

**PRESS RELEASE**

**Financial results for Q3 FY20**

- ✓ **Highest ever quarterly consolidated profit of ₹ 1,614 crore – a growth of 52% over Q3 FY19**
- ✓ **9M FY20 consolidated PAT of ₹ 4,316 crore has crossed PAT of ₹ 3,995 crore for the whole of FY19**

A meeting of the Board of Directors of Bajaj Finance Limited (BFL) was held today to consider and approve the unaudited standalone and consolidated results for the quarter ended 31 December 2019.

The consolidated results of BFL include the results of its wholly owned subsidiaries viz. Bajaj Housing Finance Limited (BHFL) and Bajaj Financial Securities Limited (BFinsec).

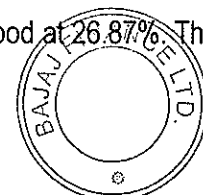
**CONSOLIDATED PERFORMANCE HIGHLIGHTS**

Consolidated assets under management - ₹ 145,092 crore v/s ₹ 107,507 crore ↑ 35%  
Consolidated profit after tax - ₹ 1,614 crore v/s ₹ 1,060 crore ↑ 52%

- **New loans booked** during Q3 FY20 **increased by 13%** to 7.67 million from 6.77 million in Q3 FY19.
- **Customer franchise increased by 24%** to 40.38 million as of 31 December 2019 from 32.57 million as of 31 December 2018.
- **Assets under management (AUM) grew by 35%** to ₹ 145,092 crore as of 31 December 2019 from ₹ 107,507 crore as of 31 December 2018.
- **Net Interest Income** for Q3 FY20 was **up by 42%** to ₹ 4,537 crore from ₹ 3,206 crore in Q3 FY19.
- **Total operating expenses to net interest income** for Q3 FY20 was 33.9% against 34.9% in Q3 FY19.
- **Loan losses and provisions (expected credit loss)** for Q3 FY20 was ₹ 831 crore as against ₹ 451 crore in Q3 FY19. During the quarter, the Company has made an accelerated provision of ₹ 85 crore in its loan against securities portfolio. Adjusted for this, loan losses and provisions (expected credit loss) for Q3 FY20 was ₹ 746 crore.
- **Profit after tax** for Q3 FY20 **grew by 52%** to ₹ 1,614 crore from ₹ 1,060 crore in Q3 FY19.

From the current financial year, the Company and one of its subsidiary viz. BHFL has opted for reduced rate of 25.17% for computation of income tax as per recently inserted Section 115BAA of the Income Tax Act, 1961.

- **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 of 31 December 2019 stood at 1.61% and 0.70% respectively. The provisioning coverage ratio was 57%. Standard assets provisioning (ECL stage 1 and 2) was 101 bps under Ind AS versus about 40 bps as per RBI and NHB prudential norms.
- **Capital adequacy ratio** (including Tier-II capital) as of 31 December 2019 stood at **26.87%**. The Tier-I capital stood at 23.16%.



# BAJAJ FINANCE LIMITED

## A – Breakup of consolidated AUM and deposits book

(₹ In Crore)

AUM	As of 31 December 2019			Consolidated as of 31 December 2018	Growth
	BFL Standalone	BHFL	BFL Consolidated		
Consumer B2B	27,137	-	27,137	21,776	25%
Consumer B2C	28,639	741	29,381	20,515	43%
Rural lending	12,664	-	12,664	8,524	49%
SME lending	18,569	134	18,703	14,126	32%
Commercial lending	13,014	-	13,016	11,850	10%
Mortgage lending	16,437	29,160	44,191	30,716	44%
<b>Total AUM</b>	<b>116,460</b>	<b>30,035</b>	<b>145,092</b>	<b>107,507</b>	<b>35%</b>

Deposits	As of 31 December 2019			Consolidated as of 31 December 2018	Growth
	BFL Standalone	BHFL	BFL Consolidated		
Deposits book @	20,235	-	20,235	11,489	76%

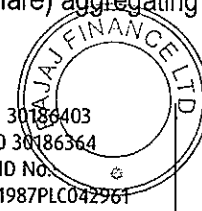
@ Deposits contribute to approximately 17% of the consolidated borrowings and 21% of the standalone borrowings.

