BAJAJ FINANCE LIMITED

Q4 FY23 Investor Presentation
26 April 2023

Presentation Path

BAJAJ FINANCE LIMITED

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Section 01

Executive summary – Q4 FY23

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Q4 FY23 Executive summary

BAJAJ FINANCE LIMITED

Excellent quarter across all financial and portfolio metrics. Delivered ₹ 16,537 crore 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.

Core AUM	Opex to NII	PAT	ROE	Net NPA
₹ 247,379 Cr	34.1%	₹ 3,158 Cr	23.94%	0.34%
YoY Growth 29%	Q4 FY22 34.5%	YoY Growth 30%	Q4 FY22 22.80%	Q4 FY22 0.68%

FY23 Executive summary

BAJAJ FINANCE LIMITED

Excellent year across all financial and portfolio metrics. Delivered core AUM growth of ₹ 55,292 crore, 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.

Core AUM	Opex to NII	PAT	ROE	Net NPA
₹ 247,379 Cr YoY Growth 29%	35.1% FY22 34.7%	₹ 11,508 Cr YoY Growth 64%	23.46% FY22 17.43%	0.34% FY22 0.68%

Lead financial indicators (1/5)

BAJAJ FINANCE LIMITED

Balance sheet and business metrics

1. Highest ever quarterly AUM growth of ₹ 16,537 crore in FY23. In FY23, the Company added ₹ 55,292 crore of core AUM.
2. Core AUM was up 29% at ₹ 2,47,379 crore as against ₹ 1,92,087 crore 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 ₹ 15,917 crore as against ₹ 13,187 crore 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 ₹ 11,852 crore as of 31 March 2023.

Lead financial indicators (2/5)

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 ₹ 44,666 crore as of 31 March 2023. In Q4, net deposit growth was ₹ 1,682 crore. 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 ₹ 7,771 crore as against ₹ 6,061 crore 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 ₹ 859 crore. The Company holds a management and macro-economic overlay of ₹ 960 crore 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 ₹ 2,313 crore as of 31 March 2023 as against ₹ 3,133 crore 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 ₹ 4,261 crore in Q4 FY23 as against ₹ 3,265 crore in Q4 FY22.
19. Consolidated profit after tax grew by 30% to ₹ 3,158 crore in Q4 FY23 as against ₹ 2,420 crore 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 ₹ 69,228 crore as against ₹ 53,322 crore 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 ₹ 16,284 crore in Q4 FY23 as against ₹ 13,477 crore in Q4 FY22.
27. In Q4, disbursements were ₹ 9,026 crore as against ₹ 7,463 crore in Q4 FY22, recording a growth of 21%.
28. Geographic presence stood at 161 locations.

Lead financial indicators (4/5)

Liquidity and cost of fund

29. Liquidity buffer stood at ₹ 2,109 crore 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 ₹ 631 crore in Q4 FY23 as against ₹ 452 crore 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 ₹ 57 crore as against ₹ 38 crore in Q4 FY22. BHFL holds a management and macro-economic overlay provision of ₹ 237 crore 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 ₹ 137 crore as of 31 March 2023 as against ₹ 146 crore as of 31 March 2022.

Lead financial indicators (5/5)

Profitability and capital

38. Profit before tax grew by 52% to ₹ 407 crore in Q4 FY23 as against ₹ 267 crore in Q4 FY22.
39. Profit after tax grew by 53% to ₹ 302 crore in Q4 FY23 as against ₹ 198 crore 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 ₹ 1,064 crore as of 31 March 2023 as against ₹ 720 crore 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 ₹ 58 crore as against ₹ 39 crore in Q4 FY22.
48. Profit after tax stood at ₹ 3 crore as against ₹ 9 crore in Q4 FY22.
49. Total employee headcount stood at 578 as of 31 March FY23.

Consolidated financial performance - FY23

Executive summary FY23 - Consolidated

BAJAJ FINSERV

Balance Sheet and customer franchise:

1. Core AUM was up 29% at ₹ 2,47,379 crore as against ₹ 1,92,087 crore 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 ₹ 28,846 crore as against ₹ 21,894 crore 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 ₹ 3,190 crore as against ₹ 4,803 crore in FY22. The Company has a management and macro-economic overlay provision of ₹ 960 crore as of 31 March 2023.

Profitability and capital

7. Post before tax for FY23 grew 63% to ₹ 15,528 crore as against ₹ 9,504 crore in FY22.
8. Profit after tax for FY23 grew 64% to ₹ 11,508 crore as against ₹ 7,028 crore in FY22.

Executive summary FY23 - Consolidated

9. The Board of Directors has recommended a dividend of ₹ 30 per equity share of the face value of ₹ 2 (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 ₹ 1,258 crore as against ₹ 710 crore in FY22.
12. BHFL Net Interest Income grew by 52% in FY23 to ₹ 2,454 crore as against ₹ 1,612 crore 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 ₹ 204 crore and profit after tax of ₹ 8 crore in FY23.
16. BFSL acquired 234K customers. The customer franchise stood at 565K as of 31 March 2023 in FY23.

Omnipresence strategy update

Omnipresence strategy update

BAJAJ FINANCE LIMITED

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.

Omnipresence strategy update

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.

Omnipresence strategy update (1/2)

BAJAJ FINANCE LIMITED

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

Omnipresence strategy update (2/2)

BAJAJ FINANCE LIMITED

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 ₹ cr	2,301	2,607	9.4K	9-10K
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	₹	54,722	53,417	56,066	60,983	56,879	58,617	60,991
PAT per cross sell franchise	₹	1,670	1,618	1,933	2,182	1,644	2,145	2,837

