

PRESS RELEASE

Financial results for Q1 FY23

- **Highest ever consolidated quarterly profit after tax of ₹ 2,596 crore in Q1 FY23**
- **Assets under management crossed a milestone of ₹ 200,000 crore in Q1 FY23 and stood at ₹ 204,018 crore as of 30 June 2022.**

A meeting of the Board of Directors of Bajaj Finance Limited (BFL) was held today to consider and approve the unaudited standalone and consolidated results for the quarter ended 30 June 2022.

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 - ₹ 204,018 crore v/s ₹ 159,057 crore ↑ **28%**
 Consolidated profit after tax - ₹ 2,596 crore v/s ₹ 1,002 crore ↑ **159%**

CONSOLIDATED PERFORMANCE HIGHLIGHTS - Q1 FY23

- **New loans booked** during Q1 FY23 **grew by 60%** to 7.42 million as against 4.63 million in Q1 FY22.
- **Customer franchise** stood at 60.30 million as of 30 June 2022 as compared to 50.45 million as of 30 June 2021, a growth of 20%. The Company recorded highest ever quarterly increase in its customer franchise of 2.73 million in Q1 FY23.
- **Assets under management (AUM) grew by 28%** to ₹ 204,018 crore as of 30 June 2022 from ₹ 159,057 crore as of 30 June 2021. Core AUM growth¹ in Q1 FY23 was ₹ 11,931 crore.
- **Net interest income** for Q1 FY23 **increased by 48%** to ₹ 6,638 crore from ₹ 4,489 crore in Q1 FY22.
- **Total operating expenses to net interest income** for Q1 FY23 was 35.9% as against 30.6% in Q1 FY22.
- **Loan losses and provisions** for Q1 FY23 was ₹ 755 crore as against ₹ 1,750 crore in Q1 FY22. The Company holds a management and macro-economic overlay of ₹ 1,000 crore as of 30 June 2022.
- **Profit before tax** for Q1 FY23 **increased by 156%** to ₹ 3,503 crore from ₹ 1,366 crore in Q1 FY22.
- **Profit after tax** for Q1 FY23 **increased by 159%** to ₹ 2,596 crore from ₹ 1,002 crore in Q1 FY22.
- **Gross NPA and Net NPA** as of 30 June 2022 stood at 1.25% and 0.51% respectively, as against 2.96% and 1.46% as of 30 June 2021. The Company has provisioning coverage ratio of 60% on stage 3 assets and 130 bps on stage 1 and 2 assets as of 30 June 2022.

¹ Core AUM growth = (AUM growth for the period – short tenor IPO financing book + additional COVID-19 overlay, if any)

- **Capital adequacy ratio** (including Tier-II capital) as of 30 June 2022 was 26.16%. The Tier-I capital was 23.84%.

A – Breakup of consolidated AUM and deposits book

(₹ in crore)

AUM	As of 30 June 2022				Consolidated as of 30 June 2021	Growth
	BFL Standalone	BHFL	BFinsec	BFL Consolidated		
Consumer B2B – Auto Finance	9,962	-	-	9,962	11,347	(12%)
Consumer B2B – Sales Finance	16,475	-	-	16,475	11,175	47%
Consumer B2C	39,654	1,553	-	41,207	31,399	31%
Rural B2B	4,564	-	-	4,564	2,914	57%
Rural B2C	16,740	-	-	16,740	12,537	34%
SME lending	26,516	148	-	26,564	20,335	31%
Commercial lending	12,040	-	-	12,040	9,011	34%
Loan against securities	10,060	-	741	10,801	6,290	72%
IPO Financing	-	-	-	-	2,942	
Mortgage lending	13,970	55,724	-	65,665	51,107	28%
Total AUM	149,981	57,425	741	204,018	159,057	28%
Total AUM net of IPO Financing	149,981	57,425	741	204,018	156,115	31%

Deposits	As of 30 June 2022			Consolidated as of 30 June 2021	Growth
	BFL Standalone	BHFL	BFL Consolidated		
Deposits	33,657	445	34,102	27,972	22%

® Approximately 20% of the consolidated borrowings and 26% of the standalone borrowings.

