

21 July 2021

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

Subject: Submission of unaudited standalone and consolidated financial results for the quarter ended 30 June 2021 - Regulation 30

Dear Sir/Madam,


In terms of the provisions of Regulation 30 (read with Part A of Schedule III) and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we enclose the following statements for the quarter ended 30 June 2021, which were approved and taken on record at the meeting of the Board of Directors held today, 21 July 2021:

- Unaudited standalone and consolidated financial results of the Company prepared as per Indian Accounting Standard (Ind AS) for the quarter ended 30 June 2021;
- Limited Review Reports for unaudited standalone and consolidated financial results for the quarter ended 30 June 2021; and
- Press release.

The meeting commenced at 11:00 a.m. and concluded at 12.10 p.m.

Thanking you,

Yours faithfully,
For Bajaj Finserv Limited



Sonal R Tiwari
Company Secretary
Email id- investors@bajajfinserv.in



Encl: as above

Bajaj Finserv Limited

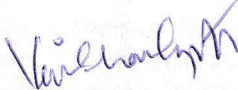
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Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The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

1. We have reviewed the accompanying statement of unaudited standalone financial results of Bajaj Finserv Limited (the "Company") for the quarter ended June 30, 2021 (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.

For SRBC & CO LLP
Chartered Accountants

ICAI Firm registration number: 324982E/E300003

per **Vaibhav Kumar Gupta**
Partner

Membership No.: 213935

UDIN: 21213935AAAAEF2562



Place: Pune

Date: July 21, 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 unaudited financial results for the quarter ended 30 June 2021

(₹ In Crore)

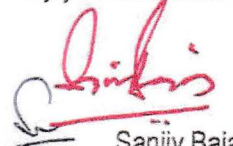
Particulars	Quarter ended			Year ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	(Reviewed)	(Audited)	(Reviewed)	(Audited)
1 Income				
Interest income	16.73	13.90	17.78	61.59
Dividend income	-	232.79	-	232.79
Rental income	0.48	0.48	0.53	1.98
Windpower income	4.95	2.37	7.82	23.94
Net gain on fair value changes	0.73	1.16	1.50	3.43
Total revenue from operations	22.89	250.70	27.63	323.73
Other income	17.93	17.09	10.31	68.30
Total income	40.82	267.79	37.94	392.03
2 Expenses				
Employee benefits expenses	28.50	27.56	22.47	101.88
Depreciation, amortisation and impairment	1.20	1.25	1.13	4.68
Other expenses	10.59	8.08	11.15	40.37
Total expenses	40.29	36.89	34.75	146.93
3 Profit before tax (1-2)	0.53	230.90	3.19	245.10
4 Tax expense				
Current tax	0.14	64.76	1.62	67.84
Deferred tax	0.02	(2.56)	0.53	(1.52)
Total tax expense	0.16	62.20	2.15	66.32
5 Profit after tax (3-4)	0.37	168.70	1.04	178.78
6 Other comprehensive income, net of tax				
(a) Items that will not be reclassified to profit or loss	(0.07)	0.51	(0.07)	0.30
(b) Items that will be reclassified to profit or loss	-	-	-	-
Total other comprehensive income, net of tax	(0.07)	0.51	(0.07)	0.30
7 Total comprehensive income (5+6)	0.30	169.21	0.97	179.08
8 Paid-up equity share capital (Face value of ₹ 5)	79.57	79.57	79.57	79.57
9 Other equity				3,721.35
10 Earnings per share (₹) (not annualised)				
Basic	0.0	10.6	0.1	11.2
Diluted	0.0	10.6	0.1	11.2



Notes :

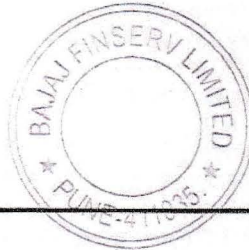
1. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 21 July 2021 and subjected to a limited review by the statutory auditors.
2. Figures for previous year / period have been regrouped wherever necessary.

