

16 October 2017

Corporate Relations Department. BSE Limited 1 st Floor, New Trading Ring, Rotunda Building, P J Tower, Dalal Street, Mumbai 400 001	Corporate Listing Department. National Stock Exchange of India Ltd Exchange Plaza, 5 th Floor Plot No.C-1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
BSE Code: 532978	NSE Code: BAJAJFINSV

**Subject: Unaudited financial results for the quarter and half-year ended
30 September 2017- Regulation 30**

Dear Sir,

In terms of the provisions of Regulation 30 (read with Part A of Schedule III) and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following statements for the quarter and half-year ended 30 September 2017, which were approved and taken on record by our board of directors at its meeting held today i.e. on 16 October 2017.

- Unaudited Stand-alone and Consolidated Financial Results for the quarter and half-year ended 30 September 2017;
- Limited Review Reports for the quarter and half-year ended 30 September 2017; and
- Press release.

The meeting commenced at 3.00 p.m. and concluded at 4.15 p.m.

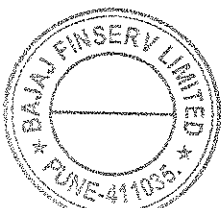
Thanking you,

Yours faithfully,
For Bajaj Finserv Limited



**SONAL TIWARI
COMPANY SECRETARY**

Encl: as above



Bajaj Finserv Limited



Bajaj Finserv Limited

CIN : L65923PN2007PLC130075

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

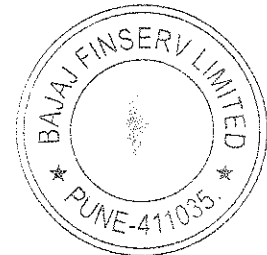
Corporate Office : Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014

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 half year ended 30 September 2017

(₹ In Crore)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
1 Revenue						
(a) Revenue from operations	150.76	27.40	66.69	178.16	107.32	153.90
(b) Other income	3.31	3.00	2.75	6.31	5.43	11.10
Total revenue	154.07	30.40	69.44	184.47	112.75	165.00
2 Expenses						
(a) Employee benefits expense	6.08	5.91	4.77	11.99	9.68	20.35
(b) Depreciation and amortisation	0.33	0.34	0.36	0.67	0.72	1.46
(c) Other expenses (See note 2)	19.26	16.25	11.81	35.51	22.24	39.19
Total expenses	25.67	22.50	16.94	48.17	32.64	61.00
3 Profit before tax (1-2)	128.40	7.90	52.50	136.30	80.11	104.00
4 Tax expense						
Current tax	12.26	5.05	11.10	17.31	22.40	35.23
Deferred tax	0.16	(1.05)	0.71	(0.89)	0.36	(1.25)
Total tax expense	12.42	4.00	11.81	16.42	22.76	33.98
5 Profit after tax (3-4)	115.98	3.90	40.69	119.88	57.35	70.02
6 Paid-up equity share capital (Face value of ₹ 5)	79.57	79.57	79.57	79.57	79.57	79.57
7 Reserves excluding revaluation reserves						2,686.45
8 Basic and diluted earnings per share (₹) before and after extraordinary items (not annualised)	7.3	0.2	2.6	7.5	3.6	4.4

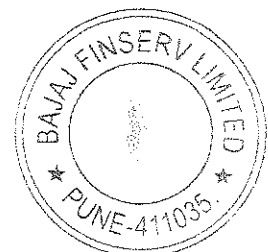


Notes:

1. Disclosure of standalone assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended 30 September 2017 -

(₹ In Crore)

