

28 April 2021

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

**Subject: Outcome of Board Meeting of Bajaj Finserv Limited held on 28 April 2021**

Dear Sir/Madam,

**A) Financial Results**

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 year ended 31 March 2021, which were approved and taken on record at the meeting of the Board of Directors held today, i.e. 28 April 2021:

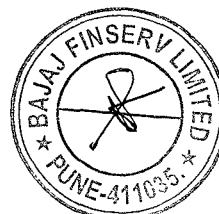
- a) Statement of Audited Standalone Financial Results of the Company for the quarter and year ended 31 March 2021 along with Audit Report;
- b) Statement of Audited Consolidated Financial Results of the Company for the quarter and year ended 31 March 2021 along with Audit Report; and
- c) Press Release.

The audit reports are submitted with unmodified opinion (free from any qualification) and a declaration to that effect is enclosed.

**B) Dividend**

Kindly further note that a dividend at the rate of Rs. 3 per share (60%) of face value of Rs.5 each on equity shares of the Company has been recommended by the Board of Directors today for the financial year ended 31 March 2021. The said dividend, if declared, by the shareholders at the ensuing Annual General Meeting, will be paid/dispatched on 26 July 2021 and/or 27 July 2021.

The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 10 July 2021 to Wednesday, 21 July 2021** (both days inclusive) for taking record of the Members of the Company for the purpose of payment of Dividend and for Annual General Meeting (e-AGM).



Page 1 of 2

**Bajaj Finserv Limited**

**C) Annual General Meeting (e-AGM)**

In view of the COVID-19 pandemic and pursuant to the circulars of MCA dated 5 May 2020 read with circulars dated 8 April 2020, 13 April 2020 and 13 January 2021 and SEBI circulars dated 12 May 2020 and 15 January 2021, the Annual General Meeting of the Company this year as well will be conducted through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) facility on Wednesday, 21 July 2021.

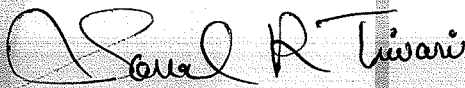
**D) Issue of equity shares to Bajaj Finserv ESOP Trust**

Issue of 25,000 equity shares of face value of Rs. 5 at the respective grant prices to Bajaj Finserv ESOP Trust under Bajaj Finserv Ltd. Employee Stock Option Scheme, 2018.

The meeting commenced at 11.10 a.m. and concluded at 12.05 p.m.

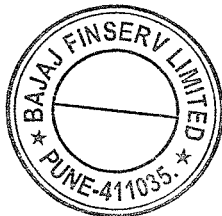
Thanking you,  
Yours faithfully,

**For Bajaj Finserv Limited**



**Sonal R Tiwari  
Company Secretary**

Encl: as above.



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

To  
**The Board of Directors of  
Bajaj Finserv Limited**

**Report on the audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date standalone financial results of Bajaj Finserv Limited (the "Company") for the quarter ended and year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended and year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



# SRBC & COLLP

Chartered Accountants

Bajaj Finserv Limited

Independent Auditor's Report for the quarter and year ended March 31, 2021

Page 3 of 3

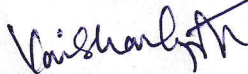
## Other Matter

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published audited year-to-date figures up to the third quarter of the current financial year, as required under the Listing Regulations.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Vaibhav Kumar Gupta

Partner

Membership No.: 213935

UDIN: 21213935AAAACH1258



Pune

April 28, 2021



## Bajaj Finserv Limited

CIN : L65923PN2007PLC130075

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

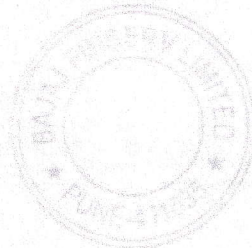
Corporate Office : Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014

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

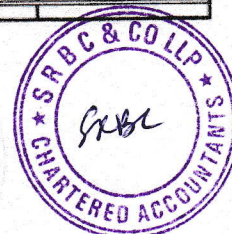
### Statement of standalone audited financial results for the quarter and year ended 31 March 2021

(₹ In Crore)

Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
<b>1 Income</b>					
Interest income	13.90	15.15	17.11	61.59	67.28
Dividend income	232.79	-	317.81	232.79	668.14
Rental income	0.48	0.48	0.54	1.98	2.16
Windpower income	2.37	3.88	7.13	23.94	39.23
Net gain on fair value changes	1.16	0.22	0.99	3.43	3.05
Total revenue from operations	250.70	19.73	343.58	323.73	779.86
Other income	17.09	26.94	9.49	68.30	35.30
<b>Total income</b>	<b>267.79</b>	<b>46.67</b>	<b>353.07</b>	<b>392.03</b>	<b>815.16</b>
<b>2 Expenses</b>					
Employee benefits expenses	27.56	25.66	21.07	101.88	84.72
Depreciation, amortisation and impairment	1.25	1.17	1.09	4.68	2.90
Other expenses	8.08	9.76	10.15	40.37	45.66
<b>Total expenses</b>	<b>36.89</b>	<b>36.59</b>	<b>32.31</b>	<b>146.93</b>	<b>133.28</b>
<b>3 Profit before tax (1-2)</b>	<b>230.90</b>	<b>10.08</b>	<b>320.76</b>	<b>245.10</b>	<b>681.88</b>
<b>4 Tax expense</b>					
Current tax	64.76	1.44	1.15	67.84	13.94
Deferred tax	(2.56)	0.24	1.46	(1.52)	1.08
Total tax expense	62.20	1.68	2.61	66.32	15.02
<b>5 Profit after tax (3-4)</b>	<b>168.70</b>	<b>8.40</b>	<b>318.15</b>	<b>178.78</b>	<b>666.86</b>
<b>6 Other comprehensive income, net of tax</b>					
(a) Items that will not be reclassified to profit or loss	0.51	(0.07)	(2.09)	0.30	(2.30)
(b) Items that will be reclassified to profit or loss	-	-	-	-	-
<b>Total other comprehensive income, net of tax</b>	<b>0.51</b>	<b>(0.07)</b>	<b>(2.09)</b>	<b>0.30</b>	<b>(2.30)</b>
<b>7 Total comprehensive income (5+6)</b>	<b>169.21</b>	<b>8.33</b>	<b>316.06</b>	<b>179.08</b>	<b>664.56</b>
<b>8 Paid-up equity share capital (Face value of ₹ 5)</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>	<b>79.57</b>
<b>9 Other equity</b>				<b>3,721.35</b>	<b>3,455.86</b>
<b>10 Earnings per share (₹) (not annualised)</b>					
Basic	10.6	0.5	20.0	11.2	41.9
Diluted	10.6	0.5	20.0	11.2	41.9