By order of the Board of Directors
For Bajaj Finserv Limited



Sanjiv Bajaj
Chairman & Managing Director

Pune
21 July 2021



Independent Auditor's Review Report on the Quarterly 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 Finserv Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Bajaj Finserv Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and joint venture for the quarter ended June 30, 2021 (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:
 - 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 (formerly known as Bajaj Financial Holdings Limited)
 - g. Bajaj Allianz Financial Distributors Limited (Joint Venture, including its wholly owned subsidiary Bajaj Allianz Staffing Solutions Limited)
 - h. Bajaj Finserv Health Limited
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Ind AS 34 prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to note 3 to the Statement, relating to the consolidated financial results of Bajaj Finance Limited, a subsidiary of the Holding Company, which describes the uncertainty continued to be caused by the COVID-19 pandemic and related events which could impact Bajaj Finance Limited's estimates of impairment of loans to its customers. Our conclusion is not modified in respect of this matter.



7. a) The auditors of Bajaj Allianz Life Insurance Company Limited ('BALIC'), a subsidiary, have reported that the actuarial valuation of liabilities of BALIC for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at June 30, 2021 is the responsibility of 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 June 30, 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 and Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with IRDAI. BALIC's auditors have relied upon the BALIC's Appointed Actuary's certificate for expressing their conclusion in this regard.

b) The auditors of Bajaj Allianz General Insurance Company Limited ('BAGIC'), a subsidiary, have reported that the actuarial valuation of liabilities for Incurred but not reported and Incurred but not enough reported claims of BAGIC as at June 30, 2021 is the responsibility of BAGIC's Appointed Actuary. The actuarial valuation of these liabilities has been duly certified by the BAGIC's Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with IRDAI, Ind AS 104 "Insurance Contracts" and Ind AS 109 "Financial Instruments". BAGIC's auditors have relied on the BAGIC's Appointed Actuary's certificate for expressing their conclusion in this regard.

Our conclusion is not modified in respect of these matters.

8. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

- two subsidiaries, whose interim financial results and other financial information reflect total revenues of Rs.47.89 crore, total net loss after tax of Rs.46.61 crore and total comprehensive loss of Rs.46.62 crore for the quarter ended June 30, 2021; and
- one joint venture, whose interim financial results include Group's share of net loss of Rs.0.18 crore and Group's share of total comprehensive loss of Rs.0.18 crore for the quarter ended June 30, 2021.

The unaudited interim financial results and other unaudited financial information of these subsidiaries and joint venture have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries and joint venture is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 8 above is not modified with respect to our reliance on the financial results certified by the Management.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

Vaibhav Kumar Gupta

per Vaibhav Kumar Gupta

Partner

Membership No.: 213935

UDIN: 21213935AAAAEE6537



Place: Pune

Date: July 21, 2021



Bajaj Finserv Limited

CIN : L65923PN2007PLC130075

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

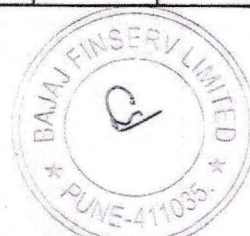
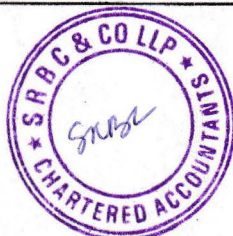
Corporate Office : Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014

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

Statement of consolidated unaudited financial results for the quarter ended 30 June 2021

(₹ In Crore)

