

21 October 2020

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| THE MANAGER, BSE LIMITED DCS - CRD PHIROZE JEEJEEBHOY TOWERS DALAL STREET, MUMBAI - 400 001 | THE MANAGER, LISTING DEPARTMENT NATIONAL STOCK EXCHANGE OF INDIA LTD. EXCHANGE PLAZA, C-1. BLOCK G, BANDRA - KURLA COMPLEX, BANDRA (EAST) MUMBAI - 400 051 |
| SCRIP CODE: 500034 | SCRIP CODE: BAJFINANCE – EQ |

Dear Sir/Madam,

Sub: Outcome of Meeting of Board of Directors

In terms of provision of Regulation 30 (read with Part A of Schedule III) and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (SEBI Listing Regulations), this is to inform you that the Board of Directors, at its Meeting held today, i.e. 21 October 2020 approved unaudited standalone and consolidated financial results of the Company prepared as per Indian Accounting Standard (Ind AS) for the quarter and half year ended 30 September 2020.

A copy of the said standalone and consolidated financial results, limited review reports for standalone and consolidated financial results and press release in this respect are enclosed.

The meeting commenced at 11:00 a.m. and concluded at 1:15 p.m.

Thanking you,
Yours faithfully,
For **BAJAJ FINANCE LIMITED**


R. VIJAY
COMPANY SECRETARY
Email ID: investor.service@bajajfinserv.in



Encl.: As above

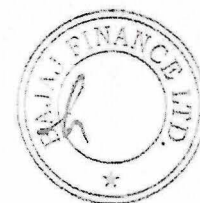
BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of unaudited Standalone financial results for the Quarter and Half year ended 30 September 2020

(₹ In Crore)

| Particulars | Quarter ended | | | Half year ended | | Year ended |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|
| | 30.09.2020 (Reviewed) | 30.06.2020 (Reviewed) | 30.09.2019 (Reviewed) | 30.09.2020 (Reviewed) | 30.09.2019 (Reviewed) | 31.03.2020 (Audited) |
| 1 Income | | | | | | |
| (a) Revenue from operations | | | | | | |
| Interest income | 5,066.33 | 5,101.47 | 4,923.54 | 10,167.80 | 9,565.99 | 20,668.15 |
| Fees and commission income | 550.66 | 546.47 | 611.24 | 1,097.13 | 1,163.32 | 2,489.89 |
| Net gain on fair value changes | 124.38 | 236.62 | 122.24 | 361.00 | 193.69 | 460.47 |
| Sale of services | 5.60 | 2.80 | 3.79 | 8.40 | 7.39 | 53.32 |
| Other operating income | 36.20 | 13.27 | 36.53 | 49.47 | 68.97 | 150.70 |
| Total revenue from operations | 5,783.17 | 5,900.63 | 5,697.34 | 11,683.80 | 10,999.36 | 23,822.53 |
| (b) Other income | 6.65 | 1.10 | 0.90 | 7.75 | 3.17 | 11.62 |
| Total income | 5,789.82 | 5,901.73 | 5,698.24 | 11,691.55 | 11,002.53 | 23,834.15 |
| 2 Expenses | | | | | | |
| (a) Finance costs | 1,868.11 | 1,984.77 | 1,952.38 | 3,852.88 | 3,749.57 | 7,857.55 |
| (b) Fees and commission expense | 296.42 | 199.58 | 267.88 | 496.00 | 496.80 | 1,104.79 |
| (c) Impairment on financial instruments | 1,634.99 | 1,640.53 | 581.25 | 3,275.52 | 1,123.02 | 3,805.15 |
| (d) Employee benefits expense | 461.18 | 482.60 | 560.09 | 943.78 | 1,082.39 | 2,294.56 |
| (e) Depreciation and amortisation expenses | 67.11 | 76.98 | 63.79 | 144.09 | 120.26 | 270.70 |
| (f) Other expenses | 276.47 | 333.30 | 412.82 | 609.77 | 826.42 | 1,693.27 |
| Total expenses | 4,604.28 | 4,717.76 | 3,838.21 | 9,322.04 | 7,398.46 | 17,026.02 |
| 3 Profit before tax (1-2) | 1,185.54 | 1,183.97 | 1,860.03 | 2,369.51 | 3,604.07 | 6,808.13 |
| 4 Tax expense | | | | | | |
| (a) Current tax | 572.10 | 707.18 | 287.00 | 1,279.28 | 1,065.00 | 2,079.96 |
| (b) Deferred tax (credit)/charge | (262.14) | (392.71) | 196.36 | (655.85) | 37.67 | (152.95) |
| Total tax expense | 308.96 | 314.47 | 483.36 | 623.43 | 1,102.67 | 1,927.01 |
| 5 Profit after tax (3-4) | 876.58 | 869.50 | 1,376.67 | 1,746.08 | 2,501.40 | 4,881.12 |
| 6 Other comprehensive income | | | | | | |
| a (i) Items that will not be reclassified to profit or loss | (1.48) | 16.24 | - | 14.76 | - | (121.63) |
| (ii) Income tax related to items that will not be reclassified to profit or loss | 0.17 | (14.50) | (3.41) | (14.33) | (3.41) | 27.20 |
| b (i) Items that will be reclassified to profit or loss | (15.74) | (74.01) | 14.48 | (89.75) | 20.04 | (25.86) |
| (ii) Income tax related to items that will be reclassified to profit or loss | 3.95 | 18.63 | (2.99) | 22.58 | (4.92) | 6.63 |
| Total other comprehensive income, net of tax | (13.10) | (53.64) | 8.08 | (66.74) | 11.71 | (113.66) |
| 7 Total comprehensive income for the period (5+6) | 863.48 | 815.86 | 1,384.75 | 1,679.34 | 2,513.11 | 4,767.46 |
| 8 Paid-up equity share capital (Face value of ₹ 2) | | | | 120.13 | 115.55 | 119.99 |
| 9 Other equity | | | | 33,468.90 | 21,641.56 | 31,693.22 |
| 10 Earnings per share (not annualised) | | | | | | |
| Basic (₹) | 14.60 | 14.49 | 23.83 | 29.08 | 43.33 | 83.25 |
| Diluted (₹) | 14.52 | 14.40 | 23.66 | 28.92 | 42.99 | 82.60 |



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BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of unaudited Standalone financial results for the Quarter and Half year ended 30 September 2020

Notes:

- 1 Disclosure of standalone assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as at 30 September 2020:

(₹ In Crore)

