

29 January 2020

To Corporate Relations Department. <b>BSE Limited</b> 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P J Tower, Dalal Street, Mumbai 400 001	To Corporate Listing Department. <b>National Stock Exchange of India Ltd</b> Exchange Plaza, 5 <sup>th</sup> Floor Plot No.C-1, G Block Bandra-Kurla Complex Bandra (East), MUMBAI 400
<b>BSE Code: 532978</b>	<b>NSE Code: BAJAJFINSV</b>

**Subject: Intimation of unaudited standalone and consolidated financial results for the quarter and nine-months ended 31 December 2019 - Regulation 30**

Dear Sir/Madam,

In terms of the provisions of Regulation 30 (read with Part A of Schedule III) and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following statements for the quarter and nine-months ended 31 December 2019, which were approved and taken on record at the meeting of the Board of Directors held today, the 29 January 2020:

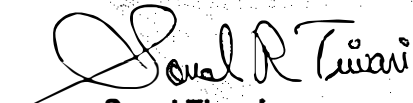
- a) Unaudited standalone and consolidated financial results of the Company;
- b) Limited Review Reports for unaudited standalone & consolidated financial results; and
- c) Press release

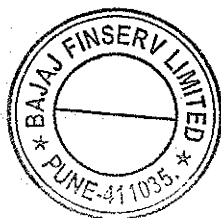
The meeting commenced at 3.30 p.m. and concluded at 4.15 p.m.

Thanking you,

Yours faithfully,

**For Bajaj Finserv Limited**

  
**Sonal Tiwari**  
**Company Secretary**



Encl: as above



**Bajaj Finserv Limited**

CIN : L65923PN2007PLC130075

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

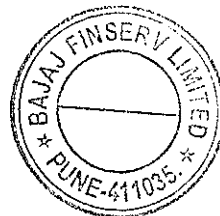
Corporate Office : Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014

Website : www.bajajfinserv.in ; E-mail : Investors@bajajfinserv.in ; Telephone : +91 20 27472851 ; Fax : +91 20 27407380

**Statement of standalone unaudited financial results for the quarter and nine months ended 31 December 2019**

(₹ In Crore)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2019 (Reviewed)	30.09.2019 (Reviewed)	31.12.2018 (Reviewed)	31.12.2019 (Reviewed)	31.12.2018 (Reviewed)	31.03.2019 (Audited)
<b>1 Income</b>						
Interest income	17.53	17.23	17.42	50.17	44.90	59.31
Dividend income	-	350.33	-	350.33	286.76	286.76
Rental income	0.53	0.56	0.54	1.62	1.51	2.05
Windpower income	11.79	12.33	10.09	32.10	55.36	71.10
Net gain on fair value changes	0.74	0.94	0.80	2.06	2.67	3.83
<b>Total revenue from operations</b>	<b>30.59</b>	<b>381.39</b>	<b>28.85</b>	<b>436.28</b>	<b>391.20</b>	<b>423.05</b>
Other income	8.94	9.63	6.50	25.81	18.71	25.51
<b>Total income</b>	<b>39.53</b>	<b>391.02</b>	<b>35.35</b>	<b>462.09</b>	<b>409.91</b>	<b>448.56</b>
<b>2 Expenses</b>						
Employee benefits expenses	21.28	22.34	11.05	63.65	30.38	53.53
Depreciation, amortisation and impairment	0.94	0.44	0.38	1.81	1.11	1.55
Other expenses	11.20	13.94	12.80	35.51	55.89	67.49
<b>Total expenses</b>	<b>33.42</b>	<b>36.72</b>	<b>24.23</b>	<b>100.97</b>	<b>87.38</b>	<b>122.57</b>
<b>3 Profit before tax (1-2)</b>	<b>6.11</b>	<b>354.30</b>	<b>11.12</b>	<b>361.12</b>	<b>322.53</b>	<b>325.99</b>
<b>4 Tax expense</b>						
Current tax	2.76	9.66	3.27	12.79	17.15	18.02
Deferred tax	0.16	(0.39)	0.17	(0.38)	0.02	0.80
<b>Total tax expense</b>	<b>2.92</b>	<b>9.27</b>	<b>3.44</b>	<b>12.41</b>	<b>17.17</b>	<b>18.82</b>
<b>5 Profit after tax (3-4)</b>	<b>3.19</b>	<b>345.03</b>	<b>7.68</b>	<b>348.71</b>	<b>305.36</b>	<b>307.17</b>
<b>6 Other comprehensive income, net of tax</b>						
(a) Items that will not be reclassified to profit or loss	(0.07)	(0.07)	(0.07)	(0.21)	(0.21)	(1.27)
(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
<b>Total other comprehensive income, net of tax</b>	<b>(0.07)</b>	<b>(0.07)</b>	<b>(0.07)</b>	<b>(0.21)</b>	<b>(0.21)</b>	<b>(1.27)</b>
<b>7 Total comprehensive income (5+6)</b>	<b>3.12</b>	<b>344.96</b>	<b>7.61</b>	<b>348.50</b>	<b>305.15</b>	<b>305.90</b>
<b>8 Paid-up equity share capital (Face value of ₹ 5)</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>
<b>9 Other equity</b>						<b>3,081.34</b>
<b>10 Earnings per share (₹) (not annualised)</b>						
Basic	0.2	21.7	0.5	21.9	19.2	19.3
Diluted	0.2	21.7	0.5	21.9	19.2	19.3

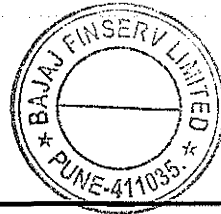


**Notes :**

1. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 29 January 2020 and subjected to a limited review by the statutory auditors.
2. Figures for previous year / period have been regrouped wherever necessary.