	Particulars	Quarter ended			Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(Reviewed)	(Audited)	(Reviewed)	(Audited)
1	Income				
	Interest income	6,937.32	6,999.14	6,614.69	26,933.22
	Dividend income	39.31	20.85	12.90	87.50
	Rental income	1.17	0.81	1.40	4.94
	Fees and commission income	560.17	591.82	566.56	2,387.11
	Net gain on fair value change	543.40	137.98	1,893.87	4,828.31
	Sale of energy generated and services	54.13	112.09	24.14	283.76
	Premium and other operating income from insurance business	5,579.76	7,432.81	5,043.98	25,759.83
	Others	234.19	91.38	32.45	306.51
	Total revenue from operations	13,949.45	15,386.88	14,189.99	60,591.20
	Other income	-	0.37	2.02	0.37
	Total income	13,949.45	15,387.25	14,192.01	60,591.57
2	Expenses				
	Employee benefits expenses	1,238.31	1,460.49	993.56	4,698.34
	Finance costs	2,190.46	2,147.43	2,395.23	9,141.28
	Fees and commission expense	590.47	839.90	441.24	2,614.37
	Impairment of financial instruments - lending assets	1,750.32	1,230.77	1,685.73	5,968.58
	Impairment of financial instruments - investments	29.75	29.86	(3.92)	10.27
	Claims paid	2,774.45	3,861.24	2,105.76	11,864.43
	Reinsurance ceded	923.36	1,092.39	772.96	4,854.81
	Net change in insurance / investment contract liabilities	1,760.85	1,326.93	2,457.43	7,976.05
	Depreciation, amortisation and impairment	132.15	135.23	125.38	498.46
	Other expenses	792.05	904.69	650.31	3,102.46
	Total expenses	12,182.17	13,028.93	11,623.68	50,729.05
3	Share of profit/(loss) of joint venture	(0.18)	0.18	(0.25)	(0.18)
4	Profit before tax (1-2+3)	1,767.10	2,358.50	2,568.08	9,862.34
5	Tax expense				
	Current tax	578.79	409.64	952.83	2,322.24
	Deferred tax	(244.34)	203.82	(306.97)	172.72
	Total tax expense	334.45	613.46	645.86	2,494.96
6	Profit after tax (4-5)	1,432.65	1,745.04	1,922.22	7,367.38
7	Profit attributable to non-controlling interests	599.88	765.98	707.07	2,896.92
8	Profit for the period (6-7)	832.77	979.06	1,215.15	4,470.46
9	Other comprehensive income, net of tax				
	(a) Items that will not be reclassified to profit or loss	10.49	(28.73)	(0.16)	(5.39)
	(b) Items that will be reclassified to profit or loss	(265.08)	(640.29)	478.07	(161.14)
	Total other comprehensive income, net of tax	(254.59)	(669.02)	477.91	(166.53)
10	Total comprehensive income (6+9)	1,178.06	1,076.02	2,400.13	7,200.85
11	Profit attributable to:				
	Owners of the company	832.77	979.06	1,215.15	4,470.46
	Non-controlling interests	599.88	765.98	707.07	2,896.92
12	Total comprehensive income attributable to:				
	Owners of the company	646.18	492.14	1,580.16	4,360.32
	Non-controlling interests	531.88	583.88	819.97	2,840.53
13	Paid-up equity share capital (Face value of ₹ 5)	79.57	79.57	79.57	79.57
14	Other equity				35,750.43
15	Earnings per share (₹) (not annualised)				
	Basic	52.3	61.5	76.4	280.9
	Diluted	52.3	61.5	76.4	280.9



Segment-wise revenue, results and capital employed

(₹ In Crore)

