

BAJAJ FINANCE LIMITED

20 January 2021

THE MANAGER, BSE LIMITED DCS - CRD PHIROZE JEEJEBHOY 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. 20 January 2021 approved unaudited standalone and consolidated financial results of the Company prepared as per Indian Accounting Standard (Ind AS) for the quarter and nine months ended 31 December 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 1:30 p.m. and concluded at 3:27 p.m.

Thanking you,
Yours faithfully,
For BAJAJ FINANCE LIMITED



R. VIJAY
COMPANY SECRETARY

Email ID: investor.service@bajajfinserv.in



Encl.: As above

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone 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 standalone financial results of Bajaj Finance Limited (the "Company") for the quarter ended December 31, 2020 and year to date from April 1 2020 to December 31, 2020 (the "Statement") attached herewith, being submitted by the 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 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 5 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 S R B C & C O L L P

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

per Vaibhav Kumar Gupta
Partner

Membership No.: 213935



UDIN: 21213935AAAAAJ1172

Pune

January 20, 2021

BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of unaudited Standalone financial results for the Quarter and Nine months ended 31 December 2020

(₹ In Crore)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2020 (Reviewed)	30.09.2020 (Reviewed)	31.12.2019 (Reviewed)	31.12.2020 (Reviewed)	31.12.2019 (Reviewed)	31.03.2020 (Audited)
1 Income						
(a) Revenue from operations						
Interest income	4,973.07	5,066.33	5,485.87	15,140.87	15,051.86	20,668.15
Fees and commission income	664.73	550.66	654.77	1,761.86	1,818.09	2,489.89
Net gain on fair value changes	129.38	121.15	121.12	487.15	314.81	460.47
Sale of services	36.71	5.60	4.24	45.11	11.63	53.32
Other operating income	41.52	36.20	46.08	90.99	115.05	150.70
Total revenue from operations	5,845.41	5,779.94	6,312.08	17,525.98	17,311.44	23,822.53
(b) Other income	2.26	6.65	4.38	10.01	7.55	11.62
Total Income	5,847.67	5,786.59	6,316.46	17,535.99	17,318.99	23,834.15
2 Expenses						
(a) Finance costs	1,870.24	1,868.11	2,051.64	5,723.12	5,801.21	7,857.55
(b) Fees and commission expense	357.91	296.42	299.65	853.91	796.45	1,104.79
(c) Impairment on financial instruments	1,244.95	1,634.99	816.96	4,520.47	1,939.98	3,805.15
(d) Employee benefits expense	612.43	461.18	649.66	1,556.21	1,732.05	2,294.56
(e) Depreciation and amortisation expenses	73.25	67.11	69.72	217.34	189.98	270.70
(f) Other expenses	267.12	273.24	429.58	873.66	1,256.00	1,693.27
Total expenses	4,425.90	4,601.05	4,317.21	13,744.71	11,715.67	17,026.02
3 Profit before tax (1-2)	1,421.77	1,185.54	1,999.25	3,791.28	5,603.32	6,808.13
4 Tax expense						
(a) Current tax	34.50	572.10	535.00	1,313.78	1,600.00	2,079.96
(b) Deferred tax (credit)/charge	338.69	(263.14)	(23.90)	(317.16)	13.77	(152.95)
Total tax expense	373.19	308.96	511.10	996.62	1,613.77	1,927.01
5 Profit after tax (3-4)	1,048.58	876.58	1,488.15	2,794.66	3,989.55	4,881.12
6 Other comprehensive income						
a (i) Items that will not be reclassified to profit or loss	26.14	(1.48)	(2.63)	40.90	(2.63)	(121.63)
(ii) Income tax related to items that will not be reclassified to profit or loss	(2.99)	0.17	0.66	(17.32)	(2.75)	27.20
b (i) Items that will be reclassified to profit or loss	26.58	(15.74)	8.00	(63.17)	28.04	(25.86)
(ii) Income tax related to items that will be reclassified to profit or loss	(6.69)	3.95	(2.02)	15.89	(6.94)	6.63
Total other comprehensive income, net of tax	43.04	(13.10)	4.01	(23.70)	15.72	(113.66)
7 Total comprehensive income for the period (5+6)	1,091.62	863.48	1,492.16	2,770.96	4,005.27	4,767.46
8 Paid-up equity share capital (Face value of ₹ 2)				120.18	119.97	119.99
9 Other equity				34,623.63	31,631.51	31,693.22
10 Earnings per share (not annualised)						
Basic (₹)	17.45	14.60	25.19	46.54	68.56	83.25
Diluted (₹)	17.33	14.52	25.01	46.21	68.03	82.60