Pune  
29 January 2020



By order of the Board of Directors  
For Bajaj Finserv Limited

Sanjiv Bajaj  
Managing Director & CEO



**Bajaj Finserv Limited**

CIN : L65923PN2007PLC130075

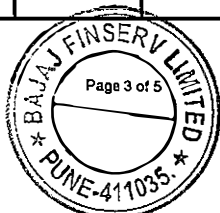
Registered Office : Mumbai - Pune Road, Akurdi, Pune 411 035

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

Website : www.bajajfinserv.in ; E-mail : investors@bajajfinserv.in ; Telephone : +91 20 27472851 ; Fax : +91 20 27407380

**Statement of consolidated unaudited financial results for the quarter and nine months ended 31 December 2019**

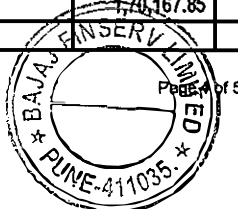
Particulars	Quarter ended		Nine months ended		Year ended	
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	
					31.03.2019	
					(Audited)	
<b>1 Income</b>						
Interest income	6,698.72	6,145.97	5,134.82	18,585.06	13,770.87	18,776.29
Dividend income	7.51	19.86	9.03	44.39	47.50	61.30
Rental income	1.11	0.91	1.31	3.12	3.90	5.20
Fees and commission income	594.42	628.37	356.34	1,811.80	841.76	1,681.87
Net gain on fair value change	818.24	705.42	1,040.56	2,406.87	1,416.10	1,978.10
Sale of energy generated and Services	51.61	66.65	13.15	142.70	126.68	147.25
Premium and other operating income from insurance business	6,248.82	6,609.34	4,557.04	17,847.57	13,266.77	19,857.32
Others	138.49	45.34	28.80	210.93	136.28	96.67
Total revenue from operations	14,558.92	14,221.86	11,141.05	41,052.44	29,609.86	42,604.00
Other income	1.82	2.36	0.55	4.78	1.19	1.57
<b>Total income</b>	<b>14,560.74</b>	<b>14,224.22</b>	<b>11,141.60</b>	<b>41,057.22</b>	<b>29,611.05</b>	<b>42,605.57</b>
<b>2 Expenses</b>						
Employee benefits expenses	1,293.28	1,201.55	1,003.34	3,637.35	2,757.18	3,801.77
Finance costs	2,419.41	2,313.24	1,781.99	6,786.20	4,656.32	6,540.03
Fees and commission expense	557.29	509.28	425.90	1,533.02	1,191.13	1,692.77
Impairment of financial instruments - lending assets	830.73	594.23	453.77	1,975.70	1,095.08	1,501.35
Impairment of financial instruments - investments	(1.84)	(34.57)	102.66	164.73	131.95	187.32
Claims paid	3,198.44	2,965.61	2,394.56	8,473.40	7,522.13	10,663.70
Reinsurance ceded	1,163.51	1,598.65	633.23	3,605.20	1,947.27	3,119.33
Net change in insurance / investment contract liabilities	1,378.32	1,352.54	1,291.98	4,186.16	2,009.29	3,701.96
Depreciation, amortisation and impairment	116.19	116.03	59.88	329.70	154.92	226.09
Other expenses	978.44	980.68	770.74	2,856.53	2,121.52	3,017.87
<b>Total expenses</b>	<b>11,933.77</b>	<b>11,597.24</b>	<b>8,918.05</b>	<b>33,547.99</b>	<b>23,586.79</b>	<b>34,452.19</b>
<b>3 Share of profits of joint venture</b>	<b>0.19</b>	<b>(0.62)</b>	<b>0.47</b>	<b>(0.47)</b>	<b>0.41</b>	<b>1.36</b>
<b>4 Profit before tax (1-2+3)</b>	<b>2,627.16</b>	<b>2,626.36</b>	<b>2,224.02</b>	<b>7,508.76</b>	<b>6,024.67</b>	<b>8,154.74</b>
<b>5 Tax expense</b>						
Current tax	615.15	382.15	754.97	1,945.19	1,983.75	2,737.84
Deferred tax	33.96	222.98	48.25	110.08	101.01	43.05
Total tax expense	649.11	605.13	803.22	2,055.27	2,084.76	2,780.89
<b>6 Profit after tax (4-5)</b>	<b>1,978.05</b>	<b>2,021.23</b>	<b>1,420.80</b>	<b>5,453.49</b>	<b>3,939.91</b>	<b>5,373.85</b>
<b>7 Profit attributable to non-controlling interests</b>	<b>852.41</b>	<b>817.51</b>	<b>570.28</b>	<b>2,278.79</b>	<b>1,559.61</b>	<b>2,154.81</b>
<b>8 Profit for the period (6-7)</b>	<b>1,125.64</b>	<b>1,203.72</b>	<b>850.52</b>	<b>3,174.70</b>	<b>2,380.30</b>	<b>3,219.04</b>
<b>9 Other comprehensive income, net of tax</b>						
(a) Items that will not be reclassified to profit or loss	1.79	0.75	(3.14)	0.70	(9.86)	(16.67)
(b) Items that will be reclassified to profit or loss	42.88	91.67	575.07	445.58	(1.51)	160.23
Total other comprehensive income, net of tax	44.67	92.42	571.93	446.28	(11.37)	143.56
<b>10 Total comprehensive income (6+9)</b>	<b>2,022.72</b>	<b>2,113.65</b>	<b>1,992.73</b>	<b>5,899.77</b>	<b>3,928.54</b>	<b>5,517.41</b>
<b>11 Profit attributable to:</b>						
Owners of the company	1,125.64	1,203.72	850.52	3,174.70	2,380.30	3,219.04
Non-controlling interests	852.41	817.51	570.28	2,278.79	1,559.61	2,154.81
<b>12 Total comprehensive income attributable to:</b>						
Owners of the company	1,157.89	1,270.58	1,270.63	3,501.94	2,370.83	3,325.07
Non-controlling interests	864.83	843.07	722.10	2,397.83	1,557.71	2,192.34
<b>13 Paid-up equity share capital (Face value of ₹ 5)</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>
<b>14 Other equity</b>						<b>23,686.35</b>
<b>15 Earnings per share (₹) (not annualised)</b>						
Basic	70.7	75.6	53.4	199.5	149.6	202.3
Diluted	70.7	75.6	53.4	199.5	149.6	202.3