Particulars	Quarter ended			Year ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	(Reviewed)	(Audited)	(Reviewed)	(Audited)
1 Segment revenue				
Insurance				
Gross written premium				
Life insurance	2,515.48	4,501.32	1,699.68	12,024.84
General insurance	2,494.36	2,787.42	2,289.12	12,624.38
	5,009.84	7,288.74	3,988.80	24,649.22
Less: Premium for investment contracts of life insurance	261.48	590.47	294.23	1,796.60
Reserve for unexpired risk of general insurance	(215.07)	(71.31)	(279.97)	432.26
	4,963.43	6,769.58	3,974.54	22,420.36
Investment and other income(excluding accretions to unit linked holders)	2,311.90	1,837.30	3,666.80	11,755.92
Insurance total	7,275.33	8,606.88	7,641.34	34,176.28
Investments and others	83.76	311.71	41.59	480.19
Retail financing	6,743.00	6,854.94	6,649.74	26,683.05
Windmill	4.95	2.37	7.82	23.94
	14,107.04	15,775.90	14,340.49	61,363.46
Less : Inter-segment revenue	157.59	388.65	148.48	771.89
Total	13,949.45	15,387.25	14,192.01	60,591.57
2 Segment profit before tax				
Insurance				
Life insurance	(78.71)	162.69	460.98	1,383.22
General insurance	475.15	388.30	709.37	2,392.32
Insurance total	396.44	550.99	1,170.35	3,775.54
Investments and others	(117.57)	(103.26)	(58.97)	(304.75)
Retail financing	1,487.69	1,912.10	1,453.15	6,386.64
Windmill	0.54	(1.33)	3.55	4.91
Total profit before tax	1,767.10	2,358.50	2,568.08	9,862.34
3 Capital employed				
Segment assets				
Insurance				
Life insurance	78,975.63	76,141.23	64,932.42	76,141.23
General insurance	30,919.97	30,894.55	27,089.05	30,894.55
Insurance total	1,09,895.60	1,07,035.78	92,021.47	1,07,035.78
Investments and others	572.40	847.24	972.45	847.24
Retail financing	1,73,617.03	1,71,254.66	1,56,812.76	1,71,254.66
Windmill	35.25	33.89	35.16	33.89
Unallocable	34.12	46.85	30.26	46.85
Subtotal	2,84,154.40	2,79,218.42	2,49,872.10	2,79,218.42
Segment liabilities				
Insurance				
Life insurance	69,708.74	66,651.70	55,200.89	66,651.70
General insurance	23,671.72	23,931.41	20,862.89	23,931.41
Insurance total	93,380.46	90,583.11	76,063.78	90,583.11
Investments and others	118.22	117.50	65.55	117.50
Retail financing	2,893.60	2,919.01	2,968.42	2,919.01
Windmill	0.67	0.69	0.93	0.69
Unallocable	17.41	17.41	17.41	17.41
Subtotal	96,210.36	93,637.72	79,116.09	93,637.72
Capital employed				
Insurance				
Life insurance	9,266.89	9,489.53	9,731.53	9,489.53
General insurance	7,248.25	6,963.14	6,226.16	6,963.14
Insurance total	16,515.14	16,452.67	15,957.69	16,452.67
Investments and others	454.18	729.74	906.90	729.74
Retail financing	1,70,923.43	1,68,335.65	1,53,844.34	1,68,335.65
Windmill	34.58	33.20	34.23	33.20
Unallocable	16.71	29.44	12.85	29.44
Total	1,87,944.04	1,85,580.70	1,70,756.01	1,85,580.70



Notes :

1. The consolidated financial results include results of the following companies:

Name of the company	% shareholding and voting power of Bajaj Finserv Limited	Segment	Consolidated as
(a) Bajaj Allianz Life Insurance Company Limited	74%	Insurance - life	Subsidiary
(b) Bajaj Allianz General Insurance Company Limited	74%	Insurance - general	Subsidiary
(c) Bajaj Finance Limited*	52.65%	Retail financing	Subsidiary
(d) Bajaj Finserv Direct Limited	100%	Others	Subsidiary
(e) Bajaj Finserv Health Limited	100%	Others	Subsidiary
(f) Bajaj Allianz Financial Distributors Limited**	50%	Others	Joint venture

* The consolidated financial results of Bajaj Finance Limited include 100% interest in both, Bajaj Housing Finance Limited and Bajaj Financial Securities Limited as a subsidiary.

** The consolidated financial results of Bajaj Allianz Financial Distributors Limited include 100% interest in Bajaj Allianz Staffing Solutions Limited.

2. Key standalone financial information is given below:

(₹ In Crore)

Particulars	Quarter ended			Year ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	(Reviewed)	(Audited)	(Reviewed)	(Audited)
Total income	40.82	267.79	37.94	392.03
Profit before tax	0.53	230.90	3.19	245.10
Profit after tax	0.37	168.70	1.04	178.78

3. In addition to moratorium and resolution plans offered to its customers in accordance with the Reserve Bank of India ('RBI') guidelines in the previous year, during the quarter, Bajaj Finance Limited, together with its subsidiary, Bajaj Housing Finance Limited has further offered resolution plan to its customers pursuant to RBI's guideline 'Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' dated 5 May 2021.

As a matter of prudence, potentially unrecoverable loans which were under moratorium comprising of principal outstanding of ₹ 113.11 crore for the quarter ended 30 June 2021, and corresponding interest outstanding (including interest capitalized) of ₹ 29.57 crore have been written off by utilizing the available expected credit loss (ECL) provision including management overlay.