Section 02

Bajaj Finance Limited overview

2.1 Bajaj group structure

2.2 What do we stand for

2.3 BFL Consolidated and BHFL long-term guidance on financial metrics

2.4 Key strategic differentiators

2.5 Our shareholder profile

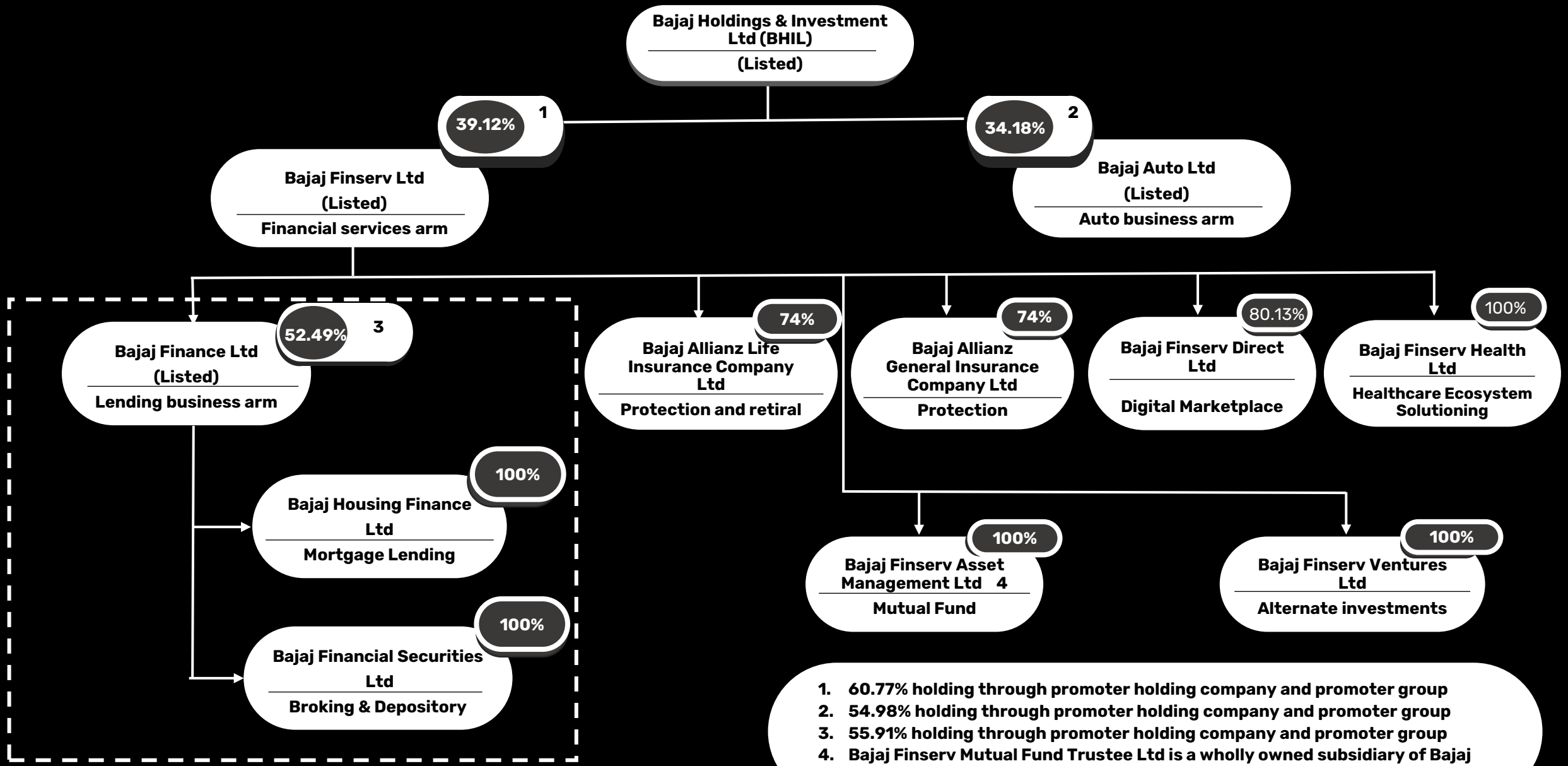
2.6 BFL Consolidated 16-years financial snapshot

2.7 BHFL 6-years financial snapshot

2.8 Product suite

2.9 Executive summary

Bajaj group structure



1. 60.77% holding through promoter holding company and promoter group
2. 54.98% holding through promoter holding company and promoter group
3. 55.91% holding through promoter holding company and promoter group
4. Bajaj Finserv Mutual Fund Trustee Ltd is a wholly owned subsidiary of Bajaj Finserv Limited, acts as Trustee to the Asset Management Company.

Above shareholding is as of 31 March 2023

What do we stand for

"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%

BHFL long-term guidance on financial metrics

BAJAJ FINANCE LIMITED

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%

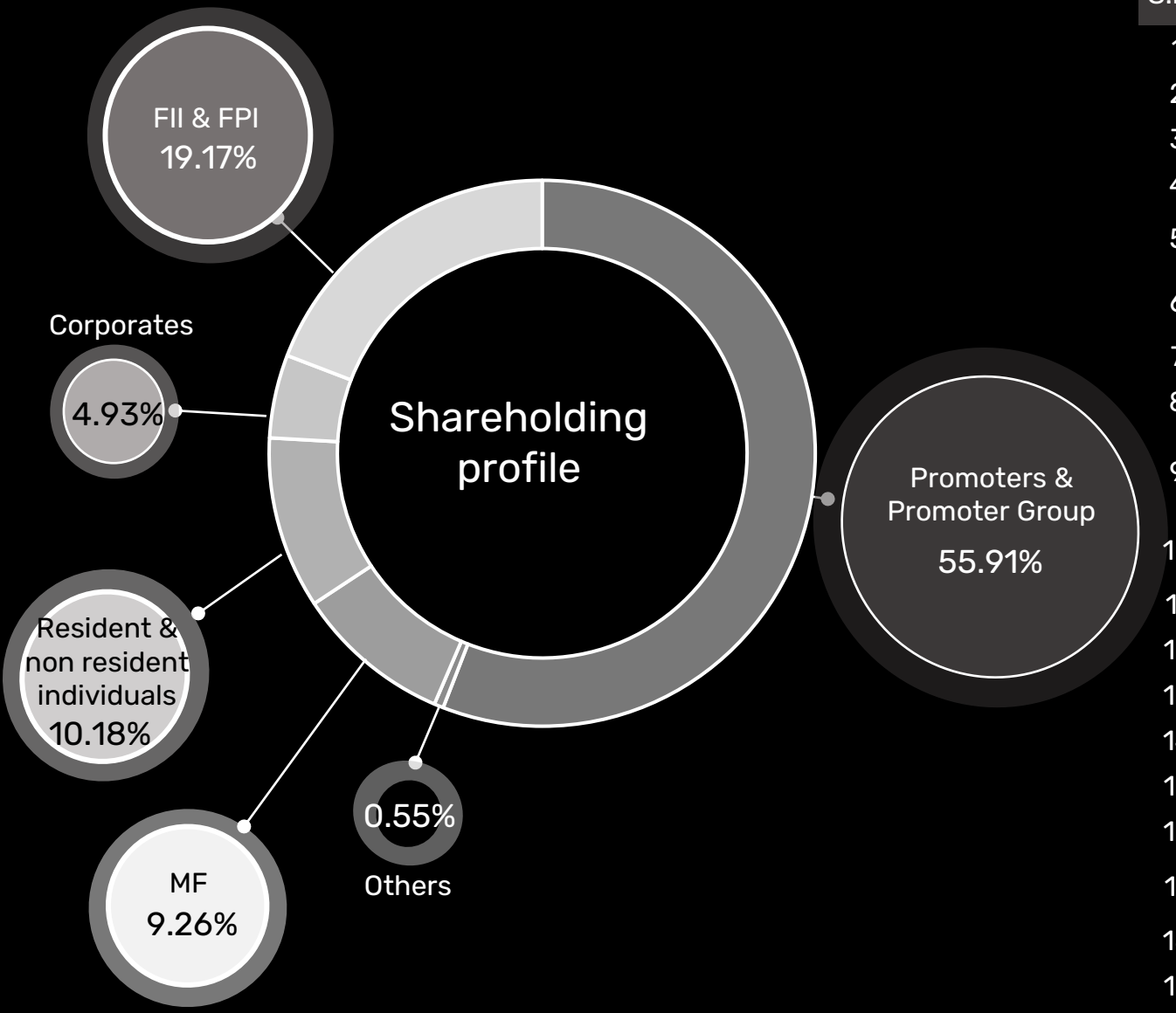
Return on assets
in corridor of
1.7%-2.0%