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Corporate ID No.:
L65910MH1987PLC042961

www.bajajfinserv.in/finance



Bajaj Finance Limited

Statement of unaudited Standalone financial results for the Quarter and Nine months ended 31 December 2020

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 20 January 2021 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 pari 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.
- 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 Company's business operations during the nine months ended 31 December 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 during this period. 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 Company 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 Company, as a matter of prudence, has written off principal and interest amounts (including capitalised interest) of ₹ 1,970 crore and ₹ 365 crore respectively, of potentially unrecoverable loans, which were under moratorium, by utilising the available expected credit loss provision (including management overlay). Post such write off, the Company holds a management overlay of ₹ 660 crore as at 31 December 2020.

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 Sharma 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.
- The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and 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 will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.
- 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.

Pune
20 January 2021



By order of the Board of Directors
For Bajaj Finance Limited

Rajeev Jain
Rajeev Jain
Managing Director

CIN : L65910MH1987PLC042961

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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 December 31, 2020 and year to date from April 1, 2020 to December 31, 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.



SRBC & COLLP

Chartered Accountants

Bajaj Finance Limited

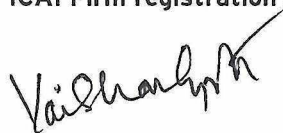
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6. We draw attention to note 6 to the Statement, which describes the uncertainty caused by COVID-19 pandemic with respect to the Group's estimates of impairment of loans to customers and that such estimates may be affected by the severity and duration 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: 21213935AAAAAK9815

Pune

January 20, 2021

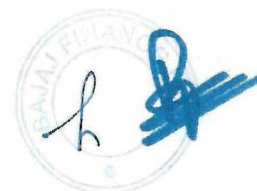
BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of unaudited Consolidated financial results for the Quarter and Nine months ended 31 December 2020

(₹ In Crore)

	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2020 (Reviewed)	30.09.2020 (Reviewed)	31.12.2019 (Reviewed)	31.12.2020 (Reviewed)	31.12.2019 (Reviewed)	31.03.2020 (Audited)
1	Income						
	(a) Revenue from operations						
	Interest income	5,722.46	5,763.09	6,103.70	17,278.75	16,668.13	22,970.39
	Fees and commission income	680.91	574.65	687.15	1,827.71	1,894.04	2,590.95
	Net gain on fair value changes	138.75	137.28	142.69	540.33	361.51	537.49
	Sale of services	72.48	1.94	39.95	79.70	108.49	124.27
	Other operating income	41.52	36.20	46.08	90.99	115.05	150.70
	Total revenue from operations	6,656.12	6,513.16	7,019.57	19,817.48	19,147.22	26,373.80
	(b) Other income	2.35	6.74	4.37	10.63	7.58	11.83
	Total income	6,658.47	6,519.90	7,023.94	19,828.11	19,154.80	26,385.63
2	Expenses						
	(a) Finance costs	2,362.68	2,358.14	2,489.03	7,218.45	6,925.81	9,473.21
	(b) Fees and commission expense	344.53	280.32	286.87	810.55	760.75	1,056.37
	(c) Impairment on financial instruments	1,351.67	1,700.41	830.75	4,737.81	1,975.72	3,929.48
	(d) Employee benefits expense	678.43	514.39	721.12	1,730.34	1,931.01	2,549.08
	(e) Depreciation and amortisation expenses	79.64	71.52	75.62	235.38	209.32	294.63
	(f) Other expenses	287.01	289.65	450.48	925.91	1,308.27	1,760.74
	Total expenses	5,103.96	5,214.43	4,853.87	15,658.44	13,110.88	19,063.51
3	Profit before tax (1-2)	1,554.51	1,305.47	2,170.07	4,169.67	6,043.92	7,322.12
4	Tax expense						
	(a) Current tax	86.76	618.82	571.35	1,458.61	1,694.52	2,205.25
	(b) Deferred tax (credit)/charge	321.77	(278.23)	(15.39)	(362.12)	33.75	(146.88)
	Total tax expense	408.53	340.59	555.96	1,096.49	1,728.27	2,058.37
5	Profit after tax (3-4)	1,145.98	964.88	1,614.11	3,073.18	4,315.65	5,263.75
6	Other comprehensive income						
	a (i) Items that will not be reclassified to profit or loss	26.14	(1.48)	(2.63)	40.90	(2.63)	(123.62)
	(ii) Income tax related to items that will not be reclassified to profit or loss	(2.99)	0.17	0.66	(17.32)	(2.75)	27.59
	b (i) Items that will be reclassified to profit or loss	26.58	(15.74)	8.00	(63.17)	28.04	(25.86)
	(ii) Income tax related to items that will be reclassified to profit or loss	(6.69)	3.95	(2.02)	15.89	(6.94)	6.63
	Total other comprehensive income, net of tax	43.04	(13.10)	4.01	(23.70)	15.72	(115.26)
7	Total comprehensive income for the period (5+6)	1,189.02	951.78	1,618.12	3,049.48	4,331.37	5,148.49
8	Paid-up equity share capital (Face value of ₹ 2)				120.18	119.97	119.99
9	Other equity				35,416.59	32,091.00	32,207.64
10	Earnings per share (not annualised)						
	Basic (₹)	19.08	16.07	27.32	51.18	74.17	89.77
	Diluted (₹)	18.94	15.98	27.12	50.82	73.59	89.07