**Segment-wise revenue, results and capital employed**

(₹ In Crore)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
<b>1 Segment revenue</b>						
Insurance						
Gross written premium						
Life insurance	2,551.89	2,235.63	2,123.24	6,624.22	5,567.24	8,857.16
General insurance	3,054.99	4,279.27	2,546.95	10,177.57	7,694.70	11,097.01
	5,606.88	6,514.90	4,670.19	16,801.79	13,261.94	19,954.17
Less: Premium for investment contracts of life insurance	344.24	262.09	341.47	849.41	941.27	1,364.88
Reserve for unexpired risk of general insurance	(242.95)	567.53	128.81	394.62	695.42	1,021.09
	5,505.59	5,685.28	4,199.91	15,557.76	11,625.25	17,568.20
Investment and other income(excluding accretions to unit linked holders)	2,126.13	2,219.57	1,979.03	6,516.19	4,818.94	6,657.97
<b>Insurance total</b>	<b>7,631.72</b>	<b>7,904.85</b>	<b>6,178.94</b>	<b>22,073.95</b>	<b>16,444.19</b>	<b>24,226.17</b>
Investments and others	60.49	410.10	53.66	522.52	408.81	460.25
Retail financing	7,025.93	6,322.79	4,995.26	19,156.77	13,232.92	18,501.76
Windmill	11.79	12.33	10.09	32.10	55.36	71.10
	14,729.93	14,650.07	11,237.95	41,785.34	30,141.28	43,259.28
Less : Inter-segment revenue	169.19	425.85	96.35	728.12	530.23	653.71
<b>Total</b>	<b>14,560.74</b>	<b>14,224.22</b>	<b>11,141.60</b>	<b>41,057.22</b>	<b>29,611.05</b>	<b>42,605.57</b>
<b>2 Segment profit before tax</b>						
Insurance						
Life insurance	163.93	232.45	273.10	487.58	617.93	771.31
General insurance	305.05	402.21	330.13	1,018.70	1,068.01	1,255.67
<b>Insurance total</b>	<b>468.98</b>	<b>634.66</b>	<b>603.23</b>	<b>1,506.28</b>	<b>1,685.94</b>	<b>2,026.98</b>
Investments and others	(65.75)	(64.10)	(29.02)	(188.68)	(92.14)	(157.41)
Retail financing	2,216.35	2,050.70	1,646.85	6,174.91	4,418.00	6,264.80
Windmill	7.57	5.10	2.96	16.25	12.87	20.37
<b>Total profit before tax</b>	<b>2,627.16</b>	<b>2,626.36</b>	<b>2,224.02</b>	<b>7,508.76</b>	<b>6,024.67</b>	<b>8,154.74</b>
<b>3 Capital employed</b>						
<b>Segment assets</b>						
Insurance						
Life insurance	63,461.79	61,859.72	57,433.92	63,461.79	57,433.92	59,697.06
General insurance	27,282.31	26,922.54	21,738.27	27,282.31	21,738.27	23,417.12
<b>Insurance total</b>	<b>90,744.10</b>	<b>88,782.26</b>	<b>79,172.19</b>	<b>90,744.10</b>	<b>79,172.19</b>	<b>83,114.18</b>
Investments and others	550.23	507.83	305.09	550.23	305.09	313.83
Retail financing	1,57,509.51	1,46,414.59	1,14,105.29	1,57,509.51	1,14,105.29	1,24,283.84
Windmill	34.02	39.71	38.53	34.02	38.53	36.56
Unallocable	23.49	20.39	20.97	23.49	20.97	20.43
<b>Subtotal</b>	<b>2,48,861.35</b>	<b>2,35,764.78</b>	<b>1,93,642.07</b>	<b>2,48,861.35</b>	<b>1,93,642.07</b>	<b>2,07,768.84</b>
<b>Segment liabilities</b>						
Insurance						
Life insurance	53,952.66	52,171.99	47,997.10	53,952.66	47,997.10	50,334.34
General insurance	21,796.15	21,580.10	17,252.56	21,796.15	17,252.56	18,779.45
<b>Insurance total</b>	<b>75,748.81</b>	<b>73,752.09</b>	<b>65,249.66</b>	<b>75,748.81</b>	<b>65,249.66</b>	<b>69,113.79</b>
Investments and others	97.50	75.28	56.77	97.50	56.77	58.64
Retail financing	2,826.22	4,634.51	2,669.10	2,826.22	2,669.10	2,932.95
Windmill	1.99	2.50	5.20	1.99	5.20	3.32
Unallocable	18.98	18.98	22.60	18.98	22.60	17.41
<b>Subtotal</b>	<b>78,693.50</b>	<b>78,483.36</b>	<b>68,003.33</b>	<b>78,693.50</b>	<b>68,003.33</b>	<b>72,126.11</b>
<b>Capital employed</b>						
Insurance						
Life insurance	9,509.13	9,687.73	9,436.82	9,509.13	9,436.82	9,362.72
General insurance	5,486.16	5,342.44	4,485.71	5,486.16	4,485.71	4,637.67
<b>Insurance total</b>	<b>14,995.29</b>	<b>15,030.17</b>	<b>13,922.53</b>	<b>14,995.29</b>	<b>13,922.53</b>	<b>14,000.39</b>
Investments and others	452.73	432.55	248.32	452.73	248.32	255.19
Retail financing	1,54,683.29	1,41,780.08	1,11,436.19	1,54,683.29	1,11,436.19	1,21,350.89
Windmill	32.03	37.21	33.33	32.03	33.33	33.24
Unallocable	4.51	1.41	(1.63)	4.51	(1.63)	3.02
<b>Total</b>	<b>1,70,167.85</b>	<b>1,57,281.42</b>	<b>1,25,638.74</b>	<b>1,70,167.85</b>	<b>1,25,638.74</b>	<b>1,35,642.73</b>



