

## PRESS RELEASE

### Financial results for Q4 and FY19

- ✓ Highest ever quarterly consolidated profit of ₹ 1,176 crore – a growth of 57% over Q4 FY18
- ✓ Highest ever yearly consolidated profit of ₹ 3,995 crore – a growth of 60% over FY18

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

The Company has adopted **Indian Accounting Standards (Ind AS)** for FY19 with Ind AS compliant comparatives for FY18. Accordingly, figures for previous year / periods have been recast and audited by statutory auditors as per new accounting standards.

### HIGHLIGHTS FOR Q4 FY19 AND FY19

Consolidated assets under management	- ₹ 115,888 crore	v/s	₹ 82,422 crore	↑ 41%
Consolidated profit after tax for Q4 FY19	- ₹ 1,176 crore	v/s	₹ 748 crore	↑ 57%
Consolidated profit after tax for FY19	- ₹ 3,995 crore	v/s	₹ 2,496 crore	↑ 60%

### CONSOLIDATED PERFORMANCE HIGHLIGHT – Q4 FY19

- **New loans booked** during Q4 FY19 **increased by 53%** to 5.83 million from 3.80 million in Q4 FY18.
- **Net Interest Income** for Q4 FY19 was **up by 50%** to ₹ 3,395 crore from ₹ 2,265 crore in Q4 FY18.
- **Total operating expenses to net interest income** for Q4 FY19 was 34.58% against 39.47% in Q4 FY18.
- **Loan losses and provisions** for Q4 FY19 were ₹ 409 crore as against ₹ 227 crore in Q4 FY18.
- **Profit after tax** for Q4 FY19 **grew by 57%** to ₹ 1,176 crore from ₹ 748 crore in Q4 FY18.
- **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 March 2019 stood at 1.54% and 0.63% respectively. The provisioning coverage ratio stood at 60%. Standard assets provisioning (ECL stage 1 and 2) was 85 bps under Ind AS versus about 40 bps as per RBI and NHB prudential norms.

### CONSOLIDATED PERFORMANCE HIGHLIGHT – FY19

- **New loans booked** during FY19 **increased by 53%** to 23.50 million from 15.34 million in FY18.
- **Customer franchise** as of 31 March 2019 **increased by 32%** to 34.48 million from 26.22 million as of 31 March 2018.



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- **Assets under management (AUM)** as of 31 March 2019 **grew by 41%** to ₹ 115,888 crore from ₹ 82,422 crore as of 31 March 2018.
- **Net Interest Income** for FY19 was **up by 46%** to ₹ 11,878 crore from ₹ 8,143 crore in FY18.
- **Total operating expenses to net interest income** for FY19 was 35.34% against 40.16% in FY18.
- **Loan losses and provisions** for FY19 were ₹ 1,501 crore as against ₹ 1,030 crore in FY18.
- **Profit after tax** for FY19 **grew by 60%** to ₹ 3,995 crore from ₹ 2,496 crore in FY18.
- **Capital adequacy ratio** (including Tier-II capital) as of 31 March 2019 stood at 20.66%. The Tier-I capital stood at 16.27%.
- The Board of Directors has recommended a dividend of ₹ 6 per equity share of the face value of ₹ 2 (300%) for FY19 (Previous year ₹ 4 per equity share of the face value of ₹ 2 i.e. 200%)

## A – Breakup of consolidated Assets under management (AUM) and deposit book

(₹ In Crore)

Assets under management (AUM)	As of 31 March 2019			Consolidated as of 31 March 2018	Growth
	BFL Standalone	BHFL	BFL Consolidated		
Consumer B2B	21,987	-	21,987	15,543	41%
Consumer B2C	22,551	451	23,002	15,402	49%
Rural lending	9,243	-	9,243	5,458	69%
SME lending	15,678	81	15,759	11,434	38%
Commercial lending	12,026	-	12,026	10,941	10%
Mortgage lending	17,186	17,030	33,871	23,643	43%
<b>Total AUM</b>	<b>98,671</b>	<b>17,562</b>	<b>115,888</b>	<b>82,422</b>	<b>41%</b>

Deposits	As of 31 March 2019			Consolidated as of 31 March 2018	Growth
	BFL Standalone	BHFL	BFL Consolidated		
Deposits book	13,193	-	13,193	7,793	69%

@ Approximately 13% of the consolidated borrowings and 15% of the standalone borrowings.