BAJAJ FINANCE LIMITED

Bajaj Finance Limited

Statement of unaudited Consolidated financial results for the Quarter and Nine months ended 31 December 2020

Notes:

1 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

2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 20 January 2021 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).

3 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.

4 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.

5 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.

6 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 nine months ended 31 December 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 during this period. 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, as a matter of prudence, has written off principal and interest amounts (including capitalised interest) of ₹ 1,970 crore and ₹ 365 crore respectively, of potentially unrecoverable loans, which were under moratorium, by utilising the available expected credit loss provision (including management overlay). Post such write off, the Group holds a management overlay of ₹ 800 crore as at 31 December 2020.

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.

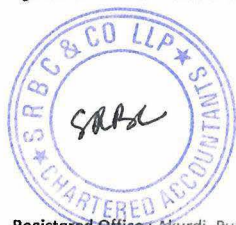
7 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated 3 September 2020 ('interim order'), has directed that accounts which were not declared NPA till 31 August 2020 shall not be declared as NPA till further orders. Basis the said 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.

8 The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and 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 Figures for the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.

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

Pune
20 January 2021



By order of the Board of Directors
For Bajaj Finance Limited

Rajeev Jain
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

PRESS RELEASE

Financial results for Q3 FY21

Bajaj Finance reports quarterly consolidated profit after tax of ₹ 1,146 crore for the quarter ended 31 December 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 31 December 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	- ₹ 143,550 crore	v/s	₹ 145,092 crore
Consolidated profit after tax	- ₹ 1,146 crore	v/s	₹ 1,614 crore

CONSOLIDATED PERFORMANCE HIGHLIGHTS – Q3 FY21

- **New loans booked** during Q3 FY21 were 6.04 million as against 7.67 million in Q3 FY20.
- **Customer franchise** as of 31 December 2020 stood at 46.31 million as against 40.38 million as of 31 December 2019. The Company acquired 2.19 million new customers in Q3 FY21 as compared to 2.46 million in Q3 FY20.
- **Assets under management (AUM)** as of 31 December 2020 was ₹ 143,550 crore as against ₹ 145,092 crore as of 31 December 2019.
- **Liquidity surplus** as of 31 December 2020 stood at ₹ 14,347 crore as against ₹ 11,384 crore as of 31 December 2019. The cost of liquidity surplus for Q3 FY21 was ₹ 213 crore as compared to ₹ 83 crore in Q3 FY20.
- **Net Interest Income (NII)** for Q3 FY21 was ₹ 4,296 crore as against ₹ 4,535 crore in Q3 FY20. NII for the quarter was lower by ₹ 239 crore as compared to Q3 FY20. This was predominantly due to higher reversal of interest income at ₹ 450 crore versus ₹ 83 crore in Q3 FY20 and higher cost of liquidity surplus at ₹ 213 crore versus ₹ 83 crore in Q3 FY20.
- **Total operating expenses to net interest income** for Q3 FY21 was 32.3% as against 33.8% in Q3 FY20. Total operating expenses for the quarter was lower by ₹ 145 crore (or 9%) to ₹ 1,389 crore despite increase in recovery cost by ₹ 58 crore. This reduction in operating expenses was on account of lower business volumes as well as measures taken to reduce operating expenses.
- **Loan losses and provisions** for Q3 FY21 was ₹ 1,352 crore as against ₹ 831 crore in Q3 FY20. During the quarter, the company has done one time write-off of principal outstanding of ₹ 1,970 crore and interest outstanding of ₹ 365 crore on account of COVID-19 related stress. The Company holds a management overlay provision of ₹ 800 crore as of 31 December 2020 for COVID-19 related stress.
- **Profit before tax** for Q3 FY21 was ₹ 1,555 crore as against ₹ 2,170 in Q3 FY20.
- **Profit after tax** for Q3 FY21 was ₹ 1,146 crore as against ₹ 1,614 crore in Q3 FY20.