	Particulars	As at 30.09.2017 (Unaudited)	As at 30.09.2016 (Unaudited)	As at 31.03.2017 (Audited)
A	Equity and liabilities			
1	Shareholders' funds			
	(a) Share capital	79.57	79.57	79.57
	(b) Reserves and surplus	2,778.48	2,673.78	2,686.45
	Sub-total - Shareholders' funds	2,858.05	2,753.35	2,766.02
2	Share application money pending allotment	0.21	-	-
3	Non-current liabilities			
	(a) Deferred tax liabilities (net)	8.60	11.10	9.49
	(b) Other long-term liabilities	1.87	1.87	1.87
	(c) Long-term provisions	7.96	6.74	7.64
	Sub-total - Non-current liabilities	18.43	19.71	19.00
4	Current liabilities			
	(a) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	3.10	4.59	1.54
	(b) Other current liabilities	5.81	4.39	8.32
	(c) Short-term provisions	29.12	28.20	19.25
	Sub-total - Current liabilities	38.03	37.18	29.11
	Total - Equity and liabilities	2,914.72	2,810.24	2,814.13
B	Assets			
1	Non-current assets			
	(a) Fixed assets			
	Tangible assets	73.36	74.78	73.95
	Capital work-in-progress	5.98	1.16	1.19
		79.34	75.94	75.14
	(b) Non-current investments	2,564.38	2,227.99	2,483.82
	(c) Long-term loans and advances	33.17	32.70	34.86
	(d) Other non-current assets	-	4.06	-
	Sub-total - Non-current assets	2,676.89	2,340.69	2,593.82
2	Current assets			
	(a) Current investments	196.65	415.00	182.25
	(b) Trade receivables	6.12	17.03	0.63
	(c) Cash and bank balances	1.50	1.03	1.55
	(d) Short-term loans and advances	0.70	0.65	1.17
	(e) Other current assets	32.86	35.84	34.71
	Sub-total - Current assets	237.83	469.55	220.31
	Total - Assets	2,914.72	2,810.24	2,814.13



Notes (contd):

2. Other expenses includes following -

(₹ In Crore)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
Operation and maintenance charges of windmill	2.30	2.18	2.11	4.48	4.21	8.48
Energy generation expenses	13.90	10.22	6.88	24.12	12.06	17.53
Legal and professional charges	1.26	0.44	0.93	1.70	1.06	2.26

3. The Company has opted to publish Extracts of the Unaudited/Audited Consolidated Financial Results, pursuant to option made available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These standalone 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).

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

5. ₹ 1 crore is equal to ₹ 10 million.

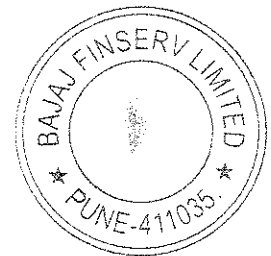
6. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 16 October 2017 and subjected to a limited review by the statutory auditors.

By order of the Board of Directors
For Bajaj Finserv Limited


Rahul Bajaj
Chairman

Pune

Date: 16 October 2017





Bajaj Finserv Limited

CIN : L65923PN2007PLC130075

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

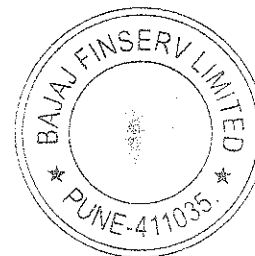
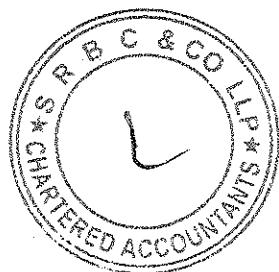
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Website : www.bajajfinserv.in ; E-mail : investors@bajajfinserv.in ; Telephone : +91 20 27472851 ; Fax : +91 20 27407380

Statement of consolidated unaudited financial results for the quarter and half year ended 30 September 2017

(₹ In Crore)

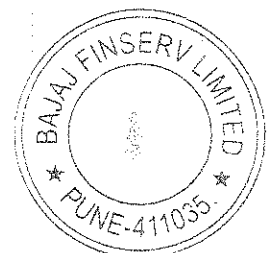
Particulars	Quarter ended			Half year ended		Year ended
	30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
1 Revenue						
(a) Revenue from operations	3,136.36	3,145.40	2,374.70	6,281.76	4,690.70	10,090.53
(b) Premium and other operating income from insurance business	4,424.68	3,397.75	3,545.16	7,822.43	6,459.43	14,416.68
(c) Other income	0.34	0.02	0.17	0.36	0.27	0.55
Total revenue	7,561.38	6,543.17	5,920.03	14,104.55	11,150.40	24,507.76
2 Expenses						
(a) Employee benefits expense	352.36	327.25	227.80	679.61	453.26	1,000.73
(b) Claims incurred pertaining to insurance business	3,214.46	2,570.57	2,528.05	5,785.03	4,621.80	9,676.11
(c) Commission, operating and other expenses pertaining to insurance business	625.01	299.42	433.23	924.43	795.66	2,720.96
(d) Finance costs	1,112.03	1,055.18	942.49	2,167.21	1,794.99	3,716.28
(e) Loan losses and provisions	229.71	281.65	165.44	511.36	341.61	803.89
(f) Depreciation and amortisation	24.42	22.24	18.11	46.66	34.45	72.63
(g) Other expenses	534.48	523.99	372.29	1,058.47	732.82	1,592.63
Total expenses	6,092.47	5,080.30	4,687.41	11,172.77	8,774.59	19,583.23
3 Profit before tax (1-2)	1,468.91	1,462.87	1,232.62	2,931.78	2,375.81	4,924.53
4 Tax expense						
Current tax	491.12	458.94	380.96	950.06	727.14	1,566.01
Deferred tax	(29.10)	(11.78)	(11.76)	(40.88)	(31.05)	(91.19)
Total tax expense	462.02	447.16	369.20	909.18	696.09	1,474.82
5 Profit after tax (3-4)	1,006.89	1,015.71	863.42	2,022.60	1,679.72	3,449.71
6 Less: Minority interest in net income of subsidiaries	354.59	360.62	287.67	715.21	566.46	1,187.79
7 Net profit for the period after minority interest (5-6)	652.30	655.09	575.75	1,307.39	1,113.26	2,261.92
8 Paid-up equity share capital (Face value of ₹ 5)	79.57	79.57	79.57	79.57	79.57	79.57
9 Reserves excluding revaluation reserves						15,724.47
10 Basic and diluted earnings per share (₹) before and after extraordinary items (not annualised)	41.0	41.2	36.2	82.2	70.0	142.1