Return on equity
in corridor of
13%-15%

Key strategic differentiators

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%

16-years financial snapshot - Consolidated

BAJAJ FINANCE LIMITED

₹ in crore

Financials snapshot @	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	**CAGR (16 yrs.)**
AUM	2,478	2,539	4,032	7,573	13,107	17,517	24,061	32,410	44,229	60,196	82,422	1,15,888	1,47,153	152,947	1,97,452	2,47,379	**36%**
Total income	503	599	916	1,406	2,172	3,110	4,073	5,418	7,333	9,989	12,757	18,500	26,386	26,683	31,648	41,406	**34%**
Interest expenses	170	164	201	371	746	1,206	1,573	2,248	2,927	3,803	4,614	6,623	9,473	9,414	9,754	12,560	**33%**
Net Interest Income (NII)	332	435	715	1,035	1,426	1,904	2,500	3,170	4,406	6,186	8,143	11,877	16,913	17,269	21,894	28,846	**35%**
Operating Expenses	193	220	320	460	670	850	1,151	1,428	1,898	2,564	3,270	4,197	5,662	5,308	7,587	10,130	**30%**
Loan Losses & Provision	109	164	261	205	154	182	258	385	543	804	1,030	1,501	3,929	5,969	4,803	3,190	**25%**
Profit before tax	30	51	134	370	602	872	1,091	1,357	1,965	2,818	3,843	6,179	7,322	5,992	9,504	15,528ˆ	**52%**
Profit after tax	21	34	89	247	406	591	719	898	1,279	1,837	2,496	3,995	5,264	4,420	7,028	11,508	**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	

ˆ Includes share of profit of Associate of 2 crore

@ 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.

6-years financial snapshot - BHFL

BAJAJ FINANCE LIMITED

₹ in crore

Financials snapshot	FY18	FY19	FY20	FY21	FY22	FY23	**CAGR (6 yrs.)**
AUM	3,570	17,562	32,705	38,871	53,322	69,228	81%
Total income	106	1,156	2,646	3,155	3,767	5,665	122%
Interest expenses	47	685	1,616	1,966	2,155	3,211	133%
Net Interest Income (NII)	59	471	1,030	1,189	1,612	2,454	111%
Operating Expenses	44	297	339	329	471	630	70%
Loan Losses & Provision	4	25	124	247	181	124	99%
Profit before tax	11	149	567	613	960	1,700	174%
Profit after tax	10	110	421	453	710	1,258	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	

Product suite

BAJAJ FINANCE LIMITED

Consumer

1. Consumer Durable Loans
2. Digital Product Loans
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
10. E-Commerce financing
11. Retailer finance
12. Health EMI Card

SME

1. Unsecured Working Capital Loans
2. Loans to self employed and Professionals
3. Secured Enterprise Loans
4. Used-car financing
5. Medical equipment financing

Commercial

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

Rural

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

Deposits

1. Retail Term Deposits
2. Corporate Term Deposits
3. Systematic Deposit Plan

Payments

Issuance
1. PPI
2. UPI
3. BBPS

Acquiring
1. Merchant QR

Partnerships & Services

1. Life Insurance Distribution
2. General Insurance Distribution
3. Health Insurance Distribution
4. Pocket Insurance
5. RBL Co-Branded Credit Card
6. DBS Co-Branded Credit Card
7. Financial Fitness Report

BAJAJ HOUSING FINANCE LIMITED

1. Salaried Home Loans
2. Salaried Loan Against Property
3. Affordable housing finance

1. Loan Against Property
2. Self Employed Home Loans
3. Lease Rental Discounting

1. Developer Finance
2. Commercial Construction Finance
3. Corporate Lease Rental Discounting

1. Loan Against Property
2. Home Loans

BAJAJ FINANCIAL SECURITIES LIMITED

1. Trading Account
2. Depository Services
3. Margin Trading Financing

4. HNI Broking
5. Retail Broking
6. IPOs and OFS

7. Mutual Funds
8. Distribution of PMS
9. Proprietary Trading

Executive summary – Bajaj Finance Limited

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 ₹ 1,80,999 crore 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 ₹ 2,837 crore 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

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 ₹ 3 Lakh to ₹ 6 crore 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 ₹ 1,61,685 crore 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 ₹ 69,228 crore as of 31 March 2023. Post tax profit of ₹ 1,258 crore 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 50 lakh
- 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 72 lakh
- 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 19 lakh for home loans and 13 lakh 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 ₹ 10 crore to ₹ 550 crore • 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 ₹ 5 crore to ₹ 500 crore • 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 ₹ 53,745 crore 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

BAJAJ FINANCE LIMITED

Overview	• A 100% subsidiary of Bajaj Finance Limited • Offers Capital Market products - Broking, Depositary 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 ₹ 58 crore in Q4 FY23 and ₹ 204 crore for FY23 • Delivered PAT of ₹ 3 crore for Q4 FY23 and ₹ 8 crore 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 ₹ 998 crore 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 ₹ 66 crore • 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

Executive summary – BFSL

BAJAJ FINANCE LIMITED

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

Financial statement summary – Consolidated

BAJAJ FINANCE LIMITED

₹ in Crore

Financials snapshot	Q4 FY23	Q4 FY22	Y-o-Y	FY23	FY22	Y-o-Y
Assets under management	**2,47,379**	**1,97,452**	**25%**	**2,47,379**	**1,97,452**	**25%**
Core Assets under management	**2,47,379**	**1,92,087**	**29%**	**2,47,379**	**1,92,087**	**29%**
Assets under finance	**2,42,269**	**1,91,423**	**27%**	**2,42,269**	**1,91,423**	**27%**
Interest income	9,847	7,368	34%	35,550	27,277	30%
Fees, commission, and other non-interest income	1,516	1,261	20%	5,856	4,371	34%
Total Income	**11,363**	**8,629**	**32%**	**41,406**	**31,648**	**31%**
Interest expenses	3,592	2,568	40%	12,560	9,754	29%
Net Interest Income	**7,771**	**6,061**	**28%**	**28,846**	**21,894**	**32%**
Operating Expenses	2,653	2,094	27%	10,130	7,587	34%
Loan losses and provisions	859	702	22%	3,190	4,803	(34%)
Share of profit of associate	2	-	-	2	-	-
Profit before tax	**4,261**	**3,265**	**31%**	**15,528**	**9,504**	**63%**
Profit after tax	**3,158**	**2,420**	**30%**	**11,508**	**7,028**	**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 (₹) *	52.3	40.1		190.5	116.6	

*Not annualized

Financial statement summary – Bajaj Finance Ltd

BAJAJ FINANCE LIMITED

₹ in Crore

Financials snapshot	Q4 FY23	Q4 FY22	Y-o-Y	FY23	FY22	Y-o-Y
Assets under management	**1,80,999**	**1,46,743**	**23%**	**1,80,999**	**1,46,743**	**23%**
Core Assets under management	**1,80,999**	**1,41,378**	**28%**	**1,80,999**	**1,41,378**	**28%**
Assets under finance	**1,79,097**	**1,44,276**	**24%**	**1,79,097**	**1,44,276**	**24%**
Interest income	8,283	6,383	30%	30,142	23,736	27%
Fees, commission, and other non-interest income	1,435	1,236	16%	5,545	4,143	34%
Total Income	**9,718**	**7,619**	**28%**	**35,687**	**27,879**	**28%**
Interest expenses	2,614	1,953	34%	9,286	7,578	23%
Net Interest Income	**7,104**	**5,666**	**25%**	**26,401**	**20,301**	**30%**
Operating Expenses	2,471	1,943	27%	9,453	7,093	33%
Loan losses and provisions	803	664	21%	3,066	4,622	(34%)
Profit before tax	**3,830**	**3,059**	**25%**	**13,882**	**8,586**	**62%**
Profit after tax	**2,837**	**2,268**	**25%**	**10,290**	**6,350**	**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 (₹) *	47.0	37.6		170.4	105.4	