## 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 Life Insurance Company Limited	74%	Insurance - life	Subsidiary
(b)	Bajaj Allianz General Insurance Company Limited	74%	Insurance - general	Subsidiary
(c)	Bajaj Finance Limited*	52.82%	Retail financing	Subsidiary
(d)	Bajaj Finserv Direct Limited (formerly Bajaj Financial Holdings Limited)	100%	Others	Subsidiary
(e)	Bajaj Finserv Health Limited	100%	Others	Subsidiary
(f)	Bajaj Allianz Financial Distributors Limited**	50%	Others	Joint venture

\* The consolidated financial results of Bajaj Finance Limited include 100% interest in both, Bajaj Housing Finance Limited and Bajaj Financial Securities Limited as a subsidiary.

\*\* The consolidated financial results of Bajaj Allianz Financial Distributors Limited include 100% interest in Bajaj Allianz Staffing Solutions Limited.

## 2. Key standalone financial information is given below:

(₹ In Crore)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
Total income	39.53	391.02	35.35	462.09	409.91	448.56
Profit before tax	6.11	354.30	11.12	361.12	322.53	325.99
Profit after tax	3.19	345.03	7.68	348.71	305.36	307.17

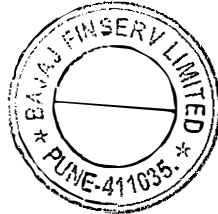
3. Effective 1 April 2019, the Group has adopted Ind AS 116- Leases and applied it to all lease contracts existing on 1 April 2019 using the Modified Retrospective Approach. Based on the same and as permitted under the specific transitional provisions in the standard, the Group has not restated the comparative figures.

On transition, the adoption of the new standard resulted in recognition of right-of-use asset and a corresponding lease liability of ₹ 509.63 crore. The effect of this adoption is not material to the profit for the period and earnings per share.

4. Pursuant to recently inserted Section 115BAA of the Income Tax Act, 1961, two subsidiaries viz. Bajaj Finance Limited and Bajaj Allianz General Insurance Company Limited intend to exercise the option permitted u/s 115BAA of the Income Tax Act, 1961 to compute income tax at the revised rate (i.e. 25.17%) from the current financial year.

5. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 29 January 2020 and subjected to a limited review by the statutory auditors.