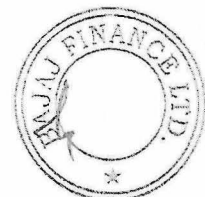
| | Particulars | As at 30.09.2020 (Reviewed) | As at 30.09.2019 (Reviewed) | As at 31.03.2020 (Audited) |
|----------|--|-----------------------------------|-----------------------------------|----------------------------------|
| A | Assets | | | |
| 1 | Financial assets | | | |
| | (a) Cash and cash equivalents | 1,331.49 | 554.30 | 674.53 |
| | (b) Bank balances other than cash and cash equivalents | 2.14 | 1.90 | 4.83 |
| | (c) Derivative financial instruments | 2.16 | - | 171.76 |
| | (d) Trade receivables | 1,363.74 | 1,765.30 | 867.18 |
| | (e) Loans | 102,524.77 | 107,914.86 | 113,417.08 |
| | (f) Investments | 27,177.86 | 10,353.90 | 20,138.98 |
| | (g) Other financial assets | 282.55 | 533.28 | 349.51 |
| | Sub-total - Financial assets | 132,684.71 | 121,123.54 | 135,623.87 |
| 2 | Non-financial assets | | | |
| | (a) Current tax assets (net) | 149.67 | 533.35 | 204.57 |
| | (b) Deferred tax assets (net) | 1,501.65 | 614.82 | 847.61 |
| | (c) Property, plant and equipment | 973.55 | 878.01 | 1,016.16 |
| | (d) Intangible assets under development | 13.21 | - | - |
| | (e) Intangible assets | 211.07 | 167.25 | 211.98 |
| | (f) Other non-financial assets | 160.30 | 209.10 | 99.38 |
| | Sub-total - Non-financial assets | 3,009.45 | 2,402.53 | 2,379.70 |
| | Total - Assets | 135,694.16 | 123,526.07 | 138,003.57 |
| B | Liabilities and equity | | | |
| | Liabilities | | | |
| 1 | Financial liabilities | | | |
| | (a) Derivative financial instruments | 80.58 | - | - |
| | (b) Trade payables | | | |
| | Total outstanding dues of micro enterprises and small enterprises | - | 0.01 | 0.30 |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 700.49 | 670.65 | 636.76 |
| | (c) Other payables | | | |
| | Total outstanding dues of micro enterprises and small enterprises | - | - | - |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 49.18 | 178.21 | 179.46 |
| | (d) Debt securities | 38,222.51 | 42,308.17 | 41,713.77 |
| | (e) Borrowings (other than debt securities) | 35,540.95 | 33,647.76 | 36,923.32 |
| | (f) Deposits | 21,669.40 | 17,632.68 | 21,427.15 |
| | (g) Subordinated debts | 3,813.11 | 4,008.66 | 4,141.75 |
| | (h) Other financial liabilities | 741.33 | 2,514.12 | 669.85 |
| | Sub-total - Financial liabilities | 100,817.55 | 100,960.26 | 105,692.36 |
| 2 | Non-financial liabilities | | | |
| | (a) Current tax liabilities (net) | 878.26 | 262.29 | 52.10 |
| | (b) Provisions | 103.00 | 100.01 | 78.87 |
| | (c) Other non-financial liabilities | 306.32 | 446.40 | 367.03 |
| | Sub-total - Non-financial liabilities | 1,287.58 | 808.70 | 498.00 |
| 3 | Equity | | | |
| | (a) Equity share capital | 120.13 | 115.55 | 119.99 |
| | (b) Other equity | 33,468.90 | 21,641.56 | 31,693.22 |
| | Sub-total - Equity | 33,589.03 | 21,757.11 | 31,813.21 |
| | Total - Liabilities and equity | 135,694.16 | 123,526.07 | 138,003.57 |

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BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of unaudited Standalone financial results for the Quarter and Half year ended 30 September 2020

Notes:

- 2 Disclosure of standalone statement of cashflow as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for the half year ended 30 September 2020:

| Particulars | Half year ended | | Year ended |
|--|--------------------------|--------------------------|-------------------------|
| | 30.09.2020 (Reviewed) | 30.09.2019 (Reviewed) | 31.03.2020 (Audited) |
| | | | (₹ In Crore) |
| A. Operating activities | | | |
| Profit before tax | 2,369.51 | 3,604.07 | 6,808.13 |
| Adjustments for: | | | |
| Interest income | (10,167.80) | (9,565.99) | (20,668.15) |
| Depreciation and amortisation | 144.09 | 120.26 | 270.70 |
| Impairment on financial instruments | 3,275.52 | 1,123.02 | 3,805.15 |
| Net (gain)/loss on disposal of property, plant and equipment | (0.17) | 0.06 | 1.80 |
| Finance costs | 3,852.88 | 3,749.57 | 7,857.55 |
| Share based payment to employees | 52.10 | 44.35 | 93.71 |
| Net (gain)/ loss on fair value changes | (361.00) | (193.69) | (460.47) |
| Service fees for management of assigned portfolio of loans | (8.40) | (7.39) | (53.32) |
| Dividend income (Previous period ₹11,438) | - | - | (0.64) |
| | (843.27) | (1,125.74) | (2,345.54) |
| Cash inflow from interest on loans | 8,321.71 | 9,529.69 | 20,617.76 |
| Cash inflow from service asset | 24.72 | 29.17 | 53.53 |
| Cash outflow towards finance cost | (3,966.85) | (3,551.05) | (7,122.24) |
| Cash from operation before working capital changes | 3,536.31 | 4,882.07 | 11,203.51 |
| Working capital changes: | | | |
| (Increase) / decrease in trade receivables | 303.88 | (46.50) | (99.33) |
| (Increase) / decrease in loans | 9,360.60 | (13,888.06) | (22,133.46) |
| (Increase) / decrease in other financial assets | 69.65 | (151.88) | 28.96 |
| (Increase) / decrease in other non-financial assets | (60.92) | (152.60) | (46.31) |
| Increase / (decrease) in trade payables | 63.43 | 122.97 | 89.37 |
| Increase / (decrease) in other payables | (130.28) | (40.43) | (39.18) |
| Increase / (decrease) in other financial liabilities | 96.64 | 828.88 | (1,055.79) |
| Increase / (decrease) in provisions | 24.13 | 31.13 | (19.54) |
| Increase / (decrease) in other non-financial liabilities | (60.71) | 131.27 | 51.90 |
| | 9,666.42 | (13,165.22) | (23,223.38) |
| Income tax paid (net of refunds) | (388.15) | (1,210.63) | (2,107.00) |
| Net cash generated from/ (used in) operating activities (A) | 12,814.58 | (9,493.78) | (14,126.87) |
| B. Investing activities | | | |
| Purchase of property, plant and equipment | (55.15) | (178.17) | (369.22) |
| Proceeds from sale of property, plant and equipment | 3.00 | 3.01 | 6.09 |
| Purchase of intangible assets | (32.92) | (33.05) | (106.90) |
| Purchase of intangible assets under development | (13.21) | - | - |
| Proceeds from investments measured under amortised cost | 10.95 | 19.66 | 33.39 |
| Purchase of investments measured at FVOCI | (1,402.92) | (1,073.36) | (2,246.45) |
| Proceeds from sale of investments measured under FVOCI | 1,376.17 | 540.10 | 826.09 |
| Purchase of investments measured under FVTPL | (123,543.53) | (190,055.52) | (387,261.18) |
| Proceeds from sale of investments measured under FVTPL | 116,051.72 | 189,974.68 | 381,111.79 |
| Purchase of equity investments designated under FVOCI | - | - | (150.00) |
| Dividend received (Previous period ₹11,438) | - | - | 0.64 |
| Interest received on investments measured at FVTPL and FVOCI | 113.84 | 60.40 | 123.21 |
| Investment in subsidiaries | - | (100.00) | (1,600.00) |
| Net cash generated from/ (used in) investing activities (B) | (7,492.05) | (842.25) | (9,632.54) |
| C. Financing activities | | | |
| Issue of equity share capital (including securities premium) | 37.97 | 50.99 | 8,568.04 |
| Share issue expenses | - | - | (45.06) |
| Dividends paid | (2.69) | (346.32) | (943.28) |
| Dividend distribution tax paid | - | (71.52) | (195.20) |
| Payment of lease liability | (37.81) | (29.77) | (62.04) |
| Deposits received/(repaid), net | 1.77 | 4,215.72 | 7,987.86 |
| Debt securities issued/(repaid), net | (3,237.42) | 3,146.01 | 2,151.76 |
| Borrowings other than debt securities issued/(repaid), net | (1,234.89) | 3,685.22 | 6,731.86 |
| Subordinated debts issued/(repaid), net | (192.50) | - | - |
| Net cash generated from/ (used in) financing activities (C) | (4,665.57) | 10,650.33 | 24,193.94 |
| Net increase in cash and cash equivalents (A+B+C) | 656.96 | 314.30 | 434.53 |
| Cash and cash equivalents at the beginning of the period | 674.53 | 240.00 | 240.00 |
| Cash and cash equivalents at the end of the period | 1,331.49 | 554.30 | 674.53 |

