

FAX NO. 022 26598237/ 8238/ 66418125 / 8126

19 January 2012

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No.C-1, G Block
Bandra-Kurla Complex
Bandra (East)
MUMBAI 400 051

Dear Sir/s :

Sub : **Unaudited financial results for the quarter and
nine months 31 December 2011 – Errata to the Press Release**

Please refer to the Press Release given along with the Financial Results of Bajaj Finserv Limited for the quarter and nine months ended 31 December 2011 vide our letter dated 18 January 2012.

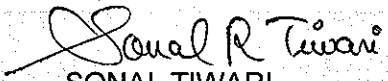
In **Annexure 'A'** to the Press Release, figures should be read as **'in Rupees Crore'** in place of 'Rupees in Lakh'. This inadvertent typo had been pointed out vide our email dated 18 January 2012 soon after it was noticed.

As required by you, we enclose the Revised Press Release along with this covering letter for your record and necessary action.

We regret the inconvenience.

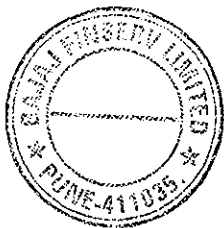
Thanking you,

Yours faithfully,
for Bajaj Finserv Limited,


SONAL TIWARI
COMPANY SECRETARY

Encl : as above

Confirmation copy sent by hand delivery



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 3040 5700 Fax +91 20 3040 5792 www.bajajfinserv.in

Press Release

Income ↑ 55%; Profit After Tax ↑ 59% !!

A meeting of the Board of Directors of Bajaj Finserv Limited was held today to consider and approve the results for Q3 FY12.

Bajaj Finserv – a holding company, is the financial services arm of the Bajaj group with business interest in "Protection", "Lending", and "Financial advisory and Wealth management" through its subsidiary companies.

While the **total income** for Q3 FY12 is **up by 55%**, Profit After Tax has **increased by 59%** to ₹ 170 crore. The strong results are due to the performance of the underlying subsidiaries, each of which has reported robust numbers.

HIGHLIGHTS –

Q3 FY12 v/s Q3 FY11

✓ Consolidated profit after tax	– ₹ 170 crore v/s ₹ 107 crore ↑ 59%
✓ Bajaj Finance, profit after tax	– ₹ 120 crore v/s ₹ 76 crore ↑ 58%
✓ General insurance, profit after tax	– ₹ 60 crore v/s ₹ 35 crore ↑ 71%
✓ Life insurance, business profit	– ₹ 283 crore v/s ₹ 300 crore
of which, shareholders' profit	– ₹ 63 crore v/s ₹ 40 crore ↑ 58%

9M FY12 v/s 9M FY11

✓ Consolidated profit after tax	– ₹ 457 crore v/s ₹ 242 crore ↑ 89%
✓ Bajaj Finance, profit after tax	– ₹ 298 crore v/s ₹ 176 crore ↑ 69%
✓ General insurance, profit after tax	– ₹ 162 crore v/s ₹ 100 crore ↑ 62%
✓ Life insurance, business profit	– ₹ 854 crore v/s ₹ 666 crore ↑ 28%
of which, shareholders' profit	– ₹ 173 crore v/s ₹ 61 crore ↑ 184%

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

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

A. Bajaj Finance Limited (BFL)

- Profit after tax - ₹ **120 crore** in Q3 FY12 v/s ₹ 76 crore in Q3 FY11 ↑ **58%**.
- Deployments ↑ **68%**; ₹ **4649 crore** in Q3 FY12 v/s ₹ 2774 crore during Q3 FY11.
- Assets under management stood at ₹ **11919 crore** as on 31st December 2011 v/s ₹ 7571 crore as on 31st March 2011.
- Gross income ↑ **55%**; ₹ **603 crore** in Q3 FY12 v/s ₹ 388 crore during Q3 FY11.
- Loan losses and provisions for Q3 FY12 ↓ **20%** at ₹ **36 crore** v/s ₹ 45 crore in Q3 FY11. Net NPA for Q3 FY12 stood at **0.25%** - the lowest for the company in the last 5 years.
- Capital adequacy ratio stood at a healthy **17.3%**.