- The Company, for its foreign currency borrowings program, has been assigned a long-term issuer credit rating of 'BBB-' with a stable outlook and a short-term issuer credit rating of 'A-3' by S&P Global Ratings in January 2019. The 'BBB-' rating is equivalent to India's sovereign rating assigned by S&P Global Ratings.
- The Company has been awarded 'Outstanding Company of the Year' at the 14th edition of CNBC-TV18's Indian Business Leader Awards (IBLA).
- BFL has featured as one of the 'Best Workplaces in Asia 2019' by Great Place to Work® (GPTW) Institute. BFL has been ranked 9th amongst the "25 Best Large Workplaces in Asia, 2019".



## B – Summary of consolidated financial results

(₹ In Crore)

Particulars	Q4'19	Q4'18	QoQ	FY'19	FY'18	YoY
New loans booked (number in million)	5.83	3.80	53%	23.50	15.34	53%
Assets under management	115,888	82,422	41%	115,888	82,422	41%
Receivables under financing activity	112,513	79,103	42%	112,513	79,103	42%
Total income	5,308	3,492	52%	18,502	12,757	45%
Interest expenses	1,913	1,227	56%	6,624	4,614	44%
<b>Net interest income (NII)</b>	<b>3,395</b>	<b>2,265</b>	<b>50%</b>	<b>11,878</b>	<b>8,143</b>	<b>46%</b>
Total operating expenses	1,174	894	31%	4,198	3,270	28%
Loan losses and provisions (ECL stage 1 and 2)	34	12	183%	260	129	102%
Loan losses and provisions (ECL stage 3 and write off)	375	215	74%	1,241	901	38%
<b>Profit before tax</b>	<b>1,812</b>	<b>1,144</b>	<b>58%</b>	<b>6,179</b>	<b>3,843</b>	<b>61%</b>
<b>Profit after tax</b>	<b>1,176</b>	<b>748</b>	<b>57%</b>	<b>3,995</b>	<b>2,496</b>	<b>60%</b>

## C – Summary of reconciliation between consolidated profit as per previous GAAP and Ind AS

(₹ In Crore)

Particulars	Q4'19	Q4'18	FY'19	FY'18
<b>Profit before tax as per previous GAAP @</b>	<b>1,710</b>	<b>1,134</b>	<b>6,675</b>	<b>4,096</b>
Ind AS adjustments increasing / (decreasing) profit:				
Adoption of EIR* for financial assets recognised at amortised cost	60	11	(422)	(197)
Adoption of EIR* for financial liabilities recognised at amortised cost	54	(0)	107	13
Expected credit loss	(21)	37	(131)	9
Fair value of stock options as per Ind AS 102	(18)	(12)	(75)	(45)
Actuarial loss on employee defined benefit plan recognised in 'Other comprehensive income' as per Ind AS 19	16	8	16	8
Gain/ (losses) on fair valuation of investments at fair value through profit and loss	4	(34)	7	(41)
Recognition of service asset on assignment	1	-	(4)	-
Others	6	-	6	-
<b>Net profit before tax as per Ind AS</b>	<b>1,812</b>	<b>1,144</b>	<b>6,179</b>	<b>3,843</b>
Tax expense (including current tax and deferred tax)	(636)	(396)	(2,184)	(1,347)
<b>Net profit after tax as per Ind AS</b>	<b>1,176</b>	<b>748</b>	<b>3,995</b>	<b>2,496</b>
<b>Net profit after tax as per previous GAAP @</b>	<b>1,116</b>	<b>745</b>	<b>4,347</b>	<b>2,674</b>

@ Amounts as per previous GAAP for Q4 FY19 and FY19 are management estimates and not reviewed by auditors.