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Bajaj Finance Limited

Statement of unaudited Standalone financial results for the Quarter and Half year ended 30 September 2020

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on 21 October 2020 and subjected to limited review by statutory auditors, pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. These financial results are available on the website of the Company viz. www.bajajfinserv.in/corporate-bajaj-finance and on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com)
- On 19 May 2020, the Board of Directors have approved issue of 898,270 equity shares of face value of ₹ 2 at applicable grant prices to the Trustees of BFL Employee Welfare Trust under Employee Stock Option Scheme, 2009.
- The secured non-convertible debentures issued by the Company are fully secured by first pan passu charge by mortgage of the Company's immovable property at Chennai and by hypothecation of book debts/loan receivables to the extent as stated in the information memorandum.
- The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company operates in a single geographical segment i.e. domestic.
- Reserve Bank of India (RBI) issued guidelines relating to 'COVID-19 Regulatory Package' dated 27 March 2020 and subsequent guidelines on EMI moratorium dated 17 April 2020 and 23 May 2020, the Company had offered moratorium in accordance with its Board approved policies to its customers based on requests as well as on a suo-moto basis between 1 March 2020 to 31 August 2020. For such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period.

Disclosures as required by RBI circular dated 17 April 2020 'COVID-19 Regulatory Package - Asset Classification and Provisioning' are given below:

| Particulars | (₹ In Crore) | |
|---|-------------------------|---------------------|
| | As of 30 September 2020 | As of 31 March 2020 |
| Amount in SMA/Overdue categories as of 29 February 2020 | 2,657.72 | 2,657.72 |
| Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the circular (as of 29 February 2020) | 2,127.70 | 1,200.36 |
| Respective amount where asset classification benefit is extended (as of 30 September 2020 / 31 March 2020) | 1,919.87 | 407.42 |
| Provision made in terms of paragraph 5 of the circular (As per para 4, applicable to NBFC's covered under Ind AS)* | 443.66 | 101.90 |
| Provisions adjusted against slippages in terms of paragraph 6 of the circular | - | - |
| Residual provisions as of 30 September 2020 / 31 March 2020 in terms of paragraph 6 of the circular | 443.66 | 101.90 |

* Above provisions does not include management overlay provision of ₹ 2,175 crore and ₹ 850 crore on overall stage 1 and 2 assets on account of COVID-19 as of 30 September 2020 and 31 March 2020, respectively.

- During the quarter, the Company made an expected credit loss (ECL) provision on stage 1 and 2 assets of ₹ 1,306 crore taking the overall ECL provision on stage 1 and 2 assets to ₹ 4,879 crore as of 30 September 2020 as against ₹ 3,573 crore as of 30 June 2020. The stage 1 and 2 assets ECL provision as a percentage of stage 1 and 2 assets is 4.51% as of 30 September 2020 as compared to 3.32% as of 30 June 2020 and 1.07% as of 30 September 2019. The Company continues to hold a management overlay of ₹ 2,175 crore as part of its ECL provision for stage 1 and 2 assets of ₹ 4,879 crore as at 30 September 2020.

Further, the Company, based on its estimate and judgement, has reversed capitalised interest of ₹ 129 crore during the quarter ended 30 September 2020, taking the overall reversal for the half year ended 30 September 2020 to ₹ 341 crore.

Given the dynamic and evolving nature of the pandemic, these estimates are subject to uncertainty and may be affected by the severity, duration of the pandemic and other variables.

- Hon'ble Supreme Court, in a public interest litigation (Gajendra Shama Vs. Union of India & Anr), vide an interim order dated 3 September 2020 ('interim order'), has directed that accounts which were not declared NPA till 31 August 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Company has not classified any account as NPA, as per RBI norms, after 31 August 2020 which was not NPA as of 31 August 2020. Further, in light of the interim order, even accounts that would have otherwise been classified as NPA post 31 August 2020 have not been and will not be, classified as NPA till such time the Hon'ble Supreme Court rules finally on the matter. Such accounts have been classified as stage 3 and provisioned accordingly.
- Figures for the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.
- The Company has designated an exclusive email ID viz. investor.service@bajajfinserv.in for investor grievance redressal.



By order of the Board of Directors
For Bajaj Finance Limited

(Signature)
Rajiv Jain
Managing Director

Pune
21 October 2020

CIN : L65910MH1987PLC042961

Registered Office : Akurdi, Pune - 411 035 | Corporate Office : 4th Floor, Bajaj Finserv Corporate Office,
Off. Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014 | Tel. : 020-30405060 Fax : 020-30405030

Email : investor.service@bajajfinserv.in | Website : www.bajajfinserv.in/corporate-bajaj-finance

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BY**

(Signature)
SMB & Co LLP

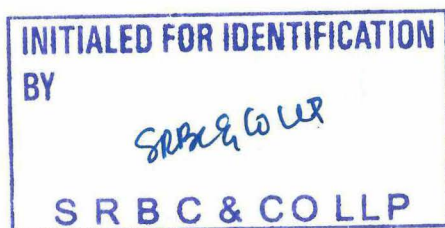
BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of unaudited Consolidated financial results for the Quarter and Half year ended 30 September 2020