Notes:			
1. Disclosure of standalone assets and liabilities (Balance Sheet) as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2021 -			
(₹ In Crore)			
	Particulars	As at	As at
		31.03.2021	31.03.2020
		(Audited)	(Audited)
<b>A</b>	<b>Assets</b>		
1	<b>Financial assets</b>		
	Cash and cash equivalents	24.25	4.35
	Bank balances other than cash and cash equivalents	100.42	0.61
	Trade receivables	0.52	0.43
	Investment in subsidiaries and joint venture	2,394.66	2,282.77
	Other investments	1,100.31	1,057.23
	Other financial assets	37.85	61.53
	<b>Sub-total - Financial assets</b>	<b>3,658.01</b>	<b>3,406.92</b>
2	<b>Non-financial assets</b>		
	Current tax assets (net)	46.85	24.61
	Deferred tax assets (net)	-	7.94
	Investment property	5.37	5.50
	Property, plant and equipment	153.19	152.88
	Capital work-in-progress	2.29	-
	Other non-financial assets	2.82	2.31
	<b>Sub-total - Non-financial assets</b>	<b>210.52</b>	<b>193.24</b>
	<b>Total - Assets</b>	<b>3,868.53</b>	<b>3,600.16</b>
<b>B</b>	<b>Liabilities and equity</b>		
1	<b>Financial liabilities</b>		
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	2.31	2.10
	Other financial liabilities	31.80	32.52
	<b>Sub-total - Financial liabilities</b>	<b>34.11</b>	<b>34.62</b>
2	<b>Non-financial liabilities</b>		
	Current tax liabilities (net)	17.41	17.41
	Deferred tax liabilities (net)	6.63	-
	Provisions	6.36	8.80
	Other non-financial liabilities	3.10	3.90
	<b>Sub-total - Non-financial liabilities</b>	<b>33.50</b>	<b>30.11</b>
3	<b>Equity</b>		
	Equity share capital	79.57	79.57
	Other equity	3,721.35	3,455.86
	<b>Sub-total - Equity</b>	<b>3,800.92</b>	<b>3,535.43</b>
	<b>Total - Liabilities and Equity</b>	<b>3,868.53</b>	<b>3,600.16</b>

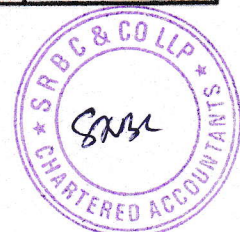


Notes (contd) :

2. Disclosure of standalone statement of cash flows as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2021 -

(₹ In Crore)

Particulars	Year ended	
	31.03.2021	31.03.2020
	(Audited)	(Audited)
<b>I. Operating activities</b>		
Profit before tax	245.10	681.88
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	4.68	2.90
Share based payments to employees	19.11	14.17
Loss on sale of assets	0.07	0.40
Profit on sale of investments, net	(3.43)	(3.05)
Amortisation of premium/discount on acquisition of debt securities	(10.69)	(0.60)
	254.84	695.70
Change in assets and liabilities		
(Increase)/decrease in trade receivables	(0.09)	(0.14)
(Increase)/decrease in loans and other assets	23.17	(3.98)
(Increase)/decrease in other bank balances	(99.81)	(0.31)
Increase/(decrease) in liabilities and provisions	(2.87)	3.19
Reimbursement of share based payments	45.55	-
(Purchase) / sale of money market mutual funds, etc., net	22.95	(37.47)
Net cash flow from operating activities before income-tax	243.74	656.99
Income-tax paid	(74.38)	(18.16)
<b>Net cash flow from operating activities</b>	<b>169.36</b>	<b>638.83</b>
<b>II. Investing activities</b>		
Purchase of property, plant and equipment	(7.64)	(55.24)
Sales proceeds of assets	0.42	0.32
Investment in subsidiaries	(106.10)	(90.00)
Sale of investments	809.95	141.50
Purchase of investments	(861.86)	(397.74)
(Investment in)/Realisation from treasury shares by ESOP trust	15.95	(174.32)
<b>Net cash used in investing activities</b>	<b>(149.28)</b>	<b>(575.48)</b>
<b>III. Financing activities</b>		
Dividend paid	(0.19)	(119.05)
Rights issue proceeds (net of expenses)	0.01	0.08
<b>Net cash used in financing activities</b>	<b>(0.18)</b>	<b>(118.97)</b>
<b>Net change in cash and cash equivalents</b>	<b>19.90</b>	<b>(55.62)</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>4.35</b>	<b>59.97</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>24.25</b>	<b>4.35</b>

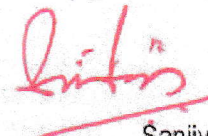




**Notes :**

3. The Board of Directors have recommended dividend of ₹ 3 per equity share ( 60 %), subject to the approval of shareholders.
4. The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year, which were subjected to a limited review.
5. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 28 April 2021.
6. In terms of the Master Circular – Core Investment Companies (Reserve Bank) Directions, 2016, as amended, the Company being an unregistered Core Investment Company, has invested its surplus funds primarily in money market instruments and debt instruments of its group company with CRISIL AAA & STABLE A1+ rating. Hence, temporary market volatility, if any (such as those due to pandemics/epidemics like COVID) is not considered to have a material impact on the carrying value of these Investments.
7. Figures for previous year / period have been regrouped wherever necessary.

By order of the Board of Directors  
For Bajaj Finserv Limited



Sanjiv Bajaj  
Chairman & Managing Director

Pune  
28 April 2021



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

To  
The Board of Directors of  
Bajaj Finserv Limited

**Report on the audit of the Consolidated Financial Results****Opinion**

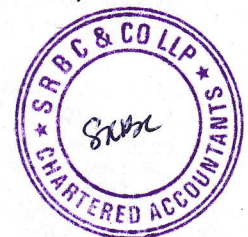
We have audited the accompanying statement of quarterly and year to date consolidated financial results of Bajaj Finserv Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture for the quarter and year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements and other financial information of the joint venture, the Statement:

- i. includes the results of the following entities:
  - a. Bajaj Allianz Life Insurance Company Limited
  - b. Bajaj Allianz General Insurance Company Limited
  - c. Bajaj Finance Limited
  - d. Bajaj Housing Finance Limited (wholly owned subsidiary of Bajaj Finance Limited)
  - e. Bajaj Financial Securities Limited (wholly owned subsidiary of Bajaj Finance Limited)
  - f. Bajaj Finserv Direct Limited
  - g. Bajaj Finserv Health Limited
  - h. Bajaj Allianz Financial Distributors Limited (Joint Venture, including its wholly owned subsidiary Bajaj Allianz Staffing Solutions Limited)
- ii. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive loss and other financial information of the Group for the quarter and year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group and its joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.