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- **Gross NPA and Net NPA** as of 31 December 2020 stood at 0.55% and 0.19% respectively, as against 1.61% and 0.70% as of 31 December 2019. The provisioning coverage ratio as of 31 December 2020 was 65%. Provisioning coverage on stage 1 and 2 assets was 190 bps as of 31 December 2020.

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 order. 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 2.86% and 1.22% respectively.

- **Capital adequacy ratio** (including Tier-II capital) as of 31 December 2020 stood at 28.18%. The Tier-I capital stood at 24.73%.
- The Company has received RBI approval for issuance of cobranded credit card in association with DBS Bank (India) Limited.

A – Breakup of consolidated AUM and deposits book

(₹ In Crore)

AUM	As of 31 December 2020			Consolidated as of 31 December 2019	Growth
	BFL Standalone	BHFL	BFL Consolidated		
Consumer B2B	22,892	-	22,892	27,136	(16)%
Consumer B2C	28,060	981	29,042	29,380	(1)%
Rural B2B	2,438	-	2,438	2,708	(10)%
Rural B2C	10,954	-	10,954	9,957	10%
SME lending	18,717	165	18,882	18,702	1%
Commercial lending	12,487	-	12,584	13,017	(3)%
Mortgage lending	14,050	34,346	46,758	44,192	6%
Total AUM	109,598	35,492	143,550	145,092	(1)%

Deposits	As of 31 December 2020	As of 31 December 2019	Growth
Deposits book	23,777	20,235	18%

@ Approximately 19% of the consolidated borrowings and 24% of the standalone borrowings.



B – Summary of consolidated financial results

(₹ In Crore)

Particulars	Q3'21	Q3'20	QoQ	9m'21	9m'20	9Mo9M	FY'20
New loans booked (numbers in million)	6.04	7.67	(21)%	11.41	21.41	(47)%	27.44
Assets under management	143,550	145,092	(1)%	143,550	145,092	(1)%	147,153
Receivables under financing activity	137,920	139,561	(1)%	137,920	139,561	(1)%	141,376
Interest income	5,723	6,104	(6)%	17,279	16,668	4%	22,970
Fees, commission and other income	797	777	3%	2,009	2,125	(5)%	2,879
Net gain on fair value changes on investments	139	143	(3)%	540	362	49%	537
Total income	6,659	7,024	(5)%	19,828	19,155	4%	26,386
Interest expenses	2,363	2,489	(5)%	7,218	6,926	4%	9,473
Net interest income (NII)	4,296	4,535	(5)%	12,610	12,229	3%	16,913
Total operating expenses	1,389	1,534	(9)%	3,702	4,209	(12)%	5,662
Loan losses and provisions	1,352	831	63%	4,738	1,976	140%	3,929
- on stage 1 and 2	(2,391)	203	(1,278)%	409	462	(11)%	1,318
- on stage 3 and write off	3,743	628	496%	4,329	1,514	186%	2,611
Profit before tax	1,555	2,170	(28)%	4,170	6,044	(31)%	7,322
Profit after tax	1,146	1,614	(29)%	3,073	4,316	(29)%	5,264

STANDALONE PERFORMANCE HIGHLIGHTS

- **Assets under management (AUM)** as of 31 December 2020 was ₹ 109,598 crore as against ₹ 116,460 crore as of 31 December 2019.
- **Net Interest Income (NII)** for Q3 FY21 was ₹ 3,977 crore as against ₹ 4,265 crore in Q3 FY20. NII for the quarter was lower by ₹ 288 crore as compared to Q3 FY20. This was predominantly due to higher reversal of interest income at ₹ 456 crore versus ₹ 82 crore in Q3 FY20 and higher cost of liquidity surplus at ₹ 193 crore versus ₹ 72 crore in Q3 FY20.
- **Loan losses and provisions** for Q3 FY21 was ₹ 1,245 crore as against ₹ 817 crore in Q3 FY20. During the quarter, the company has done one time write-off of principal outstanding of ₹ 1,970 crore and interest outstanding of ₹ 365 crore on account of COVID-19 related stress.
- **Profit after tax** for Q3 FY21 was ₹ 1,049 crore as against ₹ 1,488 crore in Q3 FY20.