*Not annualized

Financial statement summary – BHFL

BAJAJ FINANCE LIMITED

₹ in Crore

Financials snapshot	Q4 FY23	Q4 FY22	Y-o-Y	FY23	FY22	Y-o-Y
Assets under management	**69,228**	**53,322**	**30%**	**69,228**	**53,322**	**30%**
Assets under finance	**62,114**	**46,482**	**34%**	**62,114**	**46,482**	**34%**
Interest income	1,520	961	58%	5,269	3,482	51%
Fees, commission, and other non-interest income	65	97	(33%)	396	285	39%
Total Income	**1,585**	**1,058**	**50%**	**5,665**	**3,767**	**50%**
Interest expenses	954	606	57%	3,211	2,155	49%
Net Interest Income	**631**	**452**	**40%**	**2,454**	**1,612**	**52%**
Operating Expenses	167	147	14%	630	471	34%
Loan losses and provisions	57	38	50%	124	181	(31%)
Profit before tax	**407**	**267**	**52%**	**1,700**	**960**	**77%**
Profit after tax	**302**	**198**	**53%**	**1,258**	**710**	**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 (₹) *	0.45	0.40		1.88	1.45	

*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

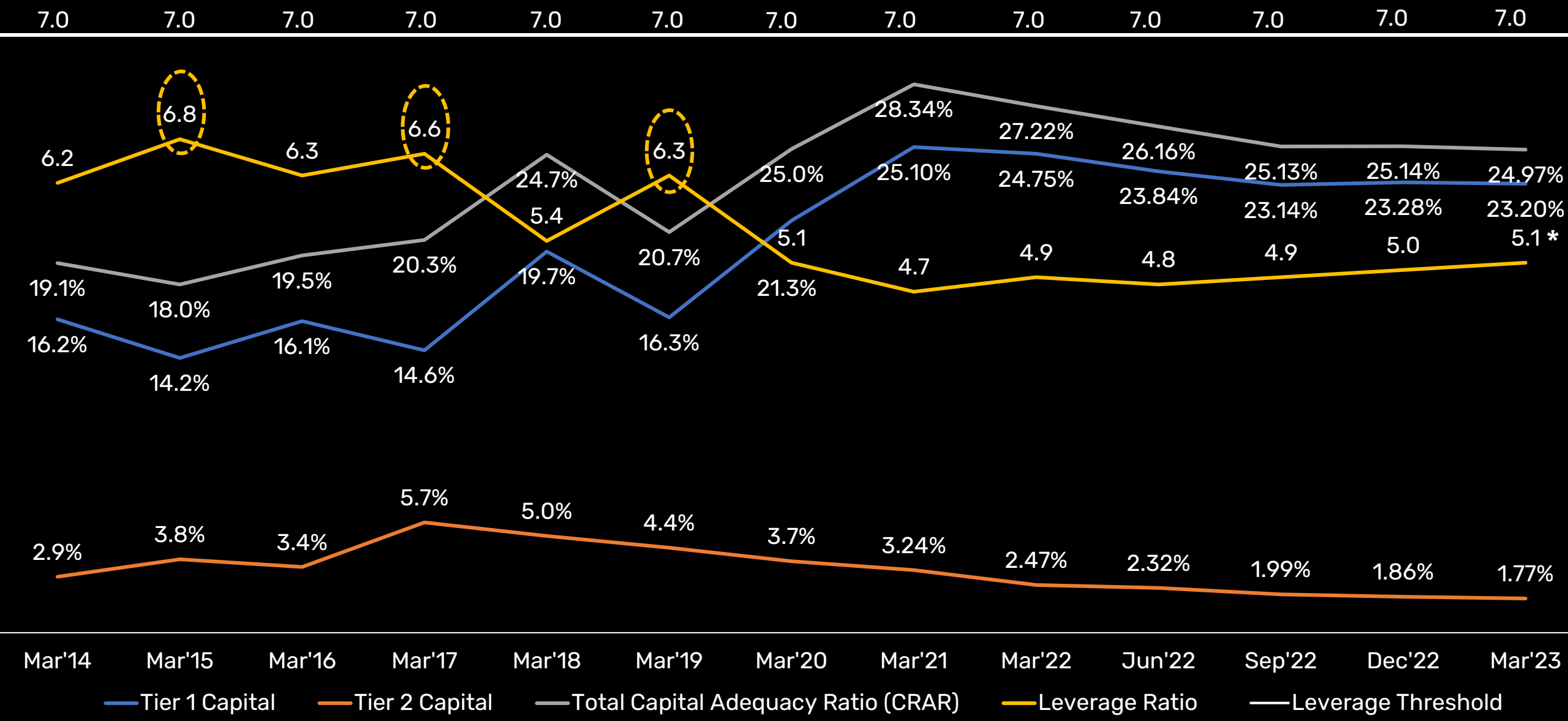
4.4 Behaviouralized ALM – Bajaj Housing Finance Limited

4.5 Disciplined ALM Management – Bajaj Finance Limited

4.6 Consolidated liability mix

Conservative leverage standards

BAJAJ FINANCE LIMITED



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

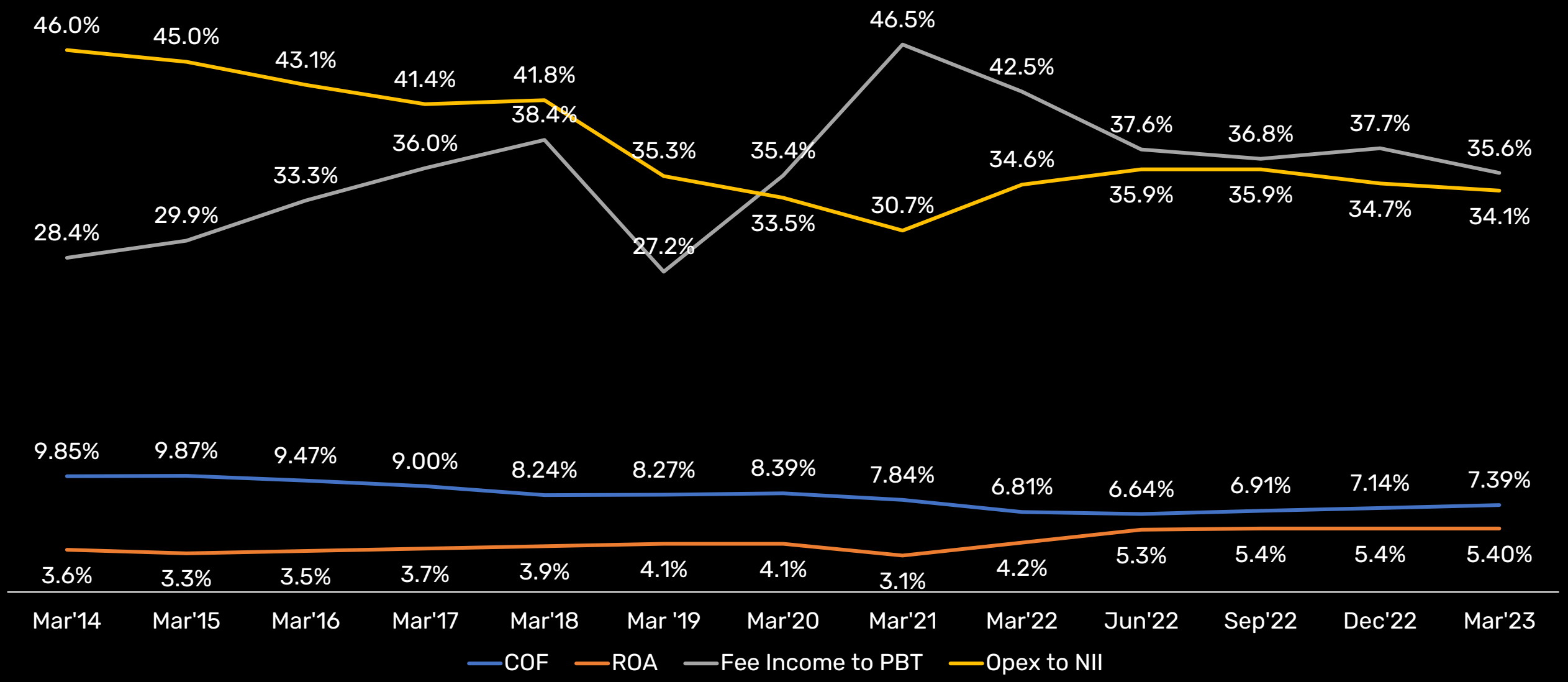
Capital Adequacy Ratios (CRAR) are on standalone basis

