

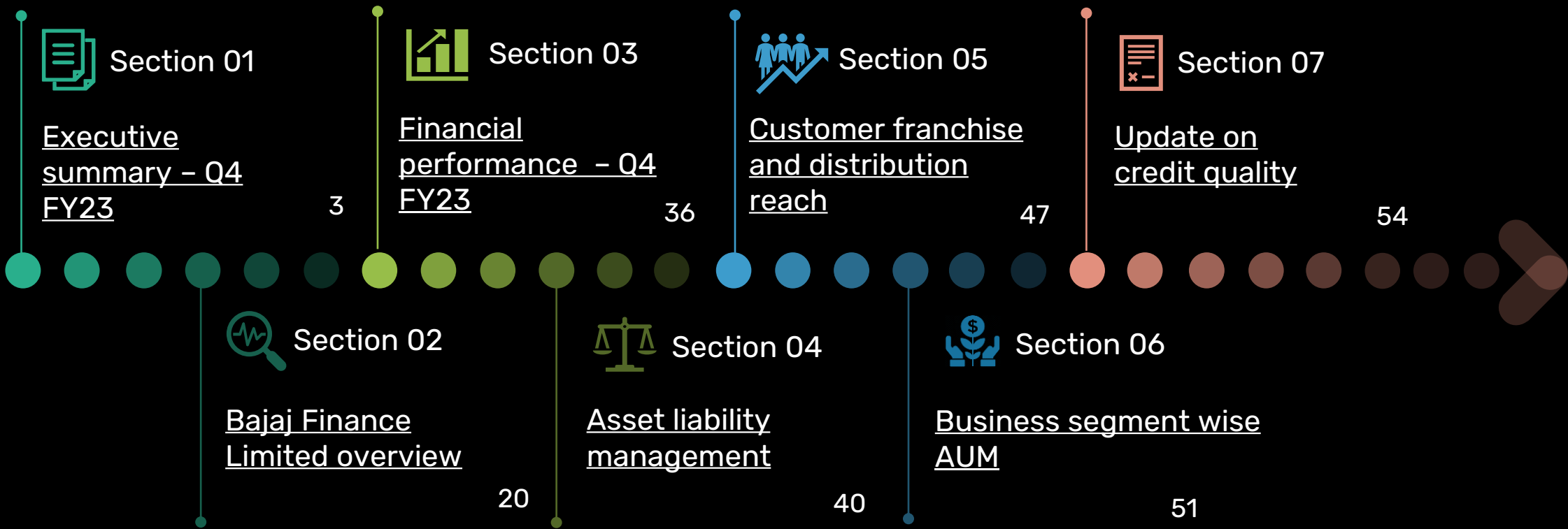


BAJAJ FINANCE LIMITED

Q4 FY23 Investor Presentation

26 April 2023

Presentation Path





Section 01

Executive summary – Q4 FY23

1.1

Quarter and Year gone by

1.2

Lead financial indicators

1.3

Consolidated financial performance –
FY23

1.4

Omnipresence strategy update

Excellent quarter across all financial and portfolio metrics. Delivered \$ 2,017 MM of core AUM growth in Q4. Added 3.09 MM new customers to the franchise in Q4. All products and services are now live on Web and App digital platforms. As of 31 March 2023, App platform has 35.5 MM net users.



Excellent year across all financial and portfolio metrics. Delivered core AUM growth of \$ 6,743 MM, disbursed 29.6 MM loans and added 11.6 MM new customers to the franchise, a highest ever. Fully live on App and Web platforms with 35.5 MM net users on App platform. Given the strong AUM growth momentum, robust portfolio metrics and a scalable digital stack, we are confident about growth and portfolio metrics for FY24.



Balance sheet and business metrics

1. Highest ever quarterly AUM growth of \$ 2,017 MM in FY23. In FY23, the Company added \$ 6,743 MM of core AUM.
2. Core AUM was up 29% at \$ 30,168 MM as against \$ 23,425 MM as of 31 March 2022. In FY23, AUM composition remained steady.
3. In Q4, new loans booked were up 20% to 7.56 MM as against 6.28 MM in Q4 FY22. In FY23, the Company booked highest ever new loans of 29.58 MM as compared to 24.68 MM in FY22, registering a growth of 20%.
4. In Q4, B2B disbursements were up 21% at \$ 1,941 MM as against \$ 1,608 MMa in Q4 FY22. So far, April is tracking strong.

Customer franchise and geographic footprint

5. In Q4, the Company added 3.09 MM new customers to the franchise. Highest ever customer franchise addition of 11.57 MM in FY23. Confident of adding 11-12 MM new customers in FY24.
6. Customer franchise stood at 69.14 MM as of 31 March 2023. Cross sell franchise stood at 40.56 MM.
7. In Q4, the Company added 19 new locations and added 10.8K distribution points. Geographic presence stood at 3,733 locations and over 154K active distribution points as of 31 March 2023. The Company added 229 new locations in FY23. Adding 150 new locations and over 300 standalone gold loan branches in Q1 FY24.

Liquidity and cost of fund

8. Liquidity buffer stood at \$ 1,445 MM as of 31 March 2023.

9. In Q4, cost of funds was 7.39%, an increase of 25 bps over Q3 FY23. Given strong ALM management and diversified balance sheet profile, there was no impact of interest rate hikes on NIM in FY23. We expect gradual moderation in margins in FY24.
10. Deposits book grew by 45% YoY and stood at \$ 5,447 MM as of 31 March 2023. In Q4, net deposit growth was \$ 205 MM. Deposits contributed to 21% of consolidated borrowings as of 31 March 2023.

Operating efficiencies

11. In Q4, Net interest income (NII) grew by 28% to \$ 948 MM as against \$ 739 MM in Q4 FY22.
12. In Q4, Opex to NII improved to 34.1% versus 34.5% in Q4 FY22. The Company continues to invest in teams and technology for business transformation. Investing in Social and Rewards platform in FY24.
13. Total employee headcount stood at 43,147 (BFL, BHFL and BFSL) as of 31 March 2023.

Credit cost

14. In Q4, loan losses and provisions were \$ 105 MM. The Company holds a management and macro-economic overlay of \$ 117 MM as of 31 March 2023.
15. GNPA & NNPA stood at 0.94% and 0.34% as of 31 March 2023 as against 1.60% and 0.68% as of 31 March 2022.
16. Stage 3 assets stood at \$ 282 MM as of 31 March 2023 as against \$ 382 MM as of 31 March 2022.
17. Risk metrics across portfolios were strong in Q4. All portfolios are in green.

Lead financial indicators (3/5)

Profitability and capital

- 18. Consolidated profit before tax grew by 31% to \$ 520 MM in Q4 FY23 as against \$ 398 MM in Q4 FY22.
- 19. Consolidated profit after tax grew by 30% to \$ 385 MM in Q4 FY23 as against \$ 295 MM in Q4 FY22.
- 20. In Q4, the Company delivered annualized ROA of 5.40% as against 5.29% in Q4 FY22.
- 21. In Q4, the Company delivered annualized ROE of 23.94% as against 22.80% in Q4 FY22.
- 22. Capital adequacy remained strong at 24.97% as of 31 March 2023. Tier-1 capital was 23.20%.

Bajaj Housing Finance Limited (BHFL)

Balance sheet and geography

- 23. AUM was up 30% at \$ 8,442 MM as against \$ 6,503 MM as of 31 March 2022.
- 24. Home Loans AUM grew by 24%, Loan against property grew by 4%, Lease Rental Discounting grew by 64% and Developer Finance grew by 92%.
- 25. Portfolio composition for HL : LAP : LRD : DF : Rural : Others stood at 59% : 9% : 16% : 9% : 4% : 3% as of 31 March 2023.
- 26. In Q4, overall approvals grew by 21%. Approvals were \$ 1,986 MM in Q4 FY23 as against \$ 1,644 MM in Q4 FY22.
- 27. In Q4, disbursements were \$ 1,101 MM as against \$ 910 MM in Q4 FY22, recording a growth of 21%.
- 28. Geographic presence stood at 161 locations.

Liquidity and cost of fund

29. Liquidity buffer stood at \$ 257 MM as of 31 March 2023.

30. In Q4, cost of funds was 7.48%, an increase of 36 bps over Q3 FY23.

31. Borrowing mix - Banks : NHB : Money market : Assignment : ICD stood at 52% : 3% : 32% : 12% : 1% as of 31 March 2023.

Operating efficiencies

32. Net interest income (NII) grew by 40% to \$ 77 MM in Q4 FY23 as against \$ 55 MM in Q4 FY22.

33. In Q4, Opex to NII stood at 26.5% as against 32.5% in Q4 FY22.

34. Total employee headcount stood at 2,788 as of 31 March 2023.

Credit costs

35. In Q4, loan losses and provisions were \$ 7 MM as against \$ 5 MM in Q4 FY22. BHFL holds a management and macro-economic overlay provision of \$ 29 MM as of 31 March 2023.

36. GNPA & NNPA stood at 0.22% and 0.08% as of 31 March 2023 as against 0.31% and 0.14% as of 31 March 2022.

37. Overall stage 3 assets stood at \$ 17 MM as of 31 March 2023 as against \$ 18 MM as of 31 March 2022.

Profitability and capital

- 38. Profit before tax grew by 52% to \$ 50 MM in Q4 FY23 as against \$ 33 MM in Q4 FY22.
- 39. Profit after tax grew by 53% to \$ 37 MM in Q4 FY23 as against \$ 24 MM in Q4 FY22.
- 40. In Q4, the Company delivered annualized ROA of 2.01% as against 1.76% in Q4 FY22.
- 41. In Q4, the Company delivered annualized ROE of 11.67% as against 11.92% in Q4 FY22.
- 42. Capital adequacy ratio stood at 22.97% as of 31 March 2023. Tier-1 capital was 22.19%.

Bajaj Financial Securities Limited (BFSL)

- 43. In Q4, BFSL added 41.8K customers to its franchise. Retail and HNI customer franchise stood at 565K as of 31 March 2023.
- 44. Margin Trading Finance AUM grew by 47% at \$ 130 MM as of 31 March 2023 as against \$ 88 MM as of 31 March 2022.
- 45. Geographic presence stood at 26 locations. In Q4, BFSL added 2 new locations.
- 46. In Q4, BFSL delivered significant upgrades to its Web and App platforms with addition of 61 new features.
- 47. In Q4, total Income was \$ 7 MM as against \$ 5 MM in Q4 FY22.
- 48. Profit after tax stood at \$ 366K as against \$ 1 MM in Q4 FY22.
- 49. Total employee headcount stood at 578 as of 31 March FY23.

Consolidated financial performance - FY23

Balance Sheet and customer franchise:

1. Core AUM was up 29% at \$ 30,168 MM as against \$ 23,425 MM as of 31 March 2022.
2. New loans booked increased by 20% to 29.58 MM as of 31 March 2023 as against 24.68 MM as of 31 March 2022.
3. Customer franchise increased by 20% to 69.14 MM as of 31 March 2023 as against 57.57 MM as of 31 March 2022.

Operating efficiencies

4. Net Interest Income for FY23 was up by 32% to \$ 3,518 MM as against \$ 2,670 MM in FY22.
5. Opex to NII for FY23 was 35.1% as against 34.7% in FY22.

Credit cost

6. In FY23, loan loss to average loan receivables was 1.47%. Loan losses and provisions for FY23 was \$ 389 MM as against \$ 586 MM in FY22. The Company has a management and macro-economic overlay provision of \$ 117 MM as of 31 March 2023.

Profitability and capital

7. Profit before tax for FY23 grew 63% to \$ 1, 894 MM as against \$ 1,159 MM in FY22.
8. Profit after tax for FY23 grew 64% to \$ 1,403 MM as against \$ 857 MM in FY22.

9. The Board of Directors has recommended a dividend of \$ 0.37 per equity share of the face value of \$ 0.02 (1500%) for FY23. This amounts to 17.65% of standalone profit for FY23 and is in line with the Company's dividend distribution policy.
10. ROA for FY23 was 5.3% and ROE was 23.5%.

Subsidiaries:

11. BHFL profit after tax for FY23 grew by 77% to \$ 153 MM as against \$ 87 MM in FY22.
12. BHFL Net Interest Income grew by 52% in FY23 to \$ 299 MM as against \$ 197 MM in FY22.
13. BHFL Opex to NII stood at 25.7% in FY23 as against 29.2% in FY22.
14. BHFL Capital adequacy ratio (including Tier-II capital) as of 31 March 2023 stood at 22.97%.
15. BFSL delivered total income of \$ 25 MM and profit after tax of \$ 976K in FY23.
16. BFSL acquired 234K customers. The customer franchise stood at 565K as of 31 March 2023 in FY23.

Omnipresence strategy update

Geography – 19 new locations added

1. Total geographic footprint stood at 3,733 locations and 1,54,650+ distribution points. The Company added 19 new locations and 10,750+ distribution points in Q4 FY23. The Company added 229 new locations in FY23. Adding 150 new locations in Q1 FY24.