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



By order of the Board of Directors  
For Bajaj Finserv Limited

*Sanjiv Bajaj*  
Sanjiv Bajaj  
Managing Director & CEO

Pune  
29 January 2020

# **S R B C & CO LLP**

Chartered Accountants


Ground Floor  
Panchshil Tech Park, Yerwada  
(Near Don Bosco School)  
Pune - 411 006, India  
Tel : +91 20 6603 6000

## **Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to  
The Board of Directors  
Bajaj Finserv Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Bajaj Finserv Limited (the "Company") for the quarter ended December 31, 2019 and year to date from April 1, 2019 to December 31, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS 34 prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003

  
per Avind Sethi  
Partner  
Membership No.:089802

UDIN: 20089802AAAAAD5648

Pune  
January 29, 2020

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Bajaj Finserv Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Bajaj Finserv Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and joint venture for the quarter ended December 31, 2019 and year to date from April 1, 2019 to December 31, 2019 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
  - a. Bajaj Allianz Life Insurance Company Limited
  - b. Bajaj Allianz General Insurance Company Limited
  - c. Bajaj Finance Limited
  - d. Bajaj Housing Finance Limited (wholly owned subsidiary of Bajaj Finance Limited)
  - e. Bajaj Financial Securities Limited (wholly owned subsidiary of Bajaj Finance Limited)
  - f. Bajaj Finserv Direct Limited (formerly known as Bajaj Financial Holdings Limited)
  - g. Bajaj Allianz Financial Distributors Limited (Joint Venture, including its wholly owned subsidiary Bajaj Allianz Staffing Solutions Limited)
  - h. Bajaj Finserv Health Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Ind AS 34 prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. a) The auditors of Bajaj Allianz Life Insurance Company Limited ('BALIC'), a subsidiary, have reported that the actuarial valuation of liabilities of BALIC for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at December 31, 2019 is the responsibility of BALIC's Appointed Actuary. The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at December 31, 2019 has been duly certified by the BALIC's Appointed Actuary and in his opinion, the assumptions for such valuation are in



# **S R B C & CO LLP**

Chartered Accountants

Bajaj Finserv Limited

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accordance with Ind AS 104 "Insurance Contracts", Ind AS 109 "Financial Instruments", the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with IRDAI. BALIC's auditors have relied upon the BALIC's Appointed Actuary's certificate for expressing their conclusion in this regard.


b) The auditors of Bajaj Allianz General Insurance Company Limited ('BAGIC'), a subsidiary, have reported that the actuarial valuation of liabilities for Incurred but not reported and Incurred but not enough reported claims of BAGIC as at December 31, 2019 is the responsibility of BAGIC's Appointed Actuary. The actuarial valuation of these liabilities has been duly certified by the BAGIC's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with IRDAI, Ind AS 104 "Insurance Contracts" and Ind AS 109 "Financial Instruments". BAGIC's auditors have relied on the BAGIC's Appointed Actuary's certificate for expressing their conclusion in this regard.

Our conclusion on the Statement is not modified in respect of this matter.

7. The Statement includes unaudited financial results and other unaudited financial information in respect of three subsidiaries, which have not been reviewed by their auditors, whose financial results reflect Group's share of total assets of Rs.303.33 crore as at December 31, 2019, Group's share of total revenues of Rs.34.48 crore and Rs.97.06 crore, Group's share of total net loss after tax of Rs.13.11 crore and Rs.28.12 crore, Group's share of total comprehensive income of Rs.12.96 crore (loss) and Rs.27.68 crore (loss), for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019, respectively. The Statement also includes the Group's share of net profit after tax of Rs.0.19 crore and net loss after tax of Rs.0.47 crore and total comprehensive income of Rs.0.19 crore and Rs.0.47 crore (loss), for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019, respectively, as considered in the Statement, in respect of one joint venture, based on its financial results which have not been reviewed by its auditor. These unaudited financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries and joint venture, is based solely on such unaudited financial statement and other unaudited financial information. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated above is not modified with respect to our reliance the financial results certified by the Management.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003



per Arvind Sethi  
Partner  
Membership No.: 089802

UDIN: 20089802AAAAAC1026

Pune  
January 29, 2020

**Press release**  
**Financial results – Q3 FY20**

**Total income ↑ 31% | Profit after tax ↑ 32%**

A meeting of the Board of Directors of Bajaj Finserv Limited was held today i.e. 29 January 2020, to consider and approve the results for Q3 FY20.

Bajaj Finserv Limited (BFS) is the holding company for the various financial services businesses under the Bajaj group. It serves millions of customers in the financial services space by providing solutions for asset acquisition through financing, asset protection through general insurance, family protection and income protection in the form of life and health insurance and retirement and savings solutions.

BFS participates in the financing business through its 52.82% holding in Bajaj Finance Limited (BFL) and in the protection business through its 74% holding in two unlisted subsidiaries, Bajaj Allianz General Insurance Company Limited (BAGIC) and Bajaj Allianz Life Insurance Company Limited (BALIC). Bajaj Housing Finance Limited (BHFL), which does mortgage business, is a wholly-owned subsidiary of Bajaj Finance Limited. During the quarter, BFL completed raising of capital from Qualified Institutional Buyers, consequent to which shareholding of BFS reduced from 54.81% to 52.82%.

The results of these subsidiaries are reflected in the consolidated results of the Company.

As required by regulation, BFS has adopted Indian Accounting Standards (Ind AS) from FY19 and the previous period figures are comparable.

The insurance companies are not covered under Ind AS. They have prepared Ind AS financials only for the purpose of consolidation. Accordingly, for BAGIC and BALIC, standalone numbers reported below are based on non-Ind AS accounting standards (Indian GAAP) as applicable to insurance companies.