**Emphasis of Matter**

We draw attention to note 5 to these consolidated financial results, relating to the consolidated financial results of Bajaj Finance Limited, a subsidiary of the Holding Company, which describes the uncertainty caused by the continuing COVID-19 pandemic and the related probable events which could impact Bajaj Finance Limited's estimates of impairment of loans to its customers. Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive loss and other financial information of the Group including its joint venture in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal





# SRBC & COLLP

Chartered Accountants

Bajaj Finserv Limited

Independent Auditor's Report for the quarter and year ended March 31, 2021

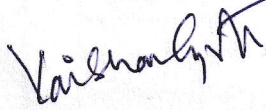
Page 4 of 4

2. a) The auditors of Bajaj Allianz Life Insurance Company Limited ("BALIC"), a subsidiary, have reported that the actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2021 is the responsibility of the 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 March 31, 2021 has been duly certified by the BALIC's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", Ind AS 109 "Financial Instruments", the guidelines and norms issued by the Insurance Regulatory Development Authority of India ("IRDAI" / "Authority") and the Institute of Actuaries of India in concurrence with the IRDAI. BALIC's auditors have relied upon Appointed Actuary's certificate in this regard for forming their opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in 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 in respect of Claims Incurred But Not Reported (IBNR) and Claims Incurred But Not Enough Reported (IBNER) of BAGIC is the responsibility of the BAGIC's Appointed Actuary. The actuarial valuation of these liabilities as at March 31, 2021 has been duly certified by the BAGIC's Appointed Actuary. The BAGIC's Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with Ind AS 104 "Insurance Contracts", Ind AS 109 "Financial Instruments", the guidelines and norms issued by the Insurance Regulatory Development Authority of India ("IRDAI" / "Authority") and the Institute of Actuaries of India in concurrence with the IRDAI. BAGIC's auditors have relied upon the BAGIC's Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of BAGIC.
3. The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published audited year-to-date figures up to the end of the third quarter of the current financial year, as required under the Listing Regulations.

For SRBC & CO LLP

Chartered Accountants

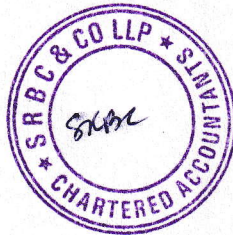
ICAI Firm Registration Number: 324982E/E300003



per Vaibhav Kumar Gupta

Partner

Membership No.: 213935



UDIN: 21213935AAAACI5384

Pune

April 28, 2021



**Bajaj Finserv Limited**

CIN : L65923PN2007PLC130075

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

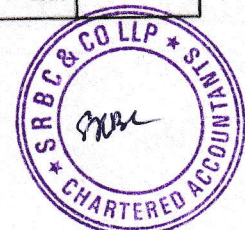
Corporate Office : Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014

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

**Statement of consolidated audited financial results for the quarter and year ended 31 March 2021**

(₹ In Crore)

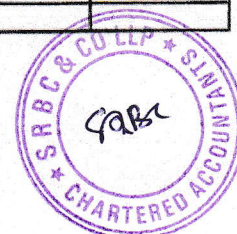
Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
<b>1 Income</b>					
Interest income	6,999.14	6,598.53	7,919.31	26,933.22	26,504.37
Dividend income	20.85	25.91	16.45	87.50	60.84
Rental income	0.81	0.99	1.05	4.94	4.17
Fees and commission income	591.82	666.30	664.54	2,387.11	2,476.34
Net gain/(loss) on fair value change	137.98	2,060.60	(2,073.50)	4,828.31	333.37
Sale of energy generated and services	112.09	118.58	44.99	283.78	187.69
Premium and other operating income from insurance business	7,432.81	6,394.22	6,650.99	25,759.83	24,498.56
Others	91.38	93.40	70.42	306.51	281.35
Total revenue from operations	15,386.88	15,958.53	13,294.25	60,591.20	54,346.69
Other income	0.37	2.19	-	0.37	4.78
<b>Total income</b>	<b>15,387.25</b>	<b>15,960.72</b>	<b>13,294.25</b>	<b>60,591.57</b>	<b>54,351.47</b>
<b>2 Expenses</b>					
Employee benefits expense	1,460.49	1,230.38	1,117.76	4,699.34	4,755.11
Finance costs	2,147.43	2,258.42	2,552.33	9,141.28	9,338.53
Fees and commission expense	839.90	719.36	673.08	2,614.37	2,206.10
Impairment of financial instruments - lending assets	1,230.77	1,351.67	1,953.78	5,968.58	3,929.48
Impairment of financial instruments - investments	29.86	24.67	26.16	10.27	190.89
Claims paid	3,861.24	3,094.50	4,038.77	11,864.43	12,512.17
Reinsurance ceded	1,092.39	1,274.25	915.47	4,854.81	4,520.67
Net change in insurance / investment contract liabilities	1,326.93	2,306.95	167.71	7,976.05	4,353.87
Depreciation, amortisation and impairment	135.23	123.84	127.09	498.46	458.79
Other expenses	904.69	797.50	930.33	3,102.46	3,786.86
<b>Total expenses</b>	<b>13,028.93</b>	<b>13,181.54</b>	<b>12,502.48</b>	<b>50,729.05</b>	<b>46,050.47</b>
3 Share of profits/(loss) of joint venture	0.18	(0.02)	1.13	(0.18)	0.66
<b>4 Profit before tax (1-2+3)</b>	<b>2,358.50</b>	<b>2,779.16</b>	<b>792.90</b>	<b>9,862.34</b>	<b>8,301.66</b>
5 Tax expense					
Current tax	409.64	222.50	611.93	2,322.24	2,557.12
Deferred tax	203.82	474.81	(359.14)	172.72	(249.06)
Total tax expense	613.46	697.31	252.79	2,494.96	2,308.06
<b>6 Profit after tax (4-5)</b>	<b>1,745.04</b>	<b>2,081.85</b>	<b>540.11</b>	<b>7,367.38</b>	<b>5,993.60</b>
7 Profit attributable to non-controlling interests	765.98	791.89	345.68	2,896.92	2,624.47
<b>8 Profit for the period (6-7)</b>	<b>979.06</b>	<b>1,289.96</b>	<b>194.43</b>	<b>4,470.46</b>	<b>3,369.13</b>
9 Other comprehensive income, net of tax					
(a) Items that will not be reclassified to profit or loss	(28.73)	26.97	(99.72)	(5.39)	(99.02)
(b) Items that will be reclassified to profit or loss	(640.29)	427.74	314.96	(161.14)	760.54
<b>Total other comprehensive income, net of tax</b>	<b>(669.02)</b>	<b>454.71</b>	<b>215.24</b>	<b>(166.53)</b>	<b>661.52</b>
<b>10 Total comprehensive income (6+9)</b>	<b>1,076.02</b>	<b>2,536.56</b>	<b>755.35</b>	<b>7,200.85</b>	<b>6,655.12</b>
11 Profit attributable to:					
Owners of the company	979.06	1,289.96	194.43	4,470.46	3,369.13
Non-controlling interests	765.98	791.89	345.68	2,896.92	2,624.47
<b>12 Total comprehensive income attributable to:</b>					
Owners of the company	492.14	1,617.28	380.63	4,360.32	3,882.47
Non-controlling interests	583.88	919.28	374.82	2,840.53	2,772.65
13 Paid-up equity share capital (Face value of ₹ 5)	79.57	79.57	79.57	79.57	79.57
14 Other equity				35,750.43	31,221.68
15 Earnings per share (₹) (not annualised)					
Basic	61.5	81.1	12.2	280.9	211.7
Diluted	61.5	81.0	12.2	280.9	211.7



