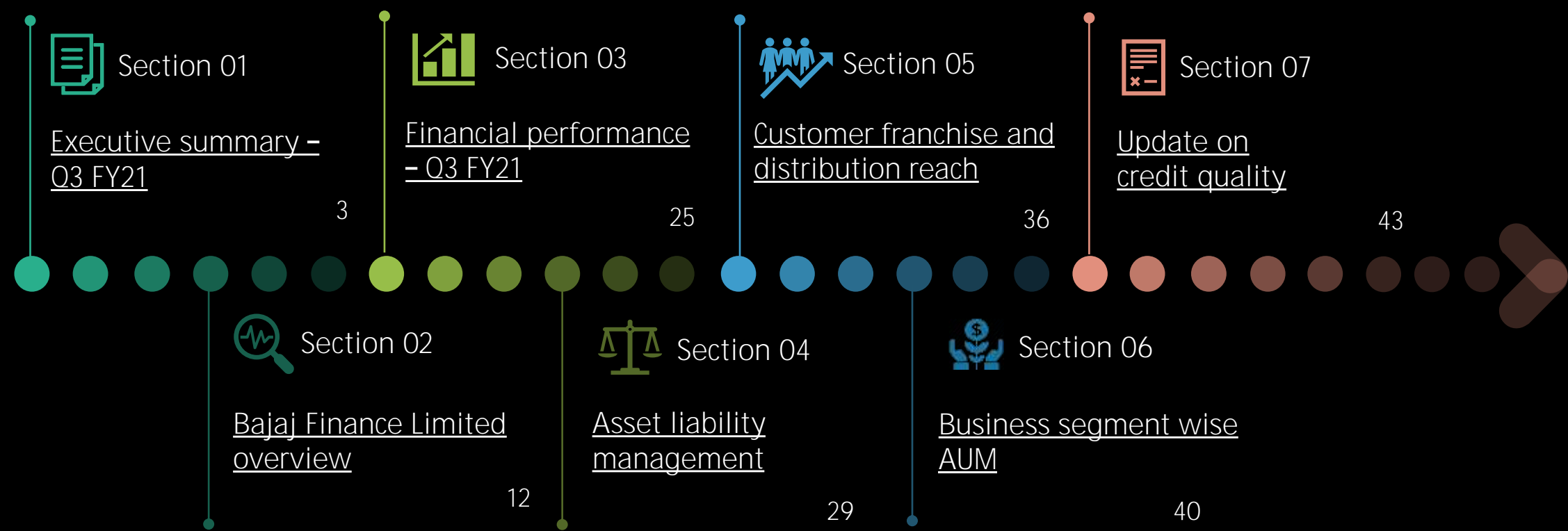




Bajaj Finance Limited

Q3 FY21 Investor Presentation

20 January 2021





Section 01

Executive summary – Q3 FY21

1.1

Quarter gone by

1.2

Executive summary on Q3 FY21

Quarter gone by

A quarter marked by granular business recovery, significant improvement in risk metrics, tracking implementation of business transformation plan and putting into motion a plan for pre-COVID growth and financial performance from Q1 FY22.



*Not annualized

* This NPA is based on Hon'ble Supreme Court's interim order of not classifying NPA.

Executive summary – Q3 FY21

Balance Sheet and Franchise:

1. Q3 AUM was at \$ 19,399 MM as against \$ 19,607 MM last year. Core AUM growth in Q3 FY21 was approximately \$ 1,081 MM (adjusted for IPO receivable of \$ 133 MM and higher ECL of \$ 70 MM) as compared to \$ 1,292 MM in Q3 FY20. The Company expects core AUM growth to resume to pre-COVID levels by Q4 FY21.
2. AUM growth is back across all businesses except auto finance. AUM growth was granular across all lines. The Company booked 6.04 MM new loans in Q3 FY21 as against 7.67 MM in Q3 FY20. Most businesses have started disbursing 85-**100% of last year's** volumes with incremental growth being observed every month.
3. In Q3, urban consumption businesses (B2B) were at 86%, rural consumption business (B2B) at 100%, credit card origination at **102%, ecommerce at 107% and auto finance business was at 62% of last year's volume.**
4. **In Q3, loan disbursements (B2C, SME, Rural B2C, Mortgages) were at 81% of last year's disbursements.**
5. Mortgages disbursement was at 90% of Q3 FY20 level. However, AUM growth for the quarter was \$ 104 MM as against \$ 500 MM in Q3 FY20 due to significant portfolio attrition caused by pricing pressures. The Company has taken pricing actions to revert to pre-COVID growth levels by Q4 / Q1.
6. Commercial business AUM grew by 15%. LAS business AUM de-grew by 22%.
7. The Company acquired 2.19 MM new customers in the current quarter v/s 2.46 MM in Q3 FY20. Total customer franchise stood at 46.31 MM as of 31 Dec 2020, a growth of 15% YoY. Cross sell franchise stood at 25.25 MM, a growth of 8% YoY.
8. Existing customers contributed to 64% of new loans booked during Q3 FY21 vs 68% in Q3 FY20.
9. Risk metrics of new volumes originated across businesses are tracking significantly better than pre-COVID-19 origination.
10. The Company has received RBI approval for issuance of cobranded credit card in association with DBS Bank (India) Limited.

NIM Metrics

11. Margin profile in all lines of businesses was steady at pre-COVID levels other than mortgages.
12. Net Interest Income (NII) for Q3 FY21 was \$ 581 MM as against \$ 613 MM in Q3 FY20. NII for the quarter was lower by \$ 32 MM compare to Q3 FY20. This was mainly caused by interest reversal of \$ 61 MM versus \$ 11 MM in Q3 FY20 and cost of surplus liquidity of \$ 29 MM against \$ 11 MM in Q3 FY20.

Liquidity Management

13. As of 31 Dec 2020, the Company had consolidated liquidity buffer of \$ 1,939 MM. This represents 11.6% of its total borrowing. Average consolidated liquidity buffer for the quarter was \$ 2,618 MM.
14. Given stable market conditions, the Company has brought down its liquidity buffer to 11.6% of its total borrowing as of 31 Dec 2020 from 21.9% as of 20 Oct 2020. The company will go back to its pre-COVID liquidity buffer of 7-8% of its borrowings by Mar'21. This will ensure that the cost of excess liquidity normalizes to pre-COVID levels in Q4.
15. In the last 45 days, as part of its strategy to reduce liquidity buffer and optimize cost of funds, the Company has made **prepayments of approximately \$ 892 MM. The Company's consolidated cost of fund for Q3 FY21 was 7.78% and is expected to go down to 7.5% by Mar'21.**
16. Deposits book stood at \$ 3,213 MM, a growth of 18% YoY. Its contribution to consolidated balance sheet was 19% as of 31 Dec 2020. The Company continued to attract sizable retail deposits in Q3. The Retail : Corporate mix stood at 76 : 24 in Q3 FY21 as against 61 : 39 in Q3 FY20 in line with its strategy of reducing its reliance on corporate deposits.

Operating expense management

17. Operating expenses for Q3 FY21 were \$ 188 MM, lower by 9% YoY despite \$ 8 MM increase in recovery costs. It was lower due to marginally lower business volumes and the measures taken to reduce operating expenses. Some of the opex measures have now been institutionalized to deliver sustained cost savings going forward.
18. The Company has rolled back some of the transient cost cuts (eg Employee costs) as it reverts to pre-COVID growth. However, business transformation should lead to structural reductions in call center costs, travel costs, advertising & promotion and employee trainings costs etc.

Credit Costs

19. Loan losses and provisions for Q3 FY21 was \$ 183 MM as against \$ 112 MM in Q3 FY20. During the quarter, the Company has also done one-time principal write-off of \$ 266 MM on account of COVID-19 related stress. The Company holds management overlay provision of \$ 108 MM as of 31 Dec 2020 for COVID-19 related stress.
20. Loan loss and provisions estimates for FY21 are based on lifetime loss estimates on account of COVID-19. This also means that the Company is accounting for additional losses that may otherwise occur in FY22.
21. FY22 onwards, the Company expects loan losses and provisions to revert to pre-COVID-19 levels of 160-170 bps of average assets. If recoveries are better in FY22, we may experience lower net loan loss to average assets.
22. The Company experienced continued improvement in portfolio quality in Q3. In Q3, Collection efficiencies in bucket 0 was back to pre-COVID levels and in early buckets (1 and 2), it was significantly better than pre-COVID levels.

23. The Company last provided an update on its credit cost scenario model as part of Q2 earnings call. It expected the residual loan loss and provision in second half at \$ 351-392 MM with a downward bias. Post \$ 183 MM of provisioning in current quarter, the Company estimates residual credit costs in Q4 at \$ 162 – 169 MM. Thus, an overall credit cost of \$ 801 – 807 MM in FY21 on account of COVID-19. However, if the collection efficiencies remain better through Q4, there could be a further reduction in credit cost estimates.
24. The Company offered resolution plan to its customers pursuant to the RBI resolution framework for COVID-19 related stress dated 6 Aug 2020. Stage 1 receivables under resolution plan were \$ 276 MM (Mortgages - \$ 126 MM , unsecured - \$ 71 MM, B2B incl. retailer account - \$ 55 MM and AF - \$ 24 MM) as of 31 Dec 2020 against which the Company is holding a provision of \$ 54 MM.
25. **Based on Hon'ble Supreme Court's interim order of not classifying customers as NPA after 31 Aug 2020, GNPA & NNPA for the quarter stood at 0.55% & 0.19% respectively.**
26. **Adjusted GNPA and NNPA stood at 2.86% and 1.22% respectively as against 1.61% and 0.70% as of Dec'19. B2B businesses (Urban and rural) have seen increase in NNPA by 7 bps, SME by 48 bps, B2C (urban and rural) by 89 bps and auto finance business by 348 bps. The Company expects to revert to pre-COVID NNPA by H1 FY22 except auto finance business which may take longer due to underlying collateral value.**

Profitability

27. Consolidated PBT for Q3 contracted by 28% to \$ 210 MM due to increase in loan loss provisions by \$ 70 MM, interest reversals by \$ 50 MM and cost of additional liquidity by \$ 18 MM v/s Q3 FY20. As the loan loss provisions, interest reversals and cost of surplus liquidity normalizes to pre-COVID levels by Q1 FY22, it will lead to natural addition to profitability.

Capital

28. The Company continues to remain very well capitalized with CRAR of 28.18% as of 31 Dec 2020. Tier-1 capital was 24.73%. The Company has adequate capital to meet its next 3 years growth aspiration.

Update on Business transformation:

29. **The Company has accelerated its business transformation journey to provide financial products and services to its 46 MM customers in a seamless manner by creating an omnichannel framework. The omnichannel model will enable the customer to move between online to offline and vice versa in a frictionless manner.**
30. Business transformation required significant change in operating processes and core technology stack of the Company. **The Company has made significant progress on these counts and expects to complete this process by May'21. An integrated offering & Omnichannel model will enable the Company to become a moment of truth company for the customers.**
31. **The Company is also developing or significantly transforming 4 'Productivity apps' – Sales One app, Merchant app, Collections app and Partner app. These apps will significantly improve the productivity and efficiencies of our employees, channel partners and merchant ecosystem by May'21. Once deployed, this will require much lower headcount addition as a proportion of growth.**
32. **The Company is in the process of launching 'Bajaj Pay for consumers' in Q4. Bajaj Pay will offer an integrated payment solution comprising of UPI, PPI, EMI card and credit card to its customers.**
33. **The Company is building 'Bajaj Pay for merchants'. This will broaden payment solution offering for our ~103 K merchants and enable disproportionate growth in our market share from these merchants in the medium term.**
34. The Company is building 5 proprietary **marketplaces**, **'EMI Store', 'Insurance Marketplace', 'Investment Marketplace', 'BF Health'** and broking app with the help of group Companies. These 5 apps will provide customers with an option to review, compare and buy host of financial products and services across electronics, insurance, investments and health.

- 35. The Company also plans to partner with 25+ adjunct app ecosystem which have relevant product/services for its customers. These **apps will provide adjacency to BFL's core offerings thereby increasing stickiness.**
- 36. **The Company plans to roll out the first phase of its business transformation by mid Jul'21. The business transformation once** fully delivered will drive significant velocity gains, reduction in operating costs and significant improvement in customer experience.