Segment-wise revenue, results and capital employed

(₹ In Crore)

	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
1	Segment revenue						
	Insurance						
	Gross written premium						
	Life insurance	2,015.57	1,153.59	1,446.69	3,169.16	2,450.83	6,183.32
	General insurance	2,856.89	1,973.18	2,178.80	4,830.07	3,705.91	7,687.06
		4,872.46	3,126.77	3,625.49	7,999.23	6,156.74	13,870.38
	Less: Reinsurance ceded	1,097.41	488.98	892.90	1,586.39	1,249.98	2,447.40
	Reserve for unexpired risk	185.53	165.48	61.50	351.01	109.50	363.83
		3,589.52	2,472.31	2,671.09	6,061.83	4,797.26	11,059.15
	Investment and other income(excluding accretions to unit linked holders)	855.90	938.06	877.72	1,793.96	1,683.05	3,403.67
	Insurance total	4,445.42	3,410.37	3,548.81	7,855.79	6,480.31	14,462.82
	Investments and others	142.79	29.23	52.95	172.02	93.02	147.24
	Retail financing	3,111.11	3,126.58	2,341.24	6,237.69	4,622.22	9,992.23
	Windmill	22.65	14.96	27.35	37.61	50.88	70.32
		7,721.97	6,581.14	5,970.35	14,303.11	11,246.43	24,672.61
	Less : Inter-segment revenue	160.59	37.97	50.32	198.56	96.03	164.85
	Total	7,561.38	6,543.17	5,920.03	14,104.55	11,150.40	24,507.76
2	Segment profit before tax						
	Insurance						
	Life insurance	199.57	210.68	225.06	410.25	486.96	913.65
	General insurance	385.64	317.08	358.82	702.72	555.01	1,105.96
	Insurance total	585.21	527.76	583.88	1,112.97	1,041.97	2,019.61
	Investments and others	(7.16)	(8.53)	0.13	(15.69)	(4.30)	(14.81)
	Retail financing	884.72	941.43	630.61	1,826.15	1,304.30	2,877.09
	Windmill	6.14	2.21	18.00	8.35	33.84	42.64
	Total profit before tax	1,468.91	1,462.87	1,232.62	2,931.78	2,375.81	4,924.53
3	Capital employed						
	Segment assets						
	Insurance						
	Life insurance	52,635.97	51,523.36	48,286.57	52,635.97	48,286.57	51,386.68
	General insurance	14,703.00	13,188.97	11,901.78	14,703.00	11,901.78	12,502.85
	Insurance total	67,338.97	64,712.33	60,188.35	67,338.97	60,188.35	63,889.53
	Investments and others	117.40	103.16	247.61	117.40	247.61	135.38
	Retail financing	75,967.28	70,687.62	55,152.35	75,967.28	55,152.35	64,100.65
	Windmill	43.14	40.43	55.25	43.14	55.25	36.83
	Unallocable	25.87	23.11	25.93	25.87	25.93	25.87
	Subtotal	143,492.66	135,566.65	115,669.49	143,492.66	115,669.49	128,188.26
	Segment liabilities						
	Insurance						
	Life insurance	44,046.63	43,123.51	40,576.11	44,046.63	40,576.11	43,192.66
	General insurance	10,932.97	9,710.57	8,950.86	10,932.97	8,950.86	9,186.67
	Insurance total	54,979.60	52,834.08	49,526.97	54,979.60	49,526.97	52,379.33
	Investments and others	21.89	22.89	19.67	21.89	19.67	23.60
	Retail financing	7,491.40	6,546.62	3,619.01	7,491.40	3,619.01	4,879.21
	Windmill	2.61	4.51	4.00	2.61	4.00	0.97
	Unallocable	27.12	17.41	26.29	27.12	26.29	17.41
	Subtotal	62,522.62	59,425.51	53,195.94	62,522.62	53,195.94	57,300.52
	Capital employed						
	Insurance						
	Life insurance	8,589.34	8,399.85	7,710.46	8,589.34	7,710.46	8,194.02
	General insurance	3,770.03	3,478.40	2,950.92	3,770.03	2,950.92	3,316.18
	Insurance total	12,359.37	11,878.25	10,661.38	12,359.37	10,661.38	11,510.20
	Investments and others	95.51	80.27	227.94	95.51	227.94	111.78
	Retail financing	68,475.88	64,141.00	51,533.34	68,475.88	51,533.34	59,221.44
	Windmill	40.53	35.92	51.25	40.53	51.25	35.88
	Unallocable	(1.25)	5.70	(0.36)	(1.25)	(0.36)	8.46
	Total	80,970.04	76,141.14	62,473.55	80,970.04	62,473.55	70,887.74