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

(₹ In Crore)

Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
<b>1 Segment revenue</b>					
Insurance					
Gross written premium					
Life insurance	4,501.32	3,146.72	3,128.31	12,024.84	9,752.53
General insurance	2,787.42	3,392.27	2,655.49	12,624.38	12,833.06
	7,288.74	6,538.99	5,783.80	24,649.22	22,585.59
Less: Premium for investment contracts of life insurance	590.47	491.43	206.45	1,796.60	1,055.86
Reserve for unexpired risk of general insurance	(71.31)	304.77	(214.38)	432.26	180.24
	6,769.58	5,742.79	5,791.73	22,420.36	21,349.49
Investment and other income(excluding accretions to unit linked holders)	1,837.30	3,659.09	274.58	11,755.92	6,790.77
Insurance total	8,606.88	9,401.88	6,066.31	34,176.28	28,140.26
Investments and others	311.71	79.33	381.36	480.19	903.88
Retail financing	6,854.94	6,655.08	7,228.89	26,683.05	26,385.66
Windmill	2.37	3.88	7.13	23.94	39.23
	15,775.90	16,140.17	13,683.69	61,363.46	55,469.03
Less: Inter-segment revenue	388.65	179.45	389.44	771.89	1,117.56
<b>Total</b>	<b>15,387.25</b>	<b>15,960.72</b>	<b>13,294.25</b>	<b>60,591.57</b>	<b>54,351.47</b>
<b>2 Segment profit before tax</b>					
Insurance					
Life insurance	162.69	470.69	(447.50)	1,383.22	40.08
General insurance	388.30	707.49	14.55	2,392.32	1,033.25
Insurance total	550.99	1,178.18	(432.95)	3,775.54	1,073.33
Investments and others	(103.26)	(79.31)	(45.17)	(304.75)	(233.85)
Retail financing	1,912.10	1,680.64	1,267.44	6,386.64	7,442.35
Windmill	(1.33)	(0.35)	3.58	4.91	19.83
<b>Total profit before tax</b>	<b>2,358.50</b>	<b>2,779.16</b>	<b>792.90</b>	<b>9,862.34</b>	<b>8,301.66</b>
<b>3 Capital employed</b>					
<b>Segment assets</b>					
Insurance					
Life insurance	76,141.23	73,616.42	59,427.17	76,141.23	59,427.17
General insurance	30,894.55	31,675.89	26,273.99	30,894.55	26,273.99
Insurance total	1,07,035.78	1,05,292.31	85,701.16	1,07,035.78	85,701.16
Investments and others	847.24	842.92	508.43	847.24	508.43
Retail financing	1,71,254.66	1,62,241.61	1,64,232.89	1,71,254.66	1,64,232.89
Windmill	33.89	34.68	31.63	33.89	31.63
Unallocable	46.85	55.65	24.61	46.85	24.61
<b>Subtotal</b>	<b>2,79,218.42</b>	<b>2,68,467.17</b>	<b>2,50,498.72</b>	<b>2,79,218.42</b>	<b>2,50,498.72</b>
<b>Segment liabilities</b>					
Insurance					
Life insurance	66,651.70	63,432.07	50,353.18	66,651.70	50,353.18
General insurance	23,931.41	24,389.50	21,124.16	23,931.41	21,124.16
Insurance total	90,583.11	87,821.57	71,477.34	90,583.11	71,477.34
Investments and others	117.50	92.59	87.26	117.50	87.26
Retail financing	2,919.01	2,995.62	2,253.34	2,919.01	2,253.34
Windmill	0.69	1.30	1.02	0.69	1.02
Unallocable	17.41	17.41	17.41	17.41	17.41
<b>Subtotal</b>	<b>93,637.72</b>	<b>90,928.49</b>	<b>73,836.37</b>	<b>93,637.72</b>	<b>73,836.37</b>
<b>Capital employed</b>					
Insurance					
Life insurance	9,489.53	10,184.35	9,073.99	9,489.53	9,073.99
General insurance	6,963.14	7,286.39	5,149.83	6,963.14	5,149.83
Insurance total	16,452.67	17,470.74	14,223.82	16,452.67	14,223.82
Investments and others	729.74	750.33	421.17	729.74	421.17
Retail financing	1,68,335.65	1,59,245.99	1,61,979.55	1,68,335.65	1,61,979.55
Windmill	33.20	33.38	30.61	33.20	30.61
Unallocable	29.44	38.24	7.20	29.44	7.20
<b>Total</b>	<b>1,85,580.70</b>	<b>1,77,538.68</b>	<b>1,76,662.35</b>	<b>1,85,580.70</b>	<b>1,76,662.35</b>