App platform – Gone fully digital across all products and services

2. Phase 2 Sprint 3, the final Sprint of App platform, went live in a staggered manner on Google playstore in April 2023. With this Sprint, end-to-end journeys for all Lending, Investments and Insurance products have gone live. With this release, the App platform now has 157 features, 14 CLPs and 17 PDPs.
3. In Q1, new developments on App platform are scheduled to go live with EMI card journeys for new customer segments, home loan balance transfer journeys and new product segments for loan against securities business (Loan Against Insurance Policies, Bonds, ESOPs & IPOs) and opt-in/opt-out facility for promotional calls.

Web platform – On track with ‘Web=App’ across all products and services

5. Final release of Web platform is on track for April end. It will have end-to-end journeys for fixed deposit, business loan, co-brand Credit Cards, Doctor Loan, Chartered Accountant loan, Mortgages, Gold loan, loan against securities, used car financing and secured business loan.
6. Q2 FY24 onwards, features on App and Web platform will go live simultaneously.
7. Web platform being a new platform, we will start to publish its success metrics from Q2 FY24.

Payments – Continue to narrow gap with leading payment Apps on features

7. A scalable UPI infrastructure has gone live on consumer App platform. It is scaling well and will help improve performance. UPI Stack also added new features like enhanced Contact Mapper capability and UPI auto pay functionality in April 2023. Bajaj Pay UPI on iOS is expected to go live in April 2023.
8. In Q1, payments stack will deliver enhanced experience with Payments CLP, refer and earn functionality for UPI and faster settlement for merchants. In Q1 FY24, Bajaj Pay Wallet will also become available on checkout page of payment gateway providers.
9. The Company accelerated merchant QR deployment in Q4. In Q4, the Company deployed 413K merchant QR. Overall QR deployed stood at 627K as of 31 March 2023. The Company plans to deploy 2.1-2.4 MM merchant QRs in FY24.
10. Bajaj EDC machines will be launched in Q1 FY24 with features like Merchant onboarding, Merchant lifecycle management and Merchant service. These machines will be enabled with CC/DC, EMI card, Bajaj Wallet, UPI, invoice financing and product financing.

Particulars	Unit	Q3 FY23	Q4 FY23	FY23 (A)	FY23 (E)
Geography					
New locations added – in the Qtr	#	29	19	229	400-450
Locations - Cumulative	#	3,714	3,733	3,733	3,900-3,950
Gold loan branches – Cumulative	#	179	181	181	375
App Metrics					
Downloads – In the Qtr	# in MM	14.84	13.43	51.87	53-55
Net Installs – Cumulative	# in MM	31.5	35.5	35.5	35-38
In-App programs – Cumulative	#	101	104	104	100+
Ranking in financial domain in Playstore	#	5	5	5	Top 5
Service requests initiated on app – In the Qtr	% of total SR	22%	26%	22%	23-25%
App Payments metrics					
UPI handles - Cumulative	# in MM	10.39	12.98	12.98	12
Bill pay transactions – In the Qtr	# in MM	5.00	5.27	15.92	12
QRs at merchant PoS – Cumulative	# in '000	214	627	627	600-700
Rewards issued – In the Qtr	# in MM	17.3	13.5	44.7	37-40

Particulars	Unit	Q3 FY23	Q4 FY23	FY23 (A)	FY23 (E)
App business metrics					
EMI cards acquired on App - In the Qtr	# in '000	100	99	368	300-325
Personal loan disbursed on App - In the Qtr	In \$ MM	281	318	1.1K	1.1-1.2K
Credit card acquisition on App - In the Qtr	# in '000	59.2	72	209	175-200
Flexi loan transactions on App - In the Qtr	# in '000	1,481	1,554	4.9 MM	3.6-3.8 MM
DMS receipts on App - In the Qtr	# in '000	900	972	3.3 MM	3.0-3.2 MM
Marketplace metrics					
Bajaj Mall visits - In the Qtr	# in MM	44.2	47.1	156.7	140-150
Bajaj Mall loans - In the Qtr	# in '000	619	607	2.4 MM	2.6-2.8 MM
Insurance Bazaar policies - In the Qtr	# in '000	153.7	107.6	294.3	250-275
Investments Bazaar MF A/C - In the Qtr	# in '000	19.5	23.6	73.9	100-110
Digital EMI card metrics					
EMI cards acquired digitally - In the Qtr	# in '000	637	598	2.4 MM	2.0-2.2 MM
EMI cards acquired digitally - CIF	# in MM	3.1	3.6	3.6	3.8-4.0
B2B loans from digital EMI cards - in the Qtr	# in '000	284	291	1.07 MM	1.0-1.2 MM

Customer franchise - Key financial metrics

BAJAJ FINANCE LIMITED

Particulars	Unit	FY17	FY18	FY19	FY20	FY21	FY22	FY23
New loans booked	In MM	10.1	15.3	23.5	27.4	16.9	24.7	29.6
New customer addition	In MM	4.1	6.1	8.3	8.1	6.0	9.0	11.6
Existing customer mix	%	59.8%	60.3%	64.8%	70.4%	64.6%	63.5%	60.9%
Total franchise	in MM	20.1	26.2	34.5	42.6	48.6	57.6	69.1
Cross sell franchise	in MM	11.0	15.4	20.7	24.1	26.9	32.8	40.6
Co-branded credit cards sold	in MM	0.03	0.39	0.81	1.12	0.70	1.36	1.92
Other financial products sold to existing customers	in MM	0.06	0.08	0.19	0.27	0.67	2.23	2.36
AUM per cross sell franchise	\$	667	651	684	744	694	715	744
PAT per cross sell franchise	\$	20	20	24	27	20	26	35



Section 02

Bajaj Finance Limited overview

2.1

Bajaj group structure

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What do we stand for

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BFL Consolidated and BHFL long-term
guidance on financial metrics

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Key strategic differentiators

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Our shareholder profile

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BFL Consolidated 16-years financial
snapshot

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BHFL 6-years financial snapshot

2.8

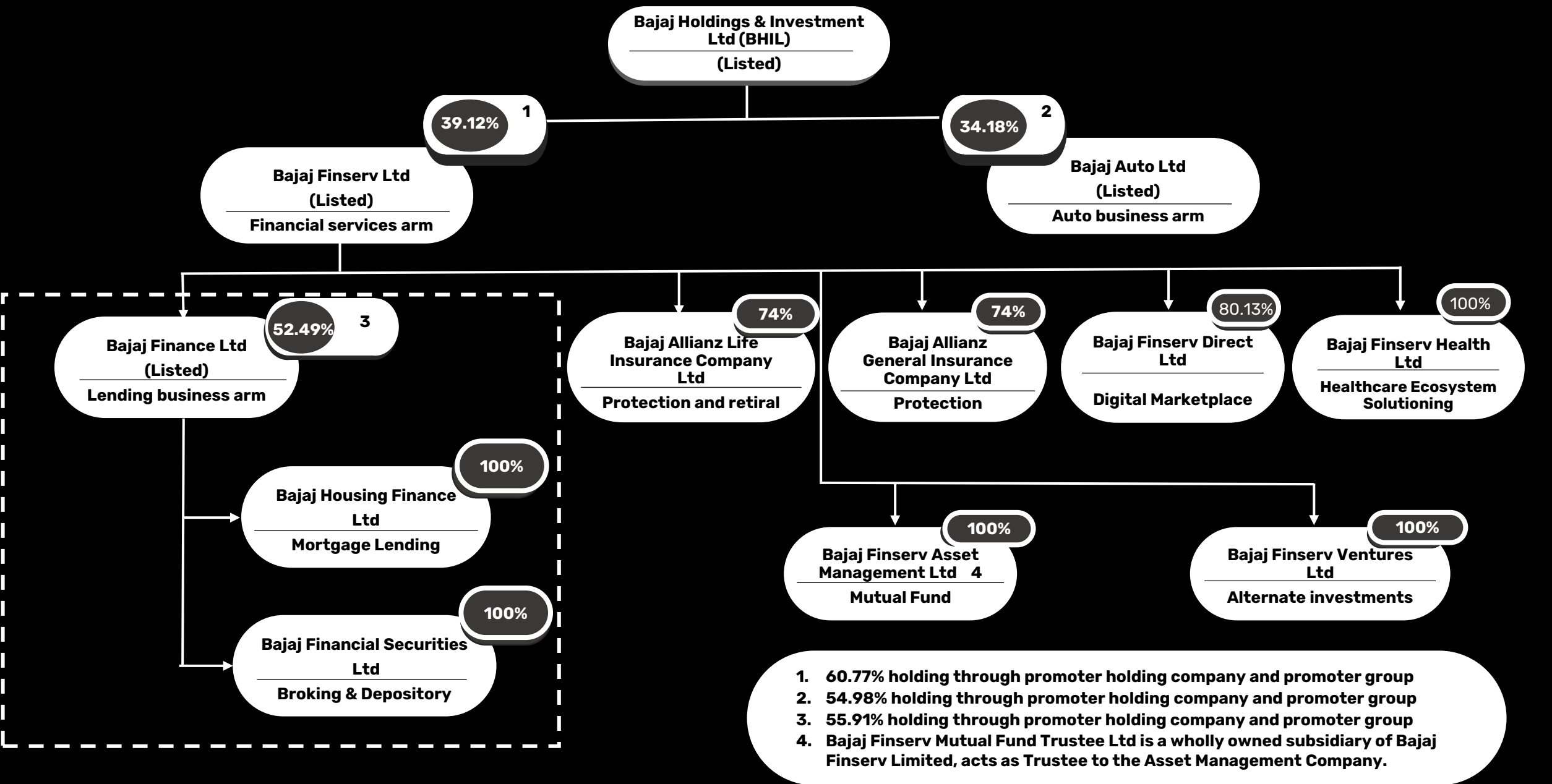
Product suite

2.9

Executive summary

Bajaj group structure

BAJAJ FINANCE LIMITED



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

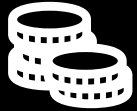
“Focused on mass affluent & above clients with a strategy to cross sell”

“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 4-4.5% and ROE of 19-21% in the long term”

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

BFL Consolidated 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%



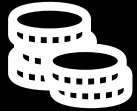
NNPA
in corridor of
0.4%-0.7%



Return on assets
in corridor of
4%-4.5%



Return on equity
in corridor of
19%-21%



AUM growth
in corridor of
26%-28%



Profit growth
in corridor of
28%-30%



GNPA
in corridor of
0.60%-0.80%



NNPA
in corridor of
0.30%-0.40%



Return on assets
in corridor of
1.7%-2.0%



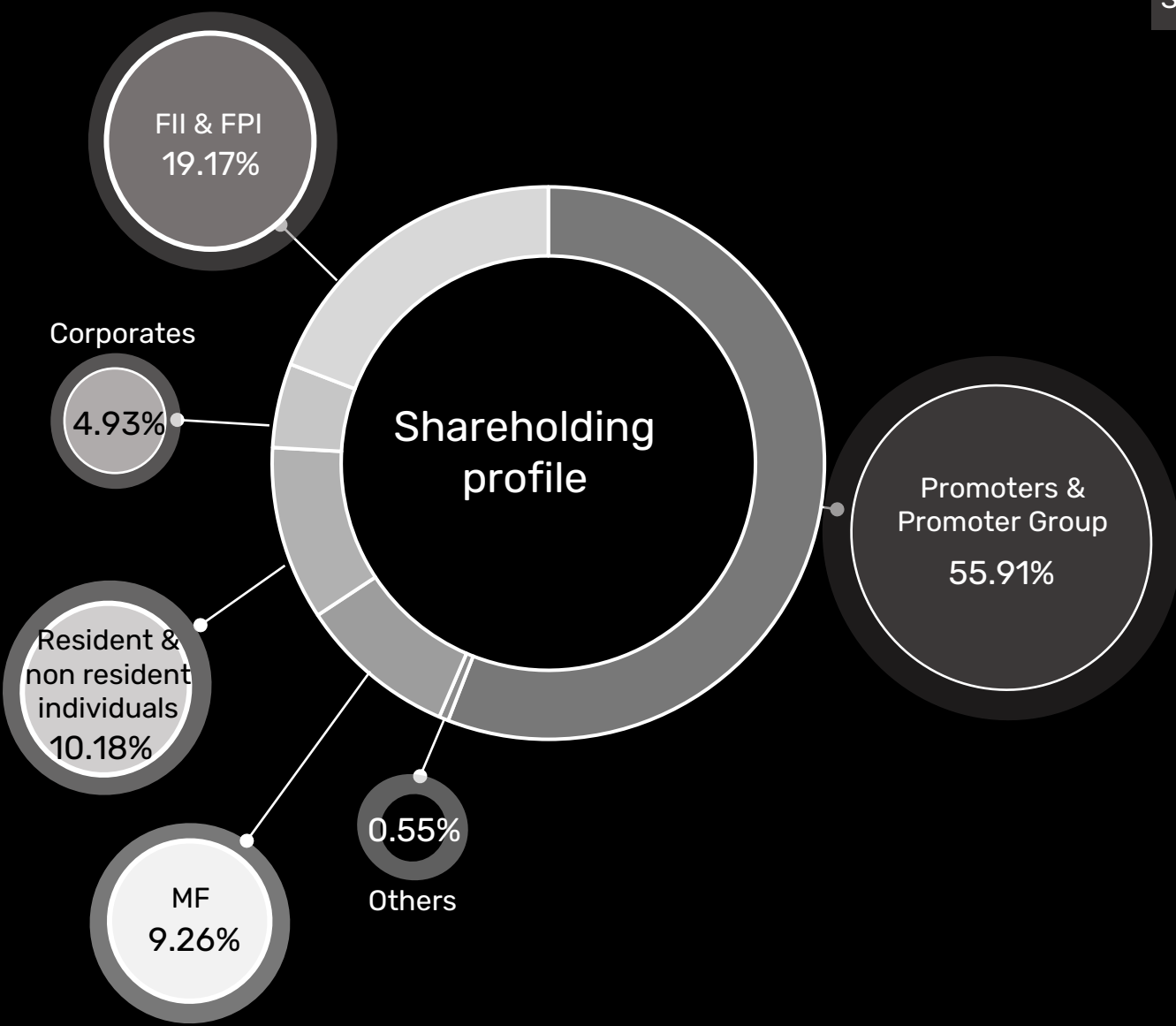
Return on equity
in corridor of
13%-15%

Key strategic differentiators

BAJAJ FINANCE LIMITED

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 69.14 MM
Strong focus on cross selling assets, payments, insurance and deposit products to existing customers	Highly data oriented. Deep data talent bench and technology architecture to enable cross sell
A well diversified balance sheet	Consolidated lending AUM mix for Urban: Rural: SME: Commercial: Mortgages stood at 32% : 10% : 14% : 13% : 31%. Consolidated borrowing mix for Money Markets: Banks: Deposits: ECB stood at 45% : 33% : 21% : 1%
Agile and innovative	Continuous transformation in product features and digital technologies to maintain competitive edge
Committed to technology and analytics to transform customer experience	Has helped achieve multi product cross sell and manage risk & controllership effectively. Focussed on delivering frictionless experience to customer
Committed to digital	Has adopted digital technology trends and navigated from digitisation to digitalisation. Now transforming to a customer centric digital enterprise