Economic conditions in the quarter continued to be weak with GDP growth dropping to 4.5% in Q2 FY20. Weak consumer demand in some pockets, unseasonal rainfall and volatile bond markets also contributed to difficult market environment for our businesses. The repo rate was further reduced by 0.25% in Q3 FY20 ending the quarter at 5.15%. However, longer term bond yields remained range bound. Even as economic conditions remained difficult, all the three businesses performed well, and the Company has been able to record significant increases in consolidated revenue and profit after tax.

- **BFL continued its stellar performance, recording its highest ever quarterly consolidated profit after tax with its 9M FY20 consolidated profit surpassing the annual profit for FY19. This was boosted by strong growth in most verticals and solid operating performance.**
- **BAGIC and BALIC recorded strong growth in premium. BALIC's Assets Under Management crossed ₹60,000 crore in the quarter. BAGIC's profit, however, was affected by continued unseasonal rainfall which extended well into Q3.**

**Bajaj Finserv Limited**

### Highlights – Q3 FY20 v/s Q3 FY19

✓ Consolidated total income	– ₹ 14,561 crore	v/s ₹ 11,142 crore	↑ 31%
✓ Consolidated profit after tax	– ₹ 1,126 crore	v/s ₹ 851 crore	↑ 32%
✓ Bajaj Finance, consolidated profit after tax	– ₹ 1,614 crore	v/s ₹ 1,060 crore	↑ 52%
✓ General insurance, profit after tax	– ₹ 191 crore	v/s ₹ 224 crore	
✓ Life insurance, shareholders' profit after tax	– ₹ 143 crore	v/s ₹ 112 crore	↑ 28%

### Highlights – 9M FY20 v/s 9M FY19

✓ Consolidated total income	– ₹ 41,057 crore	v/s ₹ 29,611 crore	↑ 39%
✓ Consolidated profit after tax	– ₹ 3,175 crore	v/s ₹ 2,380 crore	↑ 33%
✓ Bajaj Finance, consolidated profit after tax	– ₹ 4,316 crore	v/s ₹ 2,819 crore	↑ 53%
✓ General insurance, profit after tax	– ₹ 695 crore	v/s ₹ 697 crore	
✓ Life insurance, shareholders' profit after tax	– ₹ 412 crore	v/s ₹ 390 crore	↑ 6%

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

A synopsis of the **quarterly performance** of the individual companies is given below:

#### **A. Bajaj Finance Limited (BFL) – Consolidated- Ind AS**

- i) Total income for Q3 FY20 **increased** by 41% to ₹ 7,026 crore v/s ₹ 4,992 crore in Q3 FY19.
- ii) During Q3 FY20, BFL recorded its **highest ever quarterly consolidated profit after tax (PAT)** of ₹ 1,614 crore v/s ₹ 1,060 crore in Q3 FY19 – an **increase** of 52%. This includes the impact of lower corporate tax rate.
- iii) Assets under management (AUM) stood at ₹ 145,092 crore as on 31 December 2019 v/s ₹ 107,507 crore as on 31 December 2018 - an **increase** of 35%. This includes AUM of ₹ 30,035 crore of its housing finance subsidiary, BHFL, which recorded a growth of 115% over the AUM as on 31 December 2018.
- iv) Gross NPA and Net NPA, recognized as per extant RBI prudential norms and provisioned as per Expected Credit Loss (ECL) method prescribed in Ind AS, as on 31 December 2019 stood at 1.61% and 0.70% respectively.
- v) During the quarter, BFL has fully drawn ECB loans of USD 575 million (equivalent to ₹ 4,083 crore) under the facility agreement with various banks.
- vi) After the equity capital raising of ₹ 8,500 crore, capital adequacy ratio of BFL Standalone as at 31 December 2019 (including Tier-II capital) stood at 26.87%. The Tier-I capital was 23.16%. For Bajaj Housing Finance Limited (BHFL), a 100% mortgage subsidiary of BFL, the capital adequacy ratio (including Tier-II capital) stood at 18.91%, as at 31 December 2019.

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

## B. Bajaj Allianz General Insurance Company Limited (BAGIC)- Indian GAAP

BAGIC's GWP registered robust growth during the quarter.

- i) Gross written premium for Q3 FY20 **increased** by 20% to ₹ 3,055 crore v/s ₹ 2,547 crore in Q3 FY19.

Excluding the crop segment, the Gross written premium for Q3 FY20 **increased** by 10% to ₹ 2,663 crore v/s ₹ 2,422 crore in Q3 FY19.

- ii) Net earned premium for Q3 FY20 stood at ₹ 2,156 crore v/s ₹ 1,801 crore in Q3 FY19 – an **increase** of 20%.
- iii) Claim ratio stood at 72.6% in Q3 FY20 v/s 64.3% in Q3 FY19. The increase in claim ratio includes losses from crop business in Madhya Pradesh and Maharashtra as well as higher claim ratio in Motor OD business.
- iv) Combined ratio stood at 103.6% in Q3 FY20 v/s 94.2% in Q3 FY19.
- v) Underwriting **loss** for Q3 FY20 was ₹ 87 crore v/s a profit of ₹ 48 crore in Q3 FY19. The higher underwriting loss was mainly due to the higher claim ratio.
- vi) Investment and other income for Q3 FY20 stood at ₹ 359 crore v/s ₹ 273 crore in Q3 FY19. Profit on sale of investments were higher by ₹ 41 crore (before tax).
- vii) Profit after tax for Q3 FY20 decreased to ₹ 191 crore v/s ₹ 224 crore in Q3 FY19, mainly on account of higher claims.
- viii) As on 31 December 2019, solvency ratio stood at 236%, which is well above the minimum regulatory requirement of 150%.
- ix) Assets Under Management (AUM), represented by cash and investments as on 31 December 2019 stood at ₹ 18,604 crore v/s ₹ 16,278 crore as on 31 December 2018 – a healthy **increase** of 14%.