Customer Experience:

The Company's has a stated business strategy of 'acquire and cross sell'. The Company has 46 MM customers as of 31 Dec 2020 and it continues to add 1.8-2.5 MM new customers every quarter. It is imperative for the Company to design its product, processes, technology stack and practices that reduce friction for purchase and post purchase experience of customers. Some of the initiatives taken by the Company in last 2 quarters are as below:

- 37. Business transformation process will lead to significant enhancements in self service infrastructure for customers resulting in **superior experience, greater stickiness and larger share of customer's financial services wallet.**
- 38. As a proactive measure, the Company has appointed an Internal Ombudsman (IO) and has institutionalized a process to strengthen customer grievance redressal mechanism.
- 39. The Company has invested in centralized call monitoring infrastructure for its outsourced agency network to significantly improve controllership over its outsourced agency network.
- 40. As a proactive measure, the Company has started to invest in Debt Recovery Agent (DRA) certification for its collections infrastructure. It plans to cover all the agents in next 12-18 months in a phased manner.
- 41. The Company has a well-established Net promoter score (NPS) methodology to gauge customer experience. As a proactive measure, the Company has now started NPS for its collections processes.

Subsidiaries

- 42. Bajaj Housing Finance Ltd (BHFL) profit after tax contracted by 24% to \$ 13 MM in Q3 FY21 against \$ 18 MM in Q3 FY20 due to higher provisioning.
- 43. **BHFL's** AUM increased by 18% to \$ 4,796 MM as of 31 Dec 2020 from \$ 4059 MM as of 31 Dec 2019.
- 44. **BHFL's Net Interest Income for Q3 FY21 increased by 15% to \$ 44 MM from \$ 39 MM in Q3 FY20.**
- 45. **BHFL's Opex to NII improved to 26.4% in Q3 FY21 as against 33.7% in Q3 FY20.**
- 46. During the quarter, BHFL has further increased its provision on stage 1 and 2 assets by \$ 10 MM taking the overall contingency provision to \$ 39 MM as of 31 Dec 2020.
- 47. Bajaj Financial Securities Ltd (BFinsec) made a net profit of \$ 0.1 MM in Q3 FY21.

Section 02 Bajaj Finance Limited overview

2.1

Bajaj group structure

2.2

What do we stand for

2.3

Our shareholder profile

2.4

10-year financial snapshot

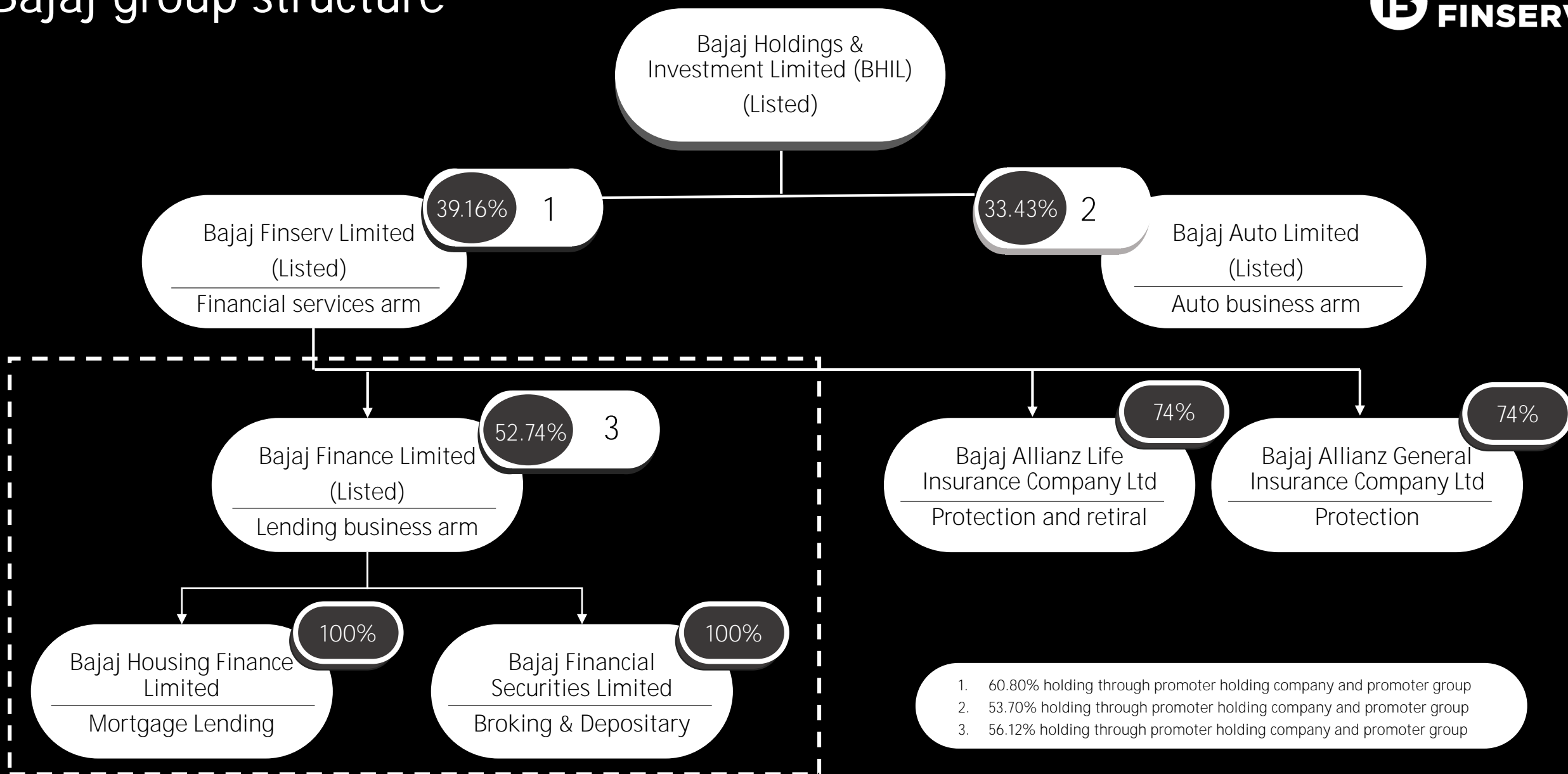
2.5

Product suite

2.6

Executive summary

Bajaj group structure



1. 60.80% holding through promoter holding company and promoter group
2. 53.70% holding through promoter holding company and promoter group
3. 56.12% holding through promoter holding company and promoter group

“Non-bank with strategy & structure of a bank”

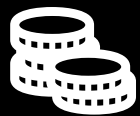
“Focused on mass affluent & above clients with a strategy to cross sell”

“Diversified financial services strategy with an optimal mix of risk and profit to deliver a sustainable business model”

“Business construct to deliver a sustainable ROA of 3.3-3.5% and ROE of 19-21% in the long term”

“Focused on continuous innovation to transform customer experience and create growth opportunities”

Our general long-term guidance on financial metrics



AUM growth
in corridor of
25%-27%



Profit growth
in corridor of
23%-24%



GNPA
in corridor of
1.4%-1.7%



NNPA
in corridor of
0.4%-0.7%



Return on assets
in corridor of
3.3%-3.5%



Return on equity
in corridor of
19%-21%

Key strategic differentiators

Part of the Bajaj group – one of the oldest & most respected business houses

A trusted brand with strong brand equity

Focus on mass affluent and above clients

Total customer franchise of 46.31 MM

Strong focus on cross selling assets, payments, insurance and deposit products to existing customers

Centre of Excellence for each business vertical to bring efficiencies across businesses and improve cross sell opportunity.

A well diversified balance sheet

Consolidated lending AUM mix for Consumer: Rural: SME: Commercial: Mortgages stood at 36%: 9%: 13%: 9%: 33%
Consolidated borrowing mix for Money Markets :Banks: Deposits: ECB stood at 42%: 35%: 19%: 4%

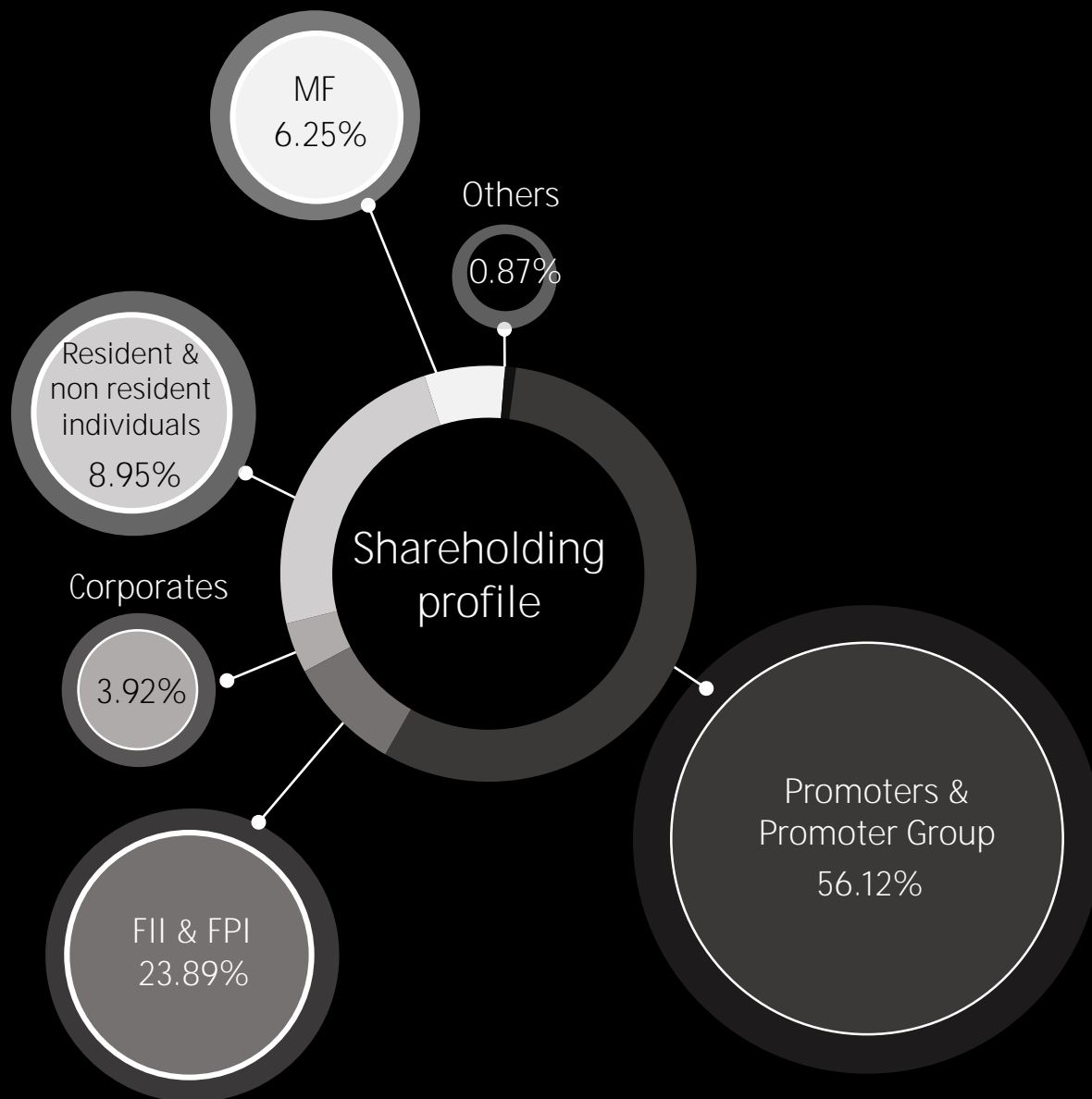
Highly agile & innovative

Continuous improvements in product features and digital technologies to maintain competitive edge

Deep investment in technology and analytics

Has helped achieve multi product cross sell and manage risk & controllership effectively. Obsessed to deliver frictionless experience to customer