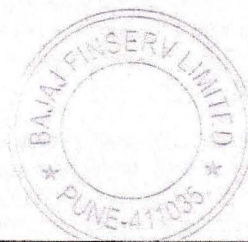
Bajaj Finance Limited holds a management overlay of ₹ 483 crore as at 30 June 2021.

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.

4. 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.

5. The above results have been reviewed by the Audit Committee, approved by the Board of Directors in the meeting held on 21 July 2021 and subjected to a limited review by the statutory auditors.

6. 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
21 July 2021

Press release

Financial results – Q1 FY22

A meeting of the Board of Directors of Bajaj Finserv Limited was held today i.e. 21 July 2021 to consider and approve the results for Q1 FY22.

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

After a brief recovery in Q4 of FY21, economic conditions worsened in Q1 FY22 as the second wave of COVID spread across the country accompanied by localised lockdowns in many states. Sales of consumer durables and motor vehicles were affected in many states and, consequently, risk levels remained elevated in the quarter.

Under these challenging times, our businesses focussed on managing risk with a calibrated approach to growth. The life insurance business, in particular recorded strong growth in Q1 FY22, well above the industry growth.

1. Highlights - Q1 FY22 v/s Q1 FY21 (under Indian Accounting Standard except general and life insurance)

✓ Consolidated total income	- ₹ 13,949 crore	v/s ₹ 14,192 crore
✓ Consolidated profit after tax*	- ₹ 833 crore	v/s ₹ 1,215 crore
✓ Bajaj Finance, consolidated profit after tax	- ₹ 1,002 crore	v/s ₹ 962 crore
✓ General insurance, profit after tax	- ₹ 362 crore	v/s ₹ 395 crore
✓ Life insurance, shareholders' profit after tax	- ₹ 84 crore	v/s ₹ 130 crore

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

*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. Unrealised Mark-to-market gain on investments (post tax) included in consolidated profit was ₹ 25 crore for Q1 FY22 v/s ₹ 330 crore for Q1 FY21. During Q1 FY21, equity markets had recorded very strong growth after steep fall in Q4 of FY20.

Bajaj Finserv Limited

Significant items included in consolidated financials - Q1 FY22

- i) Loan losses and provisions for BFL in Q1 FY22 including expected credit loss was ₹ 1,750 crore v/s ₹ 1,686 crore in Q1 FY21. BFL holds a management overlay and macro provision of ₹ 483 crore as of 30 June 2021.
- ii) BAGIC results include pre-tax impact of COVID-19 claims of ₹ 283 crore in Q1 FY22 v/s ₹ 14 crore in Q1 FY21 (post tax impact on BFS Q1 FY22 profit ₹ 157 crore).
- iii) BALIC results include pre-tax impact of COVID-19 claims of ₹ 288 crore in Q1 FY22 v/s ₹ 1 crore in Q1 FY21 and reversal of tax provision on the basis of favourable income tax orders for earlier years of ₹ 161 crore in Q1 FY22 (net post tax impact on BFS Q1 FY22 profit ₹ 70 crore).

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 Q1 FY22 stood at ₹ **6,743 crore** v/s ₹ 6,650 crore in Q1 FY21.
- ii) Profit after tax for Q1 FY22 increased by 4% YoY to ₹ 1,002 crore v/s ₹ 962 crore in Q1 FY21. Pre-provision profitability remained strong and adequate to cover expected credit losses.
- iii) Assets Under Management (AUM) as at 30 June 2021 was ₹ 159,057 crore v/s ₹ 138,055 crore as at 30 June 2020 - an **increase** of 15%. This includes AUM of ₹ 40,941 crore of its housing finance subsidiary, BHFL, which recorded a growth of 24% over the AUM as on 30 June 2020.
- iv) Gross NPA and Net NPA (ECL Stage 3), recognized as per extant RBI prudential norms and provisioned applying the expected credit loss (ECL) method prescribed in Ind AS, as of 30 June 2021 stood at 2.96% and 1.46% respectively.
- v) Capital adequacy ratio (including Tier-II capital) as of 30 June 2021 stood at **28.57%**. The Tier-I capital stood at 25.41%.