Mar '19 onwards numbers are as per Ind AS

Denotes point at which the Company initiated its capital raising plan

Resilient business model – Consolidated

BAJAJ FINANCE LIMITED



Mar '19 onwards numbers are as per Ind AS. Jun'22, Sep'22, Dec'22 and Mar'23 COF numbers are for the quarter.

Behaviouralized ALM as of 31 March 2023 – BFL

BAJAJ FINANCE LIMITED

₹ in Crore

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	6,647	9,367	1,682	6	40	228	308	3,279	1,253	9,230	32,041
Advances	6,002	1,958	4,444	8,217	7,596	19,054	28,619	67,353	23,809	15,875	1,82,926
Other inflows	5,103	131	168	512	493	147	183	731	624	3,519	11,611
Total Inflows (A)	17,751	11,455	6,294	8,734	8,129	19,430	29,110	71,363	25,686	28,625	2,26,578
Cumulative Total Inflows (B)	**17,751**	**29,207**	**35,501**	**44,235**	**52,364**	**71,794**	**1,00,904**	**1,72,267**	**1,97,953**	**2,26,578**	
Borrowings	10,202	2,135	1,857	6,779	8,448	11,427	29,800	57,138	21,651	18,423	1,67,858
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	51,493	51,493
Other Outflows	2,209	336	1,699	1,599	97	43	340	262	297	345	7,227
Total Outflows (C)	12,410	2,470	3,557	8,378	8,545	11,469	30,140	57,399	21,948	70,261	2,26,578
Cumulative Total Outflows (D)	**12,410**	**14,880**	**18,437**	**26,815**	**35,360**	**46,830**	**76,969**	**1,34,368**	**1,56,316**	**2,26,578**	
Mismatch (E = A - C)	5,341	8,985	2,738	356	(416)	7,960	(1,029)	13,963	3,738	(41,637)	
Cumulative mismatch (F = B-D)	5,341	14,326	17,064	17,420	17,004	24,964	23,935	37,899	41,637	-	
Cumulative mismatch as % (F/D)	**43%**	**96%**	**93%**	**65%**	**48%**	**53%**	**31%**	**28%**	**27%**	**0%**	

Permissible cumulative gap %	(10%)	(10%)	(20%)
Additional borrowings possible			25,959