(₹ In Crore)

| | Particulars | Quarter ended | | | Half year ended | | Year ended |
|----|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|
| | | 30.09.2020 (Reviewed) | 30.06.2020 (Reviewed) | 30.09.2019 (Reviewed) | 30.09.2020 (Reviewed) | 30.09.2019 (Reviewed) | 31.03.2020 (Audited) |
| 1 | Income | | | | | | |
| | (a) Revenue from operations | | | | | | |
| | Interest income | 5,763.09 | 5,793.20 | 5,463.46 | 11,556.29 | 10,564.43 | 22,970.39 |
| | Fees and commission income | 574.65 | 572.15 | 634.56 | 1,146.80 | 1,206.89 | 2,590.95 |
| | Net gain on fair value changes | 140.67 | 264.30 | 135.77 | 404.97 | 218.82 | 537.49 |
| | Sale of services | 1.94 | 5.28 | 51.85 | 7.22 | 68.54 | 124.27 |
| | Other operating income | 36.20 | 13.27 | 36.53 | 49.47 | 68.97 | 150.70 |
| | Total revenue from operations | 6,516.55 | 6,648.20 | 6,322.17 | 13,164.75 | 12,127.65 | 26,373.80 |
| | (b) Other income | 6.74 | 1.54 | 0.93 | 8.28 | 3.21 | 11.83 |
| | Total income | 6,523.29 | 6,649.74 | 6,323.10 | 13,173.03 | 12,130.86 | 26,385.63 |
| 2 | Expenses | | | | | | |
| | (a) Finance costs | 2,358.14 | 2,497.63 | 2,323.42 | 4,855.77 | 4,436.78 | 9,473.21 |
| | (b) Fees and commission expense | 280.32 | 185.70 | 255.84 | 466.02 | 473.88 | 1,056.37 |
| | (c) Impairment on financial instruments | 1,700.41 | 1,685.73 | 594.23 | 3,386.14 | 1,144.97 | 3,929.48 |
| | (d) Employee benefits expense | 514.39 | 537.52 | 627.64 | 1,051.91 | 1,209.89 | 2,549.08 |
| | (e) Depreciation and amortisation expenses | 71.52 | 84.22 | 70.73 | 155.74 | 133.70 | 294.63 |
| | (f) Other expenses | 293.04 | 349.25 | 428.81 | 642.29 | 857.79 | 1,760.74 |
| | Total expenses | 5,217.82 | 5,340.05 | 4,300.67 | 10,557.87 | 8,257.01 | 19,063.51 |
| 3 | Profit before tax (1-2) | 1,305.47 | 1,309.69 | 2,022.43 | 2,615.16 | 3,873.85 | 7,322.12 |
| 4 | Tax expense | | | | | | |
| | (a) Current tax | 618.82 | 753.03 | 308.12 | 1,371.85 | 1,123.17 | 2,205.25 |
| | (b) Deferred tax (credit)/charge | (278.23) | (405.66) | 208.02 | (683.89) | 49.14 | (146.88) |
| | Total tax expense | 340.59 | 347.37 | 516.14 | 687.96 | 1,172.31 | 2,058.37 |
| 5 | Profit after tax (3-4) | 964.88 | 962.32 | 1,506.29 | 1,927.20 | 2,701.54 | 5,263.75 |
| 6 | Other comprehensive income | | | | | | |
| | a (i) Items that will not be reclassified to profit or loss | (1.48) | 16.24 | - | 14.76 | - | (123.62) |
| | (ii) Income tax related to items that will not be reclassified to profit or loss | 0.17 | (14.50) | (3.41) | (14.33) | (3.41) | 27.59 |
| | b (i) Items that will be reclassified to profit or loss | (15.74) | (74.01) | 14.48 | (89.75) | 20.04 | (25.86) |
| | (ii) Income tax related to items that will be reclassified to profit or loss | 3.95 | 18.63 | (2.99) | 22.58 | (4.92) | 6.63 |
| | Total other comprehensive income, net of tax | (13.10) | (53.64) | 8.08 | (66.74) | 11.71 | (115.26) |
| 7 | Total comprehensive income for the period (5+6) | 951.78 | 908.68 | 1,514.37 | 1,860.46 | 2,713.25 | 5,148.49 |
| 8 | Paid-up equity share capital (Face value of ₹ 2) | | | | 120.13 | 115.55 | 119.99 |
| 9 | Other equity | | | | 34,164.46 | 21,975.09 | 32,207.64 |
| 10 | Earnings per share (not annualised) | | | | | | |
| | Basic (₹) | 16.07 | 16.04 | 26.08 | 32.10 | 46.79 | 89.77 |
| | Diluted (₹) | 15.98 | 15.93 | 25.89 | 31.92 | 46.43 | 89.07 |



BAJAJ FINANCE LIMITED

Bajaj Finance Limited

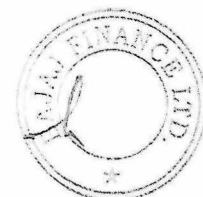
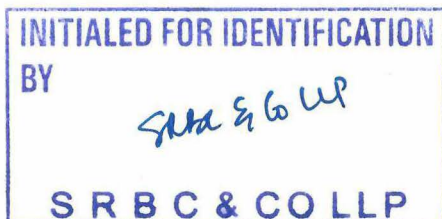
Statement of unaudited Consolidated financial results for the Quarter and Half year ended 30 September 2020

Notes:

- 1 Disclosure of consolidated assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as at 30 September 2020:

(₹ In Crore)