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*	55.13%	Retail financing	Subsidiary
(d)	Bajaj Financial Holdings Limited	100%	Others	Subsidiary
(e)	Bajaj Allianz Financial Distributors Limited**	50%	Others	Joint venture

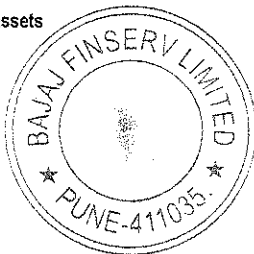
* The consolidated financial results of Bajaj Finance Limited include 100% interest in Bajaj Housing Finance Limited (alongwith later's wholly-owned subsidiary Bajaj Financial Securities Limited) as a subsidiary.

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

2. Disclosure of consolidated assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended 30 September 2017 -

(₹ In Crore)

	Particulars	As at 30.09.2017 (Unaudited)	As at 30.09.2016 (Unaudited)	As at 31.03.2017 (Audited)
A	Equity and liabilities			
1	Shareholders' funds			
	(a) Share capital	79.57	79.57	79.57
	(b) Reserves and surplus	19,178.78	14,421.11	15,736.50
	(d) Fair value change account	14.27	(1.85)	12.70
	Sub-total - Shareholders' funds	19,272.62	14,498.83	15,828.77
2	Share application money pending allotment	0.21	-	-
3	Fund for future appropriations	442.21	251.72	321.56
4	Minority interest	10,103.16	6,423.59	7,200.83
5	Non-current liabilities			
	(a) Long-term borrowings	38,046.00	28,523.81	32,388.46
	(b) Deferred tax liabilities (net)	8.60	11.10	9.49
	(c) Policy liabilities	18,411.10	16,610.40	17,534.52
	(d) Linked liabilities	3,620.27	3,454.69	3,644.94
	(e) Discontinued fund liabilities	521.45	345.89	438.57
	(f) Other long-term liabilities	470.24	501.18	487.18
	(g) Long-term provisions	409.24	338.82	375.48
	Sub-total - Non-current liabilities	61,486.90	49,785.89	54,878.64
6	Current liabilities			
	(a) Current maturities of long-term borrowings	7,977.35	6,187.72	6,996.16
	(b) Short-term borrowings	6,035.46	7,203.34	8,897.42
	(c) Trade payables			
	Total outstanding dues of micro enterprises and small enterprises	1.19	0.02	0.18
	Total outstanding dues of creditors other than micro enterprises and small enterprises	8,556.16	7,219.91	7,271.38
	(d) Policy liabilities	1,214.13	1,269.05	1,614.39
	(e) Linked liabilities	17,003.47	16,477.82	16,754.73
	(f) Other current liabilities	6,295.90	2,343.22	3,863.74
	(g) Short-term provisions	5,577.26	4,383.22	4,993.85
	Sub-total - Current liabilities	52,660.92	45,084.30	50,391.85
	Total - Equity and liabilities	143,966.02	116,044.33	128,621.65
B	Assets			
1	Non-current assets			
	(a) Fixed assets			
	Tangible assets	873.06	804.59	875.55
	Intangible assets	90.95	48.39	80.51
	Capital work-in-progress	26.33	31.58	3.54
		990.34	884.56	959.60
	(b) Goodwill on consolidation of subsidiary/associates	689.34	429.03	689.34
	(c) Non-current investments	8,400.78	9,757.86	9,397.07
	(d) Policyholders' investments	24,941.84	21,862.37	21,977.01
	(e) Assets held to cover linked liabilities	5,089.89	4,646.26	4,692.33
	(f) Deferred tax assets (net)	473.36	374.84	433.39
	(g) Long-term loans and advances	428.76	424.31	413.29
	(h) Receivables under financing activity	38,823.19	28,914.79	32,028.15
	(i) Other non-current assets	388.81	434.68	353.57
	Sub-total - Non-current assets	80,226.31	67,728.70	70,943.75
2	Current assets			
	(a) Current investments	4,354.26	2,652.61	4,164.96
	(b) Policyholders' investments	6,043.85	4,035.51	6,281.21
	(c) Assets held to cover linked liabilities	16,055.27	15,632.14	16,145.88
	(d) Receivables under financing activity	31,104.56	21,741.28	25,654.63
	(e) Trade receivables	1,782.57	952.71	1,253.12
	(f) Cash and bank balances	1,071.76	921.99	1,529.39
	(g) Short-term loans and advances	887.51	467.34	682.59
	(h) Other current assets	2,439.93	1,911.85	1,966.12
	Sub-total - Current assets	63,739.71	48,315.63	57,677.90
	Total - Assets	143,966.02	116,044.33	128,621.65