\* EIR = effective interest rate



## STANDALONE PERFORMANCE HIGHLIGHTS

### Bajaj Finance Limited - Q4 FY19

- **Net Interest Income** for Q4 FY19 was **up by 45%** to ₹ 3,244 crore from ₹ 2,231 crore in Q4 FY18.
- **Loan losses and provisions** for Q4 FY19 were ₹ 401 crore as against ₹ 224 crore in Q4 FY18.
- **Profit after tax** for Q4 FY19 **grew by 50%** to ₹ 1,114 crore from ₹ 743 crore in Q4 FY18.

### Bajaj Finance Limited - FY19

- **Assets under management (AUM)** as of 31 March 2019 **grew by 25%** to ₹ 98,671 crore from ₹ 78,852 crore as of 31 March 2018.
- **Net Interest Income** for FY19 was **up by 42%** to ₹ 11,462 crore from ₹ 8,083 crore in FY18.
- **Loan losses and provisions** for FY19 were ₹ 1,476 crore as against ₹ 1,026 crore in FY18.
- **Profit after tax** for FY19 **grew by 57%** to ₹ 3,890 crore from ₹ 2,485 crore in FY18.

A – Summary of standalone financial results of Bajaj Finance Ltd.

(₹ In Crore)						
Particulars	Q4'19	Q4'18	QoQ	FY'19	FY'18	YoY
New loans booked (number in million)	5.78	3.78	53%	23.43	15.32	53%
Assets under management	98,671	78,852	25%	98,671	78,852	25%
Receivables under financing activity	95,181	75,533	26%	95,181	75,533	26%
Total income	4,888	3,425	43%	17,401	12,650	38%
Interest expenses	1,644	1,194	38%	5,939	4,567	30%
<b>Net interest income (NII)</b>	<b>3,244</b>	<b>2,231</b>	<b>45%</b>	<b>11,462</b>	<b>8,083</b>	<b>42%</b>
Total operating expenses	1,117	868	29%	3,951	3,226	22%
Loan losses and provisions (ECL stage 1 and 2)	28	10	180%	239	124	93%
Loan losses and provisions (ECL stage 3 and write off)	373	214	74%	1,237	902	37%
<b>Profit before tax</b>	<b>1,726</b>	<b>1,139</b>	<b>52%</b>	<b>6,035</b>	<b>3,831</b>	<b>58%</b>
<b>Profit after tax</b>	<b>1,114</b>	<b>743</b>	<b>50%</b>	<b>3,890</b>	<b>2,485</b>	<b>57%</b>





## PERFORMANCE HIGHLIGHT OF SUBSIDIARIES

### Bajaj Housing Finance Limited – Q4 FY19

- **Net Interest Income** for Q4 FY19 was ₹ 162 crore.
- **Profit after tax** for Q4 FY19 was ₹ 62 crore

### Bajaj Housing Finance Limited - FY19

- **Assets under management (AUM)** stood at ₹ 17,562 crore as on 31 March 2019.
- **Net interest income** for FY19 was ₹ 471 crore.
- **Profit after tax** for FY19 was ₹ 110 crore
- **Capital adequacy ratio** (including Tier-II capital) as of 31 March 2019 stood at 25.81%

### E – Summary of standalone financial results of Bajaj Housing Finance Limited

(₹ In Crore)				
Particulars	Q4'19	Q4'18	FY'19	FY'18
Assets under management	17,562	3,570	17,562	3,570
Total Income	431	66	1,156	106
Interest Expenses	269	34	685	47
<b>Net Interest Income (NII)</b>	<b>162</b>	<b>32</b>	<b>471</b>	<b>59</b>
Operating Expenses	68	25	297	44
Loan losses and provisions (ECL stage 1 and 2)	6	3	21	4
Loan losses and provisions (ECL stage 3 and write off)	2	-	4	-
<b>Profit before tax</b>	<b>86</b>	<b>4</b>	<b>149</b>	<b>11</b>
<b>Profit after tax</b>	<b>62</b>	<b>4</b>	<b>110</b>	<b>10</b>

Pune  
16 May 2019



For Bajaj Finance Limited

*Rajeev Jain*  
Rajeev Jain  
Managing Director