Our shareholder profile



Above shareholding is as of 31 March 2023

BAJAJ FINANCE LIMITED

Top 20 investors & their holdings

S.No	Name of Shareholder	As on 31 Mar 22	As on 31 Dec 22	As on 31 Mar 23
1	BAJAJ FINSERV LTD	52.49%	52.49%	52.49%
2	GOVERNMENT OF SINGAPORE	3.19%	3.44%	3.41%
3	MAHARASHTRA SCOOTERS LIMITED	3.13%	3.13%	3.13%
4	SBI NIFTY 50 ETF	0.74%	0.85%	0.82%
5	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS LONG TERM EQUITY FUND	0.75%	0.69%	0.71%
6	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS BLUECHIP FUND	0.79%	0.77%	0.69%
7	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	0.33%	0.53%	0.68%
8	SBI S&P BSE SENSEX ETF	0.44%	0.54%	0.55%
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	0.54%	0.54%	0.54%
10	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	0.50%	0.52%	0.51%
11	SBI EQUITY HYBRID FUND	0.35%	0.40%	0.50%
12	SBI LIFE INSURANCE CO. LTD	0.48%	0.49%	0.49%
13	EUROPACIFIC GROWTH FUND	0.44%	0.44%	0.44%
14	ISHARES CORE MSCI EMERGING MARKETS ETF	0.00%	0.39%	0.42%
15	NEW HORIZON OPPORTUNITIES MASTER FUND	0.74%	0.55%	0.42%
16	PEOPLE'S BANK OF CHINA	0.39%	0.40%	0.40%
17	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS FOCUSED 25 FUND	0.45%	0.37%	0.37%
18	GOVERNMENT PENSION FUND GLOBAL	0.27%	0.31%	0.35%
19	UTI FLEXI CAP FUND	0.33%	0.35%	0.35%
20	SBI FOCUSED EQUITY FUND	0.17%	0.35%	0.35%

Financials snapshot [@]	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	CAGR (16 yrs.)
AUM	302	310	492	924	1,598	2,136	2,934	3,952	5,394	7,341	10,051	14,133	17,945	18,652	24,080	30,168	36%
Total income	61	73	112	171	265	379	497	661	894	1,218	1,556	2,256	3,218	3,254	3,860	5,050	34%
Interest expenses	21	20	25	45	91	147	192	274	357	464	563	808	1,155	1,148	1,190	1,532	33%
Net Interest Income (NII)	40	53	87	126	174	232	305	387	537	754	993	1,448	2,063	2,106	2,670	3,518	35%
Operating Expenses	24	27	39	56	82	104	140	174	231	313	399	512	690	647	925	1,235	30%
Loan Losses & Provision	13	20	32	25	19	22	31	47	66	98	126	183	479	728	586	389	25%
Profit before tax	4	6	16	45	73	106	133	165	240	344	469	754	893	731	1,159	1,894 [^]	52%
Profit after tax	3	4	11	30	50	72	88	110	156	224	304	487	642	539	857	1,403	52%
Ratios	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	
Opex to NII	58.1%	50.6%	44.8%	44.4%	47.0%	44.6%	46.0%	45.0%	43.1%	41.4%	40.2%	35.3%	33.5%	30.7%	34.7%	35.1%	
Loan loss to avg. AUF	3.58%	4.89%	7.05%	3.63%	1.58%	1.25%	1.30%	1.42%	1.47%	1.61%	1.50%	1.55%	3.10%	4.14%	2.84%	1.47%	
Return on assets	0.7%	1.4%	2.8%	4.4%	4.2%	4.1%	3.6%	3.3%	3.5%	3.7%	3.7%	4.2%	4.1%	3.1%	4.2%	5.3%	
Return on equity	2.0%	3.2%	8%	19.7%	24.0%	21.9%	19.5%	20.4%	20.9%	21.6%	20.1%	22.5%	20.2%	12.8%	17.4%	23.5%	
Net NPA *	7%	5.50%	2.20%	0.80%	0.12%	0.19%	0.28%	0.45%	0.28%	0.44%	0.43%	0.63%	0.65%	0.75%	0.68%	0.34%	
Provision coverage ratio	30%	32%	55%	79%	89%	83%	76%	71%	77%	74%	70%	60%	60%	58%	58%	64%	
CRAR (standalone)	40.7%	38.4%	25.9%	20.0%	17.5%	21.9%	19.1%	18.0%	19.5%	20.3%	24.7%	20.7%	25.0%	28.3%	27.2%	25.0%	
Leverage ratio	2.6	2.5	3.8	5.9	6.4	5.3	6.2	6.8	6.3	6.6	5.4	6.3	5.1	4.7	4.9	5.1	

[^] Includes share of profit of Associate of \$ 244K

[@] All figures till FY17 are as per previous GAAP on standalone basis. All figures from FY18 onwards are as per Ind AS and on consolidated basis.

^{*} As per the RBI regulations, NNPA numbers up to FY15 are at 6 months overdue, FY16 are at 5 months overdue, FY17 are at 4 months overdue, FY18 to Nov'21 are at 3 months overdue and Dec'21 onwards are at 91 days past due. Hence NPA across periods are not comparable.

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Financials snapshot	FY18	FY19	FY20	FY21	FY22	FY23	CAGR (6 yrs.)
AUM	435	2,142	3,988	4,740	6,503	8,442	81%
Total income	13	141	323	385	459	691	122%
Interest expenses	6	84	197	240	263	392	133%
Net Interest Income (NII)	7	57	126	145	197	299	111%
Operating Expenses	5	36	41	40	57	77	70%
Loan Losses & Provision	0	3	15	30	22	15	99%
Profit before tax	1	18	69	75	117	207	174%
Profit after tax	1	13	51	55	87	153	163%
Ratios	FY18	FY19	FY20	FY21	FY22	FY23	
Opex to NII	74.6%	63.1%	32.9%	27.7%	29.2%	25.7%	
Loan loss to avg. AUF	0.22%	0.24%	0.55%	0.80%	0.45%	0.23%	
Return on assets	0.3%	1.1%	1.9%	1.5%	1.8%	2.3%	
Return on equity	1.1%	4.2%	9.1%	7.8%	11.1%	14.6%	
Net NPA	0.00%	0.04%	0.05%	0.22%	0.14%	0.08%	
Provision coverage ratio	-	35%	38%	38%	54%	64%	
CRAR (standalone)	45.12%	25.81%	25.15%	21.33%	19.71%	22.97%	
Leverage ratio	3.03	5.26	5.62	6.28	7.20	6.16	

BAJAJ FINANCE LIMITED

Consumer	SME	Commercial	Rural	Deposits	Payments	Partnerships & Services
1. Consumer Durable Loans	1. Unsecured Working Capital Loans	1. Loan against securities	1. Consumer Durable Loans	1. Retail Term Deposits	Issuance	1. Life Insurance Distribution
2. Digital Product Loans		2. IPO financing			1. PPI	
3. Lifestyle Product Loans		3. ESOP financing	2. Digital Product Loans	2. Corporate Term Deposits	2. UPI	2. General Insurance Distribution
4. Lifecare financing	2. Loans to self employed and Professionals	4. Vendor financing to auto component manufacturers	3. Lifestyle Product Loans	3. Systematic Deposit Plan	3. BBPS	3. Health Insurance Distribution
5. EMI Cards					Acquiring	
6. Retail spend financing	3. Secured Enterprise Loans	5. Financial Institutions Lending	4. Personal Loans Cross Sell		1. Merchant QR	4. Pocket Insurance
7. 2-Wheeler & 3-Wheeler loans						5. RBL Co-Branded Credit Card
8. Personal Loan Cross-Sell	4. Used-car financing	6. Light Engineering Lending	5. Salaried Personal Loans			6. DBS Co-Branded Credit Card
9. Salaried Personal Loans	5. Medical equipment financing	7. Specialty Chemicals Lending	6. Gold Loans			7. Financial Fitness Report
10. E-Commerce financing			7. Loans to Professionals			
11. Retailer finance						
12. Health EMI Card						

BAJAJ HOUSING FINANCE LIMITED

1. Salaried Home Loans	1. Loan Against Property	1. Developer Finance	1. Loan Against Property
2. Salaried Loan Against Property	2. Self Employed Home Loans	2. Commercial Construction Finance	2. Home Loans
3. Affordable housing finance	3. Lease Rental Discounting	3. Corporate Lease Rental Discounting	

BAJAJ FINANCIAL SECURITIES LIMITED

1. Trading Account	4. HNI Broking	7. Mutual Funds
2. Depository Services	5. Retail Broking	8. Distribution of PMS
3. Margin Trading Financing	6. IPOs and OFS	9. Proprietary Trading

Executive summary – Bajaj Finance Limited

Overview	• Focused on Urban, Rural, SME, Commercial and Payments 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 of \$ 22,073 MM as of 31 March 2023 • AUM mix as of 31 March 2023 – Urban : Rural : SME : Commercial : Mortgage stood at 44% : 13% : 19% : 16% : 8% • Profit after tax of \$ 346 MM in Q4 FY23 • Capital adequacy ratio (including Tier II capital) of 24.97% as of 31 March 2023. Tier I capital stood at 23.20%
Consumer business	• Present in 1,392 locations with 110.1K+ active distribution points of sale as of 31 March 2023 • Largest consumer electronics, digital products & lifestyle products lender in India • 2-wheeler financing business disbursed 182.9K accounts in Q4 FY23 (growth of 35% YOY) • 3-wheeler financing business disbursed 43.8K accounts in Q4 FY23 (growth of 112% YOY) • Amongst the largest personal loan lenders in India
Payments	• EMI Card franchise stood at 42 MM cards in force (CIF) as of 31 March 2023 • Co-branded credit card CIF stood at 3.46 MM as of 31 March 2023 • Digital app platform has 35.5 MM net users as of 31 March 2023
Rural business	• 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 • Present in 2,341 towns and villages with 37K+ active distribution points of sale as of 31 March 2023

Executive summary – Bajaj Finance Limited

SME Business	- Offers unsecured working capital loans to SME and self-employed professionals - Secured offerings include enterprise loans against property - Focused on accelerating used car financing business - Focused on affluent SMEs with established financials & demonstrated borrowing track record - Offers medical equipment financing from \$ 4K to \$ 732K for medical professionals
Commercial business	- Offers short, medium and long-term financing to mid market corporates - Focused on auto ancillaries, pharma, specialty chemicals, financial institution groups, lease rental discounting and top mid corporate clients in India
Treasury	- Strategy is to create a balanced mix of wholesale and retail borrowings with a focus on long term borrowings - Strategy is that deposits should contribute to 25% of consolidated borrowings - Borrowings stood at \$ 19,718 MM with a mix of 48% : 23% : 28% : 1% between money markets, banks, deposits & ECB as of 31 March 2023
Credit Quality	- GNPA and NNPA as of 31 March 2023 stood at 1.19% and 0.43% respectively - Provisioning coverage ratio as of 31 March 2023 was 64% - Provisioning coverage on stage 1 & 2 stood at 136 bps as of 31 March 2023
Credit Rating	- 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 CRISIL AAA/STABLE by CRISIL & [ICRA] AAA (Stable) by ICRA - Long term issuer credit rating of BB+/Positive and short-term rating of B by S&P Global ratings
Regulated by	- Reserve Bank of India - Securities and Exchange Board of India