Notes (contd) :			
3. Disclosure of consolidated statement of cash flows as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2021 -			
(₹ In Crore)			
	Particulars	Year ended	
		31.03.2021	31.03.2020
		(Audited)	(Audited)
<b>I.</b>	<b>Operating activities</b>		
	Profit before tax	9,862.34	8,301.66
	<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
	Interest income	(26,933.22)	(26,504.37)
	Dividend income	(87.50)	(60.84)
	Rental income	(4.94)	(4.17)
	Unwinding of discount on security deposit	(0.45)	(0.90)
	Realised gain on sale of investment	(235.43)	(281.54)
	Depreciation and amortisation	498.46	456.79
	Share of (profits)/loss of joint venture	0.18	(0.66)
	Impairment on financial instruments	5,978.85	4,120.37
	Net (gain)/ loss on disposal of property, plant and equipment	7.90	2.99
	Finance costs	9,141.28	9,338.53
	Share based payment to employees	177.91	127.70
	Net gain on financial instruments at fair value through profit or loss	(4,828.31)	(333.37)
	Interest from loans (other than financing activity)	(35.24)	(37.21)
	Remeasurement gain/(loss) on defined benefit plans	3.38	(0.04)
	Service fees for management of assigned portfolio of loans	(157.53)	(124.27)
	Provision for doubtful debts	(1.44)	0.99
		(6,613.76)	(4,998.34)
	Cash inflow from service asset	73.65	61.70
	Cash inflow from interest on loans under financing activity	21,342.24	22,903.15
	Cash outflow towards finance cost	(9,099.15)	(8,366.49)
	<b>Cash from operation before working capital changes</b>	<b>5,702.98</b>	<b>9,600.02</b>
	<b>Working capital changes</b>		
	(Increase) / decrease in trade receivables	251.85	(490.74)
	(Increase) / decrease in loans	(9,007.33)	(32,487.71)
	(Increase) / decrease in other financial assets	(637.78)	(210.76)
	(Increase) / decrease in other non-financial assets	(81.85)	(223.89)
	(Increase) / Decrease re-insurance assets	(721.95)	(605.74)
	Increase / (decrease) in trade payables	336.01	245.65
	Increase / (decrease) in other payables	805.49	(318.44)
	Increase / (decrease) in other financial liabilities	90.72	(1,242.00)
	Increase / (decrease) in provisions	19.14	(26.68)
	Increase / (decrease) in other non-financial liabilities	122.14	628.11
	Increase / (Decrease) insurance contract liabilities	9,788.49	4,418.82
	Net cash flow from / (used in) from operating activities before income-tax	6,667.91	(20,713.36)
	Income-tax paid (net of refunds)	(2,120.51)	(2,655.67)
	<b>Net cash flows from / (used in) operating activities</b>	<b>4,547.40</b>	<b>(23,369.03)</b>





Notes (contd) :

3. Disclosure of consolidated statement of cash flows as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2021 -

(₹ In Crore)

Particulars	Year ended	
	31.03.2021	31.03.2020
	(Audited)	(Audited)
<b>II. Investing activities</b>		
Purchase of property, plant and equipment	(293.02)	(768.94)
Proceeds from sale of property, plant and equipment	19.03	9.34
Purchase of intangible assets	(177.83)	(110.38)
Purchase of investments measured at amortised cost	(97,444.32)	(1,69,402.65)
Proceeds from investments measured at amortised cost	87,499.87	1,64,286.59
Expenses related to investments	(6.81)	(10.66)
Purchase of investments measured at FVTOCI	(3,004.37)	(2,246.45)
Proceeds from sale of investments measured at FVTOCI	2,082.54	826.09
Purchase of investments measured at FVTPL	(2,34,628.04)	(4,42,984.73)
Proceeds from sale of investments measured at FVTPL	2,37,322.50	4,36,535.68
Purchase of equity investments designated at FVTOCI	-	(150.00)
Loan against policies	(36.30)	(76.77)
Repayment of loan received	-	16.67
Rent / interest / dividend received	4,770.00	4,195.45
Interest received on investment measured at FVTPL and FVTOCI	226.70	135.32
Fixed deposits placed during the year	(355.27)	(287.00)
Fixed deposits matured during the year	325.57	258.76
(Investment in)/Realisation from treasury shares by ESOP trust	15.95	(174.32)
<b>Net cash flow used in investing activities</b>	<b>(3,683.80)</b>	<b>(9,948.00)</b>
<b>III. Financing activities</b>		
Issue of equity share capital (including securities premium)	103.22	8,568.12
Share issue expenses	-	(45.06)
Dividends paid	(82.50)	(682.83)
Dividend distribution tax	-	(115.86)
Deposits received, net	4,246.41	7,987.85
Debt securities issued, net	4,937.14	1,972.98
Borrowings other than debt securities issued, net	(7,142.32)	16,906.34
Subordinated debts repaid, net	(228.72)	-
Payment of lease liability	(146.28)	(112.19)
<b>Net cash flow from / (used in) financing activities</b>	<b>1,686.95</b>	<b>34,479.35</b>
<b>Net change in cash and cash equivalents</b>	<b>2,550.55</b>	<b>1,162.32</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>5,261.33</b>	<b>4,099.01</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>7,811.88</b>	<b>5,261.33</b>
Cash and cash equivalents as per Balance Sheet	2,955.09	2,395.52
Other short-term liquid investment	4,867.42	3,000.53
Temporary overdraft, units receivable and others	(10.63)	(134.72)
	<b>7,811.88</b>	<b>5,261.33</b>



## Notes (Contd.):

4. Key standalone financial information is given below:

(₹ In Crore)

Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
Total income	267.79	46.67	353.07	392.03	815.16
Profit before tax	230.90	10.08	320.76	245.10	681.88
Profit after tax	168.70	8.40	318.15	178.78	666.86

5. The COVID-19 pandemic has affected several countries across the world, including India. The pandemic and consequent lockdown imposed by the governmental authorities has considerably impacted the Group's business operations for year ended 31 March 2021, in respect of subsidiaries engaged in the business of lending (i.e. Bajaj Finance Limited, together with its subsidiary, Bajaj Housing Finance Limited). 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 for large part of the year of aforesaid subsidiaries.

In accordance with the Reserve Bank of India ('RBI') guidelines relating to 'COVID-19 Regulatory Package' dated 27 March 2020 and subsequent guidelines on moratorium dated 17 April 2020 and 23 May 2020, the Group had offered moratorium to its customers based on requests as well as on suo-moto for EMIs falling due between 1 March 2020 to 31 August 2020. Further, the Group offered resolution plan to its customers pursuant to the RBI's guideline 'Resolution framework for COVID-19 related stress' dated 6 August 2020.