For Bajaj Housing Finance Limited (BHFL), a 100% mortgage subsidiary of BFL, the capital adequacy ratio (including Tier-II capital) stood at **22.07%**.

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

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

- i) Gross written premium for Q1 FY22 **increased** by 9% to ₹ **2,494 crore** v/s ₹ 2,289 crore in Q1 FY21. BAGIC did not write any crop insurance business during the quarter.
- ii) Net earned premium for Q1 FY22 was ₹ **1,815 crore** v/s ₹ 1,818 crore in Q1 FY21.
- iii) Claim ratio increased to 75.9% in Q1 FY22 v/s 68.1% in Q1 FY21, mainly due to 14.8% higher COVID claim ratio.
- iv) Combined ratio stood at 103.4% in Q1 FY22 v/s 97.6% in Q1 FY21.
- v) Underwriting profit stood at ₹ **15 crore** for Q1 FY22 v/s ₹ 175 crore in Q1 FY21, despite higher COVID-19 claims.
- vi) Investment and other income (net) for Q1 FY22 increased by 34% to ₹ **470 crore** v/s ₹ 352 crore in Q1 FY21.

- vii) Profit after tax for Q1 FY22 stood at ₹ 362 crore v/s ₹ 395 crore in Q1 FY21.
- viii) As on 30 June 2021, the solvency ratio was 340%, which is well above the minimum regulatory requirement of 150%.
- ix) Assets Under Management (AUM), represented by cash and investments as on 30 June 2021 stood at ₹ 23,505 crore v/s ₹ 19,611 crore as on 30 June 2020 – an increase of 20%.

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 Q1 FY22 was ₹ 1,296 crore v/s ₹ 742 crore in Q1 FY21 – an increase of 75%
 - a) Individual rated new business premium was ₹ 493 crore in Q1 FY22 v/s ₹ 331 crore in Q1 FY21 – an increase of 49%.
 - b) Group protection new business was ₹ 326 crore in Q1 FY22 v/s ₹ 89 crore in Q1 FY21. Q1 FY21 was impacted due to lower disbursements by Banks and NBFCs.
- ii) Renewal premium for Q1 FY22 was ₹ 1,220 crore v/s ₹ 958 crore in Q1 FY21 – an increase of 27%.
- iii) Gross written premium increased by 48% to ₹ 2,516 crore in Q1 FY22 v/s ₹ 1,700 crore in Q1 FY21.
- iv) Shareholders' profit after tax during Q1 FY22 stood at ₹ 84 crore v/s ₹ 130 crore in Q1 FY21, mainly due to COVID-19 claims.
- v) Solvency ratio stood at a healthy 648% as on 30 June 2021 as against the minimum regulatory requirement of 150%.
- vi) Assets Under Management (AUM), represented by total investments stood at ₹ 77,270 crore as on 30 June 2021 v/s ₹ 60,968 crore as on 30 June 2020 – an increase of 27%.

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

3. BFS approach on COVID-19

With signs of the second wave ebbing, all our businesses will pursue opportunities to grow while maintaining focus on risk. At the same time, we remain cognisant and vigilant of a possible third wave.

Backed by strong solvency, well above the required capital supported by healthy liquidity, continued focus on risk and collections, digitised processes and improved cost structures, we manoeuvre through these times.

S Sreenivasan

CFO

21 July 2021

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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 52.65% 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 and Bajaj Financial Securities Limited (BFinsec), which does broking business, are wholly-owned subsidiaries of Bajaj Finance Limited.

Bajaj Finserv Direct Limited (BFSD), which has a long term goal of creating a digital marketplace offering full range of financial products and Bajaj Finserv Health Limited (BFHL), which is a digital healthcare venture seeking to create a digital preventive, personalised and pre-paid health solution are wholly-owned subsidiaries of BFS.

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.