Our shareholder profile



Top 20 investors & their holdings

S.No	Name of Shareholder	As on 31 Dec 20	As on 30 Sep 20	As on 31 Dec 19
1	BAJAJ FINSERV LTD	52.74%	52.74%	52.82%
2	GOVERNMENT OF SINGAPORE	4.28%	4.20%	4.62%
3	MAHARASHTRA SCOOTERS LIMITED	3.15%	3.15%	3.15%
4	AXIS LONG TERM EQUITY FUND	0.79%	0.93%	0.77%
5	NEW HORIZON OPPORTUNITIES MASTER FUND	0.77%	0.77%	0.77%
6	AXIS BLUECHIP FUND	0.68%	0.64%	0.31%
7	STEADVIEW CAPITAL MAURITIUS LIMITED	0.63%	0.77%	0.89%
8	LIFE INSURANCE CORPORATION OF INDIA	0.62%	0.94%	0.10%
9	NEW WORLD FUND INC	0.56%	0.56%	0.56%
10	SMALLCAP WORLD FUND, INC	0.54%	0.54%	0.54%
11	SBI-ETF NIFTY 50	0.52%	0.68%	0.57%
12	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	0.50%	0.53%	0.48%
13	VANGUARD EMERGING MARKETS STOCK INDEX FUND	0.45%	0.43%	0.44%
14	SBI EQUITY HYBRID FUND	0.45%	0.55%	0.42%
15	ST. JAMES'S PLACE EMERGING MARKETS EQUITY UNIT TRUST MANAGED BY WASATCH ADVISORS INC	0.44%	0.46%	0.23%
16	AXIS FOCUSED 25 FUND	0.44%	0.46%	0.32%
17	PEOPLE'S BANK OF CHINA	0.42%	0.31%	0.30%
18	FIDELITY INVESTMENT TRUST FIDELITY SERIES EMERGING MARKETS OPPORTUNITIES FUND	0.42%	0.00%	0.00%
19	SBI LIFE INSURANCE CO. LTD	0.39%	0.39%	0.43%
20	DF INTERNATIONAL PARTNERS	0.38%	0.38%	0.22%

Above shareholding is as of 31 Dec 2020

10-year financial snapshot

Values in MM
USD 1 = 74 INR

Financials snapshot [@]	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18 [@] (Consol.)	FY19 [@] (Consol.)	FY20 [@] (Consol.)	YoY (FY19-FY20)	CAGR (10 yrs)
Assets under management	1,023	1,771	2,367	3,251	4,380	5,977	8,135	11,138	15,661	19,886	27%	39%
Income from operations	190	294	420	550	732	991	1,350	1,724	2,500	3,566	43%	39%
Interest expenses	50	101	163	213	304	396	514	624	895	1,280	43%	43%
Net Interest Income (NII)	140	193	257	338	428	595	836	1,100	1,605	2,286	42%	36%
Operating Expenses	62	91	115	156	193	256	346	442	567	765	35%	32%
Loan Losses & Provision (ECL)	28	21	25	35	52	73	109	139	203	531	162%	39%
Profit before tax	50	81	118	147	183	266	381	519	835	989	18%	39%
Profit after tax	33	55	80	97	121	173	248	337	540	711	32%	40%

Ratios	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Opex to NII	44.4%	47.0%	44.6%	46.0%	45.0%	43.1%	41.4%	40.2%	35.3%	33.5%
Return on assets	4.4%	4.2%	4.1%	3.6%	3.3%	3.5%	3.7%	3.7%	4.2%	4.1%
Return on equity	19.7%	24.0%	21.9%	19.5%	20.4%	20.9%	21.6%	20.1%	22.5%	20.2%
Net NPA [*]	0.80%	0.12%	0.19%	0.28%	0.45%	0.28%	0.44%	0.43%	0.63%	0.65%
NPA provisioning coverage	79%	89%	83%	76%	71%	77%	74%	70%	60%	60%

[@] All figures till including FY17 are as per previous GAAP, whereas for FY18 onwards are as per IndAS

^{*} As per the RBI regulations, NNPA numbers for upto FY15 are at 6 months overdue, FY16 are at 5 months overdue, FY17 are at 4 months overdue and FY18 onwards are at 3 months overdue. Hence NPA across periods are not comparable.

Product suite

BAJAJ FINANCE LIMITED					
Consumer	SME	Commercial	Rural	Deposits	Partnerships & Services
1. Consumer Durable Loans 2. Digital Product Loans ^(E) 3. Lifestyle Product Loans 4. Lifecare financing 5. EMI Cards 6. Retail Spend Financing 7. 2-Wheeler & 3-Wheeler Loans 8. Personal Loan Cross-Sell 9. Salaried Personal Loans ^(E) 10. E-Commerce - Consumer Finance 11. Retailer Finance 12. Health EMI Card	1. Unsecured Working Capital Loans ^(E) 2. Loans to self employed and Professionals ^(E) 3. Secured Enterprise Loans 4. Used-car financing 5. Medical equipment financing	1. Loan against securities 2. IPO financing 3. ESOP financing 4. Vendor financing to auto component manufacturers 5. Financial Institutions Lending 6. Light Engineering Lending 7. Specialty Chemicals Lending	1. Consumer Durable Loans 2. Digital Product Loans 3. Lifestyle Product Loans 4. Personal Loans Cross Sell 5. Salaried Personal Loans 6. Gold Loans 7. Loans to Professionals	1. Retail Term Deposits 2. Corporate Term Deposits 3. Systematic Deposit Plan	1. Life Insurance Distribution 2. General Insurance Distribution 3. Health Insurance Distribution 4. Pocket Insurance ^(E) 5. Co-Branded Credit Card 6. Co-Branded Wallet 7. Financial Fitness Report

BAJAJ HOUSING FINANCE LIMITED			
1. Salaried Home Loans ^(E) 2. Salaried Loan Against Property	1. Loan Against Property 2. Self Employed Home Loans 3. Lease Rental Discounting	1. Developer Finance	1. Loan Against Property 2. Home Loans 3. Secured Enterprise Loans

BAJAJ FINANCIAL SECURITIES LIMITED	
1. Depository services 2. Margin Trading Facility 3. Spread Financing 4. Brokerage account	

Executive summary – Consolidated

Overview	<ul style="list-style-type: none">• 33-year-old non bank with a demonstrated track record of profitable growth• Diversified financial services company focused on Consumer, Rural, SME, Commercial, Mortgages and Payments• Focused on mass affluent client with a strategy to cross sell• Strong focus on deposits acceptance and fee product distribution• Present in 1,210 urban locations and 1,604 rural locations in India with over 1,02,800+ point of sale• Large customer franchise of 46.31 MM• Amongst the largest new loan acquirers in India (6.04 MM in Q3 FY21)• AUM mix of Consumer: Rural: SME: Commercial: Mortgages stood at 36%: 9%: 13%: 9%: 33% as of 31 Dec 2020• AUM of \$ 19,399 MM as of 31 Dec 2020 and a post tax profit of \$ 155 MM in Q3 FY21• Capital adequacy ratio (including Tier II capital) stood at 28.18% as of 31 Dec 2020. Tier I capital stood at 24.73%
Subsidiaries	<ul style="list-style-type: none">• 100% shareholding in Bajaj Housing Finance Limited• 100% shareholding in Bajaj Financial Securities Limited
Treasury	<ul style="list-style-type: none">• Strategy is to create a balanced mix of wholesale and retail borrowings• Borrowings of \$ 16,779 MM with a mix of 42: 35: 19: 4 between money markets, banks, deposits & ECB as of 31 Dec 2020
Credit Quality	<ul style="list-style-type: none">• Consolidated Gross and Net NPA as of 31 Dec 2020 stood at 0.55% and 0.19%, respectively• Provisioning coverage ratio as of 31 Dec' 2020 was 65%• Provisioning coverage on stage 1 & 2 stood at 190 bps as of 31 Dec 2020 versus 369 bps as of 30 Sept 2020 . This was 90-100 bps during pre-pandemic situation.

Executive summary – Bajaj Finance Limited

Overview	<ul style="list-style-type: none">• Focused on Consumer, Rural, SME, Commercial and Payments lines of businesses• Strategic business unit organization design supported by horizontal common utility functions to drive domain expertise, scalability and operating leverage• Focused on cross sell, customer experience and product & process innovations to create a differentiated & profitable business model• AUM mix of Consumer: Rural: SME: Commercial: Mortgage (residual) stood at 47%: 12%: 17%: 11%: 13% as of 31 Dec 2020• AUM of \$ 14,811 MM as of 31 Dec 2020 and a post tax profit of \$ 142 MM in Q3 FY21
Consumer business	<ul style="list-style-type: none">• Present in 1,210 locations with 75,100+ active distribution points of sale as of 31 Dec 2020• Largest consumer electronics, digital products & lifestyle products lender in India• 2-wheeler financing business disbursed 228K accounts in the quarter (degrowth of 33% YOY)• 3-wheeler financing business disbursed 18K accounts in the quarter (degrowth of 67% YOY)• Amongst the largest personal loan lenders in India
Payments	<ul style="list-style-type: none">• EMI Card franchise stood at 23.55 MM cards in force (CIF) as of 31 Dec 2020• Bajaj Finserv - RBL Bank co-branded credit card CIF stood at 1.95 MM as of 31 Dec 2020• Bajaj Finserv Mobikwik app has 18.30 MM users as of 31 Dec 2020 who have linked their EMI card to the wallet
Rural business	<ul style="list-style-type: none">• Highly diversified lender in rural markets offering 10 loan products across consumer and SME business categories• Operates with a unique hub and spoke business model• Geographic presence across 1,604 towns and villages with retail presence across 22,500+ points of sale

Executive summary – Bajaj Finance Limited

SME Business	<ul style="list-style-type: none">• Offers unsecured working capital loans to SME and self-employed professionals• Secured offerings include enterprise loans against property and financing against used car• Focused on affluent SMEs (average sales of \$ 2 to 2.3 MM) with established financials & demonstrated borrowing track record
Commercial business	<ul style="list-style-type: none">• Offers short, medium- and long-term financing to mid market corporates• Offers a range of structured products collateralized by marketable securities or mortgage• Offers financing against shares, mutual funds, insurance policies and deposits
Treasury	<ul style="list-style-type: none">• Strategy is to create a balanced mix of wholesale and retail borrowings with a focus on long term borrowings• Borrowings stood at \$ 13,153 MM with a mix of 44: 26: 24: 6 between money markets, banks, deposits & ECB as of 31 Dec 2020
Credit Quality	<ul style="list-style-type: none">• Gross and Net NPA as of 31 Dec 2020 stood at 0.68% and 0.24% respectively• Provisioning coverage ratio as of 31 Dec 2020 was 65%• Provisioning coverage on stage 1 & 2 stood at 218 bps as of 31 Dec 2020 versus 451 bps as of 30 Sep 2020.
Credit Rating	<ul style="list-style-type: none">• Credit rating for long term borrowing is AAA/Stable by CRISIL, ICRA, CARE & India Ratings• Credit rating for short term borrowing is A1+ by CRISIL, ICRA & India Ratings• Credit rating for FD program is FAAA/Stable by CRISIL & MAAA (Stable) by ICRA• Long term issuer credit rating of BB+/Stable and short-term rating of B by S&P Global

Executive summary – Bajaj Housing Finance Limited

Bajaj Housing Finance Limited

- A 100% subsidiary of Bajaj Finance Limited, registered with National Housing Bank as a Housing Finance Company
- Offers full range of mortgage products such as home loans, loan against property and lease rental discounting to salaried & self-employed customers. It also offers construction finance and inventory finance to credit worthy developers
- Focused on mass affluent and above customers (salaried and self employed)
- AUM of \$ 4,796 MM as of 31 Dec 2020 and a post tax profit of \$ 13 MM for Q3 FY21
- Capital adequacy ratio (including Tier II capital) stood at 24.94% as of 31 Dec 2020

Home Loans

- Offers home loans to salaried customers for an average ticket size of approximately \$0.06 MM
- Focused on developing sales finance business by leveraging existing developer finance relationships and through tie-ups with new project launches
- Currently present across 32 locations in India

Loan Against Property


- Offers loan to mass affluent and above self-employed customers for an average ticket size of approximately \$ 0.068 MM
- Strategy is to sell LAP product to existing customers as well as focus on building distribution network
- Currently present across 14 locations in India

Rural

- Offers home loans and loans against property to salaried and self-employed customers with an average ticket size of approximately \$ 0.02 MM for home loans and 0.016 MM for loan against property
- Hub and spoke strategy through branch network and ASSC tie ups
- Currently present across 78 locations in India