Notes (contd):

3. With effect from the financial year 2016-17, the Revenue Account (Policyholders' Account/Technical Account) as well as the Profit and Loss (Shareholders') Accounts of the insurance subsidiaries have been considered in the line by line consolidation into the financial statements of the Company, as against the past practice of considering only the Profit and Loss (Shareholders') Accounts, which incorporated the net operating results including inter-se transfers to and from the Revenue Accounts. This change in presentation of the Company's Consolidated Financial Statements is intended to present the consolidated revenues and total income of the group consistent with the practice widely followed by other holding companies of insurers, providing the reader with a better basis of comparability of performance. Further such change in presentation of the Consolidated Financial Statements has no impact on the profit for the period or the shareholders' funds. Accordingly, previous period figures have been reclassified/regrouped to make them comparable with those of the current period.

4. The Company has opted to publish Extracts of the Unaudited/Audited Consolidated Financial Results, pursuant to option made available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The standalone 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 Crore)

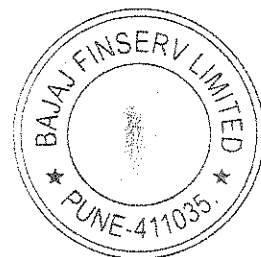
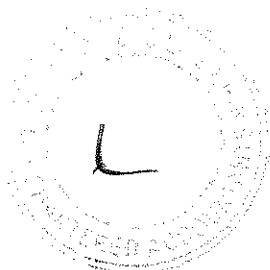
Particulars	Quarter ended			Half year ended		Year ended
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
Revenue from operations and other income	154.07	30.40	69.44	184.47	112.75	165.00
Profit before tax	128.40	7.90	52.50	136.30	80.11	104.00
Profit after tax	115.98	3.90	40.69	119.88	57.35	70.02

5. Figures for previous year / period have been regrouped wherever necessary.
6. ₹ 1 crore is equal to ₹ 10 million.
7. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 16 October 2017 and subjected to a limited review by the statutory auditors.

By order of the Board of Directors
For Bajaj Finserv Limited

Rahul Bajaj
Rahul Bajaj
Chairman

Pune
Date: 16 October 2017




Limited Review Report

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

1. We have reviewed the accompanying statement of unaudited standalone financial results of Bajaj Finserv Limited (the "Company") for the quarter and six months ended September 30, 2017 (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The comparative financial information of the Company for the immediately preceding quarter ended June 30, 2017, corresponding quarter and half year ended September 30, 2016 were reviewed by the predecessor auditor and the financial statements of the Company for the year ended March 31, 2017, were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on May 17, 2017.
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 applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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