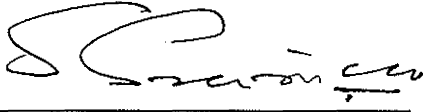
Summary of financial results and key ratios is given in **Annexure C**.

## C. Bajaj Allianz Life Insurance Company Limited (BALIC) – Indian GAAP

- i) New business premium **increased** by 20% to ₹ 1,411 crore in Q3 FY20 v/s ₹ 1,171 crore in Q3 FY19.
- a) Rated individual new business premium **increased** by 27% to ₹ 539 crore in Q3 FY20 v/s ₹ 424 crore in Q3 FY19.
- b) Group protection new business premium **increased** by 32% to ₹ 492 crore in Q3 FY20 v/s ₹ 373 crore in Q3 FY19.
- ii) Renewal premium for Q3 FY20 **increased** by 20% to ₹ 1,141 crore v/s ₹ 952 crore in Q3 FY19.
- iii) Gross written premium **increased** by 20% to at ₹ 2,552 crore in Q3 FY20 v/s ₹ 2,123 crore in Q3 FY19.
- iv) Shareholders' profit after tax during Q3 FY20 **increased** by 28% to ₹ 143 crore v/s ₹ 112 crore in Q3 FY19.

- v) Solvency ratio stood at a healthy **756%** as on 31 December 2019 as against the minimum regulatory requirement of 150%.
- vi) Assets Under Management (AUM) represented by total investments stood at **₹ 60,789 crore** as on 31 December 2019 v/s ₹ 54,687 crore as on 31 December 2018 – an **increase of 11%**.

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



**S Sreenivasan**  
**CFO**

29 January 2020

## Annexure A - Consolidated results of BFS - (Ind AS)

₹ In Crore)		Q3 FY20	Q3 FY19	9M FY20	9M FY19	FY19
<b>1</b>	<b>Income</b>					
	Interest income	6,698.72	5,134.82	18,585.06	13,770.87	18,776.29
	Dividend income	7.51	9.03	44.39	47.50	61.30
	Rental income	1.11	1.31	3.12	3.90	5.20
	Fees and commission income	594.42	356.34	1,811.80	841.76	1,681.87
	Net gain on fair value change	818.24	1,040.56	2,406.87	1,416.10	1,978.10
	Sale of energy generated and Services	51.61	13.15	142.70	126.68	147.25
	Premium and other operating income from insurance business	6,248.82	4,557.04	17,847.57	13,266.77	19,857.32
	Others	138.49	28.80	210.93	136.28	96.67
	<b>Total revenue from operations</b>	<b>14,558.92</b>	<b>11,141.05</b>	<b>41,052.44</b>	<b>29,609.86</b>	<b>42,604.00</b>
	Other income	1.82	0.55	4.78	1.19	1.57
	<b>Total Income</b>	<b>14,560.74</b>	<b>11,141.60</b>	<b>41,057.22</b>	<b>29,611.05</b>	<b>42,605.57</b>
<b>2</b>	<b>Expenses</b>					
	Employee benefits expenses	1,293.28	1,003.34	3,637.35	2,757.18	3,801.77
	Finance costs	2,419.41	1,781.99	6,786.20	4,656.32	6,540.03
	Fees and commission expense	557.29	425.90	1,533.02	1,191.13	1,692.77
	Impairment of financial instruments - lending assets	830.73	453.77	1,975.70	1,095.08	1,501.35
	Impairment of financial instruments - investments	(1.84)	102.66	164.73	131.95	187.32
	Claims paid	3,198.44	2,394.56	8,473.40	7,522.13	10,663.70
	Reinsurance ceded	1,163.51	633.23	3,605.20	1,947.27	3,119.33
	Net change in insurance / investment contract liabilities	1,378.32	1,291.98	4,186.16	2,009.29	3,701.96
	Depreciation, amortisation and impairment	116.19	59.88	329.70	154.92	226.09
	Other expenses	978.44	770.74	2,856.53	2,121.52	3,017.87
	<b>Total expenses</b>	<b>11,933.77</b>	<b>8,918.05</b>	<b>33,547.99</b>	<b>23,586.79</b>	<b>34,452.19</b>
<b>3</b>	Share of profits of joint venture	0.19	0.47	(0.47)	0.41	1.36
<b>4</b>	<b>Profit before tax (1-2+3)</b>	<b>2,627.16</b>	<b>2,224.02</b>	<b>7,508.76</b>	<b>6,024.67</b>	<b>8,154.74</b>
<b>5</b>	<b>Tax expense</b>					
	Current tax	615.15	754.97	1,945.19	1,983.75	2,737.84
	Deferred tax	33.96	48.25	110.08	101.01	43.05
	<b>Total tax expense</b>	<b>649.11</b>	<b>803.22</b>	<b>2,055.27</b>	<b>2,084.76</b>	<b>2,780.89</b>
<b>6</b>	<b>Profit after tax (4-5)</b>	<b>1,978.05</b>	<b>1,420.80</b>	<b>5,453.49</b>	<b>3,939.91</b>	<b>5,373.85</b>
<b>7</b>	Profit attributable to non-controlling interests	852.41	570.28	2,278.79	1,559.61	2,154.81
<b>8</b>	<b>Profit for the period (6-7)</b>	<b>1,125.64</b>	<b>850.52</b>	<b>3,174.70</b>	<b>2,380.30</b>	<b>3,219.04</b>
<b>9</b>	<b>Other comprehensive income, net of tax</b>					
	(a) Items that will not be reclassified to profit or loss	1.79	(3.14)	0.70	(9.86)	(16.67)
	(b) Items that will be reclassified to profit or loss	42.88	575.07	445.58	(1.51)	160.23
	<b>Total other comprehensive income, net of tax</b>	<b>44.67</b>	<b>571.93</b>	<b>446.28</b>	<b>(11.37)</b>	<b>143.56</b>
<b>10</b>	<b>Total comprehensive income (6+9)</b>	<b>2,022.72</b>	<b>1,992.73</b>	<b>5,899.77</b>	<b>3,928.54</b>	<b>5,517.41</b>
<b>11</b>	<b>Profit attributable to:</b>					
	Owners of the company	1,125.64	850.52	3,174.70	2,380.30	3,219.04
	Non-controlling interests	852.41	570.28	2,278.79	1,559.61	2,154.81
<b>12</b>	<b>Total comprehensive income attributable to:</b>					
	Owners of the company	1,157.89	1,270.63	3,501.94	2,370.83	3,325.07
	Non-controlling interests	864.83	722.10	2,397.83	1,557.71	2,192.34
<b>13</b>	Paid-up equity share capital (Face value of ₹ 5)	79.57	79.57	79.57	79.57	79.57
<b>14</b>	Other equity					23,686.35
<b>15</b>	<b>Earnings per share (₹) (not annualised)</b>					
	Basic	70.7	53.4	199.5	149.6	202.3
	Diluted	70.7	53.4	199.5	149.6	202.3