Executive summary – Bajaj Housing Finance Limited

Lease Rental Discounting	<ul style="list-style-type: none">• Offers loan against lease rentals to high net worth individuals and developers on commercial property leased mainly to corporate tenants• All lease rental discounting transactions are backed by rentals through escrow mechanism• Ticket size of lease rental discounting ranges from \$ 1 – 27 MM with an average ticket size of approximately \$ 3 MM• Currently present across 8 locations in India (Mumbai, Delhi, Bangalore, Pune, Ahmedabad, Chennai, Kolkata and Hyderabad)
Developer Financing	<ul style="list-style-type: none">• Offers construction finance and inventory finance mainly to category A and A+ developers in India• Average ticket size ranges between \$ 2 – 5 MM• Currently present in 8 locations (Mumbai, Bangalore, Pune, Ahmedabad, Chennai, Kolkata, Hyderabad and Surat)
Credit Quality	<ul style="list-style-type: none">• Gross NPA and Net NPA, recognized as per extant NHB prudential norms and provisioned as per Expected Credit Loss (ECL) method prescribed in Ind AS, as of 31 Dec 2020 stood at 0.06% and 0.03% respectively
Treasury	<ul style="list-style-type: none">• Strategy is to create a balanced and sustained mix of borrowings• Borrowings stood at \$ 3,607 MM with a mix of 66 : 34 between banks and money markets as of 31 Dec 2020
Credit Rating	<ul style="list-style-type: none">• Credit rating for long term borrowing is AAA/Stable by CRISIL & IND AAA/Stable by India Ratings• Credit rating for short term borrowing is A1+ by CRISIL & IND A1+ by India Ratings



Section 03

Financial performance – Q3 FY21

3.1

Financial statement summary –
Consolidated

3.2

Financial statement summary –
Bajaj Finance Limited

3.3

Financial statement summary –
Bajaj Housing Finance Limited

Financial statement summary – Consolidated

Financials snapshot	Q3 FY21	Q3 FY20	Y-o-Y	9M FY21	9M FY20	Y-o-Y	FY20
Assets under management	19,399	19,607	(1%)	19,399	19,607	(1%)	19,886
Assets under finance	18,638	18,860	(1%)	18,638	18,860	(1%)	19,105
Interest income	773	825	(6%)	2,335	2,252	4%	3,104
Fee and other income	108	105	3%	271	287	(5%)	389
Net gain on fair value changes on investment	19	19	(3%)	73	49	49%	73
Total Income	900	949	(5%)	2,679	2,589	4%	3,566
Interest expenses	319	336	(5%)	975	936	4%	1,280
Net Interest Income	581	613	(5%)	1,704	1,653	3%	2,286
Operating Expenses	188	207	(9%)	500	569	(12%)	765
Loan losses and provisions	183	112	63%	640	267	140%	531
ECL stage 1 & 2	(323)	27	(1278%)	55	62	(11%)	178
ECL stage 3 & write off	506	85	496%	585	205	186%	353
Profit before tax	210	293	(28%)	564	817	(31%)	989
Profit after tax	155	218	(29%)	415	583	(29%)	711
Ratios							
Operating expenses to Net Interest Income	32.3%	33.8%		29.4%	34.4%		33.5%
Loan loss to average AUF*	1.00%	0.61%		3.39%	1.57%		3.10%
Earning per share - Basic (\$) *	2.6	3.7		6.9	10.0		12.1
Return on Average Assets*	0.9%	1.2%		2.2%	3.4%		4.1%
Return on Average Equity *	3.3%	5.9%		9.1%	16.6%		20.2%

Financial statement summary – Bajaj Finance Limited



Values in MM
USD 1 = 74

Financials snapshot	Q3 FY21	Q3 FY20	Y-o-Y	9M FY21	9M FY20	Y-o-Y	FY20
Assets under management	14,811	15,738	(6%)	14,811	15,738	(6%)	15,689
Assets under finance	14,467	15,351	(6%)	14,467	15,351	(6%)	15,327
Interest income	672	741	(9%)	2,046	2,034	1%	2,793
Fee and other income	101	96	5%	258	264	(2%)	366
Net gain on fair value changes on investment	17	16	7%	66	43	55%	62
Total Income	790	854	(7%)	2,370	2,340	1%	3,221
Interest expenses	253	277	(9%)	773	784	(1%)	1,062
Net Interest Income	537	576	(7%)	1,596	1,556	3%	2,159
Operating Expenses	177	196	(10%)	473	537	(12%)	725
Loan losses and provisions	168	110	52%	611	262	133%	514
ECL stage 1 & 2	(333)	27	(1344%)	31	60	(49%)	167
ECL stage 3 & write off	501	84	499%	580	202	187%	348
Profit before tax	192	270	(29%)	512	757	(32%)	920
Profit after tax	142	201	(30%)	378	539	(30%)	660
Ratios							
Operating expense to Net Interest Income	32.9%	34.0%		29.6%	34.5%		33.6%
Loan loss to Average AUF*	1.19%	0.74%		4.10%	1.86%		3.65%
Return on Average Assets*	1.0%	1.3%		2.5%	3.8%		4.7%
Return on Average Equity*	3.1%	5.6%		8.4%	15.5%		19.0%

* Not annualized

Financial statement summary – Bajaj Housing Finance Limited



Values in MM
USD 1 = 74

Financials snapshot	Q3 FY21	Q3 FY20	YoY	9M FY21	9M FY20	YoY	FY20
Assets under management	4,796	4,059	18%	4,796	4,059	18%	4,420
Assets under finance	4,158	3,508	19%	4,158	3,508	19%	3,780
Interest income	101	84	20%	288	218	32%	311
Fee and other income	9	11	(20%)	18	29	(39%)	36
Net gain on fair value changes on Investments	1	3	(59%)	7	6	16%	10
Total Income	111	98	14%	313	253	24%	358
Interest expenses	66	59	12%	202	152	33%	218
Net Interest Income	44	39	15%	111	101	10%	139
Operating Expenses	12	13	(9%)	31	36	(13%)	46
Loan losses and provisions (ECL stage 1 & 2)	10	1	1100%	24	2	900%	12
Loan losses and provisions (ECL stage 3 & write off)	5	1	338%	5	2	106%	5
Profit before tax	18	24	(23%)	50	60	(16%)	77
Profit after tax	13	18	(24%)	37	45	(17%)	57
Ratios							
Operating expense to Net Interest Income	26.4%	33.7%		28.2%	35.6%		32.9%
Loan loss to Average AUF*	0.36%	0.06%		0.74%	0.17%		0.55%
Return on Average Assets*	0.3%	0.5%		0.9%	1.5%		1.9%
Return on Average Equity*	1.7%	3.3%		4.8%	8.7%		9.1%

* Not annualized



Section 04

Asset liability management

4.1

Conservative leverage standards –
Bajaj Finance Limited

4.2

Resilient business model –
Consolidated

4.3

Behaviouralized ALM as of 31 Dec –
Bajaj Finance Limited

4.4

Behaviouralized ALM as of 31 Dec –
Bajaj Housing Finance Limited

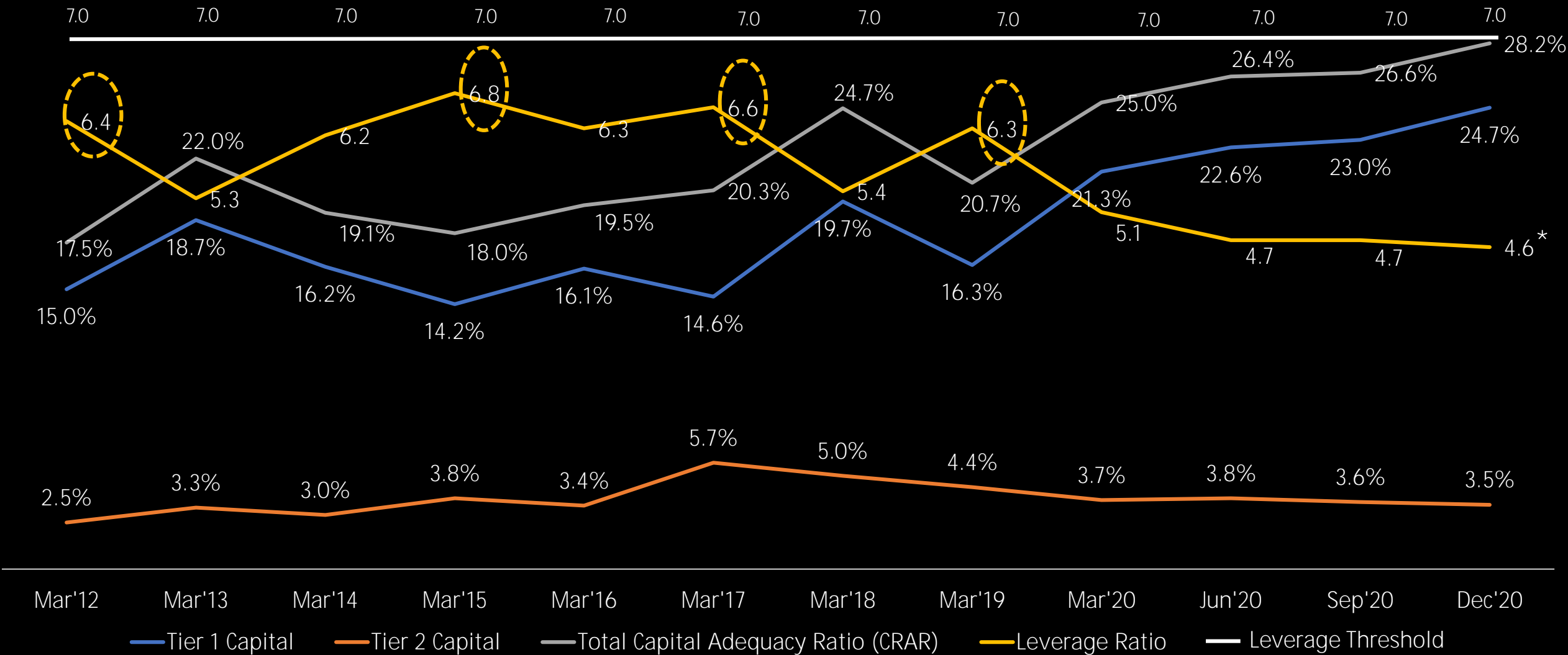
4.5

Disciplined ALM Management –
Bajaj Finance Limited

4.6

Liability mix over the last 9 years –
Bajaj Finance Limited

Conservative leverage standards – Bajaj Finance Limited



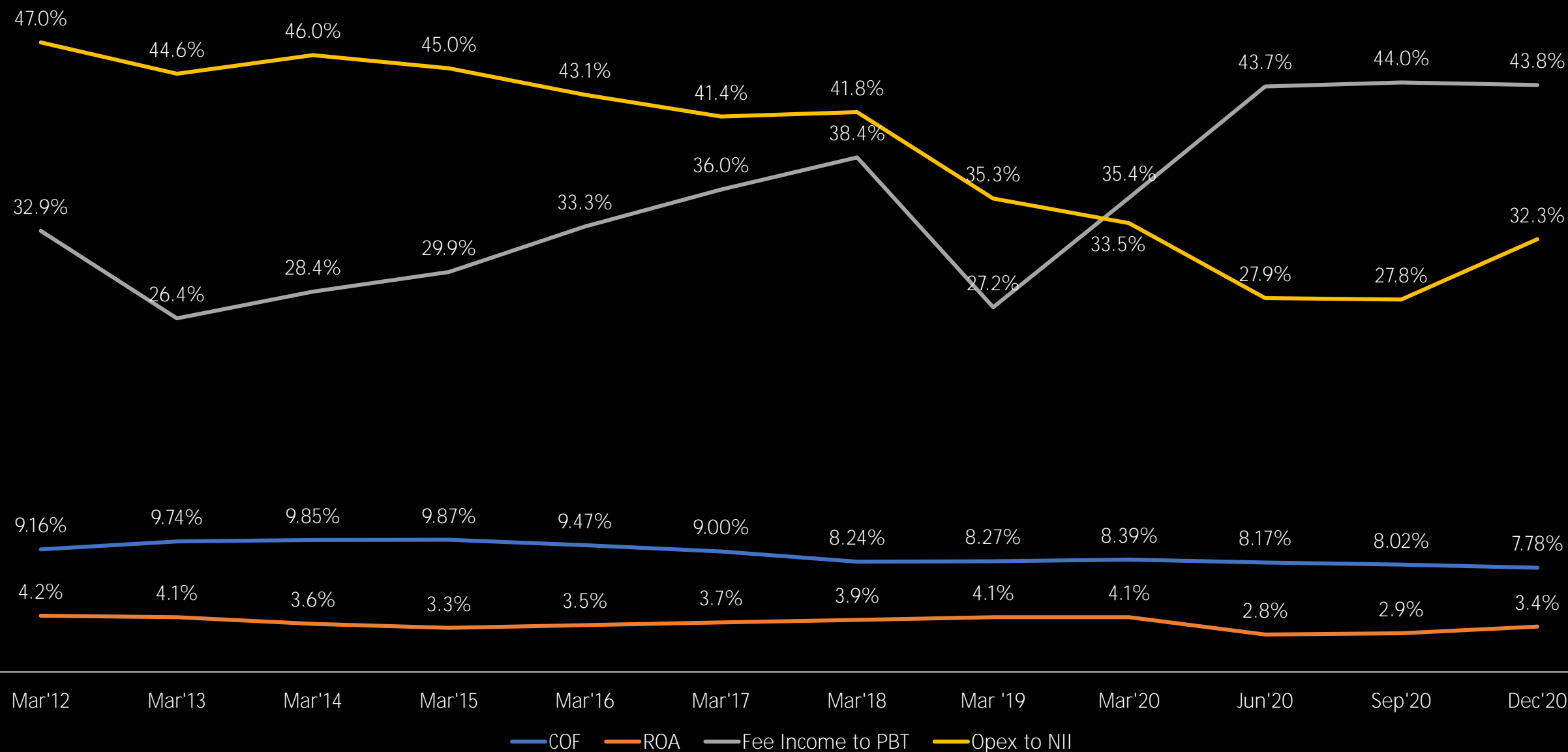
*Standalone leverage is approximately 3.9X as of 31 Dec 2020