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C - Summary of standalone financial results of Bajaj Finance Limited

(₹ In Crore)

Particulars	Q3'21	Q3'20	QoQ	9M'21	9M'20	9Mo9M	FY'20
New loans booked (numbers in million)	6.00	7.64	(21)%	11.36	21.34	(47)%	27.35
Assets under management	109,598	116,460	(6)%	109,598	116,460	(6)%	116,102
Receivables under financing activity	107,056	113,601	(6)%	107,056	113,601	(6)%	113,417
Interest income	4,973	5,486	(9)%	15,141	15,052	1%	20,668
Fees, commission and other income	745	709	5%	1,908	1,952	(2)%	2,706
Net gain on fair value changes on Investments	129	121	7%	487	315	55%	460
Total income	5,847	6,316	(7)%	17,536	17,319	1%	23,834
Interest expenses	1,870	2,051	(9)%	5,723	5,801	(1)%	7,857
Net interest income (NII)	3,977	4,265	(7)%	11,813	11,518	3%	15,977
Total operating expenses	1,310	1,449	(10)%	3,502	3,975	(12)%	5,364
Loan losses and provisions	1,245	817	52%	4,520	1,940	133%	3,805
- on stage 1 and 2	(2,463)	198	(1,344)%	229	445	(49)%	1,233
- on stage 3 and write off	3,708	619	499%	4,291	1,495	187%	2,572
Profit before tax	1,422	1,999	(29)%	3,791	5,603	(32)%	6,808
Profit after tax	1,049	1,488	(30)%	2,795	3,990	(30)%	4,881

PERFORMANCE HIGHLIGHT OF SUBSIDIARIES

Bajaj Housing Finance Limited

- **Assets under management (AUM)** as of 31 December 2020 **grew by 18%** to ₹ 35,492 crore from ₹ 30,035 crore as of 31 December 2019.
- **Net Interest Income** for Q3 FY21 was **up 15%** to ₹ 329 crore as against ₹ 285 crore in Q3 FY20.
- **Loan losses and provisions** for Q3 FY21 was ₹ 107 crore as against ₹ 14 crore in Q3 FY20.
- **Profit after tax** for Q3 FY21 was ₹ 99 crore as against ₹ 131 crore in Q3 FY20.
- **Gross NPA and Net NPA** as of 31 December 2020 stood at 0.06% and 0.03% respectively, as against 0.07% and 0.05% as of 31 December 2019. The provisioning coverage ratio as of 31 December 2020 was 40%. Provisioning coverage on stage 1 and 2 assets was 93 bps as of 31 December 2020.
- **Capital adequacy ratio** (including Tier-II capital) as of 31 December 2020 stood at 24.94%



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

(₹ In Crore)

Particulars	Q3'21	Q3'20	QoQ	9m'21	9m'20	9Mo9M	FY'20
Assets under management	35,492	30,035	18%	35,492	30,035	18%	32,705
Receivables under financing activity	30,772	25,961	19%	30,772	25,961	19%	27,975
Interest income	747	620	20%	2,134	1,616	32%	2,303
Fees, commission and other income	65	81	(20)%	130	212	(39)%	269
Net gain on fair value changes on Investments	9	22	(59)%	51	44	16%	74
Total Income	821	723	14%	2,315	1,872	24%	2,646
Interest Expenses	492	438	12%	1,495	1,125	33%	1,616
Net Interest Income (NII)	329	285	15%	820	747	10%	1,030
Operating Expenses	87	96	(9)%	231	266	(13)%	339
Loan losses and provisions	107	14	664%	217	36	503%	124
- on stage 1 and 2	72	6	1,100%	180	18	900%	86
- on stage 3 and write off	35	8	338%	37	18	106%	38
Profit before tax	135	175	(23)%	372	445	(16)%	567
Profit after tax	99	131	(24)%	274	331	(17)%	421

Bajaj Financial Securities Limited (BFinsec)

- Total Income for Q3 FY21 was ₹ 7.66 crore.
- BFinsec made a net profit of ₹ 0.67 crore in Q3 FY21.



Pune
20 January 2021

For Bajaj Finance Limited

Rajeev Jain
Rajeev Jain
Managing Director