## B – Summary of consolidated financial results

(₹ In Crore)

Particulars	Q3 FY20	Q3 FY19	QoQ	9m FY20	9m FY19	9Mo9M	FY19
New loans booked (number in million)	7.67	6.77	13%	21.41	17.67	21%	23.50
Assets under management	145,092	107,507	35%	145,092	107,507	35%	115,888
Receivables under financing activity	139,561	104,127	34%	139,561	104,127	34%	112,513
Interest income	6,105	4,387	39%	16,668	11,692	43%	16,349
Fees and other income	921	605	52%	2,489	1,511	65%	2,153
<b>Total income</b>	<b>7,026</b>	<b>4,992</b>	<b>41%</b>	<b>19,157</b>	<b>13,203</b>	<b>45%</b>	<b>18,502</b>
Interest expenses	2,489	1,786	39%	6,926	4,710	47%	6,624
<b>Net interest income (NII)</b>	<b>4,537</b>	<b>3,206</b>	<b>42%</b>	<b>12,231</b>	<b>8,493</b>	<b>44%</b>	<b>11,878</b>
Total operating expenses	1,536	1,119	37%	4,211	3,033	39%	4,198
Loan losses and provisions (ECL stage 1 and 2)	203	76	166%	462	227	104%	260
Loan losses and provisions (ECL stage 3 and write off)	628	375	67%	1,514	865	75%	1,241
<b>Profit before tax</b>	<b>2,170</b>	<b>1,636</b>	<b>33%</b>	<b>6,044</b>	<b>4,368</b>	<b>38%</b>	<b>6,179</b>
<b>Profit after tax</b>	<b>1,614</b>	<b>1,060</b>	<b>52%</b>	<b>4,316</b>	<b>2,819</b>	<b>53%</b>	<b>3,995</b>

- The Company through Qualified Institutions Placement (QIP), on 7 November 2019, has allotted 21,794,871 equity shares to the eligible Qualified Institutional Buyers (QIB) at a price of ₹ 3,900 per equity share of ₹ 2 face value (inclusive of premium of ₹ 3,898 per share) aggregating to ₹ 8,500 crore.



# BAJAJ FINANCE LIMITED

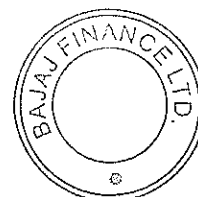
- During the quarter, the Company has fully drawn ECB loans of USD 575 million (equivalent to ₹ 4,083 crore) under the facility agreement with various banks.
- During the quarter, the Company has launched Systematic Deposit Plan (SDP) – an industry first monthly saving option for retail deposit customers. This provides customers flexibility of placing deposits with BFL at fixed intervals and enjoy benefit of changes in interest rates.
- The Board of Directors has also approved investment in the equity of BHFL amounting to ₹ 1,500 crore.

## STANDALONE PERFORMANCE HIGHLIGHTS

- **Assets under management (AUM) grew by 24%** to ₹ 116,460 crore as of 31 December 2019 from ₹ 93,903 crore as of 31 December 2018.
- **Net Interest Income** for Q3 FY20 was **up by 38%** to ₹ 4,267 crore from ₹ 3,086 crore in Q3 FY19.
- **Loan losses and provisions (expected credit loss)** for Q3 FY20 was ₹ 817 crore as against ₹ 445 crore in Q3 FY19. During the quarter, the Company has made an accelerated provision of ₹ 85 crore in its loan against securities portfolio. Adjusted for this, loan losses and provisions (expected credit loss) for Q3 FY20 was ₹ 732 crore.
- **Profit after tax** for Q3 FY20 **grew by 45%** to ₹ 1,488 crore from ₹ 1,023 crore in Q3 FY19.