Capital Adequacy Ratios (CRAR) are on standalone basis

Mar '19 onwards numbers are as per Ind AS

denotes point at which the Company initiated its capital raising plan in last 9 years

Resilient business model – Consolidated



Mar '19 onwards numbers are as per Ind AS. Jun'20, Sep'20 & Dec'20 numbers of COF are for the quarter
Post Ind AS, Fee income to PBT represents non-loan fees and commission income as a % of Profit Before Tax

Behaviouralized ALM as of 31 Dec 2020 – BFL

Values in MM
USD 1 = 74

* As per previous GAAP

Particulars	1 - 7 D	8 - 14 D	15 - 30 D	> 1 - 2 M	> 2 - 3 M	> 3 - 6 M	> 6M - 1Y	> 1 - 3Y	> 3 - 5 Y	> 5 Y	Total
Cash & Investments	1663	0	15	0	0	94	144	232	0	754	2903
Advances	476	171	312	721	674	1566	2597	4978	2482	900	14875
Other inflows	72	108	515	4	77	34	124	164	0	599	1698
Total Inflows (A)	2211	279	842	725	751	1694	2866	5374	2482	2252	19475
Cumulative Total Inflows (B)	2211	2490	3332	4057	4808	6502	9367	14741	17223	19475	
Borrowings	856 [#]	440	84	184	379	696	1851	5963	1402	1506	13361
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	4,834	4,834
Other Outflows	445	29	46	48	73	219	57	186	96	81	1280
Total Outflows (C)	1302	469	130	231	452	915	1908	6149	1498	6421	19475
Cumulative Total Outflows (D)	1302	1771	1901	2132	2585	3500	5407	11556	13054	19475	
Mismatch (E = A - C)	909	(190)	712	494	299	779	958	(775)	984	(4169)	0
Cumulative mismatch (F = B-D)	909	719	1431	1925	2223	3002	3960	3185	4169		
Cumulative mismatch as % (F/D)	70%	41%	75%	90%	86%	86%	73%	28%	32%	0%	
Permissible cumulative gap %			-20%				-15%				
Additional borrowings possible			2,264				3,349				

[#] Includes \$ 537 MM of prepayment to banks. In last 60 days, BFL has prepaid \$ 892 MM of term loans.

Behaviouralized ALM as of 31 Dec 2020 – BHFL

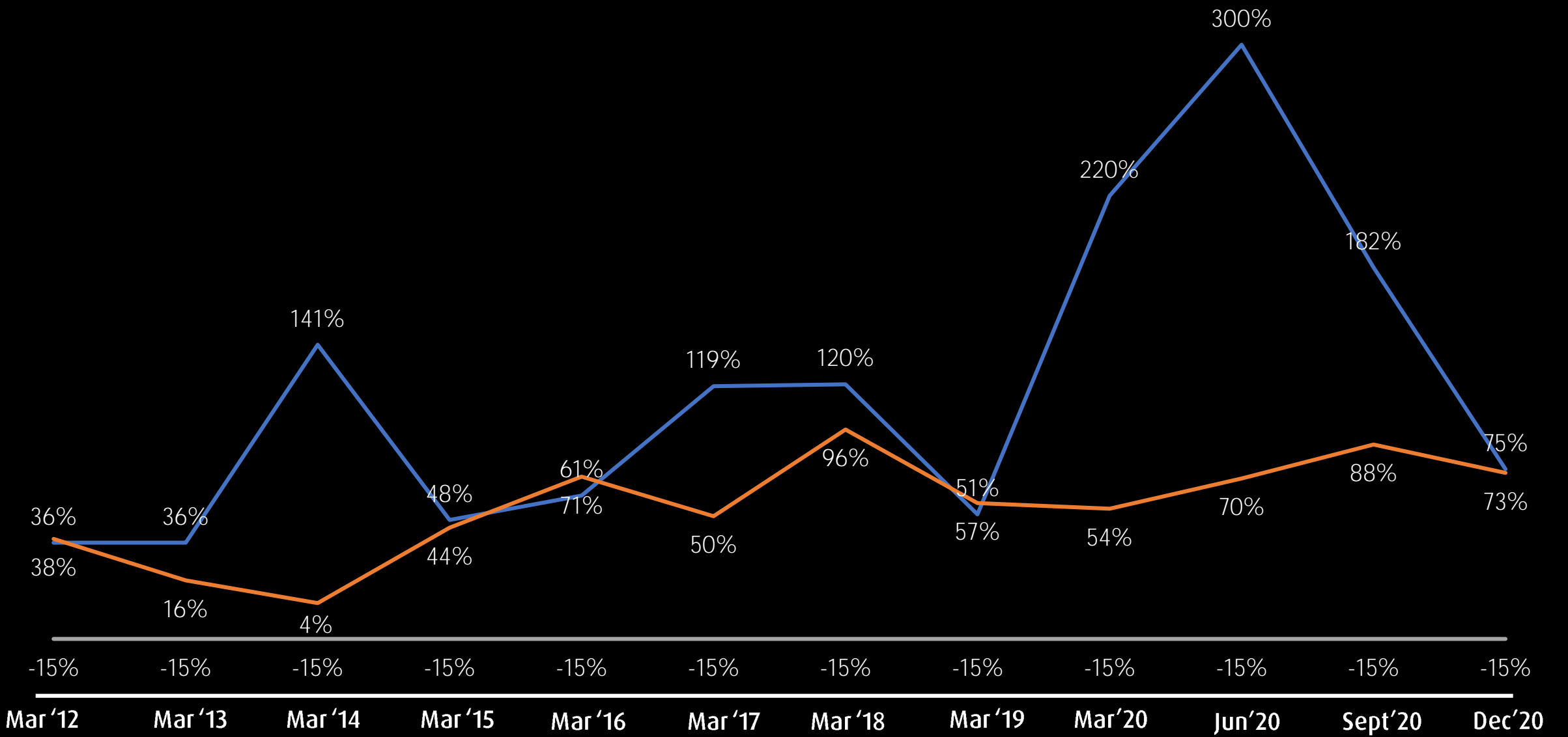
* As per previous GAAP

Particulars	1 - 7 D	7-14 D	15-30 D	>1 - 2 M	>2 - 3 M	>3 - 6 M	>6M- 1 Y	>1 - 3 Y	> 3 - 5 Y	> 5 - 7 Y	> 7- 10 Y	> 10 Y	Total
Cash, Cash Equivalents & Investments	69	34	-	-	-	-	-	-	-	-	-	-	204
Advances	45	21	38	79	80	224	406	1,238	769	505	446	377	4,227
Other inflows	30	-	195	0	20	205	7	106	113	77	24	96	874
Total Inflows (A)	144	54	232	79	101	530	413	1,344	882	582	470	473	5,305
Cumulative Total Inflows (B)	144	198	431	510	610	1,141	1,554	2,898	3,780	4,362	4,832	5,305	
Borrowings	-	-	143	6	39	464	474	1,706	557	135	0	243	3,767
Capital and Reserves and Surplus	-	-	-	-	-	-	-	-	-	-	-	790	790
Other Outflows	31	37	64	38	25	131	11	21	0	0	338	52	748
Total Outflows (C)	31	37	208	45	64	595	484	1,726	557	135	338	1,086	5,305
Cumulative Total Outflows (D)	31	68	275	320	384	979	1,463	3,190	3,746	3,882	4,220	5,305	
Mismatch (E = A-C)	113	17	25	34	37	(65)	(71)	(382)	325	447	133	(613)	
Cumulative mismatch (F= B-D)	113	130	155	189	226	161	91	(292)	34	480	613	0	
Cumulative mismatch as a % (F/D)	366%	192%	56%	59%	59%	16%	6%	-9%	1%	12%	15%	0%	
Permissible cumulative gap %			-20%				-15%						
Additional borrowings possible			269				102						

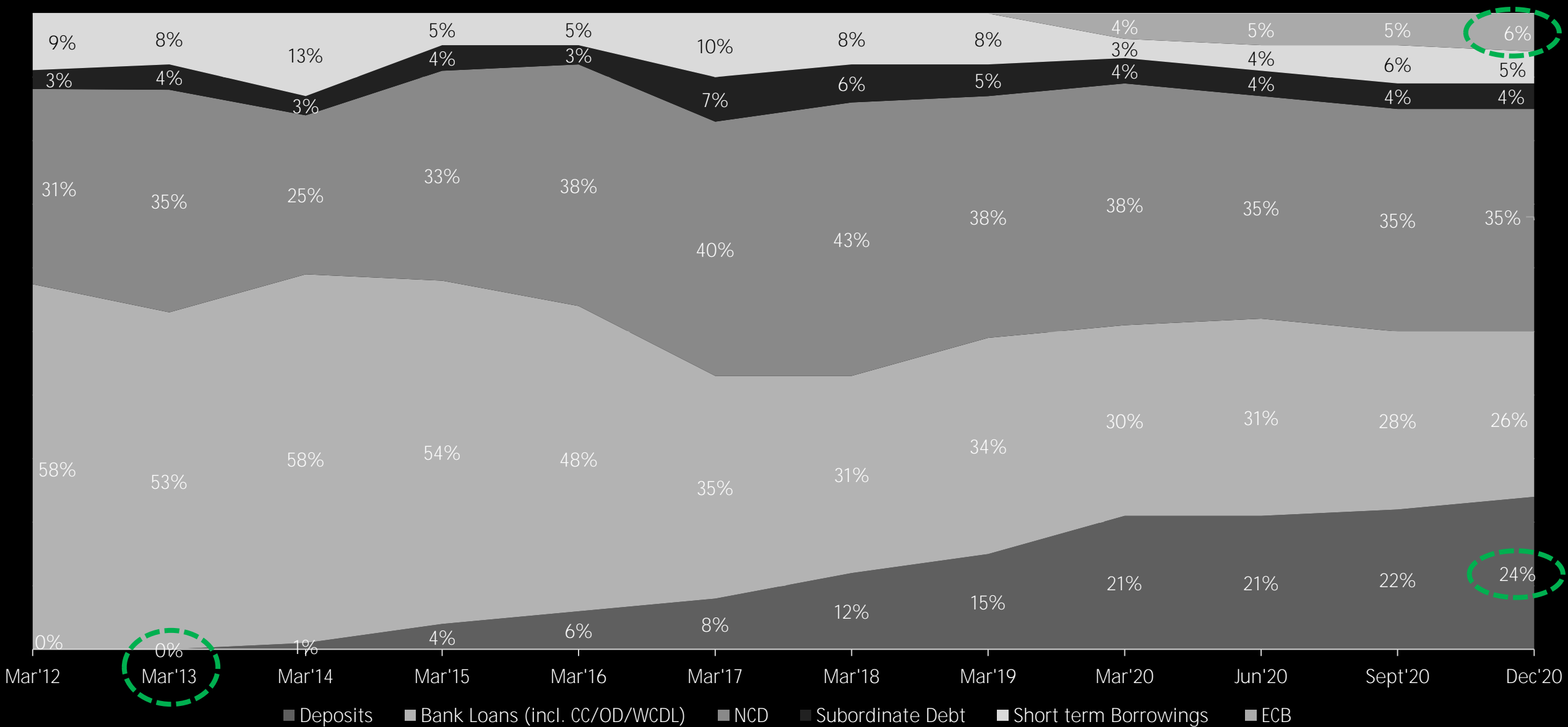
Disciplined ALM Management – Bajaj Finance Limited