**Annexure B - Summary financial results of BFL(consolidated) – (Ind AS)**

₹ In Crore	Q3 FY20	Q3 FY19	9M FY20	9M FY19	FY19
Total income	7,026	4,992	19,157	13,203	18,502
Interest expenses	2,489	1,786	6,926	4,710	6,624
<b>Net interest income</b>	<b>4,537</b>	<b>3,206</b>	<b>12,231</b>	<b>8,493</b>	<b>11,878</b>
Operating expenses	1,536	1,119	4,211	3,033	4,198
Loan losses and provisions	831	451	1,976	1,092	1,501
<b>Profit before tax</b>	<b>2,170</b>	<b>1,636</b>	<b>6,044</b>	<b>4,368</b>	<b>6,179</b>
<b>Profit after tax</b>	<b>1,614</b>	<b>1,060</b>	<b>4,316</b>	<b>2,819</b>	<b>3,995</b>

**Annexure C - Summary financial results of BAGIC – (Indian GAAP)**

₹ In Crore	Q3 FY20	Q3 FY19	9M FY20	9M FY19	FY19
<b>Gross written premium</b>	<b>3,055</b>	<b>2,547</b>	<b>10,178</b>	<b>7,695</b>	<b>11,097</b>
Net earned premium	2,156	1,801	6,234	5,092	7,010
Underwriting result	(87)	48	(169)	164	18
Investment and other income	359	273	1,131	866	1,134
<b>Profit before tax</b>	<b>272</b>	<b>321</b>	<b>962</b>	<b>1,030</b>	<b>1,152</b>
<b>Profit after tax</b>	<b>191</b>	<b>224</b>	<b>695</b>	<b>697</b>	<b>780</b>

**Key ratios**

Claim ratio	72.6%	64.3%	73.5%	66.0%	68.6%
Combined ratio	103.6%	94.2%	103.1%	94.0%	96.7%

**Annexure D - Summary financial results of BALIC – (Indian GAAP)**

₹ In Crore	Q3 FY20	Q3 FY19	9M FY20	9M FY19	FY19
<b>New business premium</b>	<b>1,411</b>	<b>1,171</b>	<b>3,660</b>	<b>3,105</b>	<b>4,923</b>
Rated individual new business premium*	539	424	1,321	1,053	1,742
Group protection new business premium	492	373	1,318	990	1,450
<b>Renewal premium</b>	<b>1,141</b>	<b>952</b>	<b>2,964</b>	<b>2,462</b>	<b>3,934</b>
<b>Gross written premium</b>	<b>2,552</b>	<b>2,123</b>	<b>6,624</b>	<b>5,567</b>	<b>8,857</b>
Shareholders' profit	133	77	433	317	398
Amount transferred from the policyholders' account to the shareholders' account (net)	10	35	(21)	73	104
<b>Total shareholders' profit after tax</b>	<b>143</b>	<b>112</b>	<b>412</b>	<b>390</b>	<b>502</b>

\* Rated new business premium = 100% of Regular premium + 10% of Single premium policies sold.