per **Arvind Sethi**
Partner
Membership No.: 089802

Pune
October 16, 2017

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

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Bajaj Finserv Group comprising Bajaj Finserv Limited (the "Company") and its subsidiaries and joint ventures (together, "the Group"), for the quarter and six months ended September 30, 2017 for the quarter and six months ended September 30, 2017 (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We did not review total assets of Rs.14,954 crore as at September 30, 2017 and revenues for quarter and six months then ended of Rs.1,840 crore and Rs.3,477 crore respectively, included in the accompanying unaudited consolidated financial results relating to one subsidiary, whose financial information have been reviewed by the other auditors and whose reports have been furnished to us. Our conclusion on the unaudited quarterly financial results, in so far as it relates to such joint venture is based solely on the reports of the other auditors.
4. The accompanying unaudited consolidated financial results include unaudited financial results and other unaudited financial information in respect of two subsidiaries and one jointly controlled entity, whose financial results and other financial information reflect total assets of Rs.888 crore as at September 30, 2017, total revenues for quarter and six months then ended of Rs.20 crore and Rs.34 crore respectively, and net profit for quarter and six months then ended of Rs.3 crore and Rs.3 crore respectively. These unaudited financial results and other unaudited financial information have been certified to us by the management. Our review, in so far as it relates amounts and disclosures included in respect of these subsidiaries and our report in terms of the requirement in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial results and other unaudited financial information. According to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Company.
5. The comparative financial information of the Company for the immediately preceding quarter ended June 30, 2017, corresponding quarter and half year ended September 30, 2016 were reviewed by the predecessor auditor and the consolidated financial statements of the Company for the year ended March 31, 2017, were audited by the predecessor auditor who expressed an unmodified opinion on those consolidated financial statements on May 17, 2017.
6. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components read with paragraph 3 and 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. (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 September 30, 2017 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 September 30, 2017 has been duly certified by the appointed actuary and in appointed actuary's opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority ("IRDA") and the Institute of Actuaries of India in concurrence with IRDA. BALIC's auditors have relied on the appointed actuary's certificate in this regard for forming their opinion on financial statements of BALIC.

- (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 September 30, 2017 is the responsibility of BAGIC's Appointed Actuary. The actuarial valuation of these liabilities has been duly certified by the appointed actuary and in appointed actuary's opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDA and the Institute of Actuaries of India in concurrence with IRDA. BAGIC's auditors have relied on the appointed actuary's certificate in this regard for forming their opinion on financial statements of BAGIC.

Our conclusion is not qualified in respect of above matters.

For S R B C & CO LLP

ICAI Firm registration number: 324982E/E300003

Chartered Accountants



per Arvind Sethi

Partner

Membership No.: 089802

Pune

October 16, 2017

Press release

Financial results – Q2 FY18

Total revenue ↑ 28% | Profit after tax ↑ 13%

A meeting of the Board of Directors of Bajaj Finserv Limited was held today to consider and approve the results for Q2 FY18.

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 55.13% holding in Bajaj Finance Limited (BFL) and in the protection business through its 74% holding in Bajaj Allianz General Insurance Company Limited (BAGIC) and Bajaj Allianz Life Insurance Company Limited (BALIC). During the quarter, BFL completed raising of capital from Qualified Institutional Buyers, consequent to which the shareholding of BFS reduced from 57.80% to 55.13%.

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

Highlights – Q2 FY18 v/s Q2 FY17

✓ Consolidated total revenue	– ₹ 7,561 crore	v/s ₹ 5,920 crore	↑ 28%
✓ Consolidated profit after tax	– ₹ 652 crore	v/s ₹ 576 crore	↑ 13%
✓ Bajaj Finance, profit after tax	– ₹ 557 crore	v/s ₹ 408 crore	↑ 37%
✓ General insurance, profit after tax	– ₹ 260 crore	v/s ₹ 234 crore	↑ 11%
✓ Life insurance, shareholders' profit after tax	– ₹ 186 crore	v/s ₹ 202 crore	

Highlights – H1 FY18 v/s H1 FY17

✓ Consolidated total revenue	– ₹ 14,105 crore	v/s ₹ 11,150 crore	↑ 27%
✓ Consolidated profit after tax	– ₹ 1,307 crore	v/s ₹ 1,113 crore	↑ 17%
✓ Bajaj Finance, profit after tax	– ₹ 1,159 crore	v/s ₹ 832 crore	↑ 39%
✓ General insurance, profit after tax	– ₹ 473 crore	v/s ₹ 366 crore	↑ 29%
✓ Life insurance, shareholders' profit after tax	– ₹ 382 crore	v/s ₹ 446 crore	

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

Bajaj Finserv Limited

1. Performance

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

A. Bajaj Finance Limited (BFL)

Despite slow credit demand across the industry, BFL has continued its **stellar growth**.