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

B. Bajaj Allianz General Insurance Company Limited (BAGIC)

- During the current quarter, the company posted a profit after tax of ₹ **60 crore** v/s ₹ 35 crore in Q3 FY11 – an increase of 71%.
- Gross written premium for Q3 FY12 increased by 15% to ₹ **775 crore** v/s ₹ 675 crore in Q3 FY11.
- **Combined ratio (excluding motor pool losses)** improved by 8% from 99.4% in Q3 FY11 to 91.4% in Q3 FY12. Similarly, combined ratio (including motor pool losses) was at impressive 98.9% in Q3 FY12.
- Loss ratio improved by 6.1% from 64.2% in Q3 FY11 to 58.1% in Q3 FY12.
- Cash and investments as on 31st December 2011 stood at ₹ **4220 crore**.
- IRDA has recently issued Order dated 3rd January 2012 directing member companies of the Indian Motor Third Party Insurance Pool to carry as a reserve, in respect of Motor Pool losses, calculated at an Ultimate Loss Ratio of 159%, 188%, 200% and 213% for the years 2007-08 to 2010-11 respectively and consequently relaxed the Solvency Margins required to be maintained for the next 4 years starting 31st March 2012. Based on discussion with IRDA officials with respect to the timing of the recognition of the said reserve, it has been clarified that the said amount is intended to be provided as at 31st March 2012 and consequent to this the relaxation in the Solvency Margin, as per the order, has been made available w.e.f. 31st March 2012.

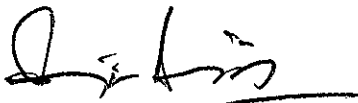
The company is also awaiting clarifications on the various issues raised by the industry arising out of the above said Order. In the event of the company being required to provide for the motor pool losses for all the years from 2007-08 as per the above order, the additional liability that would be required to be booked on 31st March 2012, works out to approximately ₹ 329 crore

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

C. Bajaj Allianz Life Insurance Company Limited (BALIC)

- BALIC's business profit for Q3 FY12 was ₹ **283 crore** v/s profit of ₹ 300 crore in Q3 FY11.
- Shareholders' profit during the current quarter was ₹ **63 crore** v/s ₹ 40 crore in Q3 FY11.
- Gross written premium was ₹ **1674 crore** in Q3 FY12 v/s ₹ 2256 crore in Q3 FY11.
- New business premium for Q3 FY12 was ₹ **653 crore** v/s ₹ 826 crore in Q3 FY11. The decline in new business premium for Q3 FY 12 was 21% compared to 37% and 38% respectively for Q1 FY12 and Q2 FY12.
- Renewal premium for Q3 FY12 was ₹ **1021 crore** v/s ₹ 1430 crore in Q3 FY11.
- Solvency ratio stood at a healthy **504%** as on 31st December 2011 as against the minimum regulatory requirement of 150%.
- Total investments as at 31st December 2011 stood at ₹ **35545 crore**.