## C - Summary of standalone financial results of Bajaj Finance Ltd.

(₹ In Crore)							
Particulars	Q3 FY20	Q3 FY19	QoQ	9M FY20	9M FY19	9Mo9M	FY19
New loans booked (number in million)	7.64	6.76	13%	21.34	17.65	21%	23.43
Assets under management	116,460	93,903	24%	116,460	93,903	24%	98,671
Receivables under financing activity	113,601	90,164	26%	113,601	90,164	26%	95,181
Interest income	5,487	4,089	34%	15,052	11,073	36%	15,346
Fee and other income	832	576	44%	2,269	1,445	57%	2,055
<b>Total income</b>	<b>6,319</b>	<b>4,665</b>	<b>35%</b>	<b>17,321</b>	<b>12,518</b>	<b>38%</b>	<b>17,401</b>
Interest expenses	2,052	1,579	30%	5,801	4,295	35%	5,939
<b>Net interest income (NII)</b>	<b>4,267</b>	<b>3,086</b>	<b>38%</b>	<b>11,520</b>	<b>8,223</b>	<b>40%</b>	<b>11,462</b>
Total operating expenses	1,451	1,056	37%	3,977	2,837	40%	3,951
Loan losses and provisions (ECL stage 1 and 2)	198	71	178%	445	212	110%	239
Loan losses and provisions (ECL stage 3 and write off)	619	374	66%	1,495	864	73%	1,237
<b>Profit before tax</b>	<b>1,999</b>	<b>1,585</b>	<b>26%</b>	<b>5,603</b>	<b>4,310</b>	<b>30%</b>	<b>6,035</b>
<b>Profit after tax</b>	<b>1,488</b>	<b>1,023</b>	<b>45%</b>	<b>3,990</b>	<b>2,777</b>	<b>44%</b>	<b>3,890</b>



# BAJAJ FINANCE LIMITED

## PERFORMANCE HIGHLIGHT OF SUBSIDIARIES

### Bajaj Housing Finance Limited

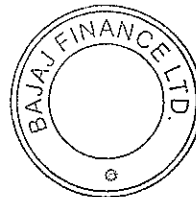
- **Assets under management (AUM)** stood at ₹ 30,035 crore as on 31 December 2019.
- **Net Interest Income** for Q3 FY20 was ₹ 285 crore.
- **Profit after tax** for Q3 FY20 was ₹ 131 crore
- **Capital adequacy ratio** (including Tier-II capital) as of 31 December 2019 stood at 18.91%

### D - Summary of standalone financial results of Bajaj Housing Finance Limited


(₹ In Crore)

Particulars	Q3 FY20	Q3 FY19	9M FY20	9M FY19	FY19
Assets under management	30,035	13,963	30,035	13,963	17,562
Receivables under financing activity	25,961	13,963	25,961	13,963	17,332
Interest income	620	297	1,616	616	998
Fees and other income	103	41	256	109	158
<b>Total Income</b>	<b>723</b>	<b>338</b>	<b>1,872</b>	<b>725</b>	<b>1,156</b>
Interest Expenses	438	207	1,125	416	685
<b>Net Interest Income (NII)</b>	<b>285</b>	<b>131</b>	<b>747</b>	<b>309</b>	<b>471</b>
Operating Expenses	96	75	267	230	297
Loan losses and provisions (ECL stage 1 and 2)	6	5	17	15	21
Loan losses and provisions (ECL stage 3 and write off)	8	1	18	1	4
<b>Profit before tax</b>	<b>175</b>	<b>50</b>	<b>445</b>	<b>63</b>	<b>149</b>
<b>Profit after tax</b>	<b>131</b>	<b>37</b>	<b>331</b>	<b>48</b>	<b>110</b>

Pune  
29 January 2020



For Bajaj Finance Limited

  
Rajeev Jain  
Managing Director