Executive summary – Bajaj Housing Finance Ltd. BAJAJ FINANCE LIMITED

Overview	• A 100% subsidiary of Bajaj Finance Limited • Independent organization design having all dedicated functions and units to drive domain expertise, scalability and operating leverage • 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 \$ 8,442 MM as of 31 March 2023. Post tax profit of \$ 153 MM for FY23 • Capital adequacy ratio (including Tier II capital) was 22.97% as of 31 March 2023
Home Loans	• Offers home loans to salaried customers for an average ticket size of \$ 61K • Focused on originating home loans at developer points and through distributors • Focused on home loans – fresh, resale and balance transfer directly as well as through channel partners • Present in 51 locations as of 31 March 2023 • Home loan mix as of 31 March 2023 – Salaried : Self Employed : Professionals stood at 90% : 5% : 5%
Loan Against Property	• Offers loan to mass affluent and above self-employed customers for an average ticket size of \$ 88K • Focused on offering customized propositions to both self employed and salaried customers • Present in 29 locations as of 31 March 2023
Rural	• Offers home loans and loans against property to salaried and self-employed customers with an average ticket size of approximately \$ 23K for home loans and \$ 16K for loan against property • Hub and spoke strategy through branch network, ASSC tie ups and channel partners • Present in 109 locations as of 31 March 2023

Executive summary – Bajaj Housing Finance Ltd. BAJAJ FINANCE LIMITED

Lease Rental Discounting (LRD)	• Offers LRD to high net-worth individuals and developers against commercial property leased to corporate lessees • Offers construction finance for commercial properties to existing LRD customers • LRD transactions are backed by rentals through escrow mechanism • Offers LRD from \$ 1.2 M to \$ 67 MM • Present in 12 locations as of 31 March 2023
Developer Financing	• Offers construction finance and inventory finance mainly to category A and A+ developers in India • Offers developer financing from \$ 0.6 MM to \$ 61 MM • Present in 13 locations as of 31 March 2023
Credit Quality	• GNPA and NNPA as of 31 March 2023 stood at 0.22% and 0.08% respectively
Treasury	• Strategy is to create a balanced and sustained mix of borrowings • Borrowings stood at \$ 6,554 MM with a mix of 52% : 3% : 32% : 12% : 1% between banks : NHB : money markets : assignment : ICD as of 31 March 2023
Credit Rating	• 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
Regulated by	• Reserve Bank of India • Supervised by National Housing Bank • Securities and Exchange Board of India

Executive summary – BFSL

Overview	• A 100% subsidiary of Bajaj Finance Limited • Offers Capital Market products - Broking, Depository services, Margin Trade Financing, Mutual Funds, IPOs and Distribution of PMS • Broking business caters to two different business segments – HNI and Retail • Total Income stood at \$ 7 MM in Q4 FY23 and \$ 25 MM for FY23 • Delivered PAT of \$ 366K for Q4 FY23 and \$ 976K for FY23
HNI Broking	• Business oriented towards delivering relationship-based Broking solutions to UHNI & HNI client segment • Focus on building Margin Trade Financing book, total loan book stood at \$ 122 MM as of FY23 • Present in 26 locations as of 31 March 2023 • Added 5.2K UHNI/HNI clients in Q4 FY23. Total client base stood at 22.5K+ as of 31 March 2023.
Retail Broking	• Added ~36.5K+ trading and demat accounts in Q4 FY23 with focus to add accounts with higher propensity to trade. • Total retail client base stood at 542.5K as of 31 March 2023 • Crossed 1,100+ network of partners and affiliates online accounts • Working with 80+ Independent Business Advisor (IBAs) • Margin Trade Financing book as of Q4FY23 stands at \$ 8 MM • Focused on driving client activation of BFSL Platform, monthly activation rate stands at 23%
Credit Rating	• Issuer rating of AAA from CRISIL
Regulated by	• Securities and Exchange Board of India

Q4 capabilities update

In Q4 FY23, 61 new features were added on Web and App platforms

Gone live with below capabilities on web and mobile during Q4 FY23:

- UI Revamp – Enhanced UI interface of Web and Mobile for better user experience
- Bonds India - 3 Party platform for applying bonds online via BFSL Platform
- Refer & Earn – Referral Program to generate new leads
- Trendlyne – Screener and Results dashboard feature under insights on BSFL platform
- SGB – Facility to apply for SGB directly form BFSL Platform
- Fund Segregation – Regulatory Changes with respect to pay-in of Funds
- E-KYC NRI – Facility to assist NRI customers for account opening
- TAX Filing Reports – Feature to email all tax related reports in one click
- Watchlist Enhancements – Enhanced exiting feature of watchlist with rename and alert setting option
- IPO Change – Early Access, Subscription Status and UPI validation
- UI/UX enhancements – Holdings/Net positions tab on mobile, Stock details page on Web, Dashboard element realignment in Mobile, Explore Services UI alignment on web
- EKYC Changes – Journey Optimization with backend and front-end changes

Section 03 **Financial performance**

3.1

Financial statement summary –
Consolidated

3.2

Financial statement summary –
Bajaj Finance Limited

3.3

Financial statement summary –
Bajaj Housing Finance Limited

Financials snapshot	Q4 FY23	Q4 FY22	Y-o-Y	FY23	FY22	Y-o-Y
Assets under management	30,168	24,080	25%	30,168	24,080	25%
Core Assets under management	30,168	23,425	29%	30,168	23,425	29%
Assets under finance	29,545	23,344	27%	29,545	23,344	27%
Interest income	1,201	899	34%	4,335	3,326	30%
Fees, commission, and other non-interest income	185	154	20%	714	533	34%
Total Income	1,386	1,052	32%	5,050	3,860	31%
Interest expenses	438	313	40%	1,532	1,190	29%
Net Interest Income	948	739	28%	3,518	2,670	32%
Operating Expenses	324	255	27%	1,235	925	34%
Loan losses and provisions	105	86	22%	389	586	(34%)
Share of profit of associate	0	-	-	0	-	-
Profit before tax	520	398	31%	1,894	1,159	63%
Profit after tax	385	295	30%	1,403	857	64%
Ratios						
Operating expenses to Net Interest Income	34.1%	34.5%		35.1%	34.7%	
Annualized Loan Loss to Average AUF	1.47%	1.53%		1.47%	2.84%	
Annualized Return on Average AUF	5.40%	5.29%		5.31%	4.16%	
Annualized Return on Average Equity	23.94%	22.80%		23.46%	17.43%	
Earning per share - Basic (\$) *	0.6	0.5		2.3	1.4	

Financial statement summary – Bajaj Finance Ltd

BAJAJ FINANCE LIMITED

Values in MM | USD 1 – INR 82

Financials snapshot	Q4 FY23	Q4 FY22	Y-o-Y	FY23	FY22	Y-o-Y
Assets under management	22,073	17,895	23%	22,073	17,895	23%
Core Assets under management	22,073	17,241	28%	22,073	17,241	28%
Assets under finance	21,841	17,595	24%	21,841	17,595	24%
Interest income	1,010	778	30%	3,676	2,895	27%
Fees, commission, and other non-interest income	175	151	16%	676	505	34%
Total Income	1,185	929	28%	4,352	3,400	28%
Interest expenses	319	238	34%	1,132	924	23%
Net Interest Income	866	691	25%	3,220	2,476	30%
Operating Expenses	301	237	27%	1,153	865	33%
Loan losses and provisions	98	81	21%	374	564	(34%)
Profit before tax	467	373	25%	1,693	1,047	62%
Profit after tax	346	277	25%	1,255	774	62%
Ratios						
Operating expenses to Net Interest Income	34.8%	34.3%		35.8%	34.9%	
Annualized Loan Loss to Average AUF	1.86%	1.93%		1.90%	3.59%	
Annualized Return on Average AUF	6.57%	6.60%		6.36%	4.93%	
Annualized Return on Average Equity	22.68%	22.20%		22.00%	16.28%	
Earning per share - Basic (\$) *	0.6	0.5		2.1	1.3	

Financial statement summary – BHFL

BAJAJ FINANCE LIMITED

Values in MM | USD 1 – INR 82

Financials snapshot	Q4 FY23	Q4 FY22	Y-o-Y	FY23	FY22	Y-o-Y
Assets under management	8,442	6,503	30%	8,442	6,503	30%
Assets under finance	7,575	5,669	34%	7,575	5,669	34%
Interest income	185	117	58%	643	425	51%
Fees, commission, and other non-interest income	8	12	(33%)	48	35	39%
Total Income	193	129	50%	691	459	50%
Interest expenses	116	74	57%	392	263	49%
Net Interest Income	77	55	40%	299	197	52%
Operating Expenses	20	18	14%	77	57	34%
Loan losses and provisions	7	5	50%	15	22	(31%)
Profit before tax	50	33	52%	207	117	77%
Profit after tax	37	24	53%	153	87	77%
Ratios						
Operating expenses to Net Interest Income	26.5%	32.5%		25.7%	29.2%	
Annualized Loan Loss to Average AUF	0.38%	0.34%		0.23%	0.45%	
Annualized Return on Average AUF	2.01%	1.76%		2.32%	1.78%	
Annualized Return on Average Equity	11.67%	11.92%		14.59%	11.12%	
Earning per share - Basic (\$) *	0.005	0.005		0.023	0.018	