As a matter of prudence, the Group has written off principal outstanding of ₹ 1,530 crore and ₹ 3,500 crore for the quarter and year ended 31 March 2021 respectively, and corresponding interest outstanding (including interest capitalized) of ₹ 328 crore and ₹ 693 crore respectively, by utilizing the available expected credit loss including management overlay.

The Group holds a management overlay of ₹ 840 crore as at 31 March 2021.

Given the dynamic and evolving nature of the pandemic, these estimates includes the possible impact of known events till date and are subject to uncertainty caused by resurgence of COVID-19 pandemic and related events.

6. The Board of Directors have recommended dividend of ₹ 3 per equity share ( 60 %), subject to the approval of shareholders.

7. The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year, which were subjected to a limited review.

8. The Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund Act, the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its subsidiaries will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

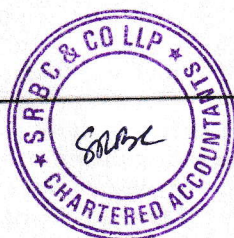
9. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 28 April 2021.

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

By order of the Board of Directors  
For Bajaj Finserv Limited

*Sanjiv Bajaj*  
Sanjiv Bajaj  
Chairman & Managing Director

Pune  
28 April 2021



## Press release

### Financial results – Q4 and FY21

A meeting of the Board of Directors of Bajaj Finserv Limited was held today to consider and approve the results for Q4 and FY21.

The Board of Directors recommended a dividend of ₹ 3 per share – 60%. The total amount of dividend amounts to ₹ 47.74 crore.

Details about BFS, the businesses carried by its subsidiaries, its group structure and GAAP followed, are indicated separately at the end of this release.

Given the impact of the COVID-19 pandemic, FY21 was expected to be an extremely demanding year and so it turned out to be. In fact, the negative growth in GDP was much larger than expected in Q1 FY21 as GDP contracted by 24.4%, followed by a further 7.3% contraction in Q2 FY21. Thankfully, we began to witness resumption of economic activity in the second half of the year wherein Q3 FY21 recorded a GDP growth of 0.4% and Q4 FY21 is expected to show relatively robust growth. The second advance estimates of national income for FY21 released by the Central Statistical Office (CSO) indicates a negative GDP growth of 8% for FY21.

Under these challenging times, our businesses shifted focus in the second half to regaining growth while continuing to tightly manage risk.

- After near standstill in first two quarters of the year, new loans booked by BFL during Q3 and Q4 FY21 were 6.04 million and 5.47 million respectively as against 7.67 million and 6.03 million in Q3 and Q4 FY20 – a significant improvement in H2 over H1. In FY21, it recorded **an all-time high annual pre-provisioning operating profit** of ₹ 11,961 crore and made loan loss provisions including expected losses of ₹ 5,969 crore as compared to ₹ 3,929 crore. BFL continued to balance growth vis a vis risk and collections, while maintaining strong liquidity and capital adequacy.
- BAGIC recorded **an all-time high annual profit** and continued to deliver robust improvement in its underwriting result.
- BALIC registered an **all-time high annual gross written premium** in FY21 at ₹ 12,025 crore. Its **Assets Under Management reached an all-time high** level of ₹ 73,773 crore at year end.
- As a result, Bajaj Finserv had satisfactory profit growth on a consolidated basis, in an extremely demanding year.

#### Bajaj Finserv Limited

### 1. Highlights - Q4 FY21 v/s Q4 FY20\*

✓ Consolidated total income	- ₹ 15,387 crore	v/s	₹ 13,294 crore
✓ Consolidated profit after tax (see note below)	- ₹ 979 crore	v/s	₹ 194 crore
✓ Bajaj Finance, consolidated profit after tax	- ₹ 1,347 crore	v/s	₹ 948 crore
✓ General insurance, profit after tax	- ₹ 273 crore	v/s	₹ 304 crore
✓ Life insurance, shareholders' profit after tax	- ₹ 234 crore	v/s	₹ 38 crore

### Highlights - FY21 v/s FY20\*

✓ Consolidated total income	- ₹ 60,592 crore	v/s	₹ 54,351 crore
✓ Consolidated profit after tax (see note below)	- ₹ 4,470 crore	v/s	₹ 3,369 crore
✓ Bajaj Finance, consolidated profit after tax	- ₹ 4,420 crore	v/s	₹ 5,264 crore
✓ General insurance, profit after tax	- ₹ 1,330 crore	v/s	₹ 999 crore
✓ Life insurance, shareholders' profit after tax	- ₹ 580 crore	v/s	₹ 450 crore

\*All figures under Ind AS except for general and life insurance which are as per Indian GAAP

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

### **Note on consolidated profit after tax:**

The consolidated profit figures for the current quarter and year ended may not be directly comparable with those of the corresponding previous periods for the reasons mentioned below.

- Under Ind AS, the insurance subsidiaries have chosen to hold a large part of the equity securities portfolio as Fair Value Through Profit and Loss Account. The spread of the COVID-19 pandemic resulted in a significantly larger than normal fall in the value of shares traded on the stock exchanges in Q4 FY20. As on 31 March 2021, the BSE Sensex has rebounded by over 68% from 31 March 2020 levels, resulting in higher than normal mark-to-market gain on investments of insurance subsidiaries during FY21. This has resulted in an increase in consolidated profit after tax of ₹ 892 crore for FY21 compared to decrease of ₹ 451 crore in Q4 and FY20. The mark-to-market adjustment for Q4 FY21 was not significant.
- Consequent to the ongoing pandemic, BFL has as a matter of prudence, written off/provided for principal and interest of potentially unrecoverable loans, by also utilising the available expected credit loss provision. **BFL continues to hold a management overlay of ₹ 840 crore in provisions, given the dynamic and evolving nature of the pandemic along with other variables.**

## 2. Performance of material subsidiaries

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

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

- i) Total income for Q4 FY21 **stood at ₹ 6,855 crore** v/s ₹ 7,231 crore in Q4 FY20.
- ii) Profit after tax for Q4 FY21 increased by **42% YoY to ₹ 1,347 crore** v/s ₹ 948 crore in Q4 FY20. Pre-provision profitability remained strong and adequate to cover expected credit losses.
- iii) Assets Under Management (AUM) as at 31 March 2021 was ₹ 152,947 crore v/s ₹ 147,153 crore as at 31 March 2020 - an **increase of 4%**. This includes AUM of ₹ 38,871 crore of its housing finance subsidiary, BHFL, which recorded a growth of 19% over the AUM as on 31 March 2020.
- iv) Gross NPA and Net NPA (ECL Stage 3), recognized as per extant RBI prudential norms and provisioned as per Expected Credit Loss (ECL) method prescribed in Ind AS, as on 31 March 2021 stood at 1.79% and 0.75% respectively. Stage 1 and 2 assets provisioning stood at 1.81% as against approximately 1% during pre-pandemic condition.
- v) Capital adequacy ratio (including Tier-II capital) as of 31 March 2021 was very strong at **28.34%**. The Tier-I capital stood at 25.10%.