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

(₹ In Crore)		Q1 FY22	Q1 FY21	FY21
1	Income			
	Interest income	6,937.32	6,614.69	26,933.22
	Dividend income	39.31	12.90	87.50
	Rental income	1.17	1.40	4.94
	Fees and commission income	560.17	566.56	2,387.11
	Net gain on fair value change	543.40	1,893.87	4,828.31
	Sale of energy generated and services	54.13	24.14	283.78
	Premium and other operating income from insurance business	5,579.76	5,043.98	25,759.83
	Others	234.19	32.45	306.51
	Total revenue from operations	13,949.45	14,189.99	60,591.20
	Other income	-	2.02	0.37
	Total income	13,949.45	14,192.01	60,591.57
2	Expenses			
	Employee benefits expenses	1,238.31	993.56	4,698.34
	Finance costs	2,190.46	2,395.23	9,141.28
	Fees and commission expense	590.47	441.24	2,614.37
	Impairment of financial instruments - lending assets	1,750.32	1,685.73	5,968.58
	Impairment of financial instruments - investments	29.75	(3.92)	10.27
	Claims paid	2,774.45	2,105.76	11,864.43
	Reinsurance ceded	923.36	772.96	4,854.81
	Net change in insurance / investment contract liabilities	1,760.85	2,457.43	7,976.05
	Depreciation, amortisation and impairment	132.15	125.38	498.46
	Other expenses	792.05	650.31	3,102.46
	Total expenses	12,182.17	11,623.68	50,729.05
3	Share of profit/(loss) of joint venture	(0.18)	(0.25)	(0.18)
4	Profit before tax (1-2+3)	1,767.10	2,568.08	9,862.34
5	Tax expense			
	Current tax	578.79	952.83	2,322.24
	Deferred tax	(244.34)	(306.97)	172.72
	Total tax expense	334.45	645.86	2,494.96
6	Profit after tax (4-5)	1,432.65	1,922.22	7,367.38
7	Profit attributable to non-controlling interests	599.88	707.07	2,896.92
8	Profit for the period (6-7)	832.77	1,215.15	4,470.46
9	Other comprehensive income, net of tax			
	(a) Items that will not be reclassified to profit or loss	10.49	(0.16)	(5.39)
	(b) Items that will be reclassified to profit or loss	(265.08)	478.07	(161.14)
	Total other comprehensive income, net of tax	(254.59)	477.91	(166.53)
10	Total comprehensive income (6+9)	1,178.06	2,400.13	7,200.85
11	Profit attributable to:			
	Owners of the company	832.77	1,215.15	4,470.46
	Non-controlling interests	599.88	707.07	2,896.92
12	Total comprehensive income attributable to:			
	Owners of the company	646.18	1,580.16	4,360.32
	Non-controlling interests	531.88	819.97	2,840.53
13	Paid-up equity share capital (Face value of ₹ 5)	79.57	79.57	79.57
14	Other equity			35,750.43
15	Earnings per share (₹) (not annualised)			
	Basic	52.3	76.4	280.9
	Diluted	52.3	76.4	280.9

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

₹ In Crore	Q1 FY22	Q1 FY21	FY21
Total income	6,743	6,650	26,683
Interest expenses	2,254	2,498	9,414
Net interest income	4,489	4,152	17,269
Operating expenses	1,373	1,156	5,308
Loan losses and provisions*	1,750	1,686	5,969
Profit before tax	1,366	1,310	5,992
Profit after tax	1,002	962	4,420

*also referred as Impairment on financial assets

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

₹ In Crore	Q1 FY22	Q1 FY21	FY21
Gross written premium	2,494	2,289	12,624
Net earned premium	1,815	1,818	7,436
Underwriting result	15	175	237
Investment and other income (net)	470	352	1,532
Profit before tax	485	527	1,769
Profit after tax	362	395	1,330

Key ratios

Claim ratio	75.9%	68.1%	68.5%
Combined ratio	103.4%	97.6%	96.9%

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

₹ In Crore	Q1 FY22	Q1 FY21	FY21
New business premium	1,296	742	6,313
Individual rated new business premium*	493	331	2,468
Group protection new business premium	326	89	1,597
Renewal premium	1,220	958	5,712
Gross written premium	2,516	1,700	12,025
Shareholders' profit	196	182	649
Amount transferred from the policyholders' account to the shareholders' account (net)	(112)	(52)	(69)
Total shareholders' profit after tax	84	130	580

* Individual rated new business premium = 100% of Regular premium + 10% of Single premium policies sold.