*Not annualized



Section 04

Asset liability management

4.1

Conservative leverage standards – Consolidated

4.2

Resilient business model – Consolidated

4.3

Behaviouralized ALM – Bajaj Finance Limited

4.4

Behaviouralized ALM – Bajaj Housing Finance Limited

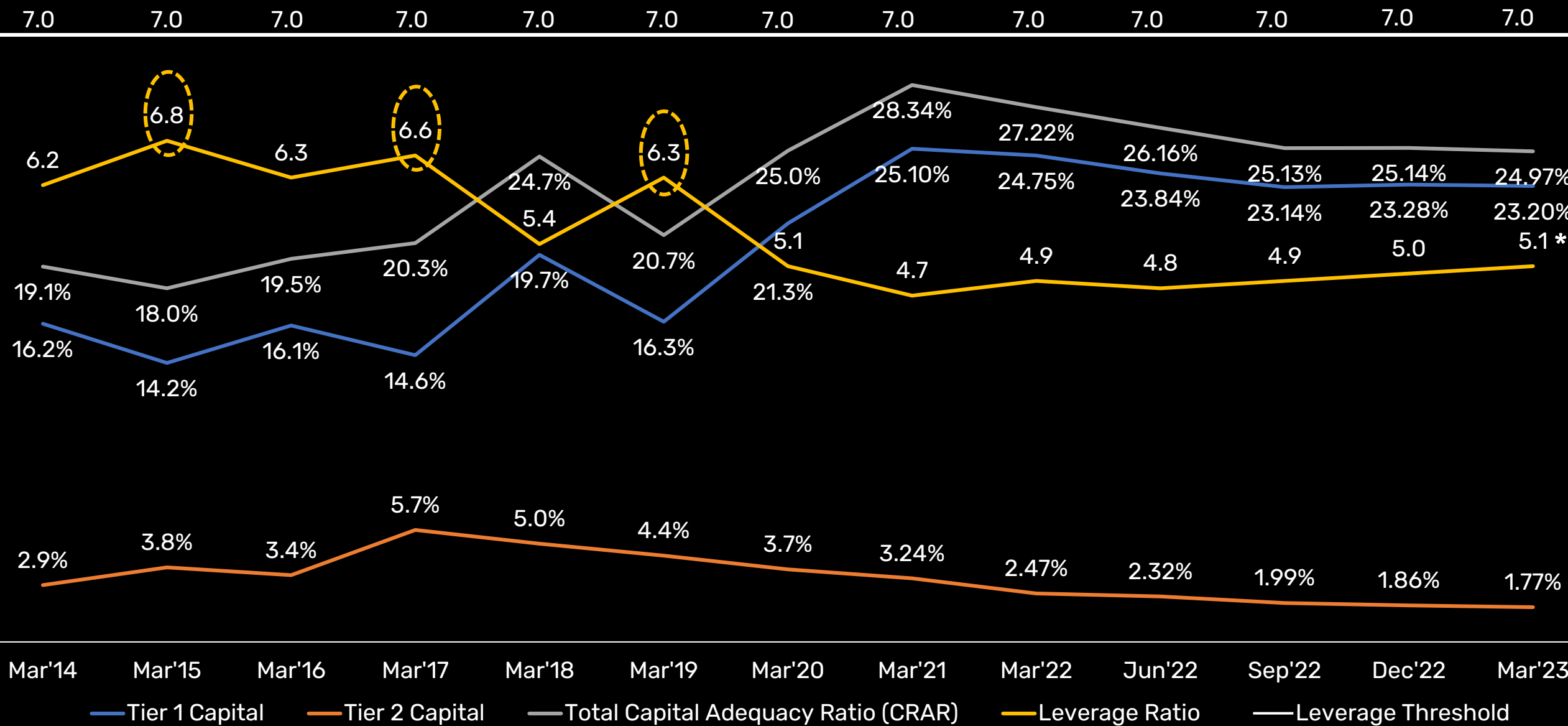
4.5

Disciplined ALM Management – Bajaj Finance Limited

4.6

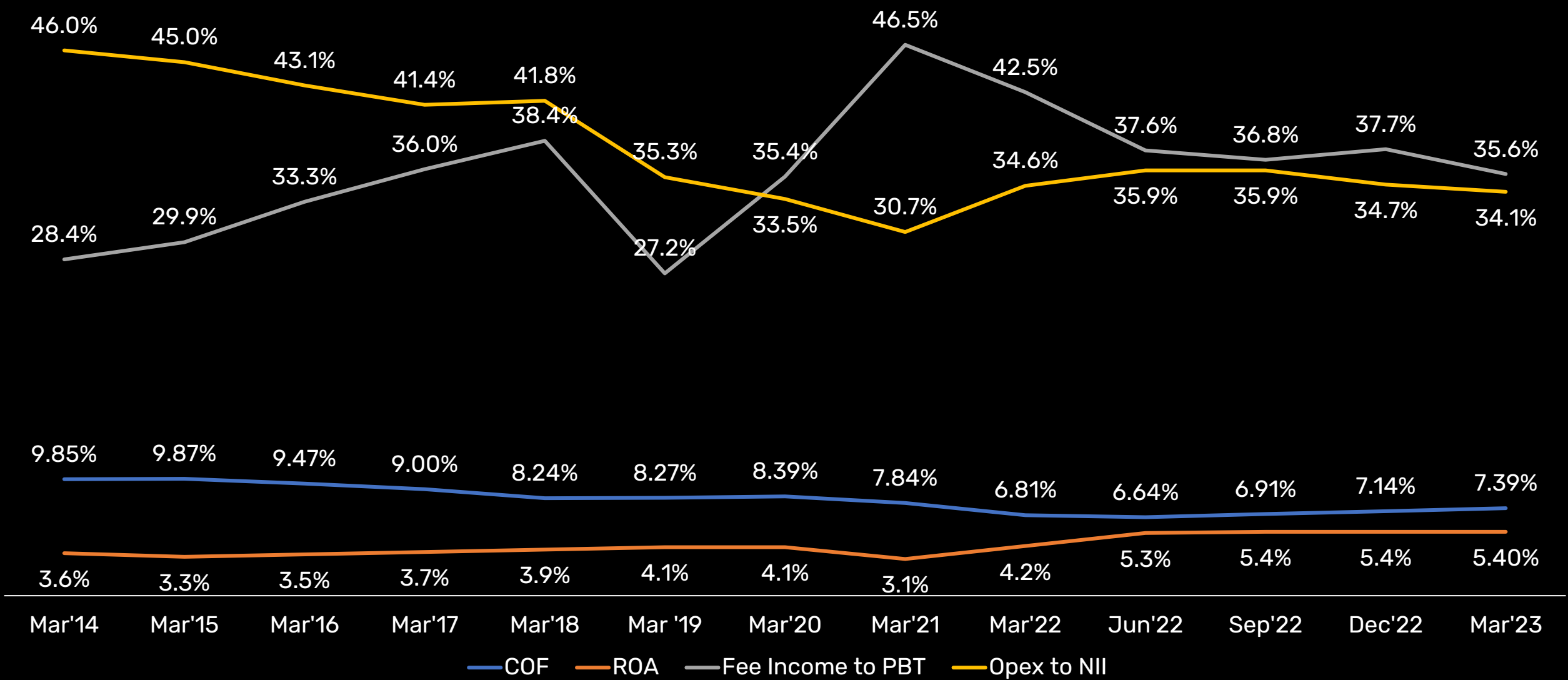
Consolidated liability mix

Conservative leverage standards



*Standalone leverage is approximately 4.2X as of 31 March 2023
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



BAJAJ FINANCE LIMITED

Values in MM | USD 1 – INR 82

Particulars,	1-7 D	8-14 D	15-30 D	>1-2 M	>2-3 M	>3-6 M	>6 M-1 Y	>1-3 Y	>3-5 Y	>5 Y	Total
Cash & Investments	811	-	205	1	5	28	38	400	153	1,126	3,907
Advances	732	239	542	1,002	926	2,324	3,490	8,214	2,904	1,936	22,308
Other inflows	622	16	20	62	60	18	22	89	76	429	1,416
Total Inflows (A)	2,165	1,397	768	1,065	991	2,370	3,550	8,703	3,132	3,491	27,631
Cumulative Total Inflows (B)	2,165	3,562	4,329	5,395	6,386	8,755	12,305	21,008	24,141	27,631	
Borrowings	1,244	260	226	827	1,030	1,394	3,634	6,968	2,640	2,247	20,470
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	6,280	6,280
Other Outflows	269	41	207	195	12	5	41	32	36	42	881
Total Outflows (C)	1,513	301	434	1,022	1,042	1,399	3,676	7,000	2,677	8,568	27,631
Cumulative Total Outflows (D)	1,513	1,815	2,248	3,270	4,312	5,711	9,386	16,386	19,063	27,631	
Mismatch (E = A - C)	651	1,096	334	43	(51)	971	(125)	1,703	456	(5,078)	
Cumulative mismatch (F = B-D)	651	1,747	2,081	2,124	2,074	3,044	2,919	4,622	5,078	-	
Cumulative mismatch as % (F/D)	43%	96%	93%	65%	48%	53%	31%	28%	27%	0%	

Permissible cumulative gap %	(10%)	(10%)	(20%)
Additional borrowings possible			3,166

In Q4, daily average LCR was 243% as against regulatory requirement of 70%	43
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BAJAJ FINANCE LIMITED

Values in MM | USD 1 – INR 82

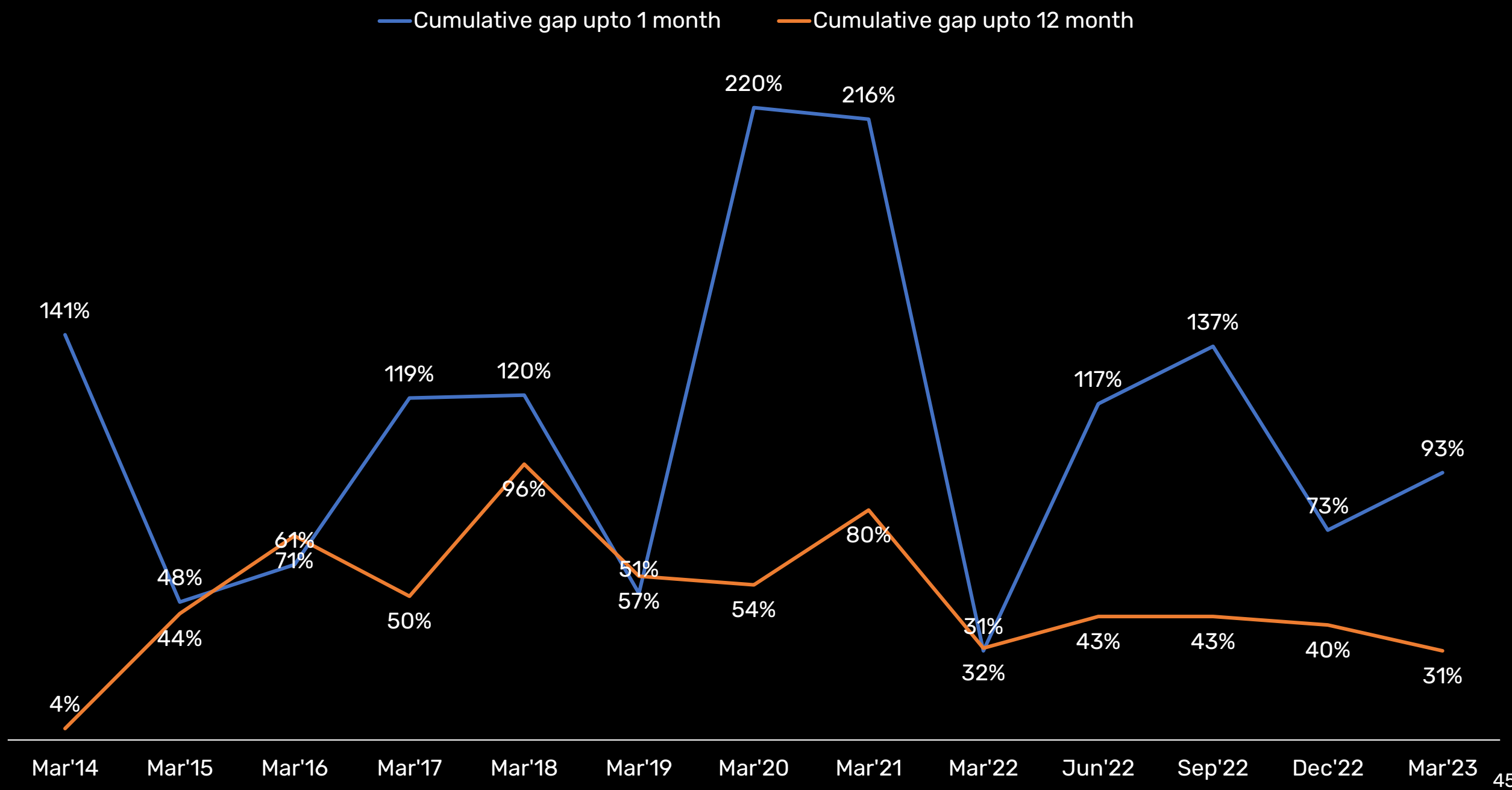
Particulars	1-7 D	8-14 D	15-30 D	>1-2 M	>2-3 M	>3-6 M	>6 M-1 Y	>1-3 Y	>3-5 Y	>5 Y	Total
Cash & Investments	56	26	3	12	-	85	73	2	-	-	257
Advances	87	50	79	166	159	453	790	2,173	1,261	2,357	7,575
Other inflows	-	-	129	83	114	94	516	515	214	806	2,471
Total Inflows (A)	143	77	211	261	273	632	1,379	2,690	1,475	3,163	10,304
Cumulative Total Inflows (B)	143	219	430	691	964	1,596	2,975	5,666	7,141	10,304	
Borrowings	2	-	61	24	174	386	827	2,490	1,739	851	6,554
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	1,281	1,281
Other Outflows	125	67	132	115	89	188	499	698	67	489	2,468
Total Outflows (C)	127	67	193	140	263	574	1,326	3,187	1,806	2,620	10,304
Cumulative Total Outflows (D)	127	194	387	527	789	1,363	2,689	5,877	7,683	10,304	
Mismatch (E = A - C)	16	10	18	121	11	58	53	(497)	(331)	542	
Cumulative mismatch (F = B-D)	16	25	43	164	175	233	286	(211)	(542)	-	
Cumulative mismatch as % (F/D)	12%	13%	11%	31%	22%	17%	11%	(4%)	(7%)	0%	

Permissible cumulative gap %	(10%)	(10%)	(20%)
Additional borrowings possible			150