| | Particulars | As at 30.09.2020 (Reviewed) | As at 30.09.2019 (Reviewed) | As at 31.03.2020 (Audited) |
|----------|--|-----------------------------------|-----------------------------------|----------------------------------|
| A | Assets | | | |
| 1 | Financial assets | | | |
| | (a) Cash and cash equivalents | 2,195.57 | 1,005.41 | 1,344.52 |
| | (b) Bank balances other than cash and cash equivalents | 58.70 | 3.06 | 38.20 |
| | (c) Derivative financial instruments | 2.16 | - | 171.76 |
| | (d) Trade receivables | 1,527.44 | 1,836.92 | 952.49 |
| | (e) Loans | 131,764.91 | 130,790.27 | 141,376.05 |
| | (f) Investments | 23,364.97 | 9,211.72 | 17,543.90 |
| | (g) Other financial assets | 385.90 | 944.76 | 470.39 |
| | Sub-total - Financial assets | 159,299.65 | 143,792.14 | 161,897.31 |
| 2 | Non-financial assets | | | |
| | (a) Current tax assets (net) | 153.70 | 547.39 | 216.72 |
| | (b) Deferred tax assets (net) | 1,532.24 | 611.55 | 850.13 |
| | (c) Property, plant and equipment | 1,046.61 | 948.15 | 1,097.26 |
| | (d) Intangible assets under development | 13.21 | - | - |
| | (e) Goodwill | 3.27 | 3.27 | 3.27 |
| | (f) Other intangible assets | 221.72 | 173.95 | 220.46 |
| | (g) Other non-financial assets | 166.90 | 216.27 | 106.22 |
| | Sub-total - Non-financial assets | 3,137.65 | 2,500.58 | 2,494.06 |
| | Total - Assets | 162,437.30 | 146,292.72 | 164,391.37 |
| B | Liabilities and equity | | | |
| | Liabilities | | | |
| 1 | Financial liabilities | | | |
| | (a) Derivative financial instruments | 80.58 | - | - |
| | (b) Trade payables | | | |
| | Total outstanding dues of micro enterprises and small enterprises | 0.12 | 0.14 | 0.54 |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 928.78 | 702.87 | 761.43 |
| | (c) Other payables | | | |
| | Total outstanding dues of micro enterprises and small enterprises | - | - | - |
| | Total outstanding dues of creditors other than micro enterprises and small enterprises | 52.60 | 198.60 | 197.84 |
| | (d) Debt securities | 46,130.90 | 51,918.04 | 49,537.36 |
| | (e) Borrowings (other than debt securities) | 53,286.14 | 45,979.66 | 54,700.17 |
| | (f) Deposits | 21,669.40 | 17,632.68 | 21,427.15 |
| | (g) Subordinated debts | 3,813.11 | 4,008.66 | 4,141.75 |
| | (h) Other financial liabilities | 848.50 | 2,906.28 | 745.00 |
| | Sub-total - Financial liabilities | 126,810.13 | 123,346.93 | 131,511.24 |
| 2 | Non-financial liabilities | | | |
| | (a) Current tax liabilities (net) | 899.27 | 262.29 | 59.17 |
| | (b) Provisions | 107.47 | 109.56 | 81.24 |
| | (c) Other non-financial liabilities | 335.84 | 483.30 | 412.09 |
| | Sub-total - Non-financial liabilities | 1,342.58 | 855.15 | 552.50 |
| 3 | Equity | | | |
| | (a) Equity share capital | 120.13 | 115.55 | 119.99 |
| | (b) Other equity | 34,164.46 | 21,975.09 | 32,207.64 |
| | Sub-total - Equity | 34,284.59 | 22,090.64 | 32,327.63 |
| | Total - Liabilities and equity | 162,437.30 | 146,292.72 | 164,391.37 |



Corporate Office Ext.: 3rd Floor, Panchshil Tech Park, Viman Nagar, Pune - 411014, Maharashtra, India
Registered Office: Mumbai-Pune Road, Akurdi, Pune - 411035, Maharashtra, India

Tel: +91 20 71576403
Fax: +91 20 71576364
Corporate ID No.:
L65910MH1987PLC042961

www.bajajfinserv.in/finance



BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of unaudited Consolidated financial results for the Quarter and Half year ended 30 September 2020

Notes:

- 2 Disclosure of consolidated statement of cashflow as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for the half year ended 30 September 2020:

| Particulars | Half year ended | | Year ended |
|--|--------------------------|--------------------------|-------------------------|
| | 30.09.2020 (Reviewed) | 30.09.2019 (Reviewed) | 31.03.2020 (Audited) |
| | | | (₹ In Crore) |
| A. Operating activities | | | |
| Profit before tax | 2,615.16 | 3,873.85 | 7,322.12 |
| Adjustments for: | | | |
| Interest income | (11,556.29) | (10,564.43) | (22,970.39) |
| Depreciation and amortisation | 155.73 | 133.70 | 294.63 |
| Impairment on financial instruments | 3,386.14 | 1,144.97 | 3,929.48 |
| Net (gain)/loss on disposal of property, plant and equipment | (0.04) | 0.05 | 2.29 |
| Finance costs | 4,855.78 | 4,436.78 | 9,473.21 |
| Share based payment to employees | 58.48 | 47.44 | 100.76 |
| Net gain on fair value changes | (404.97) | (218.82) | (537.49) |
| Service fees for management of assigned portfolio of loans | (7.23) | (47.87) | (124.27) |
| Dividend received (Previous year ₹11,438) | - | - | (0.64) |
| | (897.23) | (1,194.33) | (2,510.30) |
| Cash inflow from interest on loans | 9,657.42 | 10,517.82 | 22,903.15 |
| Cash inflow from service asset | 35.09 | 9.69 | 61.70 |
| Cash outflow towards finance cost | (4,827.22) | (4,081.83) | (8,366.49) |
| Cash from operation before working capital changes | 3,968.06 | 5,251.36 | 12,088.06 |
| Working capital changes: | | | |
| (Increase) / decrease in trade receivables | 294.43 | (1,005.07) | (118.55) |
| (Increase) / decrease in loans | 8,018.86 | (19,444.41) | (32,880.54) |
| (Increase) / decrease in other financial assets | 64.91 | (556.18) | (116.97) |
| (Increase) / decrease in other non-financial assets | (61.20) | (159.17) | (49.84) |
| Increase / (decrease) in trade payables | 166.80 | 139.22 | 198.19 |
| Increase / (decrease) in other payables | (145.24) | (49.14) | (49.90) |
| Increase / (decrease) in other financial liabilities | 131.86 | 889.39 | (1,313.27) |
| Increase / (decrease) in provisions | 26.23 | 35.67 | (24.17) |
| Increase / (decrease) in other non-financial liabilities | (76.26) | 147.37 | 76.16 |
| | 8,420.41 | (20,002.32) | (34,278.89) |
| Income tax paid (net of refunds) | (458.67) | (1,280.83) | (2,235.35) |
| Net cash generated from/ (used in) operating activities (A) | 11,929.79 | (16,031.79) | (24,426.18) |
| B. Investing activities | | | |
| Purchase of property, plant and equipment | (58.03) | (185.81) | (396.76) |
| Proceeds from sale of property, plant and equipment | 3.64 | 3.41 | 7.21 |
| Purchase of intangible assets | (35.40) | (33.91) | (110.38) |
| Purchase of intangible assets under development | (13.21) | - | - |
| Proceeds from investments measured at amortised cost | 10.95 | 19.66 | 33.39 |
| Purchase of investments measured at FVOCI | (1,402.92) | (1,073.36) | (2,246.45) |
| Proceeds from sale of investments measured at FVOCI | 1,376.17 | 540.10 | 826.09 |
| Purchase of investments measured at FVTPL | (133,871.34) | (209,247.54) | (442,958.18) |
| Proceeds from sale of investments measured at FVTPL | 127,554.53 | 209,409.59 | 436,102.25 |
| Purchase of equity investments designated at FVOCI | - | - | (150.00) |
| Dividend received (Previous year ₹11,438) | - | - | 0.64 |
| Interest received on investments measured at FVTPL and FVOCI | 115.37 | 61.44 | 135.31 |
| Net cash generated from/ (used in) investing activities (B) | (6,320.23) | (506.42) | (8,756.88) |
| C. Financing activities | | | |
| Issue of equity share capital (including securities premium) | 37.97 | 50.99 | 8,568.04 |
| Share issue expenses | - | - | (45.06) |
| Dividends paid | (2.69) | (346.32) | (943.28) |
| Dividend distribution tax paid | - | (71.52) | (195.20) |
| Payment of lease liability | (37.81) | (34.07) | (71.12) |
| Deposits received, net | 1.77 | 4,215.72 | 7,987.86 |
| Debt securities issued, net | (3,292.53) | 4,964.61 | 1,972.98 |
| Borrowings other than debt securities issued, net | (1,269.09) | 8,417.21 | 16,906.34 |
| Subordinated debts issued, net | (196.15) | - | - |
| Net cash generated from/ (used in) financing activities (C) | (4,758.52) | 17,196.62 | 34,180.56 |
| Net increase in cash and cash equivalents (A+B+C) | 851.04 | 658.40 | 997.50 |
| Cash and cash equivalents at the beginning of the period | 1,344.53 | 347.01 | 347.02 |
| Cash and cash equivalents at the end of the period | 2,195.57 | 1,005.41 | 1,344.52 |