- i) Total revenue for Q2 FY18 **increased** by **33%** to **₹ 3,102 crore** v/s ₹ 2,341 crore in Q2 FY17.
- ii) **Profit after tax** for Q2 FY18 **increased** by **37%** to **₹ 557 crore** v/s ₹ 408 crore in Q2 FY17.
- iii) Assets under management stood at **₹ 72,139 crore** as on 30 September 2017 v/s ₹ 52,332 crore as on 30 September 2016 - an **increase** of **38%**.
- iv) Net NPA as on 30 September 2017 stood at 0.51% after moving NPA recognition policy from 4 months to 3 months overdue, as required by RBI guidelines.
- v) After equity capital raising of ₹ 4,500 crore, capital adequacy ratio as on 30 September 2017 (including Tier-II capital) stood at 25.42%. The Tier-I capital stood at 19.86%.

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

B. Bajaj Allianz General Insurance Company Limited (BAGIC)

During the quarter, BAGIC reported one of its best combined ratio and possibly the best in General insurance industry. It recorded its **highest ever quarterly gross written premium and profit after tax** in Q2 FY18.

- i) Gross written premium for Q2 FY18 **increased** by **31%** to **₹ 2,857 crore** v/s ₹ 2,179 crore in Q2 FY17.
- ii) During Q2 FY18, BAGIC wrote **crop insurance** of **₹ 1,145 crore** v/s ₹ 737 crore in Q2 FY17 – an **increase of 55%**.
- iii) Net earned premium for Q2 FY18 stood at **₹ 1,589 crore** v/s ₹ 1,240 crore in Q2 FY17 – an **increase of 28%**.
- iv) During the quarter, BAGIC registered **robust operating performance**. Underwriting profit for Q2 FY18 **more than doubled** to **₹ 138 crore** v/s ₹ 57 crore in Q2 FY17.
- v) Investment and other income for Q2 FY18 stood at **₹ 247 crore** v/s ₹ 290 crore in Q2 FY17. Investment income for Q2 FY18 dropped on account of lower profit on sale of investments by ₹ 59 crore in Q2 FY18 as compared to Q2 FY17.
- vi) Profit after tax for Q2 FY18 **increased** by **11%** to **₹ 260 crore** v/s ₹ 234 crore in Q2 FY17.
- vii) Claim ratio improved to **67.9%** in Q2 FY18 v/s 71.6% in Q2 FY17.
- viii) Combined ratio improved to **88.8%** in Q2 FY18 v/s 94.3% in Q2 FY17.
- ix) As on 30 September 2017, solvency ratio stood at **288%**, which is well above the normal regulatory requirement of 150%.
- x) Cash and investments as on 30 September 2017 stood at **₹ 12,100 crore** v/s ₹ 10,360 crore as on 30 September 2016 – a healthy **increase of 17%**.

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

C. Bajaj Allianz Life Insurance Company Limited (BALIC)

BALIC has continued its focus towards selling more individual regular premium. BALIC's **rated individual new business premium grew by 32%** in Q2 FY18 as against industry growth of 23%.

- i) New business premium stood at **₹ 1,271 crore** in Q2 FY18 v/s ₹ 800 crore in Q2 FY17 – an **increase of 59%**.
 - a) Rated individual new business premium was **₹ 280 crore** in Q2 FY18 v/s ₹ 212 crore in Q2 FY17 – an **increase of 32%**.
 - b) Group new business was **₹ 976 crore** in Q2 FY18 v/s ₹ 575 crore in Q2 FY17.
- ii) Renewal premium for Q2 FY18 was **₹ 745 crore** v/s ₹ 647 crore in Q2 FY17 – an **increase of 15%**.
- iii) Gross written premium stood at **₹ 2,016 crore** in Q2 FY18 v/s ₹ 1,447 crore in Q2 FY17 – an **increase of 39%**.
- iv) Shareholders' profit after tax during Q2 FY18 was **₹ 186 crore** v/s ₹ 202 crore in Q2 FY17.
- v) Solvency ratio stood at a healthy **608%** (based on amended regulations) as on 30 September 2017 as against the minimum regulatory requirement of 150%. In addition to this, BALIC had a fund of ₹ 2,348 crore held beyond required solvency margin forming part of shareholders' investments.
- vi) Total investments stood at **₹ 51,088 crore** as on 30 September 2017 v/s ₹ 46,880 crore as on 30 September 2016 - an **increase of 9%**.

