

Press release

Financial results – Q2 FY16

Gross revenue ↑ 9%; Profit after tax ↑ 40%

A meeting of the Board of Directors of Bajaj Finserv Limited was held today to consider and approve the results for Q2 FY16.

Bajaj Finserv Limited (BFS) is the holding company for the various financial services businesses under the Bajaj group. BFS participates in financing business through Bajaj Finance Limited (BFL) in which it has a 57.53% holding as at 30 September 2015 and in the protection business through Bajaj Allianz General Insurance Company Limited (BAGIC) and Bajaj Allianz Life Insurance Company Limited (BALIC), in both of which it has a 74% holding. The results of these companies are reflected in the consolidated results of the Company.

Highlights – Q2 FY16 v/s Q2 FY15

✓ Consolidated gross revenue	– ₹ 5,185 crore	v/s ₹ 4,774 crore	↑ 9%
✓ Consolidated income from operations	– ₹ 2,224 crore	v/s ₹ 1,648 crore	↑ 35%
✓ Consolidated profit after tax	– ₹ 441 crore	v/s ₹ 316 crore	↑ 40%
✓ Bajaj Finance, profit after tax	– ₹ 279 crore	v/s ₹ 197 crore	↑ 42%
✓ General insurance, profit after tax	– ₹ 141 crore	v/s ₹ 145 crore	
✓ Life insurance, shareholders' profit after tax*	– ₹ 216 crore	v/s ₹ 103 crore	

Highlights – H1 FY16 v/s H1 FY15

✓ Consolidated gross revenue	– ₹ 10,012 crore	v/s ₹ 8,630 crore	↑ 16%
✓ Consolidated income from operations	– ₹ 4,435 crore	v/s ₹ 3,277 crore	↑ 35%
✓ Consolidated profit after tax	– ₹ 908 crore	v/s ₹ 635 crore	↑ 43%
✓ Bajaj Finance, profit after tax	– ₹ 555 crore	v/s ₹ 409 crore	↑ 36%
✓ General insurance, profit after tax	– ₹ 288 crore	v/s ₹ 275 crore	↑ 5%
✓ Life insurance, shareholders' profit after tax*	– ₹ 457 crore	v/s ₹ 218 crore	

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

* See note C iv)

Bajaj Finserv Limited

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

A. Bajaj Finance Limited (BFL)

- i) Total income for Q2 FY16 **increased** by **37%** to **₹ 1,701 crore** v/s ₹ 1,242 crore in Q2 FY15.
- ii) The Company recorded **its highest ever quarterly profit after tax** of **₹ 279 crore** in Q2 FY16 v/s ₹ 197 crore in Q2 FY15 – an **increase** of **42%**.
- iii) Assets under management stood at **₹ 37,964 crore** as on 30 September 2015 v/s ₹ 32,410 crore as on 31 March 2015 - an **increase** of **17%**.
- iv) Net NPA for Q2 FY16 was 0.46%.
- v) Capital adequacy ratio as on 30 September 2015 stood at a healthy **20.49%**.

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

B. Bajaj Allianz General Insurance Company Limited (BAGIC)

- i) Gross written premium for Q2 FY16 **increased** by **2%** to **₹ 1,500 crore** v/s ₹ 1,475 crore in Q2 FY15.
- ii) Profit after tax for Q2 FY16 stood at **₹ 141 crore** v/s ₹ 145 crore in Q2 FY15.
- iii) Net earned premium for Q2 FY16 stood at **₹ 1,061 crore** v/s ₹ 953 crore in Q2 FY15 – an **increase** of **11%**.
- iv) Underwriting loss was **₹ 8 crore** for Q2 FY16 v/s profit of ₹ 23 crore in Q2 FY15.
- v) Investment and other income for Q2 FY16 **increased** by **25%** to **₹ 213 crore** from ₹ 170 crore in Q2 FY15.
- vi) Claim ratio stood at **72.9%** in Q2 FY16 v/s 75.3% in Q2 FY15.
- vii) Combined ratio stood at **98.9%** in Q2 FY16 v/s 96.3% in Q2 FY15. The combined ratio for Q2 FY16 was higher mainly due to lower agricultural insurance business, resulting in lower reinsurance commission and, correspondingly, higher net commission ratio.
- viii) As on 30 September 2015, solvency ratio stood at **254%**, which is well above the normal regulatory requirement of 150%.
- ix) Cash and investments as on 30 September 2015 stood at **₹ 8,831 crore**.

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

C. Bajaj Allianz Life Insurance Company Limited (BALIC)

- i) Gross written premium was **₹ 1,172 crore** in Q2 FY16 v/s ₹ 1,401 crore in Q2 FY15.
- ii) New business premium was **₹ 460 crore** in Q2 FY16 v/s ₹ 610 crore in Q2 FY15.
- iii) Renewal premium for Q2 FY16 was **₹ 712 crore** v/s ₹ 791 crore in Q2 FY15.
- iv) Shareholders' profit during Q2 FY16 was **₹ 216 crore** v/s ₹ 103 crore in Q2 FY15. During the current quarter, BALIC has transferred surplus of ₹ 65 crore in the Policyholders' revenue account based on its audited interim financial statements to the shareholders' account as against the past practice of transferring such surplus at the close of the financial year.
- v) Solvency ratio stood at a healthy **809%** as on 30 September 2015 as against the minimum regulatory requirement of 150%.
- vi) Total investments as at 30 September 2015 stood at **₹ 42,954 crore**.

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



Sanjiv Bajaj
Managing Director
20 October 2015