For Bajaj Housing Finance Limited (BHFL), a 100% mortgage subsidiary of BFL, the capital adequacy ratio (including Tier-II capital) stood at 21.33%.

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

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

- i) Gross written premium for Q4 FY21 **increased by 5% to ₹ 2,787 crore** v/s ₹ 2,655 crore in Q4 FY20. BAGIC wrote crop insurance of ₹ 124 crore in Q4 FY21 v/s ₹ 241 crore in Q4 FY20. Gross written premium excluding crop insurance for Q4 FY21 **increased by 10% to ₹ 2,663 crore** v/s ₹ 2,414 crore in Q4 FY20.
- ii) Net earned premium for Q4 FY21 was ₹ **1,794 crore** v/s ₹ 1,972 crore in Q4 FY20, due to higher charge for unearned premium reserve which will get released in FY22
- iii) Claim ratio increased to **64.3%** in Q4 FY21 v/s 62.1% in Q4 FY20, mainly due to strengthening of reserves for third party motor claims.
- iv) Combined ratio stood at **96.6%** in Q4 FY21 v/s 93.8% in Q4 FY20, reflecting an excellent underwriting performance.
- v) Underwriting profit stood at ₹ 6 crore for Q4 FY21 v/s ₹ 159 crore in Q4 FY20. Lower underwriting profit in Q4 FY21 was mainly due to higher claims provisioning. However, underwriting profit increased to ₹ 237 crore in FY21 from a loss of ₹ 11 crore in FY20.
- vi) Investment and other income for Q4 FY21 **increased by 38% to ₹ 353 crore** v/s ₹ 255 crore in Q4 FY20 due to higher capital gains.
- vii) Profit after tax for Q4 FY21 stood at ₹ 273 crore v/s ₹ 304 crore in Q4 FY20. However, Profit after tax **increased by 33%** from ₹ 999 crore in FY20 to ₹ 1,330 crore in FY21, **an all-time high**.
- viii) As on 31 March 2021, solvency ratio was **345%**, which is well above the minimum regulatory requirement of 150%.
- ix) Assets Under Management (AUM), represented by cash and investments as on 31 March 2021 stood at ₹ **23,150 crore** v/s ₹ 18,746 crore as on 31 March 2020 – a **healthy increase of 23%**.

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

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


- i) New business premium for Q4 FY21 was ₹ 2,493 crore v/s ₹ 1,519 crore in Q4 FY20 – an **increase of 64%**.
  - a) Individual rated new business premium was ₹ 989 crore in Q4 FY21 v/s ₹ 606 crore in Q4 FY20 – a market beating growth of **63%**.
  - b) Group protection new business was ₹ 739 crore in Q4 FY21 v/s ₹ 553 crore in Q4 FY20 – an **increase of 34%**, as loan disbursements by banks started picking up pace in Q4 FY21.
- ii) Renewal premium for Q4 FY21 was ₹ 2,008 crore v/s ₹ 1,610 crore in Q4 FY20 – an **increase of 25%**.
- iii) Gross written premium for Q4 FY21 **increased by 44%** to ₹ 4,501 crore from ₹ 3,129 crore in Q4 FY20. Also, Gross written premium for FY21 was ₹ 12,025 crore higher than previous record high of ₹ 11,420 crore in FY10.
- iv) Shareholders' profit after tax during Q4 FY21 **increased significantly** to ₹ 234 crore v/s ₹ 38 crore in Q4 FY20, mainly due to higher capital gains.
- v) New Business Value (NBV), which is the metric used to **measure** profitability of life insurance businesses, **increased by 59%** to ₹ 361 crore in FY21 v/s ₹ 227 crore in FY20.
- vi) Solvency ratio stood at a healthy **666%** as on 31 March 2021 as against the minimum regulatory requirement of 150%.
- vii) Assets Under Management (AUM), represented by total investments **increased by 32%** to ₹ 73,773 crore as on 31 March 2021 v/s ₹ 56,085 crore as on 31 March 2020, reflecting an impact of rebound in equity markets as well as strong inflows.

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

3. **BFS approach on COVID-19**

India is swamped by a massive second wave of COVID-19 with daily infection rates of the kind not seen in the first wave. It is difficult to predict how long this second wave will last and with what intensity; and when will it subside to manageable levels. Risk of this is expected to remain elevated in Q1 and Q2 of FY22. With strong solvency, well above the required capital supported by healthy liquidity, continued focus on risk and collections, digitised processes and improved cost structures, we are in a better shape than we were last year to face any adverse event.