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

2. Equity capital raising by Bajaj Finance

During the quarter, Bajaj Finance Limited raised ₹ 4,500 crore through Qualified Institutional Placement from Qualified Institutional Buyers by issuing equity shares of face value ₹ 2 each at a premium of ₹ 1,688 per share.



Sanjiv Bajaj
Managing Director

16 October 2017

2/1

Annexure A - Consolidated results of BFS

(₹ In Crore)		Q2 FY18	Q2 FY17	H1 FY18	H1 FY17	FY17
1	Revenue					
	(a) Revenue from operations	3,136.36	2,374.70	6,281.76	4,690.70	10,090.53
	(b) Premium and other operating income from insurance business	4,424.68	3,545.16	7,822.43	6,459.43	14,416.68
	(c) Other income	0.34	0.17	0.36	0.27	0.55
	Total revenue	7,561.38	5,920.03	14,104.55	11,150.40	24,507.76
2	Expenses					
	(a) Employee benefits expense	352.36	227.80	679.61	453.26	1,000.73
	(b) Claims incurred pertaining to insurance business	3,214.46	2,528.05	5,785.03	4,621.80	9,676.11
	(c) Commission, operating and other expenses pertaining to insurance business	625.01	433.23	924.43	795.66	2,720.96
	(d) Finance costs	1,112.03	942.49	2,167.21	1,794.99	3,716.28
	(e) Loan losses and provisions	229.71	165.44	511.36	341.61	803.89
	(f) Depreciation and amortisation	24.42	18.11	46.66	34.45	72.63
	(g) Other expenses	534.48	372.29	1,058.47	732.82	1,592.63
	Total expenses	6,092.47	4,687.41	11,172.77	8,774.59	19,583.23
3	Profit before tax (1-2)	1,468.91	1,232.62	2,931.78	2,375.81	4,924.53
4	Tax expense					
	Current tax	491.12	380.96	950.06	727.14	1,566.01
	Deferred tax	(29.10)	(11.76)	(40.88)	(31.05)	(91.19)
	Total tax expense	462.02	369.20	909.18	696.09	1,474.82
5	Profit after tax (3-4)	1,006.89	863.42	2,022.60	1,679.72	3,449.71
6	Less: Minority interest in net income of subsidiaries	354.59	287.67	715.21	566.46	1,187.79
7	Net profit for the period after minority interest (5-6)	652.30	575.75	1,307.39	1,113.26	2,261.92
8	Paid-up equity share capital (Face value of ₹ 5)	79.57	79.57	79.57	79.57	79.57
9	Reserves excluding revaluation reserves					15,724.47
10	Basic and diluted earnings per share (₹) before and after extraordinary items (not annualised)	41.0	36.2	82.2	70.0	142.1

Annexure B - Summary financial results of BFL

₹ In Crore	Q2 FY18	Q2 FY17	H1 FY18	H1 FY17	FY17
Total revenue	3,102	2,341	6,229	4,619	9,989
Interest expenses	1,144	956	2,222	1,839	3,803
Net interest income	1,958	1,385	4,007	2,780	6,186
Operating expenses	874	594	1,717	1,160	2,564
Loan losses and provisions	228	165	509	342	804
Profit before tax	856	626	1,781	1,278	2,818
Profit after tax	557	408	1,159	832	1,837

Annexure C - Summary financial results of BAGIC

₹ In Crore	Q2 FY18	Q2 FY17	H1 FY18	H1 FY17	FY17
Gross written premium	2,857	2,179	4,830	3,706	7,687
Net earned premium	1,589	1,240	2,923	2,378	4,937
Underwriting result	138	57	150	29	64
Investment and other income	247	290	547	507	1,014
Profit before tax	385	347	697	536	1,078
Profit after tax	260	234	473	366	728

Key ratios

Claim ratio	67.9%	71.6%	68.3%	72.0%	70.4%
Combined ratio	88.8%	94.3%	92.0%	97.6%	96.8%

Annexure D - Summary financial results of BALIC

₹ In Crore	Q2 FY18	Q2 FY17	H1 FY18	H1 FY17	FY17
New business premium	1,271	800	1,953	1,393	3,338
Rated individual new business premium*	280	212	558	338	1,010
Group new business premium	976	575	1,366	1,032	2,273
Renewal premium	745	647	1,216	1,058	2,845
Gross written premium	2,016	1,447	3,169	2,451	6,183
Shareholders' profit	137	148	292	318	609
Amount transferred from the policyholders' account to the shareholders' account (net)	49	54	90	128	227
Total shareholders' profit after tax	186	202	382	446	836

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