In Q4, daily average LCR was 243% as against regulatory requirement of 70%

Behaviouralized ALM as of 31 Mar 2023 – BHFL

BAJAJ FINANCE LIMITED

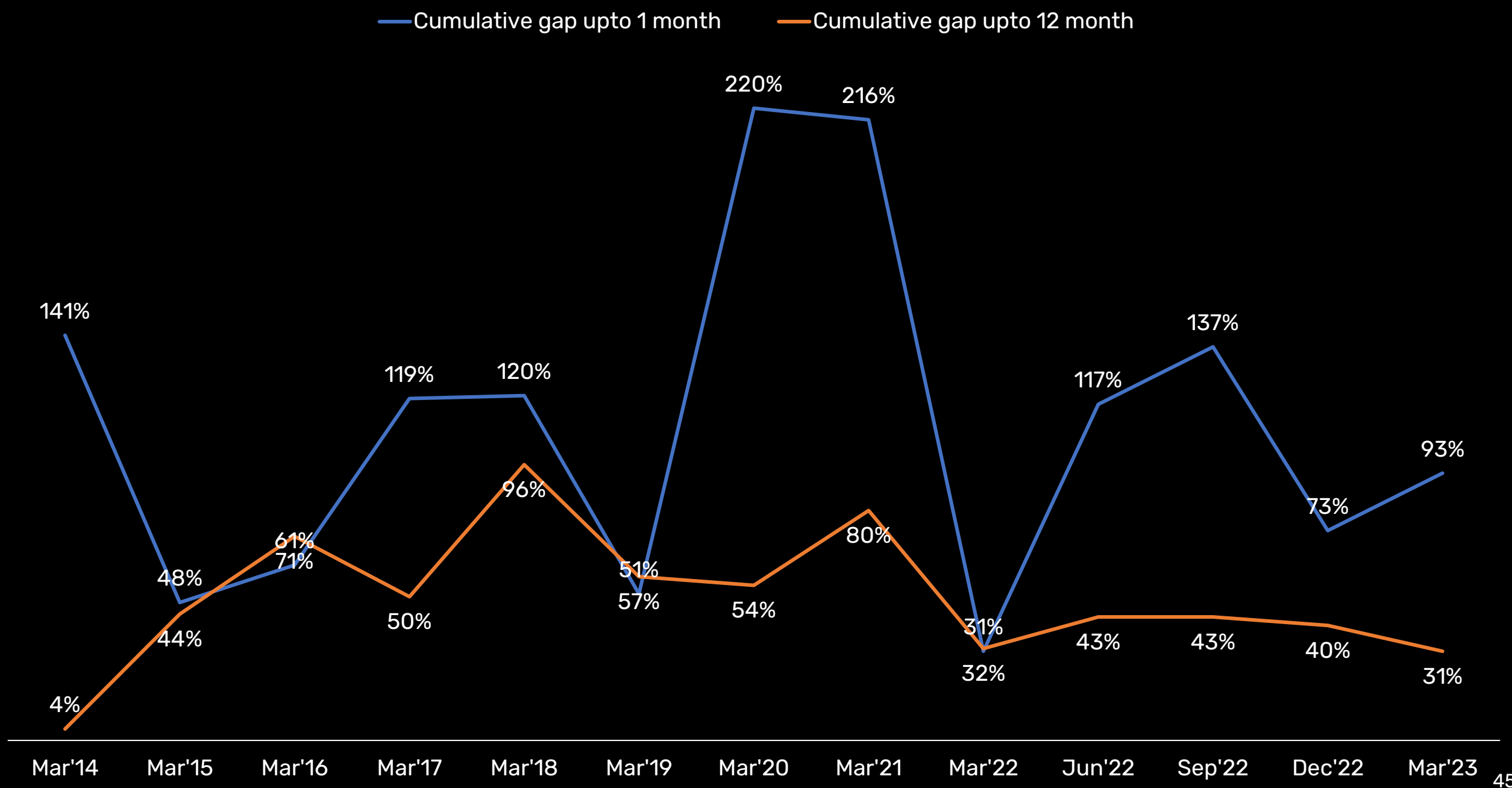
₹ in Crore

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	457	215	25	99	-	699	599	15	-	-	2,110
Advances	714	413	647	1,358	1,304	3,715	6,478	17,820	10,340	19,326	62,114
Other inflows	-	-	1,058	679	937	767	4,233	4,226	1,756	6,608	20,266
Total Inflows (A)	1,171	628	1,730	2,137	2,241	5,181	11,309	22,061	12,096	25,935	84,489
Cumulative Total Inflows (B)	**1,171**	**1,799**	**3,529**	**5,665**	**7,907**	**13,088**	**24,398**	**46,459**	**58,555**	**84,489**	
Borrowings	18	-	501	199	1,426	3,167	6,782	20,416	14,261	6,976	53,745
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	10,503	10,503
Other Outflows	1,025	550	1,082	945	728	1,540	4,091	5,720	551	4,009	20,241
Total Outflows (C)	1,042	550	1,583	1,144	2,154	4,707	10,873	26,136	14,812	21,488	84,489
Cumulative Total Outflows (D)	**1,042**	**1,592**	**3,175**	**4,319**	**6,473**	**11,180**	**22,053**	**48,190**	**63,002**	**84,489**	
Mismatch (E = A - C)	**129**	**78**	**147**	**993**	**87**	**474**	**436**	**(4,076)**	**(2,716)**	**4,447**	
Cumulative mismatch (F = B-D)	129	207	354	1,346	1,434	1,908	2,344	(1,731)	(4,447)	0	
Cumulative mismatch as % (F/D)	**12%**	**13%**	**11%**	**31%**	**22%**	**17%**	**11%**	**(4%)**	**(7%)**	**0%**	
Permissible cumulative gap %	**-10%**	**-10%**	**-20%**								
Additional borrowings possible			**1,233**								