B – Summary of consolidated financial results

(₹ in crore)

Particulars	Q1'23	Q1'22	QoQ	FY'22
New loans booked (numbers in million)	7.42	4.63	60%	24.68
Assets under management	204,018	159,057	28%	197,452
Receivables under financing activity	198,352	153,143	30%	191,423
Interest income	7,920	5,954	33%	27,270
Fees, commission, and other income	1,317	688	91%	4,042
Net gain on fair value changes on investments	46	101	(55%)	328
Total income	9,283	6,743	38%	31,640
Interest expenses	2,645	2,254	17%	9,748
Net interest income	6,638	4,489	48%	21,892
Total operating expenses	2,380	1,373	73%	7,585
Loan losses and provisions	755	1,750	(57%)	4,803
Profit before tax	3,503	1,366	156%	9,504
Profit after tax	2,596	1,002	159%	7,028

STANDALONE PERFORMANCE HIGHLIGHTS
Bajaj Finance Limited – Q1 FY23

- **Assets under management grew by 25%** to ₹ 149,981 crore as of 30 June 2022 from ₹ 119,567 crore as of 30 June 2021.
- **Net interest income** for Q1 FY23 **increased by 48%** to ₹ 6,140 crore from ₹ 4,153 crore in Q1 FY22.
- **Loan losses and provisions** for Q1 FY23 was ₹ 748 crore as against ₹ 1,724 crore in Q1 FY22. The Company holds a management and macro-economic overlay of ₹ 780 crore as of 30 June 2022.
- **Profit after tax** for Q1 FY23 **increased by 179%** to ₹ 2,356 crore from ₹ 843 crore in Q1 FY22.

C - Summary of standalone financial results of Bajaj Finance Limited

(₹ in crore)				
Particulars	Q1'23	Q1'22	QoQ	FY'22
New loans booked (numbers in million)	7.36	4.56	61%	24.31
Assets under management	149,981	119,567	25%	146,743
Receivables under financing activity	147,679	117,372	26%	144,276
Interest income	6,828	5,171	32%	23,729
Fees, commission, and other income	1,291	663	95%	3,882
Net gain on fair value changes on investments	27	83	(67%)	260
Total income	8,146	5,917	38%	27,871
Interest expenses	2,006	1,764	14%	7,573
Net interest income	6,140	4,153	48%	20,298
Total operating expenses	2,216	1,280	73%	7,090
Loan losses and provisions	748	1,724	(57%)	4,622
Profit before tax	3,176	1,149	176%	8,586
Profit after tax	2,356	843	179%	6,350

PERFORMANCE HIGHLIGHT OF SUBSIDIARIES
Bajaj Housing Finance Limited – Q1 FY23

- **Assets under management grew by 40%** to ₹ 57,425 crore as of 30 June 2022 from ₹ 40,941 crore as of 30 June 2021.
- **Net interest income** for Q1 FY23 **increase by 77%** to ₹ 594 crore from ₹ 335 crore in Q1 FY22.
- **Loan losses and provisions** for Q1 FY23 was ₹ 7 crore as against ₹ 26 crore in Q1 FY22. BHFL holds a management and macro-economic overlay of ₹ 220 crore as of 30 June 2022.

- **Profit after tax** for Q1 FY23 **increased by 96%** to ₹ 316 crore from ₹ 161 crore in Q1 FY22.
- **Gross NPA and Net NPA** as of 30 June 2022 stood at 0.27% and 0.11% respectively, as against 0.28% and 0.18% as of 30 June 2021. BHFL has provisioning coverage ratio of 58% on stage 3 assets and 77 bps on stage 1 and 2 assets as of 30 June 2022.
- **Capital adequacy ratio** (including Tier-II capital) as of 30 June 2022 was 24.57%.

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

Particulars	(₹ in crore)			
	Q1'23	Q1'22	QoQ	FY'22
Assets under management	57,425	40,941	40%	53,322
Receivables under financing activity	50,039	35,762	40%	46,482
Interest income	1,072	777	38%	3,482
Fees, commission, and other income	136	29	369%	226
Net gain on fair value changes on Investments	15	16	(6%)	59
Total Income	1,223	822	49%	3,767
Interest expenses	629	487	29%	2,155
Net Interest Income (NII)	594	335	77%	1,612
Total operating expenses	159	91	75%	471
Loan losses and provisions	7	26	(73%)	181
Profit before tax	428	218	96%	960
Profit after tax	316	161	96%	710

Bajaj Financial Securities Limited (BFinsec)

- Customers acquired during Q1 FY23 were approximately 36,500. BFinsec's customer franchise as of 30 June 2022 was over 367,500.
- Margin trade financing (MTF) book stood at ₹ 741 crore as of 30 June 2022 as against ₹ 200 crore as of 30 June 2021.
- Total Income for Q1 FY23 was ₹ 38 crore as against ₹ 15 crore for Q1 FY22.
- BFinsec generated profit after tax of ₹ 1 crore for Q1 FY23 against loss of ₹ 3 crore for Q1 FY22.

For Bajaj Finance Limited

Pune
27 July 2022

Rajeev Jain
Managing Director