Cumulative gap upto 1 month Cumulative gap upto 12 month Permissible limit



Liability mix over the last 9 years – Bajaj Finance Limited





Section 05

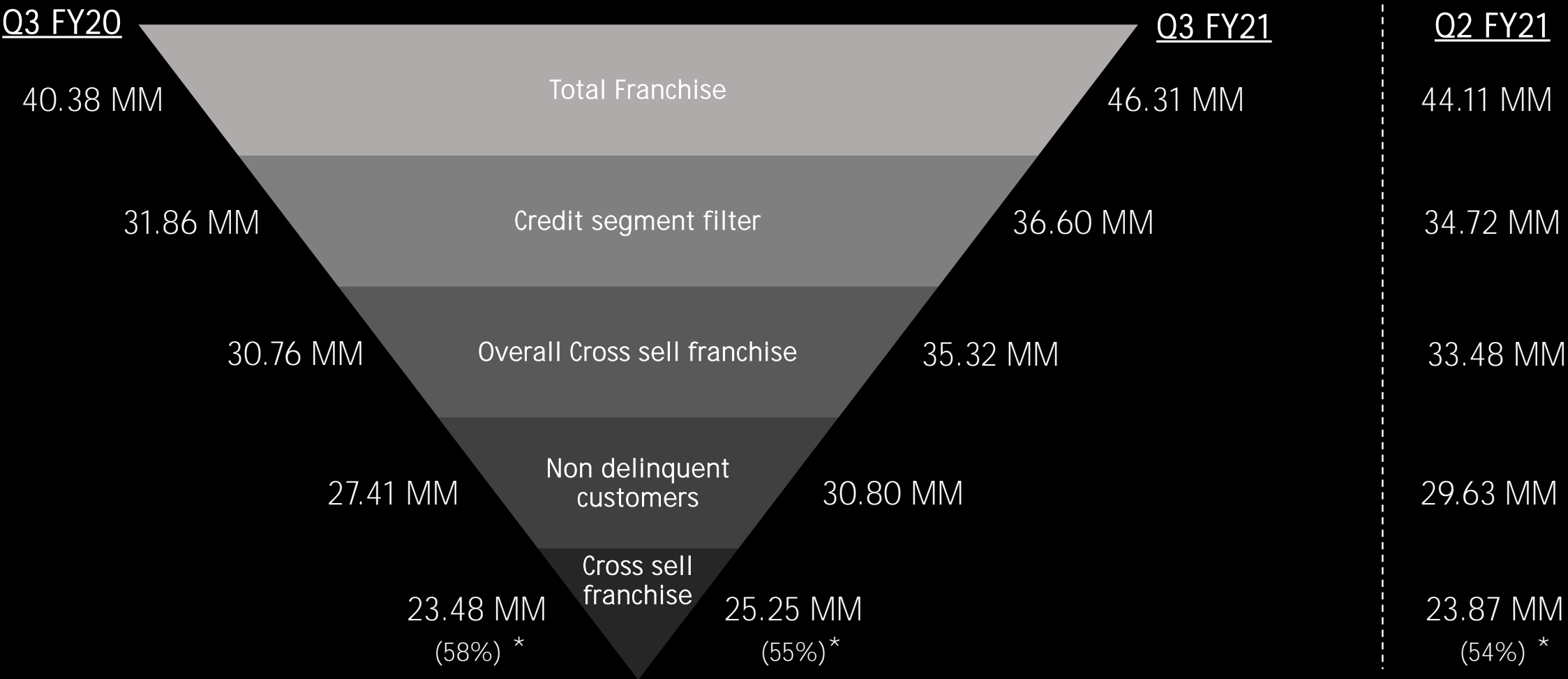
Customer franchise and distribution reach

5.1 Customer franchise

5.2 Geographic presence

5.3 Strong distribution reach

Customer franchise



New to Bajaj Finance Customers



*Represents cross sell franchise as a % of total franchise

Geographic presence



Map not to scale

Geographic Presence	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	30 Sep 2020	31 Dec 2020
Urban	377	730	927	1,035	1,134	1,210
Of which urban lending branches	377	730	927	1,035	1,134	1,137
Of which urban lending franchise						73
Rural	538	602	903	1,357	1,507	1,604
Of which rural lending branches	177	219	347	527	527	527
Of which rural lending franchise	361	383	556	830	980	1,077
Total Bajaj Finance presence	915	1,332	1,830	2,392	2,641	2,814

Strong distribution reach

Active distribution – points of sale	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	30 Sept 2020	31 Dec 2020
Consumer durable stores – Urban	14,000+	15,500+	20,400+	24,200+	24,200+	24,700+
Consumer durable stores – Rural	5,500+	8,200+	14,500+	19,600+	19,600+	22,500+
Digital product stores	5,900+	15,900+	22,500+	26,400+	26,400+	25,400+
Lifestyle retail stores	3,900+	6,000+	7,700+	9,500+	9,500+	8,800+
EMI card – retail spends stores	5,600+	12,100+	19,100+	24,300+	24,300+	10,400+
Bajaj Auto dealers, sub-dealerships and ASSC	3,200+	3,900+	4,600+	5,500+	5,500+	5,800+
Direct Sales Agents	1,500+	2,100+	2,800+	4,900+	4,900+	5,200+
Overall active distribution network	39,600+	64,300+	91,700+	1,14,400+	1,14,400+	1,02,800+



Section 06

Business segment wise AUM

6.1

Business segment wise AUM as of 31 Dec - Consolidated

6.2

Business segment wise AUM as of 31 Dec - Mortgages

Business segment wise AUM as of 31 Dec 2020 – Consolidated



Values in MM
USD 1 = 74

Assets Under Management	Standalone as of 31 Dec 2020	BHFL as of 31 Dec 2020	Consolidated as of 31 Dec 2020	Consolidated as of 31 Dec 2019	Growth	Composition as of 31 Dec 2020
Auto Finance Business	1717	-	1717	1781	-4%	9%
Sales Finance Business	1376	-	1376	1886	-27%	7%
Consumer B2C Business	3792	133	3925	3970	-1%	20%
Rural Sales Finance Business	329	-	329	366	-10%	2%
Rural B2C Business	1480	-	1480	1346	10%	7%
SME Lending Business	2529	22	2552	2527	1%	13%
Securities Lending Business	673	-	686	880	-22%	4%
Commercial Lending Business	1015	-	1015	879	15%	5%
Mortgages	1899	4641	6319	5972	6%	33%
Total	14811	4796	19399	19607	-1%	
Credit Card – CIF			1.9 MM	1.7 MM	17%	
EMI Card – CIF			23.5 MM	20.5 MM	15%	
Wallets			18.3 MM	13.5 MM	36%	

Break-up of AUM as of 31 Dec 2020 - Mortgages

Values in MM

USD 1 = 74

Assets Under Management	Bajaj Housing Finance Limited			Mortgage - All			Composition as of 31 Dec 2020
	31 Dec 2020	31 Dec 2019	Growth	31 Dec 2020	31 Dec 2019	Growth	
Home Loans	3,002	2,645	14%	3,530	3,401	4%	56%
Loan against property	597	481	24%	1,520	1,598	-5%	24%
Lease rental development	537	389	38%	686	470	46%	11%
Developer Finance	256	225	14%	261	255	2%	4%
Rural	249	201	24%	322	247	30%	5%
Total	4,641	3,941	18%	6,319	5,972	6%	100%

Home loan portfolio customer categorisation	Bajaj Housing Finance Limited			Mortgage - All			Composition as of 31 Dec 2020
	31 Dec 2020	31 Dec 2019	Growth	31 Dec 2020	31 Dec 2019	Growth	
Home Loan to Salaried	2,788	2,415	15%	3,073	2,536	21%	84%
Home Loan to Self Employed	172	168	2%	381	407	-6%	11%
Home Loan to Professional	156	144	9%	196	178	10%	5%

Salaried focused home loans acquisition strategy (94% of Q3 FY21 acquisition)

Section 07

Update on credit quality

7.1

Provisioning Coverage - Consolidated

7.2

Provisioning Coverage - Consolidated (Performa)

7.3

ECL summary - Consolidated

7.4

ECL summary - Bajaj Housing Finance Limited

7.5

Portfolio stagewise provisioning

7.6

Portfolio credit quality - Consolidated

Provisioning Coverage - Consolidated

Assets Under Management	Consol AUM 31 Dec 2020	GNPA	NNPA	PCR (%)	GNPA %		NNPA %	
					31 Dec 19	31 Dec 20	31 Dec 19	31 Dec 20
Auto Finance Business	1717	60	20	67%	5.68%	3.16%	2.61%	1.07%
Sales Finance Business	1376	1	0	85%	0.92%	0.05%	0.18%	0.01%
Consumer B2C Business	3925	11	3	76%	1.34%	0.28%	0.38%	0.07%
Rural Sales Finance Business	329	0	0	79%	0.59%	0.02%	0.12%	0.00%
Rural B2C Business	1480	5	1	74%	1.33%	0.32%	0.44%	0.08%
SME Lending Business	2552	14	3	75%	1.41%	0.51%	0.36%	0.13%
Securities Lending Business	686	-	-	-	-	-	-	-
Commercial Lending Business	1015	-	-	-	0.60%	-	0.25%	-
Mortgages	6319	18	11	38%	1.36%	0.30%	0.99%	0.19%
Total	19399	108	38	65%	1.61%	0.55%	0.70%	0.19%

Note:

Above data is basis Hon'ble Supreme Court's interim order dated 3 Sep 2020, which has directed that accounts which were not declared NPA till 31 Aug 2020 shall not be declared as NPA till further orders.

Provisioning Coverage – Consolidated (Proforma)

Assets Under Management	Consol AUM 31 Dec 2020	GNPA,	NNPA	PCR (%)	GNPA %		NNPA %	
					31 Dec 19	31 Dec 20	31 Dec 19	31 Dec 20
Auto Finance Business	1717	219	109	50%	5.68%	11.54%	2.61%	6.09%
Sales Finance Business	1376	36	4	88%	0.92%	1.91%	0.18%	0.24%
Consumer B2C Business	3925	133	48	64%	1.34%	3.34%	0.38%	1.23%
Rural Sales Finance Business	329	7	1	88%	0.59%	2.08%	0.12%	0.26%
Rural B2C Business	1480	56	22	61%	1.33%	3.64%	0.44%	1.45%
SME Lending Business	2552	61	22	65%	1.41%	2.33%	0.36%	0.84%
Securities Lending Business	686	-	-	-	-	-	-	-
Commercial Lending Business	1015	-	-	-	0.60%	-	0.25%	-
Mortgages	6319	55	33	41%	1.36%	0.95%	0.99%	0.56%
Total	19399	567	238	58%	1.61%	2.86%	0.70%	1.22%

Note:

Above data is before considering **Hon'ble Supreme Court's interim order dated 3 Sep 2020, which has directed that accounts which were not declared NPA till 31 Aug 2020 shall not be declared as NPA till further orders.**

ECL summary – Consolidated

Assets categorization	Dec '19	Mar'20	Jun'20	Sep'20	Dec'20
Stage 1 & 2 (represents standard assets)	98.39%	98.39%	98.60%	98.66%	97.14%
Stage 3 (classified as NPA)	1.61%	1.61%	1.40%	1.03%	0.55%
Stage 3 (not classified as NPA)	-	-	-	0.31%	2.32%

Summary of stage wise assets and provision for impairment allowance

Assets and impairment allowance	Dec '19	Mar '20	Jun'20	Sept '20	Dec '20
Gross Stage 1 & 2 assets* (A)	19396	19486	18441	18653	19228
ECL Provision Stage 1 & 2 (B)	195	311	504	689	366
Net Stage 1 & 2 assets (C = A-B)	19201	19176	17937	17964	18862
ECL Provision % Stage 1 & 2 assets (D = B/A)	1.01%	1.59%	2.73%	3.69%	1.90%
Gross Stage 3 assets@ (E)	318	319	262	253	567
ECL Provision Stage 3 (F)	180	193	170	149	329
Net Stage 3 assets (G = E-F)	138	127	92	104	238
Coverage Ratio % Stage 3 assets (H= F/E)	57%	60%	65%	59%	58%
Overall coverage ratio	1.90%	2.54%	3.60%	4.43%	3.51%

*Gross stage 1 & 2 assets represent loans balance as per Ind AS after adjusting for the impact of amortisation of fees earned and acquisition cost incurred including other assets like security deposits, advance to dealer, receivable from related parties, capital advances etc

@ Gross Stage 3 assets represents loans balance as per Ind AS after adjusting for the impact of (i) amortisation of fees earned and acquisition cost incurred and (ii) overdue interest considered recoverable under Ind AS and other receivables considered as non-performing as at the end of respective periods.