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

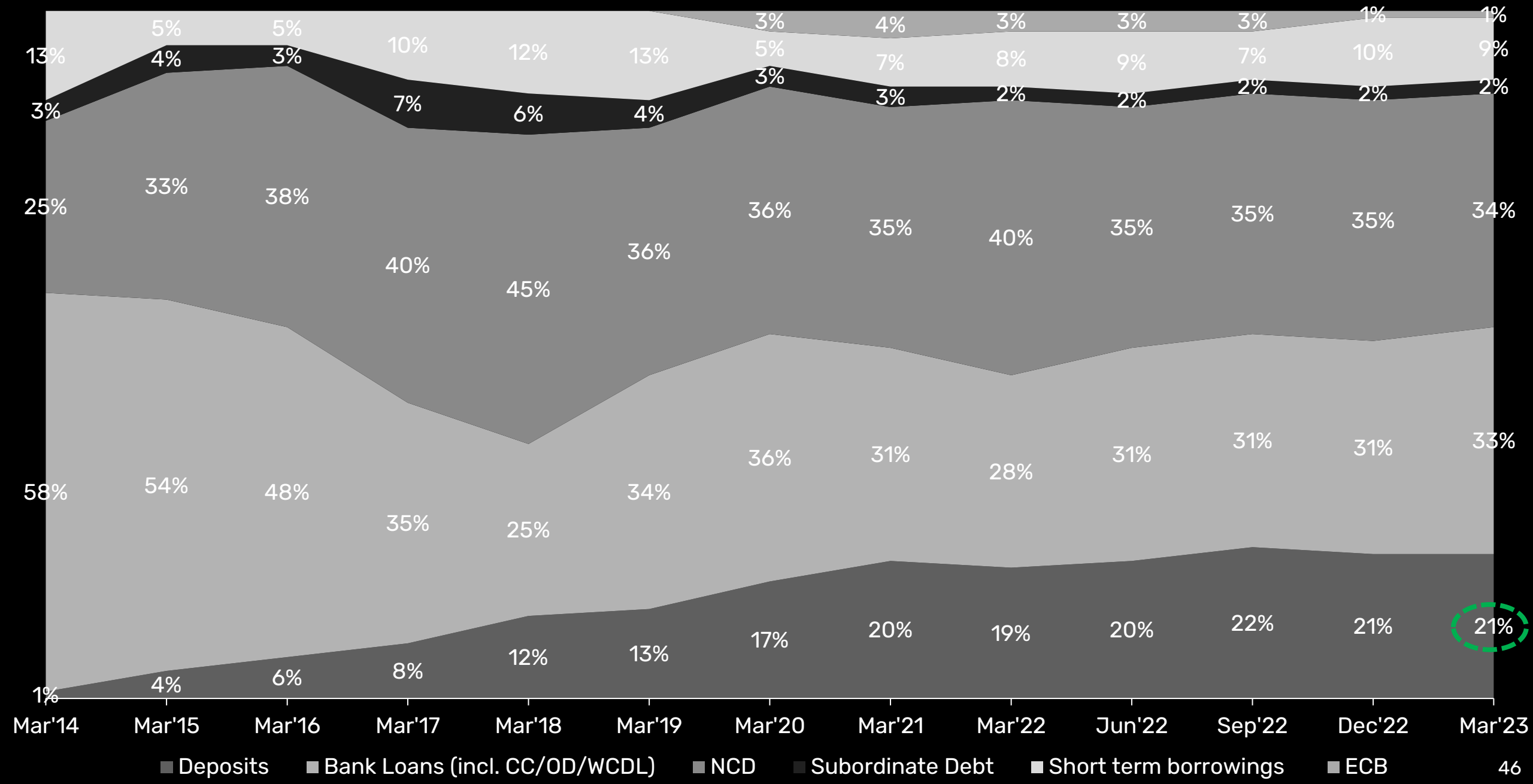
Disciplined ALM Management - BFL

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

Customer franchise

BAJAJ FINANCE LIMITED

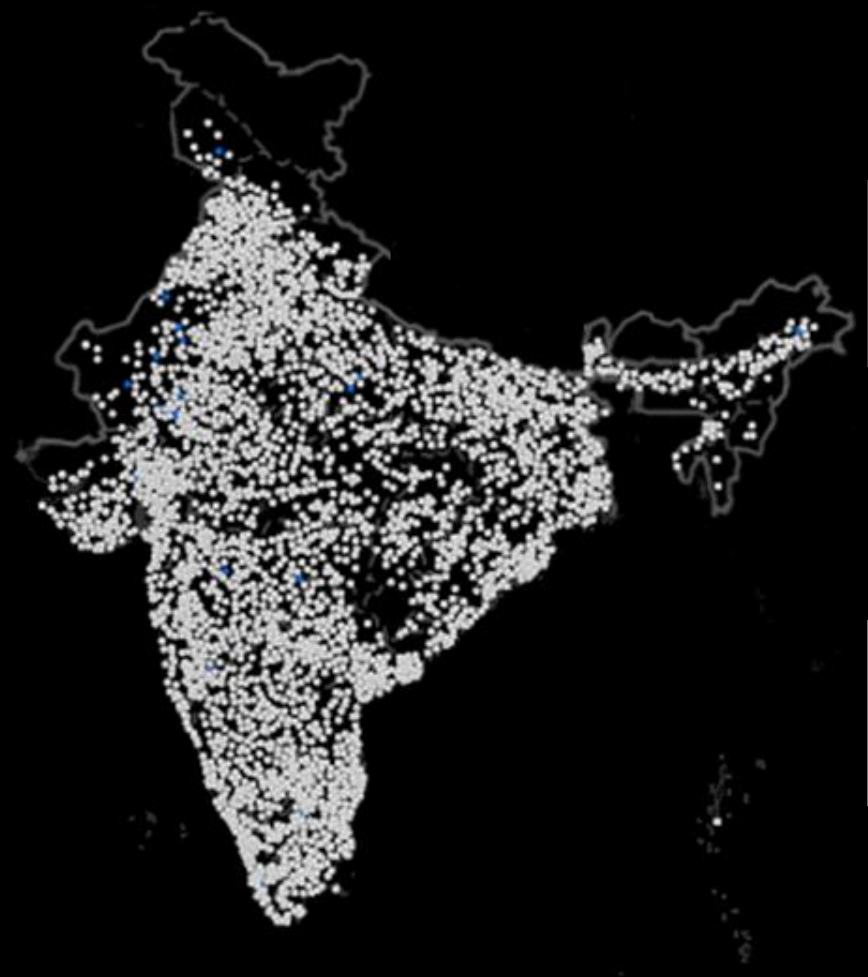
	Q4 FY22	Q4 FY23	Q3 FY23
Total Franchise	57.57MM	69.14 MM	66.05 MM
Credit segment filter	45.21 MM	53.63 MM	51.30 MM
Overall Cross sell franchise	43.62 MM	51.95 MM	49.66 MM
Non delinquent customers	38.60 MM	45.87 MM	43.86 MM
Cross sell franchise	32.77 MM (56.9%)*	40.56 MM (58.7%)*	38.58 MM (58.4%)*

Customer Franchise addition

Q3 FY22	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23
2.56 MM	2.21 MM	2.73 MM	2.61 MM	3.14 MM	3.09 MM

*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

Map not to scale

Strong distribution reach

BAJAJ FINANCE LIMITED

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

₹ in Crore

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	10,194	12,979	-	12,979	27%	5%	5%
Urban Sales Finance	14,977	17,627	-	17,627	18%	8%	7%
Urban B2C	38,772	48,470	1,638	50,108	29%	20%	20%
Rural Sales Finance	4,129	4,803	-	4,803	16%	2%	2%
Rural B2C	15,301	19,457	-	19,457	27%	8%	8%
SME Lending	24,979	33,628	137	33,765	35%	13%	14%
Loan Against Securities	10,536	14,028	-	15,093	43%	5%	6%
IPO Financing	5,365	-	-	-	-	2%	-
Commercial Lending	11,498	15,834	-	15,834	38%	6%	7%
Mortgages	61,701	14,173	67,453	77,713	26%	31%	31%
Total	**1,97,452**	**1,80,999**	**69,228**	**2,47,379**	**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%		

Business segment wise AUM - Mortgages

BAJAJ FINANCE LIMITED

₹ in Crore

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	35,278	42,586	21%	57%	55%
Loan against property	12,573	13,724	9%	21%	18%
Lease rental discounting	8,125	12,579	55%	13%	16%
Developer Finance	3,129	6,026	93%	5%	8%
Rural Mortgages	2,596	2,799	8%	4%	3%
Other loans	-	-	-	-	-
Total	**61,701**	**77,714**	**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	33,238	41,037	23%	62%	59%
Loan against property	6,221	6,538	5%	12%	9%
Lease rental discounting	6,848	11,260	64%	13%	16%
Developer Finance	3,136	6,026	92%	6%	9%
Rural Mortgages	2,276	2,592	14%	4%	4%
Other loans	1,603	1,775	11%	3%	3%
Total	**53,322**	**69,228**	**30%**	**100%**	**100%**

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

Provisioning Coverage - Consolidated

BAJAJ FINANCE LIMITED

₹ in Crore

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	12,979	649	321	51%	11.01%	5.99%	4.79%	5.83%	3.08%	2.43%
Urban Sales Finance	17,627	69	16	77%	2.81%*	0.64%	0.39%	1.32%*	0.10%	0.09%
Urban B2C	50,108	463	118	75%	0.95%	1.08%	0.93%	0.24%	0.27%	0.24%
Rural Sales Finance	4,803	19	4	78%	0.16%	0.61%	0.38%	0.02%	0.09%	0.09%
Rural B2C	19,457	191	55	71%	1.19%**	1.34%	0.95%	0.37%**	0.37%	0.28%
SME Lending	33,765	426	107	75%	1.43%	1.54%	1.24%	0.36%	0.39%	0.31%
Loan Against Securities	15,093	3	2	11%	0.01%	0.01%	0.02%	0.01%	0.01%	0.02%
Commercial Lending	15,834	42	22	48%	0.38%	0.24%	0.26%	0.18%	0.12%	0.14%
Mortgages	77,713	451	192	57%	0.86%	0.64%	0.60%	0.40%	0.29%	0.26%
Total	**2,47,379**	**2,313**	**837**	**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 ₹ 16 crore and NNPA of ₹ 15 crore. Net of Gold loan, the GNPA, NNPA and PCR are 1.25%, 0.32% and 75%

Stagewise ECL provisioning - Consolidated

BAJAJ FINANCE LIMITED

₹ in Crore

	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	12,237	682	649	127	134	328	1.0%	19.7%	50.5%
Urban Sales Finance	17,642	137	69	104	64	53	0.6%	46.5%	77.3%
Urban B2C	48,494	774	463	610	306	346	1.3%	39.5%	74.6%
Rural Sales Finance	4,803	37	19	21	19	14	0.4%	51.0%	77.6%
Rural B2C	19,362	448	191	267	140	136	1.4%	31.3%	71.3%
SME Lending	33,764	256	426	380	119	320	1.1%	46.6%	75.0%
Loan Against Securities	15,094	6	3	9	0	0	0.1%	4.5%	11.0%
Commercial Lending	15,822	18	42	29	0	20	0.2%	0.1%	47.7%
Mortgages	74,072	675*	451	410	151ˆ	259	0.6%	22.4%	57.4%
Total as of 31 Mar 2023	**2,41,290**	**3,033**	**2,313**	**1,957**	**933**	**1,476**	**0.8%**	**30.8%**	**63.8%**
Total as of 31 Dec 2022	2,24,243	2,860	2,610	1,851	787	1,676	0.8%	27.5%	64.2%
Total as of 31 Mar 2022	1,88,834	3,860	3,133	1,507	1,079	1,818	0.8%	28.0%	58.0%

* Includes ₹ 248 Cr non overdue OTR assets classified as Stage 2 | ˆ Includes ₹ 54 Cr ECL provision on OTR assets

Provisioning Coverage – BHFL

BAJAJ FINANCE LIMITED

₹ in Crore

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	41,037	76	27	65%	0.27%	0.19%	0.20%	0.12%	0.08%	0.07%
Loan against property	6,538	29	12	59%	0.65%	0.59%	0.56%	0.33%	0.33%	0.23%
Lease rental discounting	11,260	-	-	-	-	-	-	-	-	-
Developer Finance	6,026	-	-	-	-	-	-	-	-	-
Rural Mortgages	2,592	23	9	62%	1.22%	1.30%	1.15%	0.59%	0.52%	0.43%
Other loans	1,775	9	3	70%	0.41%	0.47%	0.50%	0.13%	0.15%	0.15%
Total	**69,228**	**137**	**50**	**64%**	**0.31%**	**0.23%**	**0.22%**	**0.14%**	**0.10%**	**0.08%**