INITIALED FOR IDENTIFICATION

BY

SRBC & Co LLP

SRBC & CO LLP



Bajaj Finance Limited

Statement of unaudited Consolidated financial results for the Quarter and Half year ended 30 September 2020

Notes:

3 The consolidated financial results include results of the following companies:

| Name of the Company | % Shareholding and voting power of Bajaj Finance Limited | Consolidated as |
|---|--|-----------------|
| Bajaj Housing Finance Ltd. (BHFL) | 100% | Subsidiary |
| Bajaj Financial Securities Ltd. (Bfinsec) | 100% | Subsidiary |

4 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meetings held on 21 October 2020 and subjected to limited review by statutory auditors, pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. These financial results are available on the website of the Company viz. www.bajajfinserv.in/corporate-bajaj-finance and on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).

5 On 19 May 2020, the Board of Directors have approved issue of 898,270 equity shares of face value of ₹ 2 at applicable grant prices to the Trustees of BFL Employee Welfare Trust under Employee Stock Option Scheme, 2009.

6 The secured non-convertible debentures issued by the Company and its subsidiary viz. BHFL are fully secured by first pari passu charge by mortgage of the Company and its subsidiary's immovable property at Chennai and by hypothecation of book debts/loan receivables to the extent as stated in the respective information memorandum.

7 The Company and one of its subsidiary viz BHFL operate in a single reportable segment i.e. financing, since the nature of the loans are exposed to similar risk and return profiles and hence are collectively operating under a single segment.

One of the subsidiary viz. Bfinsec has started broking operations in financial year 2019-20. Since, Bfinsec does not satisfy the quantitative thresholds laid down under Ind AS 108 'Operating Segments' for reportable segments, it has not been considered for segment reporting.

The Group operates in a single geographical segment i.e. domestic.

8 The COVID-19 pandemic has affected several countries across the world, including India. The pandemic and consequent lockdown imposed by the Government considerably impacted the Group's business operations during the half year ended September 2020. Apart from other adverse effects, the pandemic has also resulted in a significantly lower business acquisition and put constraints on recovery of overdues from customers. Further, in accordance with the Reserve Bank of India ('RBI') guidelines relating to 'COVID-19 Regulatory Package' dated 27 March 2020 and subsequent guidelines on EMI moratorium dated 17 April 2020 and 23 May 2020, the Group had offered moratorium to its customers based on requests as well as on a suo-moto basis between 1 March 2020 to 31 August 2020.

During the quarter, the Group has made an expected credit loss (ECL) provision on stage 1 and 2 assets of ₹ 1,370 crore taking the overall ECL provision on stage 1 and 2 assets to ₹ 5,099 crore as of 30 September 2020 as against ₹ 3,729 crore as of 30 June 2020. The ECL provision as a percentage of stage 1 and 2 assets is 3.69% as of 30 September 2020 as compared to 2.73% as of 30 June 2020 and 0.91% as of 30 September 2019. The Group continues to hold a management overlay of ₹ 2,260 crore as part of its ECL provision for stage 1 and 2 assets of ₹ 5,099 crore as at 30 September 2020.

Further, the Group, based on its estimate and judgement, has reversed capitalised interest of ₹ 142 crore during the quarter ended 30 September 2020, taking the overall reversal for the half year ended 30 September 2020 to ₹ 361 crore.

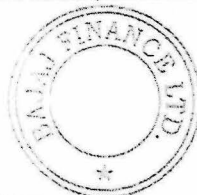
Given the dynamic and evolving nature of the pandemic, these estimates are subject to uncertainty and may be affected by the severity, duration of the pandemic and other variables.

9 Hon'ble Supreme Court, in a public interest litigation (Gajendra Shama Vs. Union of India & Anr), vide an interim order dated 3 September 2020 ('interim order'), has directed that accounts which were not declared NPA till 31 August 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Group has not classified any account as NPA, as per RBI norms, after 31 August 2020 which was not NPA as of 31 August 2020. Further, in light of the interim order, even accounts that would have otherwise been classified as NPA post 31 August 2020 have not been and will not be, classified as NPA till such time the Hon'ble Supreme Court rules finally on the matter. Such accounts have been classified as stage 3 and provisioned accordingly.

10 Figures for the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.

11 The Company has designated an exclusive email ID viz. investor.service@bajajfinserv.in for investor grievance redressal.

Pune
21 October 2020



By order of the Board of Directors
For Bajaj Finance Limited

[Signature]
Rajeev Jain
Managing Director

CIN : L65910MH1987PLC042961

Registered Office : Akurdi, Pune - 411 035 | Corporate Office : 4th Floor, Bajaj Finserv Corporate Office,
Off. Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014 | Tel. : 020-30405060 Fax : 020-30405030

Email : investor.service@bajajfinserv.in | Website : www.bajajfinserv.in/corporate-bajaj-finance

INITIALED FOR IDENTIFICATION
BY

[Handwritten Signature]

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Bajaj Finance Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Bajaj Finance Limited (the "Company") for the quarter ended September 30, 2020 and year to date from April 1, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52(2) 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.
5. We draw attention to note 8 to the Statement, which describes the uncertainty caused by COVID-19 pandemic with respect to the Company's estimates of impairment of loans to customers and that such estimates may be affected by the severity and duration of the pandemic. Our conclusion is not modified in respect of this matter.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

Vaibhav Kumar Gupta

per Vaibhav Kumar Gupta
Partner
Membership No.: 213935

UDIN: 20213935AAAADC9301

Pune
October 21, 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 Finance Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Bajaj Finance Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2020 and year to date from April 1, 2020 to September 30, 2020 (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:
 - (i) Bajaj Housing Finance Limited; and
 - (ii) Bajaj Financial Securities 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. Emphasis of Matter

We draw attention to note 8 to the Statement, which describes the uncertainty caused by COVID-19 pandemic with respect to the Group's estimates of impairment of loans to customers and that such estimates may be affected by the severity and duration of the pandemic. Our conclusion is not modified in respect of this matter.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

per Vaibhav Kumar Gupta

Partner

Membership No.: 213935

UDIN: 20213935AAAADD5864



Pune

October 21, 2020

PRESS RELEASE

Financial results for Q2 FY21

Bajaj Finance reports quarterly consolidated profit after tax of ₹ 965 crore for the quarter ended 30 September 2020

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 30 September 2020.