ECL summary – Bajaj Housing Finance Limited

ECL categorization	Dec'19	Mar'20	Jun'20	Sept'20	Dec'20
Stage 1 & 2 (represents standard assets)	99.93%	99.92%	99.92%	99.91%	99.65%
Stage 3 (represents GNPA)	0.07%	0.08%	0.08%	0.08%	0.06%
Stage 3 (not classified as NPA)				0.01%	0.29%

Summary of stage wise assets and ECL provisioning

Financial Assets & ECL provision	Dec'19	Mar'20	Jun'20	Sept'20	Dec'20
Gross Stage 1 & 2 assets* (A)	3,585	3,811	3,884	4,000	4,237
ECL Provision Stage 1 & 2 (B)	6	15	21	30	39
Net Stage 1 & 2 assets (C = A-B)	3,579	3,796	3,862	3,970	4,198
ECL Provision % Stage 1 & 2 assets (D = B/A)	0.16%	0.40%	0.54%	0.74%	0.93%
Gross Stage 3 assets@ (E)	2.7	3.2	3.3	3.6	14.9
ECL Provision Stage 3 (F)	0.9	1.2	1.3	1.4	5.6
Net Stage 3 assets (G = E-F)	1.8	2.0	2.0	2.3	9.3
Coverage Ratio % Stage 3 assets (H= F/E)	32%	38%	38%	38%	38%
ECL/Total Assets	0.19%	0.43%	0.58%	0.78%	1.06%

*Gross stage 1 & 2 assets represent loans balance as per Ind AS after adjusting for the impact of amortisation of fees earned and acquisition cost incurred including other assets like security deposits, receivable from related parties, capital advances etc

@ Gross Stage 3 assets represents Loans balance as per Ind AS after adjusting for the impact of (i) amortisation of fees earned and acquisition cost incurred and (ii) overdue interest considered recoverable under Ind AS and other receivables considered as non-performing as at the end of respective periods.

Portfolio stagewise provisioning – Q3 FY21

	Gross Assets Receivable			Stagewise Provision			PCR %		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Auto Finance Business	1,321	356	219	16	51	110	1.2%	14.3%	50.3%
Sales Finance Business	1,381	30	36	21	15	31	1.5%	51.4%	87.8%
Consumer B2C Business	3,665	188	133	48	55	85	1.3%	29.4%	63.9%
Rural Sales Finance Business	327	5	7	3	3	6	0.9%	54.2%	87.8%
Rural B2C Business	1,433	57	56	14	16	34	1.0%	27.1%	61.1%
SME Lending Business	2,496	67	61	33	20	39	1.3%	30.3%	64.6%
Securities Lending Business	672	1	0	0	0	0	0.1%	3.5%	0.0%
Commercial Lending Business	1,011	5	0	2	0	0	0.2%	2.2%	0.0%
Mortgages	5,665	87	55	52	16	23	0.9%	18.5%	41.1%
Total (Q3 FY21)	17,969	796	567	190	176	329	1.1%	22.1%	58.0%
Total (Q3 FY20)	18,433	484	318	104	91	180	0.6%	18.8%	56.7%

	Gross Assets receivables	Provision	Net Assets receivables
Total (Q3 FY21)	19333	695	18638
Total (Q3 FY20)	19235	375	18860

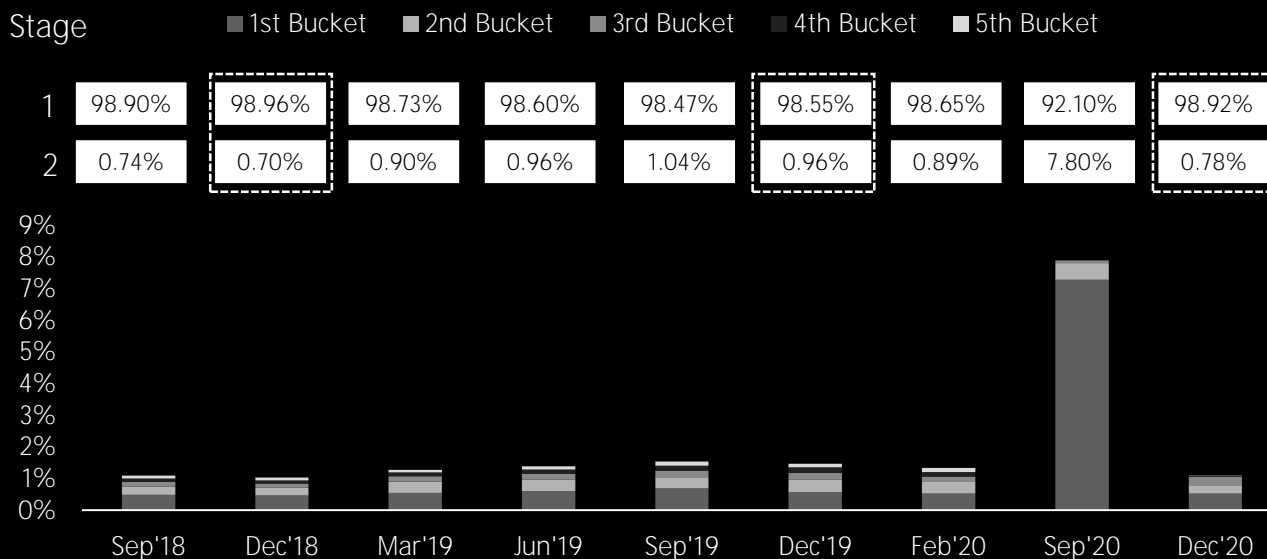
Stage 1 - Customer with no overdue on reporting date;

Stage 2 - Customer with 1 & 2 instalments overdue, including weak accounts without any overdue;

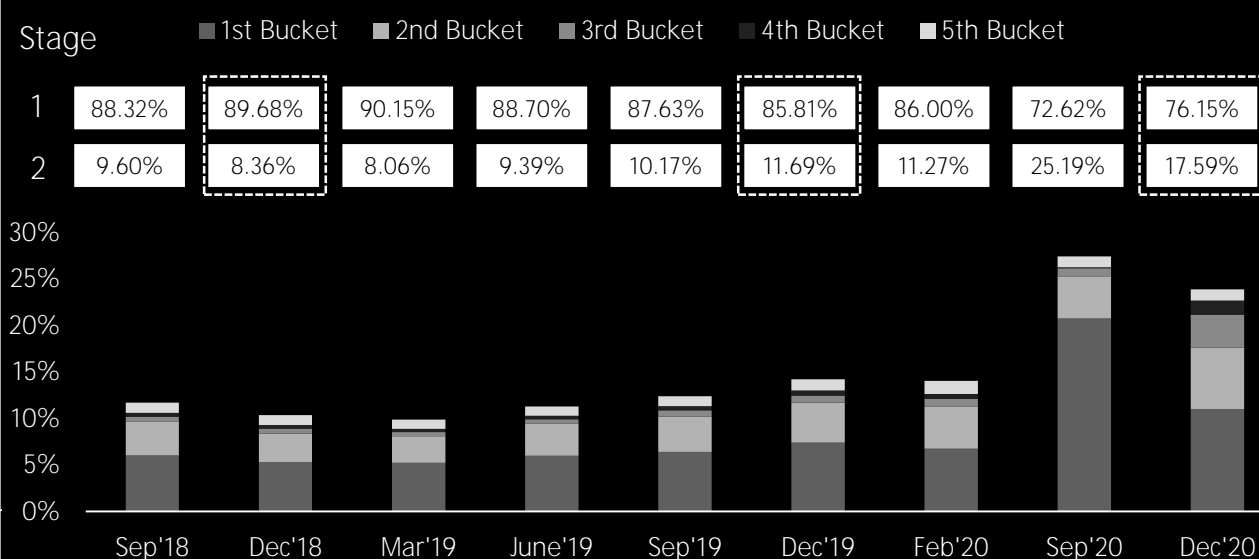
Stage 3 - Customer with 3 & above instalments overdue