In Q4, daily average LCR was 129% as against regulatory requirement of 60%

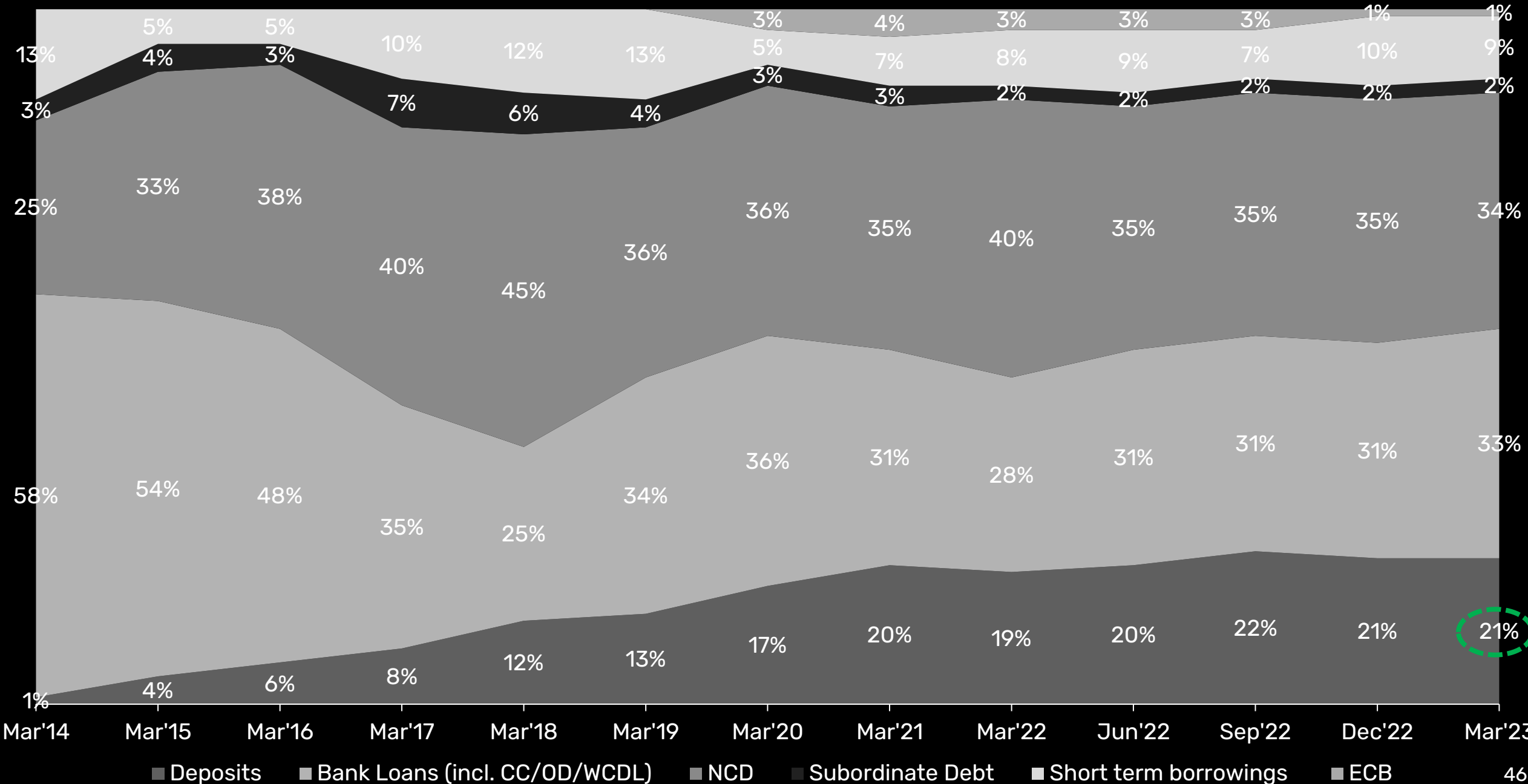
Disciplined ALM Management - BFL

BAJAJ FINANCE LIMITED



Consolidated liability mix

BAJAJ FINANCE LIMITED





Section 05

Customer franchise and distribution reach

5.1

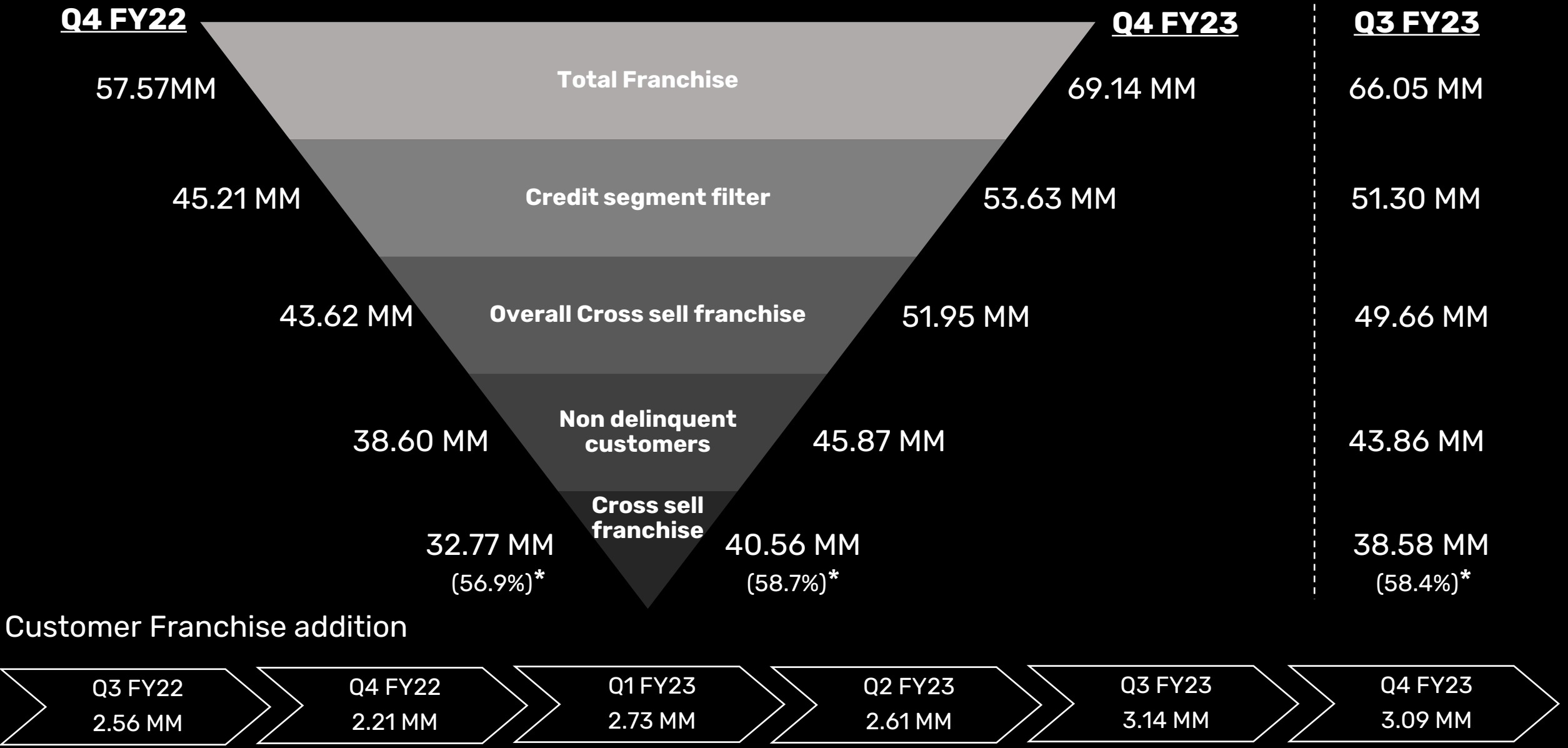
Customer franchise

5.2

Geographic presence

5.3

Strong distribution reach



*Represents cross sell franchise as a % of total franchise

Geographic presence



Geographic Presence	31 Mar 2020	31 Mar 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022	31 Dec 2022	31 Mar 2023
Urban lending branches	1,035	1,298	1,368	1,368	1,372	1,392	1392
Rural lending branches	1,357	1,690	2,136	2,218	2,313	2,322	2341
Total Bajaj Finance presence	2,392	2,988	3,504	3,586	3,685	3,714	3733
Net additions in the period	562	596	516	82	99	29	19

Strong distribution reach

Active distribution	31 Mar 2020	31 Mar 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022	31 Dec 2022	31 Mar 2023
Consumer durable stores – Urban	24,200+	26,400+	30,600+	31,000+	31,400+	32,000+	33,950+
Consumer durable stores – Rural	19,600+	24,000+	29,800+	31,500+	33,500+	33,550+	37,000+
Digital product stores	26,400+	23,800+	29,500+	31,150+	31,400+	32,050+	33,000+
Lifestyle retail stores	9,500+	9,800+	11,000+	11,050+	11,500+	11,150+	13,200+
EMI card – retail spends stores	24,300+	14,300+	18,800+	20,050+	20,800+	20,950+	22,200+
Bajaj Auto dealers, sub-dealers & ASSC	5,500+	5,900+	6,000+	5,550+	5,700+	5,100+	5,150+
Non-captive 2W dealers, sub-dealers & ASSC	-	-	-	1,170+	1,150+	1,600+	2,650+
DSA/Independent Financial Agents	4,900+	6,100+	7,500+	7,500+	7,500+	7,500+	7,500+
Overall active distribution network	1,14,400+	1,10,300+	1,33,200+	1,38,900+	1,43,300+	1,43,900+	1,54,650+
Net addition in the period	22,700	(4,100)	22,900	5,700	4,400	600	10,750



Section 06

Business Segment wise AUM

5.1

Business segment wise AUM –
Consolidated

5.2

Business segment wise AUM –
Consolidated Mortgages and BHFL

Business segment wise AUM - Consolidated					BAJAJ FINANCE LIMITED		
Values in MM USD 1 – INR 82							
Assets Under Management (Businesses)	Consolidated as of 31 March 2022	BFL as of 31 March 2023	BHFL as of 31 Mar 2023	Consolidated as of 31 Mar 2023	Growth YoY	Composition as of 31 Mar 2022	Composition as of 31 Mar 2023
Two & Three wheeler Finance	1,243	1,583	-	1,583	27%	5%	5%
Urban Sales Finance	1,826	2,150	-	2,150	18%	8%	7%
Urban B2C	4,728	5,911	200	6,111	29%	20%	20%
Rural Sales Finance	504	586	-	586	16%	2%	2%
Rural B2C	1,866	2,373	-	2,373	27%	8%	8%
SME Lending	3,046	4,101	17	4,118	35%	13%	14%
Loan Against Securities	1,285	1,711	-	1,841	43%	5%	6%
IPO Financing	654	-	-	-	-	2%	-
Commercial Lending	1,402	1,931	-	1,931	38%	6%	7%
Mortgages	7,525	1,728	8,226	9,477	26%	31%	31%
Total	24,080	22,073	8,442	30,168	25%	100%	100%
Co-brand Credit Card CIF	2.75 MM			3.46 MM	26%		
EMI Card CIF	30.0 MM			42.0 MM	40%		

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Business segment wise AUM – Mortgages				BAJAJ FINANCE LIMITED	
Values in MM USD 1 – INR 82					
Consolidated mortgages					
Assets Under Management (Businesses)	AUM as of 31 March 2022	AUM as of 31 March 2023	Growth YoY	Composition as of 31 March 2022	Composition as of 31 March 2023
Home Loans	4,302	5,193	21%	57%	55%
Loan against property	1,533	1,674	9%	21%	18%
Lease rental discounting	991	1,534	55%	13%	16%
Developer Finance	382	735	93%	5%	8%
Rural Mortgages	317	341	8%	4%	3%
Other loans	-	-	-	-	-
Total	7,525	9,477	26%	100%	100%
Bajaj Housing Finance Limited					
Assets Under Management (Businesses)	AUM as of 31 March 2022	AUM as of 31 March 2023	Growth YoY	Composition as of 31 March 2022	Composition as of 31 March 2023
Home Loans	4,053	5,005	23%	62%	59%
Loan against property	759	797	5%	12%	9%
Lease rental discounting	835	1,373	64%	13%	16%
Developer Finance	382	735	92%	6%	9%
Rural Mortgages	278	316	14%	4%	4%
Other loans	195	216	11%	3%	3%
Total	6,503	8,442	30%	100%	100%
53					

Section 07 **Update on credit quality**

7.1

Provisioning Coverage - Consolidated

7.2

Stagewise ECL provisioning - Consolidated

7.3

Provisioning Coverage - BHFL

7.4

Stagewise ECL provisioning - BHFL

7.5

Portfolio credit quality - Consolidated

BAJAJ FINANCE LIMITED

Values in MM | USD 1 – INR 82

Particulars	AUM 31 Mar 23	GNPA	NNPA	PCR (%)	GNPA %			NNPA %		
					31 Mar 22	31 Dec 22	31 Mar 23	31 Mar 22	31 Dec 22	31 Mar 23
Two & Three Wheeler Finance	1,583	79	39	51%	11.01%	5.99%	4.79%	5.83%	3.08%	2.43%
Urban Sales Finance	2,150	8	2	77%	2.81%*	0.64%	0.39%	1.32%*	0.10%	0.09%
Urban B2C	6,111	56	14	75%	0.95%	1.08%	0.93%	0.24%	0.27%	0.24%
Rural Sales Finance	586	2	0	78%	0.16%	0.61%	0.38%	0.02%	0.09%	0.09%
Rural B2C	2,373	23	7	71%	1.19%**	1.34%	0.95%	0.37%**	0.37%	0.28%
SME Lending	4,118	52	13	75%	1.43%	1.54%	1.24%	0.36%	0.39%	0.31%
Loan Against Securities	1,841	0	0	11%	0.01%	0.01%	0.02%	0.01%	0.01%	0.02%
Commercial Lending	1,931	5	3	48%	0.38%	0.24%	0.26%	0.18%	0.12%	0.14%
Mortgages	9,477	55	23	57%	0.86%	0.64%	0.60%	0.40%	0.29%	0.26%
Total	30,168	282	102	64%	1.60%	1.14%	0.94%	0.68%	0.41%	0.34%

*In Q4, GNPA & NNPA for Sales Finance business is elevated on account of one large commercial B2B account. Adjusted for it, GNPA & NNPA are 0.25% & 0.05%

**Includes Gold loan GNPA of \$ 2 MM and NNPA of \$ 1.8 MM. Net of Gold loan, the GNPA, NNPA and PCR are 1.25%, 0.32% and 75%

BAJAJ FINANCE LIMITED

Values in MM | USD 1 – INR 82

	Gross Assets Receivable			ECL Provision			PCR %		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Two & Three Wheeler Finance	1,492	83	79	15	16	40	1.0%	19.7%	50.5%
Urban Sales Finance	2,151	17	8	13	8	6	0.6%	46.5%	77.3%
Urban B2C	5,914	94	56	74	37	42	1.3%	39.5%	74.6%
Rural Sales Finance	586	5	2	3	2	2	0.4%	51.0%	77.6%
Rural B2C	2,361	55	23	33	17	17	1.4%	31.3%	71.3%
SME Lending	4,118	31	52	46	15	39	1.1%	46.6%	75.0%
Loan Against Securities	1,841	1	0	1	0	0	0.1%	4.5%	11.0%
Commercial Lending	1,930	2	5	4	0	2	0.2%	0.1%	47.7%
Mortgages	9,033	82*	55	50	18^	32	0.6%	22.4%	57.4%
Total as of 31 Mar 2023	29,426	370	282	239	114	180	0.8%	30.8%	63.8%
Total as of 31 Dec 2022	27,347	349	318	226	96	204	0.8%	27.5%	64.2%
Total as of 31 Mar 2022	23,029	471	382	184	132	222	0.8%	28.0%	58.0%