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 | - ₹ 137,090 crore | v/s | ₹ 135,533 crore |
| Consolidated profit after tax | - ₹ 965 crore | v/s | ₹ 1,506 crore |

CONSOLIDATED PERFORMANCE HIGHLIGHTS – Q2 FY21

- **New loans booked** during Q2 FY21 were 3.62 million as against 6.47 million in Q2 FY20.
- **Customer franchise** as of 30 September 2020 stood at 44.11 million as against 38.70 million as of 30 September 2019.
- **Assets under management (AUM)** as of 30 September 2020 **grew by 1%** to ₹ 137,090 crore from ₹ 135,533 crore as of 30 September 2019.
- **Liquidity surplus** as of 30 September 2020 stood at ₹ 22,414 crore as against ₹ 8,107 crore as of 30 September 2019. The cost of liquidity surplus for Q1 FY21 was approximately ₹ 220 crore as against ₹ 47 crore in Q2 FY20. The Company's liquidity position remains very strong.
- **Net Interest Income** for Q2 FY21 was **up by 4%** to ₹ 4,165 crore from ₹ 4,000 crore in Q2 FY20. During the quarter, as a measure of prudence, the Company has reversed capitalised interest of ₹ 142 crore. The total amount of interest income reversed in H1 FY21 was ₹ 361 crore.
- **Total operating expenses to net interest income** for Q2 FY21 was 27.8% as against 34.6% in Q2 FY20. With the onset of COVID-19 pandemic, the Company had taken significant measures to reduce operating expenses in April 2020. As a result, total operating expenses for Q2 FY21 was **down by 16%** to ₹ 1,160 crore from ₹ 1,384 crore. Total operating expenses for Q2 FY21 were lower by 224 crore on year on year basis.
- **Loan losses and provisions** for Q2 FY21 was ₹ 1,700 crore as against ₹ 594 crore in Q2 FY20. Consequent to the ongoing pandemic, the Company has further increased its provisions on stage 1 and 2 assets by ₹ 1,370 crore to ₹ 5,099 crore as of 30 September 2020 as against ₹ 3,729 crore as of 30 June 2020. The Company has strong pre-provisioning profitability to manage loan losses arising out of COVID-19.



1 of 5

- **Profit before tax** for Q2 FY21 was ₹ 1,305 crore after accounting for additional loan losses and provisions (ECL) on stage 1 and 2 assets amounting to ₹ 1,370 crore, cost of additional liquidity in Q2 FY21 over Q2 FY20 of ₹ 173 crore and reversal of capitalised interest of ₹ 142 crore.
- **Profit after tax** for Q2 FY21 was ₹ 965 crore as against ₹ 1,506 crore in Q2 FY20.
- **Gross NPA and Net NPA** as of 30 September 2020 stood at 1.03% and 0.37% respectively, as against 1.61% and 0.65% as of 30 September 2019. The provisioning coverage ratio as of 30 September 2020 was 64%. Provisioning coverage on stage 1 and 2 assets was 369 bps as of 30 September 2020 versus 273 bps as of 30 June 2020 and as against 90-100 bps during pre-pandemic situation.

Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated 3 September 2020, has directed that accounts which were not declared NPA till 31 August 2020 shall not be declared as NPA till further orders. Accordingly, the Company has not classified any accounts which were not NPA as of 31 August 2020, as per RBI norms, as NPA after 31 August 2020. However, if the Company had classified borrower accounts as NPA after 31 August 2020, the Company's Gross NPA and Net NPA ratio would have been 1.34% and 0.56% respectively.

- **Capital adequacy ratio** (including Tier-II capital) as of 30 September 2020 stood at 26.64%. The Tier-I capital stood at 23.01%.

A – Breakup of consolidated AUM and deposits book

| AUM | As of 30 September 2020 | | | Consolidated as of 30 September 2019 | Growth |
|--------------------|-------------------------|---------------|------------------|--------------------------------------|-----------|
| | BFL Standalone | BHFL | BFL Consolidated | | |
| Consumer B2B | 20,605 | - | 20,605 | 25,543 | (19)% |
| Consumer B2C | 27,551 | 711 | 28,262 | 27,006 | 5% |
| Rural B2B | 1,808 | - | 1,808 | 2,240 | (19)% |
| Rural B2C | 10,291 | - | 10,291 | 8,929 | 15% |
| SME lending | 18,079 | 174 | 18,253 | 17,908 | 2% |
| Commercial lending | 11,837 | - | 11,882 | 13,415 | (11)% |
| Mortgage lending | 14,815 | 32,578 | 45,989 | 40,492 | 14% |
| Total AUM | 104,986 | 33,463 | 137,090 | 135,533 | 1% |

| Deposits | As of 30 September 2020 | As of 30 September 2019 | Growth |
|---------------|-------------------------|-------------------------|--------|
| Deposits book | 21,669 | 17,633 | 23% |

@ Approximately 17% of the consolidated borrowings and 22% of the standalone borrowings.

B – Summary of consolidated financial results

(₹ In Crore)

| Particulars | Q2'21 | Q2'20 | QoQ | H1'21 | H1'20 | HoH | FY'20 |
|---|--------------|--------------|--------------|---------------|---------------|--------------|---------------|
| New loans booked (numbers in million) | 3.62 | 6.47 | (44)% | 5.37 | 13.74 | (61)% | 27.44 |
| Assets under management | 137,090 | 135,533 | 1% | 137,090 | 135,533 | 1% | 147,153 |
| Receivables under financing activity | 131,765 | 130,790 | 1% | 131,765 | 130,790 | 1% | 141,376 |
| Interest income | 5,763 | 5,463 | 5% | 11,556 | 10,564 | 9% | 22,970 |
| Fees, commission and other income | 619 | 724 | (14)% | 1,212 | 1,348 | (10)% | 2,879 |
| Net gain on fair value changes on investments | 141 | 136 | 4% | 405 | 219 | 85% | 537 |
| Total income | 6,523 | 6,323 | 3% | 13,173 | 12,131 | 9% | 26,386 |
| Interest expenses | 2,358 | 2,323 | 2% | 4,856 | 4,437 | 9% | 9,473 |
| Net interest income (NII) | 4,165 | 4,000 | 4% | 8,317 | 7,694 | 8% | 16,913 |
| Total operating expenses | 1,160 | 1,384 | (16)% | 2,316 | 2,675 | (13)% | 5,662 |
| Loan losses and provisions | 1,700 | 594 | 186% | 3,386 | 1,145 | 196% | 3,929 |
| - on stage 1 and 2 | 1,370 | 129 | 962% | 2,800 | 258 | 985% | 1,318 |
| - on stage 3 and write off | 330 | 465 | (29)% | 586 | 887 | (34)% | 2,611 |
| Profit before tax | 1,305 | 2,022 | (35)% | 2,615 | 3,874 | (32)% | 7,322 |
| Profit after tax | 965 | 1,506 | (36)% | 1,927 | 2,702 | (29)% | 5,264 |