Portfolio credit quality – Consolidated

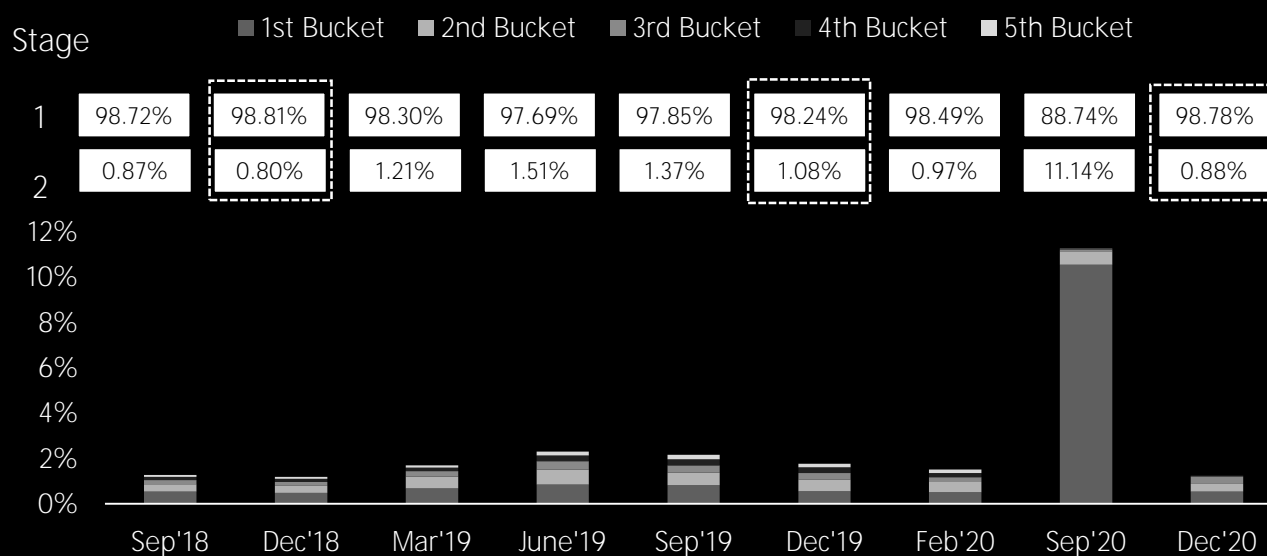
Consumer durable + Lifestyle



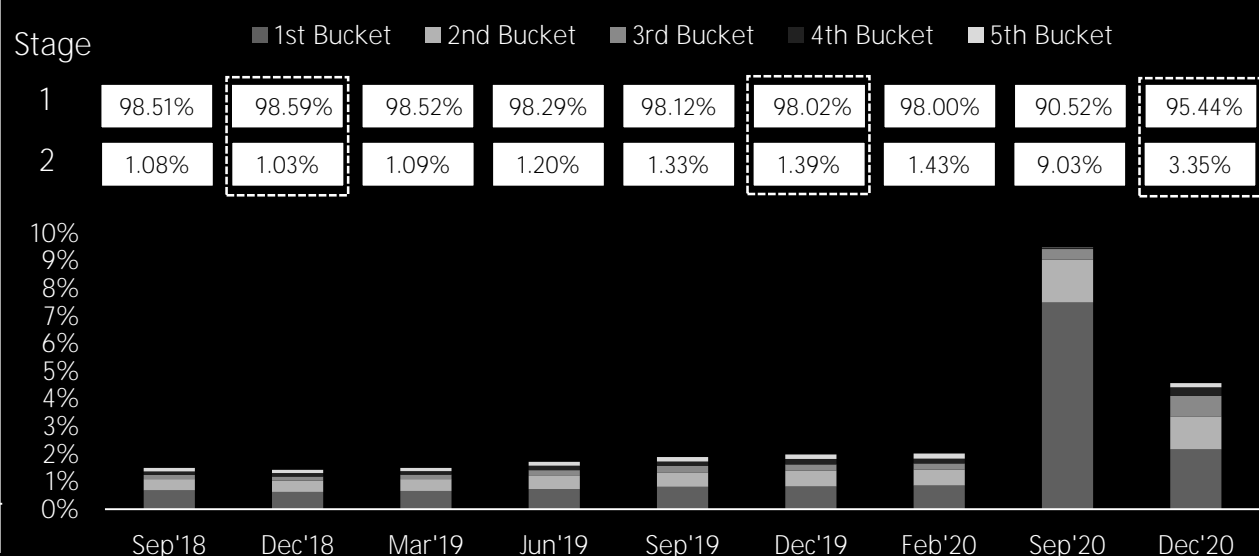
Two & three-wheeler



Digital product



B2C loans

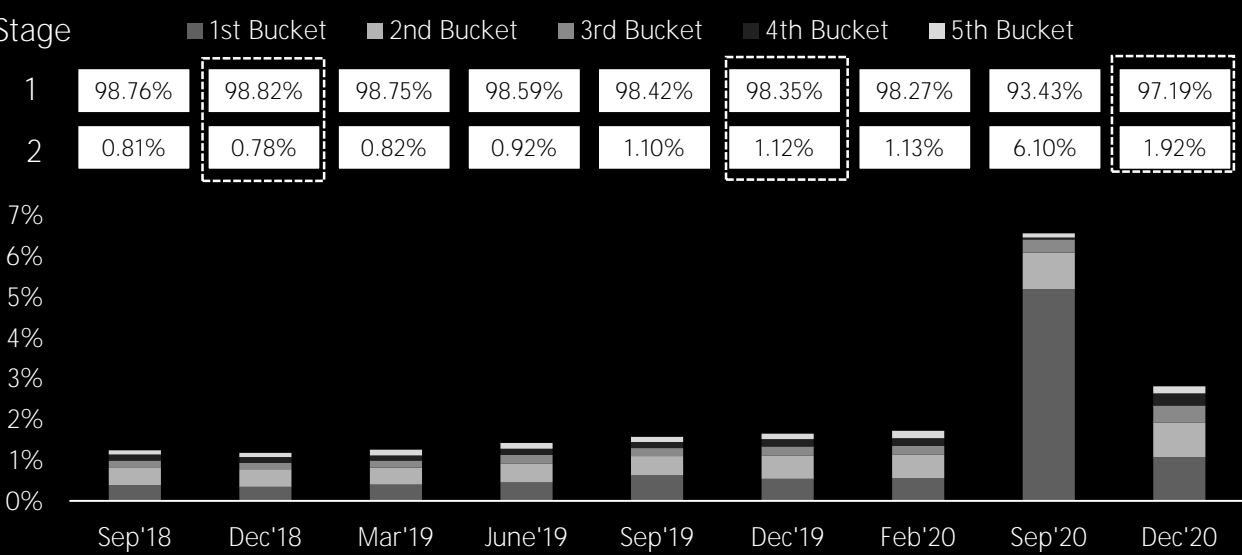


Dec'20 numbers are net of provision excl stage 1.

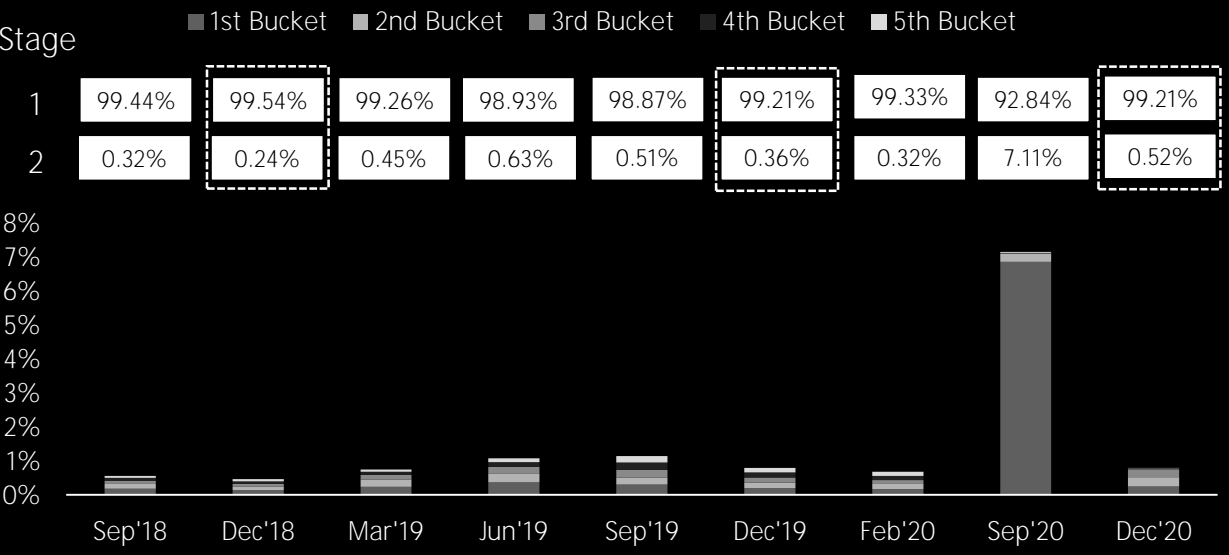
Portfolio credit quality – Consolidated



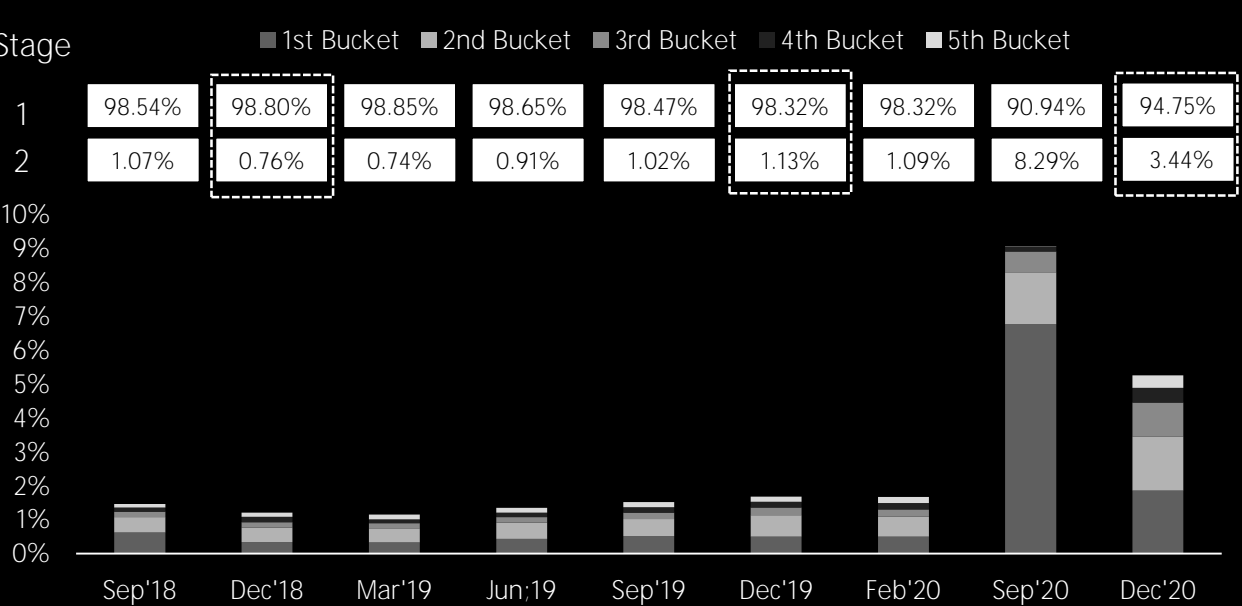
Business & professional loans



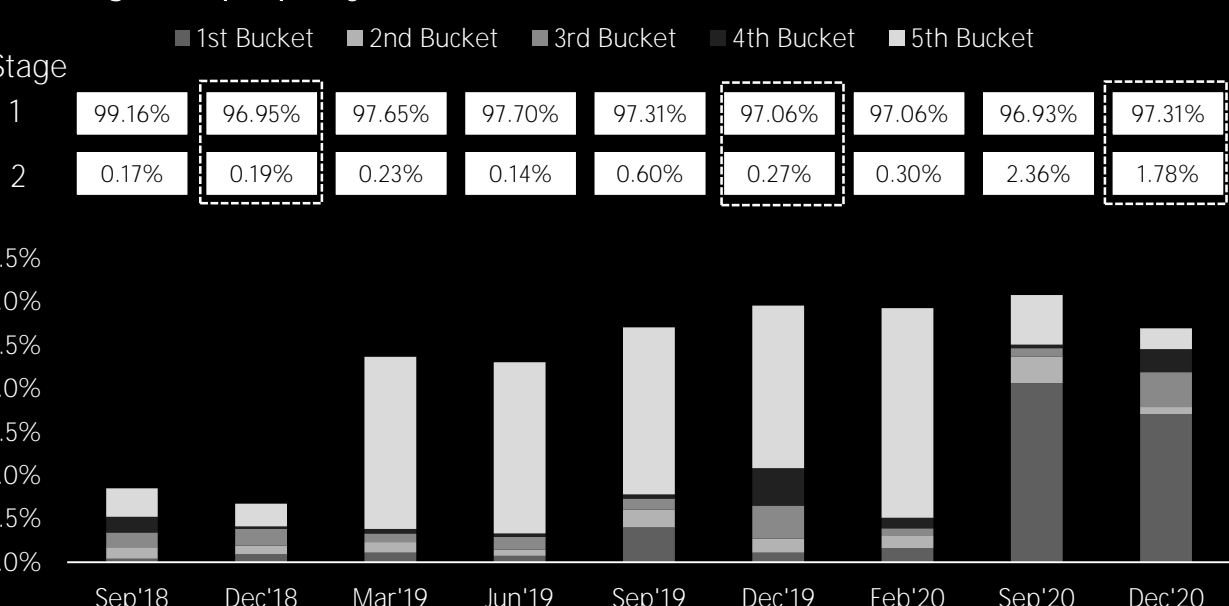
Rural Lending B2B



Rural lending B2C



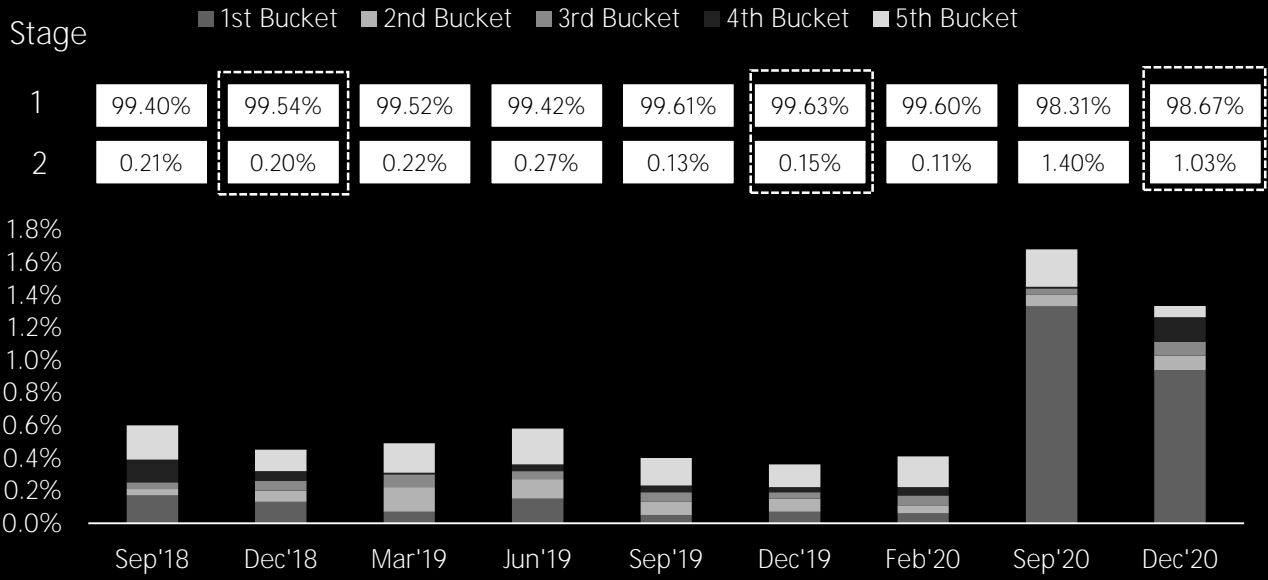
Loan against property



Dec'20 numbers are net of provision excl stage 1.

Portfolio credit quality – Consolidated

Home loans



Dec'20 numbers are net of provision excl stage 1.

BAJAJ FINANCE LIMITED

Q3 FY21 Investor Presentation

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