 S Sreenivasan  
CFO

28 April 2021

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

(₹ In crore)		Q4 FY21	Q4 FY20	FY21	FY20
<b>1</b>	<b>Income</b>				
	Interest income	6,999.14	7,919.31	26,933.22	26,504.37
	Dividend income	20.85	16.45	87.50	60.84
	Rental income	0.81	1.05	4.94	4.17
	Fees and commission income	591.82	664.54	2,387.11	2,476.34
	Net gain/(loss) on fair value change	137.98	(2,073.50)	4,828.31	333.37
	Sale of energy generated and services	112.09	44.99	283.78	187.69
	Premium and other operating income from insurance business	7,432.81	6,650.99	25,759.83	24,498.56
	Others	91.38	70.42	306.51	281.35
	Total revenue from operations	15,386.88	13,294.25	60,591.20	54,346.69
	Other income	0.37	-	0.37	4.78
	<b>Total income</b>	<b>15,387.25</b>	<b>13,294.25</b>	<b>60,591.57</b>	<b>54,351.47</b>
<b>2</b>	<b>Expenses</b>				
	Employee benefits expense	1,460.49	1,117.76	4,698.34	4,755.11
	Finance costs	2,147.43	2,552.33	9,141.28	9,338.53
	Fees and commission expense	839.90	673.08	2,614.37	2,206.10
	Impairment of financial instruments - lending assets	1,230.77	1,953.78	5,968.58	3,929.48
	Impairment of financial instruments - investments	29.86	26.16	10.27	190.89
	Claims paid	3,861.24	4,038.77	11,864.43	12,512.17
	Reinsurance ceded	1,092.39	915.47	4,854.81	4,520.67
	Net change in insurance / investment contract liabilities	1,326.93	167.71	7,976.05	4,353.87
	Depreciation, amortisation and impairment	135.23	127.09	498.46	456.79
	Other expenses	904.69	930.33	3,102.46	3,786.86
	<b>Total expenses</b>	<b>13,028.93</b>	<b>12,502.48</b>	<b>50,729.05</b>	<b>46,050.47</b>
<b>3</b>	Share of profits/(loss) of joint venture	0.18	1.13	(0.18)	0.66
<b>4</b>	<b>Profit before tax (1-2+3)</b>	<b>2,358.50</b>	<b>792.90</b>	<b>9,862.34</b>	<b>8,301.66</b>
<b>5</b>	<b>Tax expense</b>				
	Current tax	409.64	611.93	2,322.24	2,557.12
	Deferred tax	203.82	(359.14)	172.72	(249.06)
	Total tax expense	613.46	252.79	2,494.96	2,308.06
<b>6</b>	<b>Profit after tax (4-5)</b>	<b>1,745.04</b>	<b>540.11</b>	<b>7,367.38</b>	<b>5,993.60</b>
<b>7</b>	Profit attributable to non-controlling interests	765.98	345.68	2,896.92	2,624.47
<b>8</b>	<b>Profit for the period (6-7)</b>	<b>979.06</b>	<b>194.43</b>	<b>4,470.46</b>	<b>3,369.13</b>
<b>9</b>	<b>Other comprehensive income, net of tax</b>				
	(a) Items that will not be reclassified to profit or loss	(28.73)	(99.72)	(5.39)	(99.02)
	(b) Items that will be reclassified to profit or loss	(640.29)	314.96	(161.14)	760.54
	<b>Total other comprehensive income, net of tax</b>	<b>(669.02)</b>	<b>215.24</b>	<b>(166.53)</b>	<b>661.52</b>
<b>10</b>	<b>Total comprehensive income (6+9)</b>	<b>1,076.02</b>	<b>755.35</b>	<b>7,200.85</b>	<b>6,655.12</b>
<b>11</b>	<b>Profit attributable to:</b>				
	Owners of the company	979.06	194.43	4,470.46	3,369.13
	Non-controlling interests	765.98	345.68	2,896.92	2,624.47
<b>12</b>	<b>Total comprehensive income attributable to:</b>				
	Owners of the company	492.14	380.53	4,360.32	3,882.47
	Non-controlling interests	583.88	374.82	2,840.53	2,772.65
<b>13</b>	Paid-up equity share capital (Face value of ₹ 5)	79.57	79.57	79.57	79.57
<b>14</b>	Other equity			35,750.43	31,221.68
<b>15</b>	<b>Earnings per share (₹) (not annualised)</b>				
	<b>Basic</b>	<b>61.5</b>	<b>12.2</b>	<b>280.9</b>	<b>211.7</b>
	<b>Diluted</b>	<b>61.5</b>	<b>12.2</b>	<b>280.9</b>	<b>211.7</b>

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

₹ In Crore	Q4 FY21	Q4 FY20	FY21	FY20
Total income	6,855	7,231	26,683	26,385
Interest expenses	2,196	2,547	9,414	9,473
<b>Net interest income</b>	<b>4,659</b>	<b>4,684</b>	<b>17,269</b>	<b>16,912</b>
Operating expenses	1,605	1,452	5,308	5,661
Loan losses and provisions	1,231	1,954	5,969	3,929
<b>Profit before tax</b>	<b>1,823</b>	<b>1,278</b>	<b>5,992</b>	<b>7,322</b>
<b>Profit after tax</b>	<b>1,347</b>	<b>948</b>	<b>4,420</b>	<b>5,264</b>

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

₹ In Crore	Q4 FY21	Q4 FY20	FY21	FY20
<b>Gross written premium</b>	<b>2,787</b>	<b>2,655</b>	<b>12,624</b>	<b>12,833</b>
Net earned premium	1,794	1,972	7,436	8,206
Underwriting result	6	159	237	(11)
Investment and other income (net)	353	255	1,532	1,387
<b>Profit before tax</b>	<b>359</b>	<b>414</b>	<b>1,769</b>	<b>1,376</b>
<b>Profit after tax</b>	<b>273</b>	<b>304</b>	<b>1,330</b>	<b>999</b>

**Key ratios**

Claim ratio	64.3%	62.1%	68.5%	70.7%
Combined ratio	96.6%	93.8%	96.9%	100.8%

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

₹ In Crore	Q4 FY21	Q4 FY20	FY21	FY20
<b>New business premium</b>	<b>2,493</b>	<b>1,519</b>	<b>6,313</b>	<b>5,179</b>
Rated individual new business premium*	989	606	2,468	1,927
Group protection new business premium	739	553	1,597	1,872
<b>Renewal premium</b>	<b>2,008</b>	<b>1,610</b>	<b>5,712</b>	<b>4,574</b>
<b>Gross written premium</b>	<b>4,501</b>	<b>3,129</b>	<b>12,025</b>	<b>9,753</b>
Shareholders' profit	189	27	649	460
Amount transferred from the policyholders' account to the shareholders' account (net)	45	11	(69)	(10)
<b>Total shareholders' profit after tax</b>	<b>234</b>	<b>38</b>	<b>580</b>	<b>450</b>

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



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**About BFS:**

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

*BFS participates in the financing business through its 52.74% holding in Bajaj Finance Limited (BFL) and in the protection business through its 74% holding in two unlisted subsidiaries, Bajaj Allianz General Insurance Company Limited (BAGIC) and Bajaj Allianz Life Insurance Company Limited (BALIC). Bajaj Housing Finance Limited (BHFL), which does mortgage business, is a wholly-owned subsidiary of Bajaj Finance Limited.*

*Both BFS and BFL are included in the benchmark BSE Sensex and Nifty 50 index of large cap stocks.*

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

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

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

28 April 2021

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

**Subject: Declaration in terms of Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

In terms of the second proviso to Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we declare that S R B C & CO LLP, Statutory Auditors of the Company have provided the Audit Reports with unmodified opinion for Annual Audited Financial results (standalone and consolidated) of the Company for the financial year ended 31 March 2021.

Thanking you,

Yours faithfully,

**For Bajaj Finserv Limited.**



**S Sreenivasan**

**Chief Financial Officer**



**Bajaj Finserv Limited**

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