STANDALONE PERFORMANCE HIGHLIGHTS

- **Assets under management (AUM)** as of 30 September 2020 was ₹ 104,986 crore as against ₹ 110,946 crore as of 30 September 2019.
- **Net Interest Income** for Q2 FY21 was **up by 5%** to ₹ 3,922 crore from ₹ 3,746 crore in Q2 FY20. During the quarter, as a measure of prudence, the Company has reversed capitalised interest of ₹ 129 crore. The total amount of interest income reversed in H1 FY21 was ₹ 341 crore.
- **Loan losses and provisions** for Q2 FY21 was ₹ 1,635 crore as against ₹ 581 crore in Q2 FY20. Consequent to the ongoing pandemic, the Company has further increased its provisions on stage 1 and 2 assets by ₹ 1,306 crore to ₹ 4,879 crore as of 30 September 2020 as against ₹ 3,573 crore as of 30 June 2020.
- **Profit after tax** for Q2 FY21 was ₹ 877 crore as against ₹ 1,377 crore in Q2 FY20.



C - Summary of standalone financial results of Bajaj Finance Limited

(₹ In Crore)

| Particulars | Q2'21 | Q2'20 | QoQ | H1'21 | H1'20 | HoH | FY'20 |
|---|--------------|--------------|--------------|---------------|---------------|--------------|---------------|
| New loans booked (numbers in million) | 3.61 | 6.45 | (44)% | 5.36 | 13.70 | (61)% | 27.35 |
| Assets under management | 104,986 | 110,946 | (5)% | 104,986 | 110,946 | (5)% | 116,102 |
| Receivables under financing activity | 102,525 | 107,915 | (5)% | 102,525 | 107,915 | (5)% | 113,417 |
| Interest income | 5,066 | 4,924 | 3% | 10,168 | 9,566 | 6% | 20,668 |
| Fees, commission and other income | 600 | 652 | (8)% | 1,163 | 1,243 | (6)% | 2,706 |
| Net gain on fair value changes on Investments | 124 | 122 | 2% | 361 | 194 | 86% | 460 |
| Total income | 5,790 | 5,698 | 2% | 11,692 | 11,003 | 6% | 23,834 |
| Interest expenses | 1,868 | 1,952 | (4)% | 3,853 | 3,750 | 3% | 7,857 |
| Net interest income (NII) | 3,922 | 3,746 | 5% | 7,839 | 7,253 | 8% | 15,977 |
| Total operating expenses | 1,101 | 1,305 | (16)% | 2,194 | 2,526 | (13)% | 5,364 |
| Loan losses and provisions | 1,635 | 581 | 181% | 3,275 | 1,123 | 192% | 3,805 |
| - on stage 1 and 2 | 1,306 | 125 | 945% | 2,691 | 247 | 989% | 1,233 |
| - on stage 3 and write off | 329 | 456 | (28)% | 584 | 876 | (33)% | 2,572 |
| Profit before tax | 1,186 | 1,860 | (36)% | 2,370 | 3,604 | (34)% | 6,808 |
| Profit after tax | 877 | 1,377 | (36)% | 1,746 | 2,501 | (30)% | 4,881 |

PERFORMANCE HIGHLIGHT OF SUBSIDIARIES

Bajaj Housing Finance Limited

- **Assets under management (AUM)** as of 30 September 2020 **increased by 30%** to ₹ 33,463 crore from ₹ 25,714 crore as of 30 September 2019.
- **Net Interest Income** for Q2 FY21 was ₹ 248 crore as against ₹ 264 crore in Q2 FY20. During the quarter, as a measure of prudence, the Company has reversed capitalised interest of ₹ 13 crore. The total amount of interest income reversed in H1 FY21 was ₹ 21 crore.
- **Loan losses and provisions** for Q2 FY21 was ₹ 65 crore as against ₹ 13 crore in Q2 FY20. Consequent to the ongoing pandemic, the Company has further increased its provisions on stage 1 and 2 assets by ₹ 64 crore to ₹ 220 crore as of 30 September 2020 as against ₹ 156 crore as of 30 June 2020.
- **Profit after tax** for Q2 FY21 was ₹ 83 crore as against ₹ 130 crore in Q2 FY20.
- **Gross NPA and Net NPA** as of 30 September 2020 stood at 0.08% and 0.05% respectively, as against 0.06% and 0.03% as of 30 September 2019. The provisioning coverage ratio as of 30 September 2020 was 39%. Provisioning coverage on stage 1 and 2 assets was 74 bps as of 30 September 2020 versus 54 bps as of 30 June 2020 and as against 15-16 bps during pre-pandemic situation.
- **Capital adequacy ratio** (including Tier-II capital) as of 30 September 2020 stood at 25.97%

4 of 5



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

(₹ In Crore)

| Particulars | Q2'21 | Q2'20 | QoQ | H1'21 | H1'20 | HoH | FY'20 |
|---|------------|------------|--------------|-------------|-------------|--------------|--------------|
| Assets under management | 33,463 | 25,714 | 30% | 33,463 | 25,714 | 30% | 32,705 |
| Receivables under financing activity | 29,200 | 22,875 | 28% | 29,200 | 22,875 | 28% | 27,975 |
| Interest income | 696 | 539 | 29% | 1,387 | 996 | 39% | 2,303 |
| Fees, commission and other income | 26 | 85 | (69)% | 64 | 131 | (51)% | 269 |
| Net gain on fair value changes on Investments | 16 | 11 | 45% | 43 | 23 | 87% | 74 |
| Total Income | 738 | 635 | 16% | 1494 | 1150 | 30% | 2,646 |
| Interest Expenses | 490 | 371 | 32% | 1,003 | 688 | 46% | 1,616 |
| Net Interest Income (NIL) | 248 | 264 | (6)% | 491 | 462 | 6% | 1,030 |
| Operating Expenses | 70 | 88 | (20)% | 143 | 170 | (16)% | 339 |
| Loan losses and provisions | 65 | 13 | 400% | 111 | 22 | 405% | 124 |
| - on stage 1 and 2 | 64 | 4 | 1500% | 109 | 12 | 808% | 86 |
| - on stage 3 and write off | 1 | 9 | (89)% | 2 | 10 | (80)% | 38 |
| Profit before tax | 113 | 163 | (31)% | 237 | 270 | (12)% | 567 |
| Profit after tax | 83 | 130 | (36)% | 175 | 200 | (13)% | 421 |

Bajaj Financial Securities Limited (BFinsec)

- Total Income for Q2 FY21 was ₹ 8.48 crore.
- BFinsec made a net profit of ₹ 2.07 crore in Q2 FY21.

Pune
21 October 2020



For Bajaj Finance Limited

Rajeev Jain
Rajeev Jain
Managing Director *h*