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



Sanjiv Bajaj
Managing Director
18th January 2012



Bajaj Finserv Limited

Registered Office : Mumbai - Pune Road, Akurdi, Pune 411 035

Corporate Office : Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014

CONSOLIDATED RESULTS

(₹ In Crore)					
Particulars	QUARTER ENDED 31.12.2011 (Unaudited)	QUARTER ENDED 31.12.2010 (Unaudited)	NINE MONTHS ENDED 31.12.2011 (Unaudited)	NINE MONTHS ENDED 31.12.2010 (Unaudited)	YEAR ENDED 31.03.2011 (Audited)
Gross revenue					
i. Gross written premium					
a) Life Insurance - Bajaj Allianz Life Insurance Co. Ltd.	1674	2256	4740	6407	9610
b) General Insurance - Bajaj Allianz General Insurance Co. Ltd.	775	675	2384	2094	3129
ii. Gross income - Bajaj Finance Ltd.	603	388	1549	715	1109
iii. Income from windpower generation - Bajaj Finserv Ltd.	20	7	72	36	42
iv. Investment income (excluding accretions on unit linked investment)	271	253	749	589	766
v. Others	16	15	46	40	55
Total	3359	3594	9540	9881	14711
Income from operations	825	532	2151	1126	1508
Transfer from Policyholders' Account	-	-	-	-	935
TOTAL INCOME	825	532	2151	1126	2443
Expenditure :					
a) Transfer to Policyholders' Account	(2)	3	1	53	32
b) Employees Cost	69	53	197	115	177
c) Marketing & Other Commission	47	32	119	52	85
d) Recovery Cost	24	15	63	26	38
e) Provision for Doubtful Debts net and Bad Debts written off	36	45	114	106	144
f) Depreciation	4	6	12	15	20
g) Other expenditure	69	45	169	97	133
h) Total	247	199	675	464	629
Profit from Operations before Other Income, Interest & Exceptional Item	578	333	1476	662	1814
Other Income	-	-	1	1	1
Profit before Interest & Exceptional Item	578	333	1477	663	1815
Interest	206	103	515	187	305
Profit after Interest but before Exceptional Item	372	230	962	476	1510
Exceptional item					
Surplus on pre-payment of sales tax deferral incentive/loan liability	-	-	-	-	139
Profit / (Loss) from ordinary activities before tax and share of profit on Investments in Associates	372	230	962	476	1649
Add: Share of Profit after tax on Investments in Associates	-	-	-	21	21
Profit / (Loss) from ordinary activities before tax	372	230	962	497	1670
Tax expense	117	70	287	153	178
Profit / (Loss) after tax	255	160	675	344	1492
Less: Minority Interest in Net Income of subsidiaries	85	53	218	102	377
Net Profit / (Loss) for the period	170	107	457	242	1115
Basic and Diluted Earnings Per Share (₹) (not annualised)					
before and after extraordinary items	11.8	7.3	31.6	16.7	77.1

Annexure B - Summary financial results of BFL

₹ in crore	Q3 FY12	Q3 FY11	9M FY12	9M FY11	FY 11
Gross income	603	388	1549	1012	1406
Interest and finance charges	207	103	517	260	378
Net interest income	396	285	1032	752	1028
Operating expenses	183	125	477	321	453
Loan losses & provisions	36	45	114	167	205
Profit before tax (PBT)	177	115	441	264	370
Profit after tax (PAT)	120	76	298	176	247
Earnings per share (EPS), basic	32.8*	20.9*	81.4*	48.1*	67.5

*Not annualised

Annexure C - Summary financial results of BAGIC

₹ in crore	Q3 FY12	Q3 FY11	9M FY12	9M FY11	FY 11
Gross Written Premium *	775	675	2384	2094	2905
Net Earned Premium *	563	490	1630	1419	1931
Underwriting profit/(loss) excluding Motor pool losses	48	3	111	-1	27
Provision for Motor Pool losses	-42	-11	-126	-32	-246
Interest and dividend income/capital gain & other	96	61	268	186	281
Profit before tax	102	53	253	153	62
Profit after tax	60	35	162	100	43

KEY RATIOS

Loss Ratio	58.1%	64.2%	60.4%	65.9%	63.4%
Combined ratio (excluding pool losses)**	91.4%	99.4%	93.2%	100.1%	98.6%
Combined ratio (including pool losses)**	98.9%	101.6%	100.9%	102.4%	110.2%

* Figures are excluding inward reinsurance premiums from motor pool

** (Net claims incurred + Net commission + operating expenses) / Net earned premium

Annexure D - Summary financial results of BALIC

₹ in crore	Q3 FY12	Q3 FY11	9M FY12	9M FY11	FY 11
Gross Written Premium	1674	2256	4740	6407	9610
New Business Premium	653	826	1595	2337	3466
Renewal Premium	1021	1430	3145	4070	6144
Policyholders' surplus*	220	260	681	605	962
Shareholders' Surplus	63	40	173	61	95
Total Profit (Shareholders' + Policyholders')	283	300	854	666	1057

*Policyholders' surplus, if any, will be transferred to shareholders' account only in Q4 FY12 after audited accounts.