* Includes \$ 30 MM non overdue OTR assets classified as Stage 2 | ^ Includes \$ 7 MM ECL provision on OTR assets

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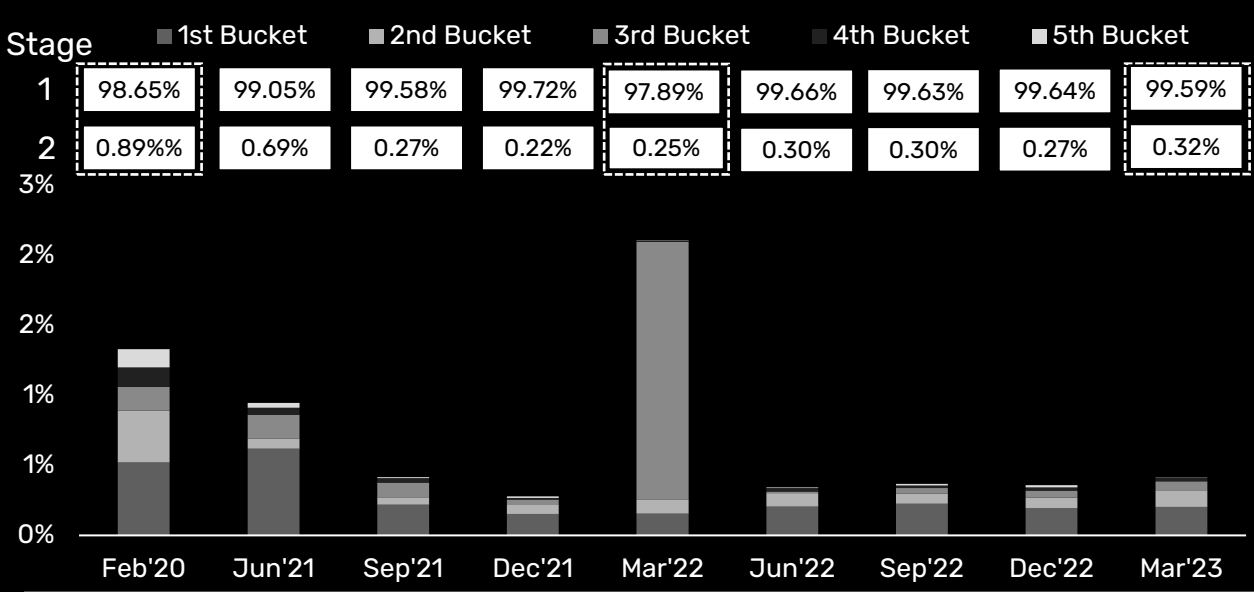
Values in MM | USD 1 – INR 82

Particulars	AUM 31 Mar 23	GNPA	NNPA	PCR (%)	GNPA %			NNPA %		
					31 Mar 22	31 Dec 22	31 Mar 23	31 Mar 22	31 Dec 22	31 Mar 23
Home Loans	5,005	9	3	65%	0.27%	0.19%	0.20%	0.12%	0.08%	0.07%
Loan against property	797	4	1	59%	0.65%	0.59%	0.56%	0.33%	0.33%	0.23%
Lease rental discounting	1,373	-	-	-	-	-	-	-	-	-
Developer Finance	735	-	-	-	-	-	-	-	-	-
Rural Mortgages	316	3	1	62%	1.22%	1.30%	1.15%	0.59%	0.52%	0.43%
Other loans	216	1	0	70%	0.41%	0.47%	0.50%	0.13%	0.15%	0.15%
Total	8,442	17	6	64%	0.31%	0.23%	0.22%	0.14%	0.10%	0.08%

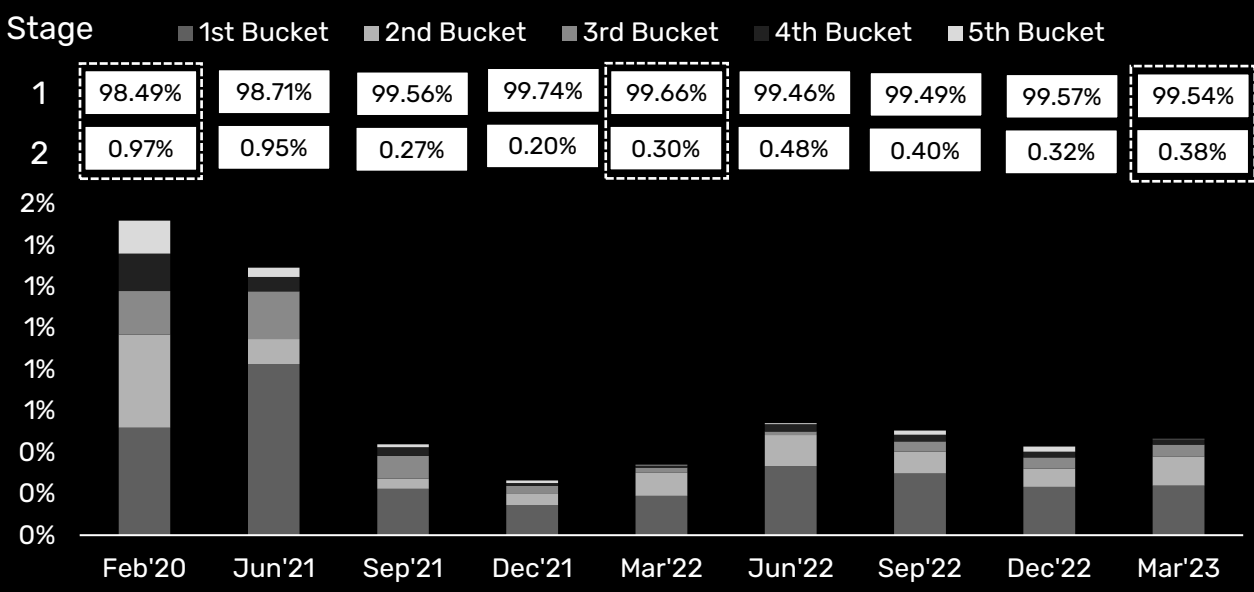
Stagewise ECL provisioning - BHFL							BAJAJ FINANCE LIMITED		
							Values in MM USD 1 – INR 82		
	Gross Assets Receivable			ECL Provision			PCR %		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Home Loans	4,593	23	9	23	5	6	0.5%	22.4%	64.8%
Loan against property	610	11	4	4	2	2	0.7%	20.1%	58.7%
Lease rental discounting	1,181	-	-	8	-	-	0.6%	-	-
Developer Finance	740	1	0	6	0	0	0.8%	25.7%	0.0%
Rural Mortgages	238	8	3	1	2	2	0.6%	20.7%	63.1%
Other loans	217	1	1	2	0	1	0.8%	27.4%	70.3%
Total as of 31 March 2023	7,578	44*	17	44	10^	11	0.6%	21.8%	63.6%
Total as of 31 Dec 2022	7,067	48	16	41	10	9	0.6%	21.1%	54.6%
Total as of 31 Mar 2022	5,634	74	18	32	16	10	0,6%	21.2%	54.3%

