |
| General Insurance | 78244 | 75359 | 78244 | 75359 |
| Life Insurance | 224954 | 119256 | 224954 | 119256 |
| total | 303198 | 194615 | 303198 | 194615 |
| Investments & Others | 55851 | 92891 | 55851 | 92891 |
| Retail financing | 815372 | 52598 | 815372 | 52598 |
| Windmill | 2818 | 3792 | 2818 | 3792 |
| Unallocable | (2873) | (2349) | (2873) | (2349) |
| Total | 1174366 | 341547 | 1174366 | 341547 |

Notes:

1. 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 Finance Limited (BFL) | 55.98% | Retail Financing | Subsidiary |
| d. Bajaj Allianz Financial Distributors Limited | 50% | Others | Joint venture |
| e. Bajaj Financial Solutions Limited * | 100% | Others | Subsidiary |

* The consolidated financial results of Bajaj Financial Solutions Limited include 100% interest in Bajaj Financial Securities Limited (FinSec) as a subsidiary. Bajaj Financial Securities Limited was incorporated on 7 April 2010.

2. Disclosure of consolidated assets and liabilities as per clause 41(l)(ea) of the listing agreement for the year ended 31 March 2011 -

(₹ In Lakhs)

| Particulars | AS AT | AS AT |
|--|-------------------------|-------------------------|
| | 31.03.2011 (Audited) | 31.03.2010 (Audited) |
| SOURCES OF FUNDS | | |
| 1. Shareholders' Funds | | |
| a) Share Capital | 7234 | 7234 |
| b) Reserves & Surplus | 365278 | 255341 |
| c) Fair value change account | (72) | (38) |
| | <hr/> | <hr/> |
| | 372440 | 262537 |
| 2. Policy Liabilities | 384842 | 303218 |
| 3. Provision for Linked Liabilities | 3288417 | 2841461 |
| 4. Funds for future appropriation in Policyholders' Account | 29290 | 38746 |
| 5. Minority Interest | 141868 | 51615 |
| 6. Loan Funds | 669859 | 31076 |
| 7. Deferred Tax Adjustments | 868 | 134 |
| Total | <hr/> 4887584 | <hr/> 3528787 |
| APPLICATION OF FUNDS | | |
| 1. Fixed Assets | 49797 | 41919 |
| 2. Goodwill on investments in subsidiary / associate | 10181 | 265 |
| 3. Investments | 661382 | 547788 |
| 4. Policyholders' Investments | 409371 | 346224 |
| 5. Assets held to cover linked liabilities | 3288417 | 2841461 |
| 6. Deferred Tax Adjustments | 10669 | 3812 |
| 7. Current Assets, Loans and Advances | | |
| a) Receivable under financing activity | 727,009 | - |
| b) Sundry Debtors | 140 | 93 |
| c) Cash and Bank Balances | 154140 | 51845 |
| d) Other Current Assets | 46718 | 85610 |
| e) Loans and Advances | 39947 | 19403 |
| | <hr/> | <hr/> |
| | 967954 | 156951 |
| Less : Current Liabilities and Provisions | | |
| a) Liabilities | 363962 | 286570 |
| b) Provisions | 146225 | 123066 |
| | <hr/> | <hr/> |
| | 510187 | 409636 |
| Net Current Assets | <hr/> 457767 | <hr/> (252685) |
| 8. Miscellaneous Expenditure (to the extent not written off) | - | 3 |
| Total | <hr/> 4887584 | <hr/> 3528787 |

Notes (contd.):

3. 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 ₹ 24613 Lakhs for the year ended 31 March 2011, has been recognised as "income from operations" (corresponding previous year surplus of ₹ 29084 Lakhs). Transfers from Policyholders' revenue accounts is recognised in total income, but does not form part of segment revenue as for reporting segment information, segment revenues for both insurance businesses represent the premiums earned and other income.

4. Sales tax deferral benefit available to the company as a wind power generator was availed by the erstwhile Bajaj Auto Ltd. The amount of liability deferred by the latter had been passed on under a scheme of demerger to the company, and recognised as a liability, as the obligation to pay vested with the company. The said liability was prepaid at a discounted value of ₹ 17,169 Lakhs under Rule 84 of the Maharashtra Value Added Tax Rules, 2005 thereby resulting in a surplus of ₹13,907 Lakhs. The said sum has been reflected as an exceptional item and considered as a capital receipt.

5. Upon acquisition of further shares, Bajaj Finance Limited (BFL) became a subsidiary of the company from 5 July 2010. Accordingly, BFL has been consolidated as a subsidiary from that date. Prior to that date, BFL was consolidated as an associate and hence the consolidated financial results for the period ended 31 March 2011 are not comparable with those of the prior periods.

6. Directors recommend a dividend of ₹ 1.25 per share (25%) subject to approval of shareholders.

7. The company did not have any investor complaint pending as on 1 January 2011 and as on 31 March 2011. There was one investor complaint received and disposed of during the quarter ended 31 March 2011.

8. The Company has opted to publish consolidated financial results, pursuant to option made available as per Clause 41 of the Listing Agreement. The stand alone financial results 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). Key standalone financial information is given below:

(₹ In Lakhs)

| Particulars | Quarter ended | | Year ended | |
|---------------------------------------|---------------|------------|------------|------------|
| | 31.03.2011 | 31.03.2010 | 31.03.2011 | 31.03.2010 |
| Income from operations & other income | 2097 | 2740 | 12606 | 12980 |
| Profit/(Loss) before tax | 14980 | 1291 | 22335 | 5934 |
| Profit/(Loss) after tax | 14089 | 705 | 18834 | 3398 |

9. Figures for previous year / period have been regrouped wherever necessary.

10. The above results have been reviewed by the Audit Committee & approved by the Board of Directors in the meeting held on 17 May 2011.

BY ORDER OF THE BOARD OF DIRECTORS
FOR BAJAJ FINSERV LIMITED

Pune
Date: 17 May 2011

RAHUL BAJAJ
Chairman