Portfolio credit quality – Consolidated

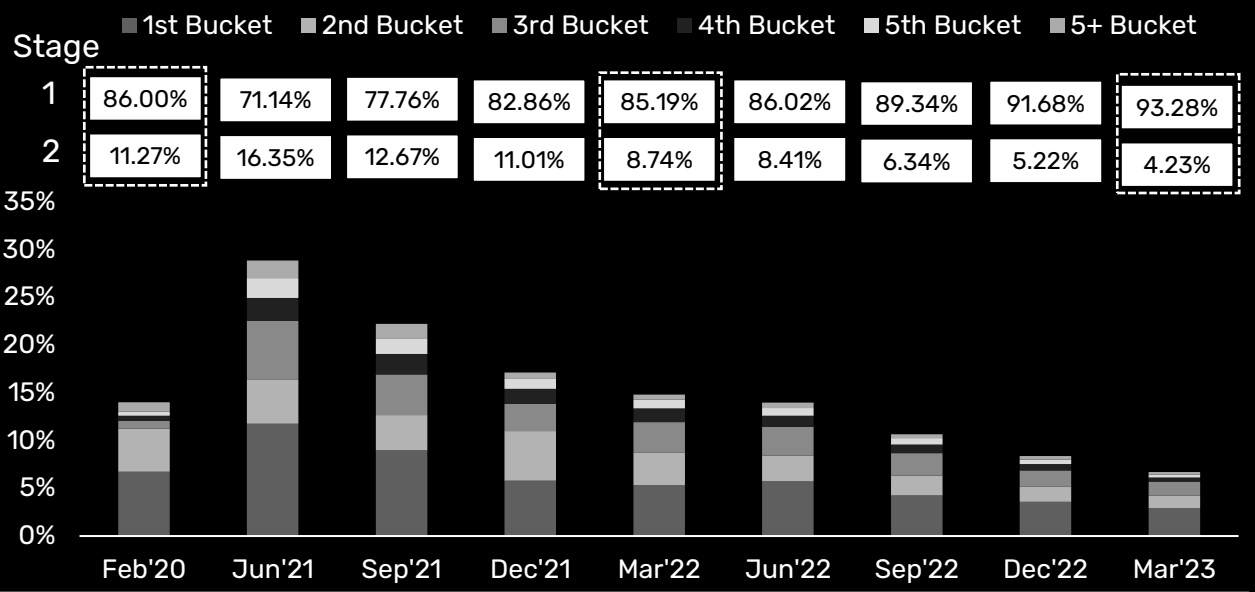
Consumer Durable & Lifestyle



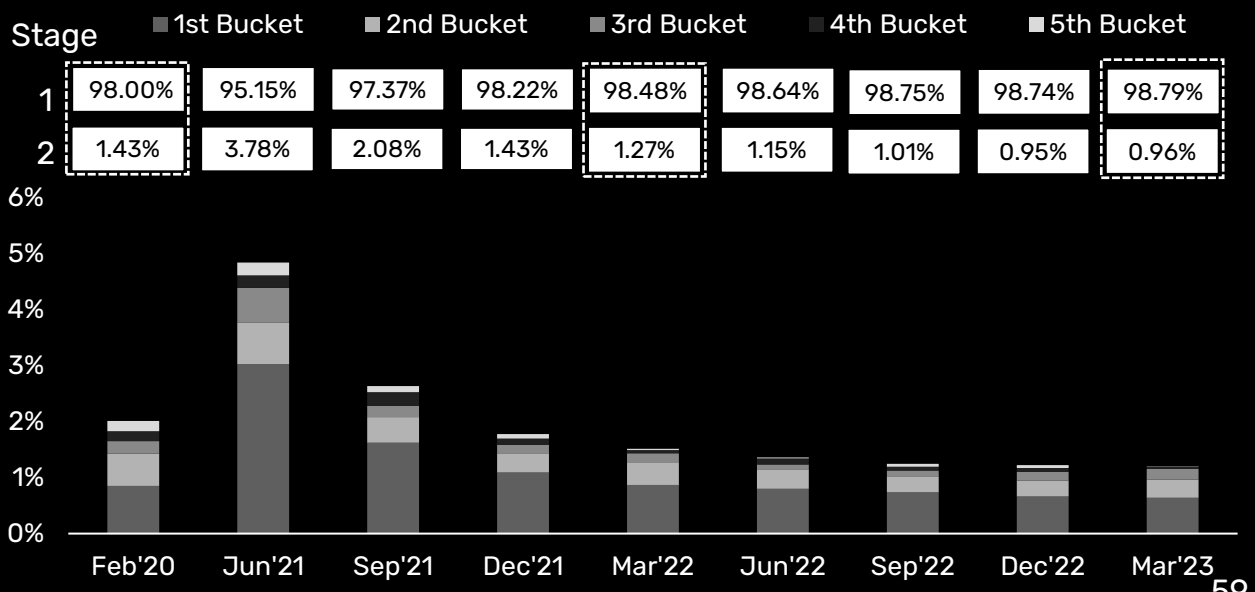
Digital product



Two & three wheeler

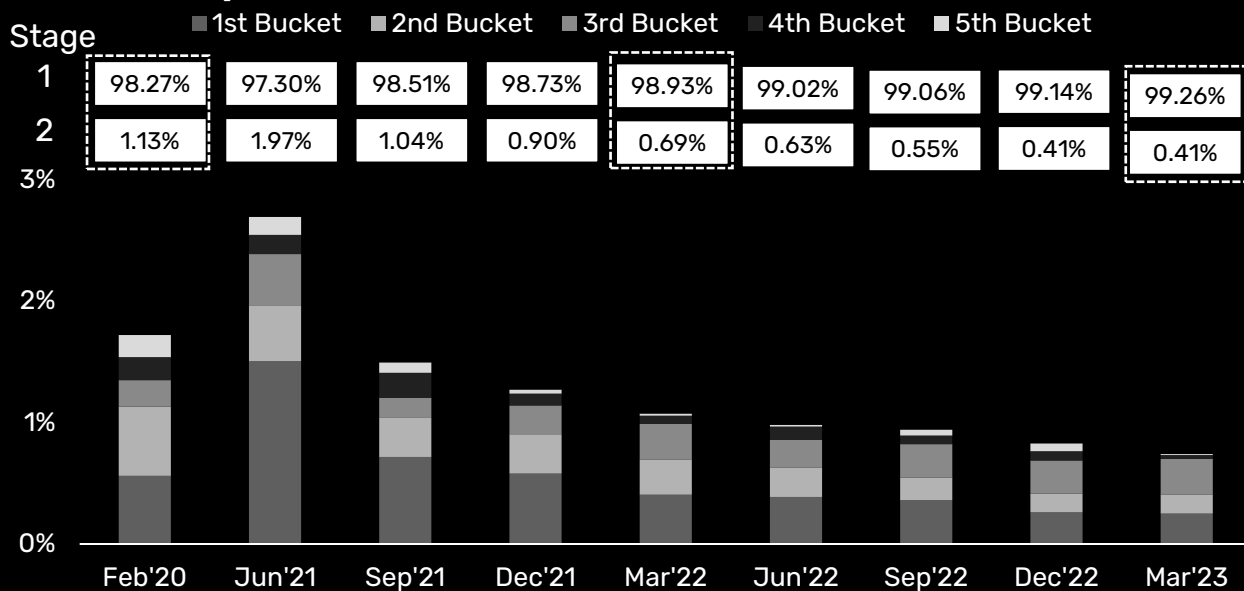


Urban B2C

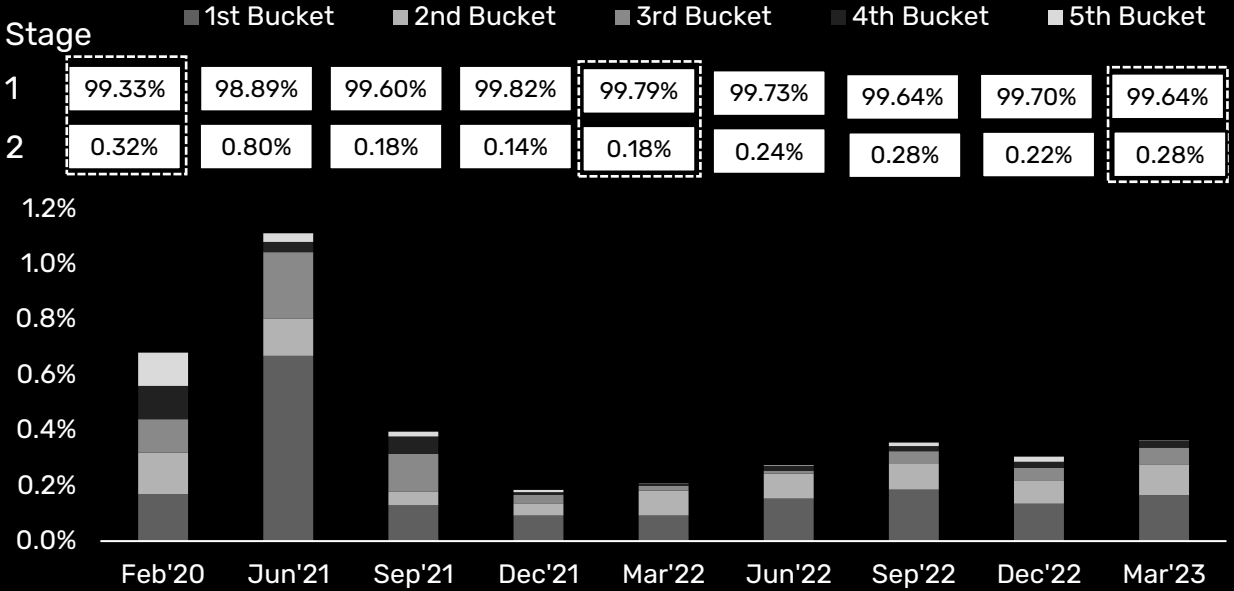


Portfolio credit quality – Consolidated

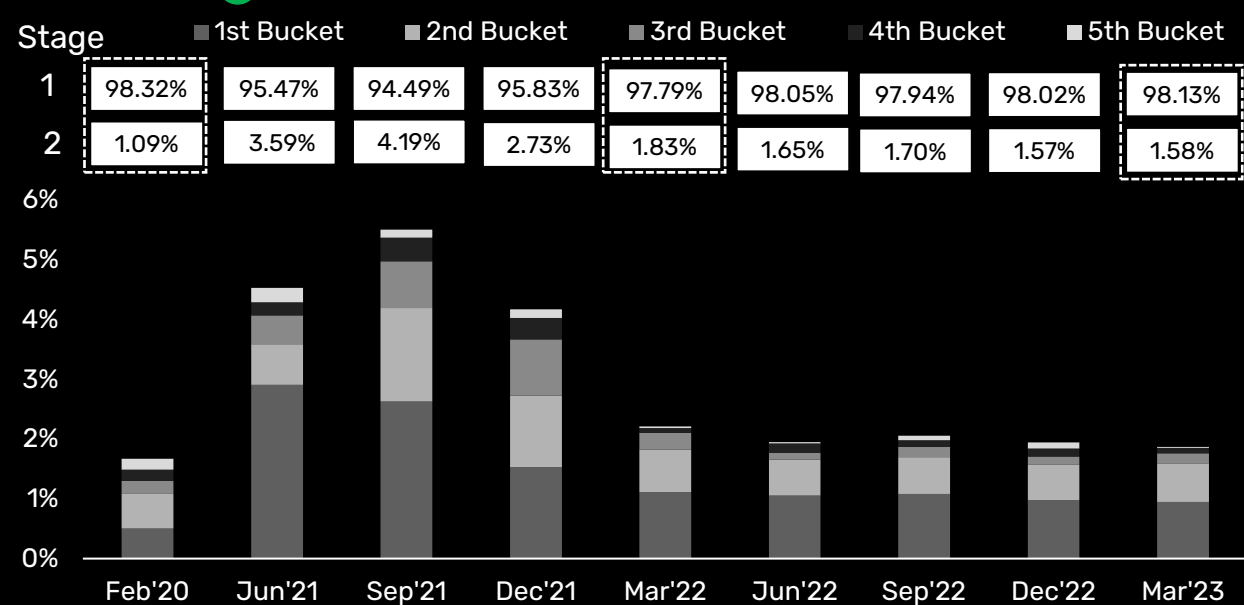
Business & professional loans



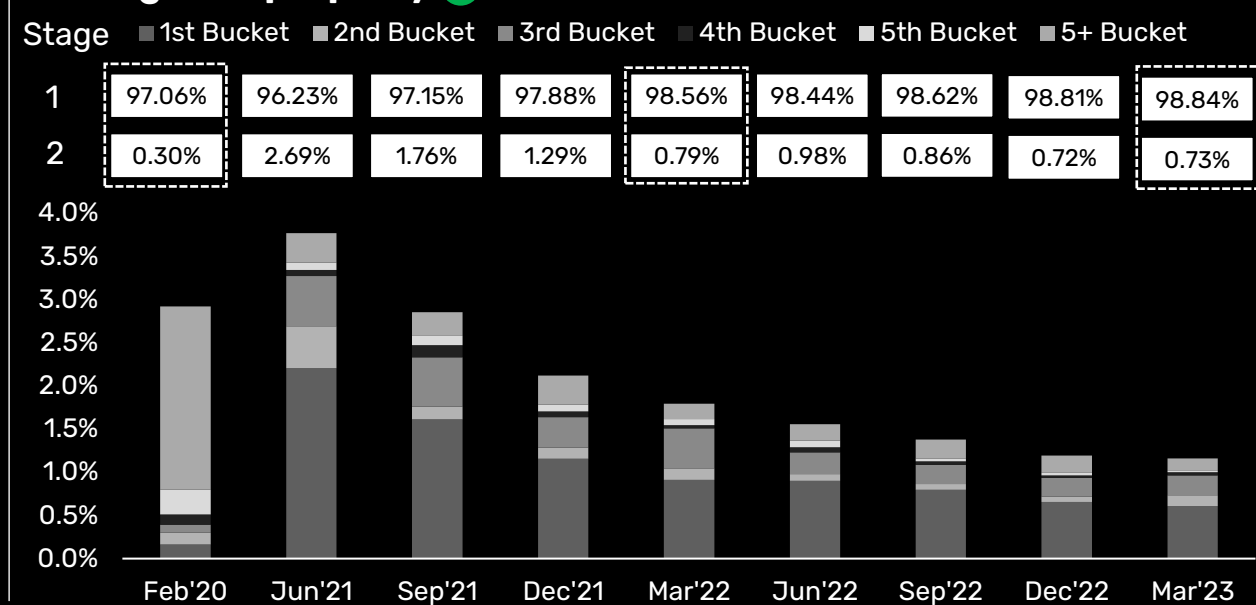
Rural B2B



Rural B2C



Loan against property

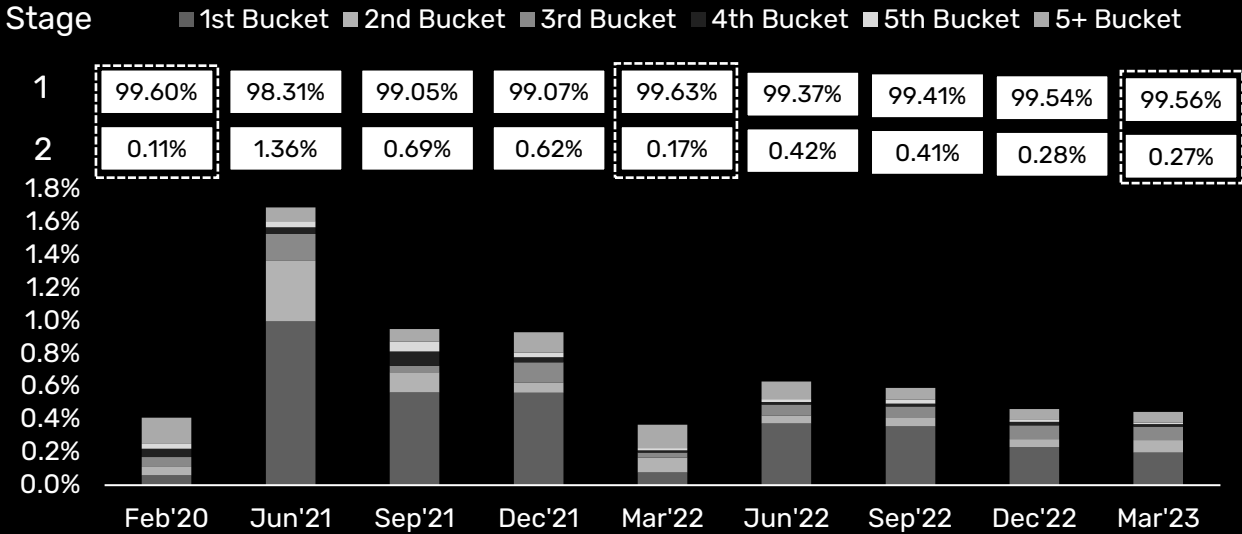


Portfolio credit quality after adjusting ECL provisions | Feb'20 has been retained as a pre covid benchmark

BAJAJ FINANCE LIMITED

Portfolio credit quality – Consolidated

Home loans



Commercial lending

- Commercial lending business portfolio is 99.72% current

Loan against securities

- Loan against securities business portfolio is 99.94% current

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Q4 FY23 Investor Presentation
Thank You

Abbreviation	Expansion	Abbreviation	Expansion
ALM	Asset liability management	LRD	Lease rental discounting
AMO	After market order	MF	Mutual funds
AR	Augmented reality	MFI	Microfinance
ASSC	Authorised sales & support centre	MSME	Micro, Small & Medium Enterprises
AUM	Assets under management	MTF	Margin Trading Finance
AUF	Assets under finance	NII	Net interest income
BBPS	Bharat bill payment system	NIM	Net interest margin
BL	Business loan	NNPA	Net non performing assets
CC	Cash credit	NPA	Non performing assets
CIF	Cards in force	OD	Overdraft
COF	Cost of funds	ONDC	Open Network for Digital Commerce
CV	Commercial vehicle	OTR	One time restructuring
CX	Customer experience	PAT	Profit after tax
DF	Developer finance	PBT	Profit before tax
DMS	Debt management services	PCR	Provision coverage ratio
DSA	Direct sourcing agency	PL	Personal loan
ECB	External commercial borrowing	PMS	Portfolio Management Services
ECL	Expected credit loss	POA	Power of Attorney
EDC	Electronic data capture machine	PPI	Prepaid instruments
FII	Foreign institutional investor	QR	Quick response
FPC	Fair Practice Code	ROA	Return on assets
FPI	Foreign Portfolio Investor	ROE	Return on equity
GMV	Gross merchandise value	SME	Small & Medium Enterprise
GNPA	Gross non performing assets	STP	Straight through process
HL	Home loan	T1	Trade + 1 Day
HNI	High Networth Individual	T2	Trade + 2 Days
ICD	Inter corporate deposits	UHNI	Ultra High Networth Individual
IPO	Initial Public Offer	UI	User Interface
LAFD	Loan against fixed deposit	UPI	Unified payment interface
LAP	Loan against property	UX	User Experience
LAS	Loan against securities	WCDL	Working capital demand loan
LCR	Liquidity Coverage Ratio	XIRR	Extended Internal Rate of Return