Stagewise ECL provisioning - BHFL

BAJAJ FINANCE LIMITED

₹ in Crore

	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	37,663	185	76	189	41	49	0.5%	22.4%	64.8%
Loan against property	5,000	94	29	36	19	17	0.7%	20.1%	58.7%
Lease rental discounting	9,684	-	-	62	-	-	0.6%	-	-
Developer Finance	6,066	7	0	46	2	0	0.8%	25.7%	0.0%
Rural Mortgages	1,950	62	23	12	13	15	0.6%	20.7%	63.1%
Other loans	1,779	12	9	15	3	6	0.8%	27.4%	70.3%
Total as of 31 March 2023	**62,142**	**360***	**137**	**360**	**78ˆ**	**87**	**0.6%**	**21.8%**	**63.6%**
Total as of 31 Dec 2022	57,952	394	135	333	83	74	0.6%	21.1%	54.6%
Total as of 31 Mar 2022	46,200	604	146	260	128	79	0,6%	21.2%	54.3%

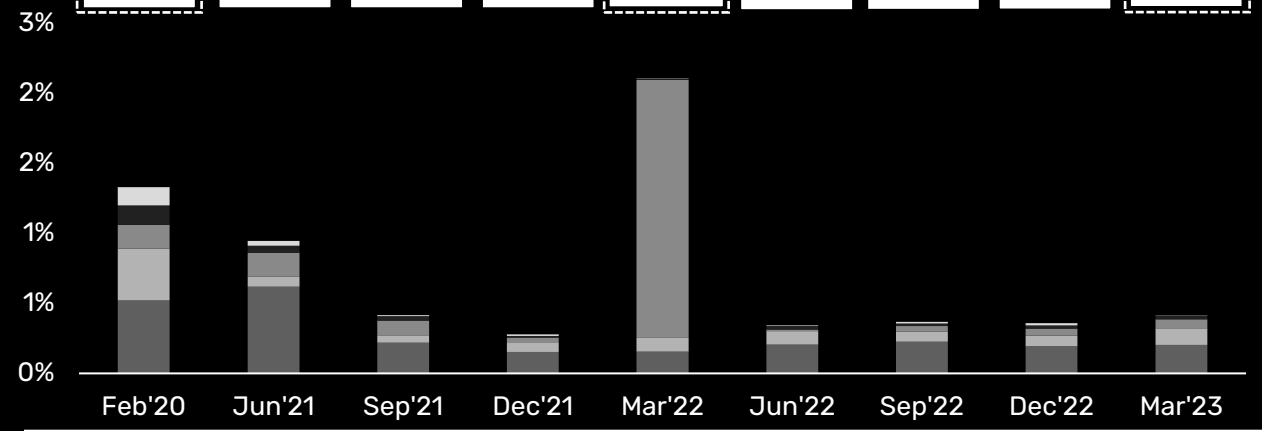
* Includes ₹ 123 Cr non overdue OTR assets classified as Stage 2 | ˆ Includes ₹ 29 Cr ECL provision on OTR assets

Portfolio credit quality – Consolidated

BAJAJ FINANCE LIMITED

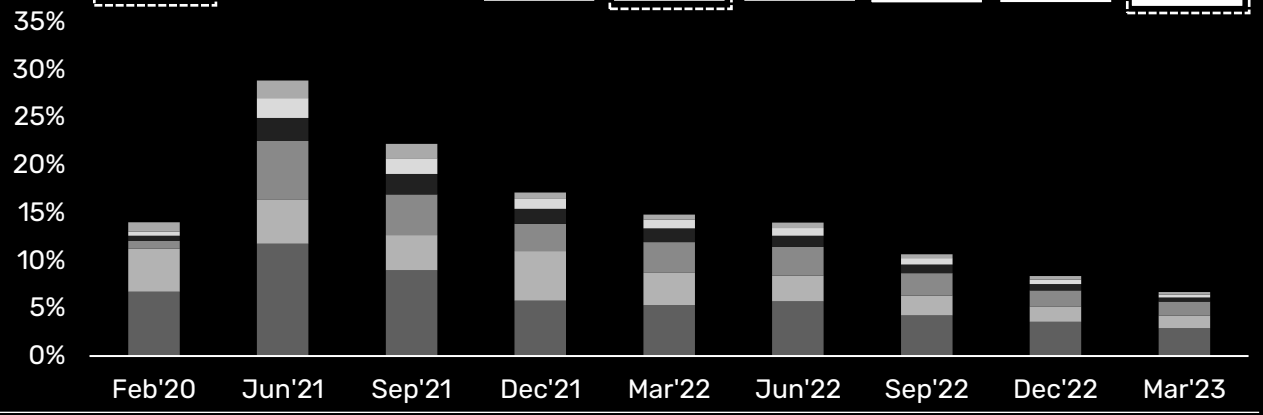
Consumer Durable & Lifestyle

Stage	1st Bucket	2nd Bucket	3rd Bucket	4th Bucket	5th Bucket				
1	98.65%	99.05%	99.58%	99.72%	97.89%	99.66%	99.63%	99.64%	99.59%
2	0.89%%	0.69%	0.27%	0.22%	0.25%	0.30%	0.30%	0.27%	0.32%



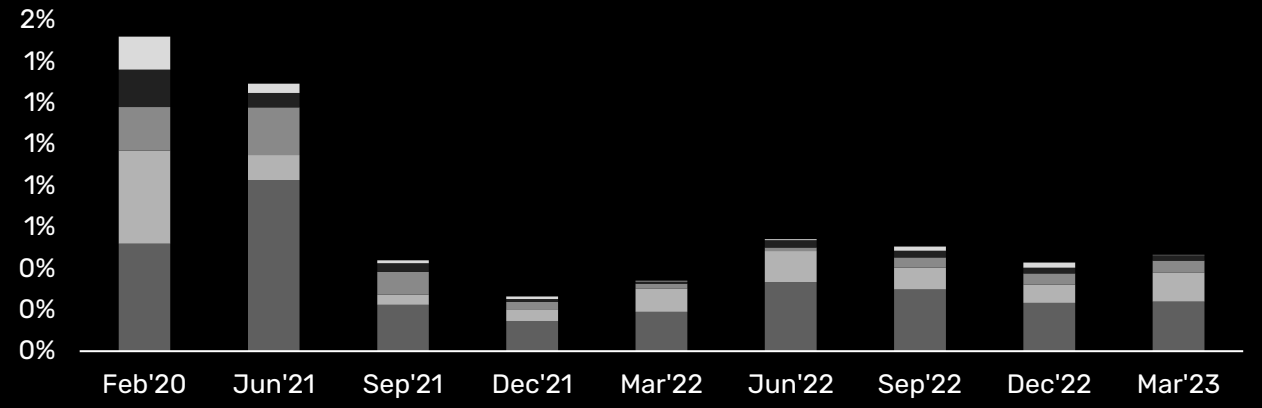
Two & three wheeler

Stage	1st Bucket	2nd Bucket	3rd Bucket	4th Bucket	5th Bucket	5+ Bucket			
1	86.00%	71.14%	77.76%	82.86%	85.19%	86.02%	89.34%	91.68%	93.28%
2	11.27%	16.35%	12.67%	11.01%	8.74%	8.41%	6.34%	5.22%	4.23%



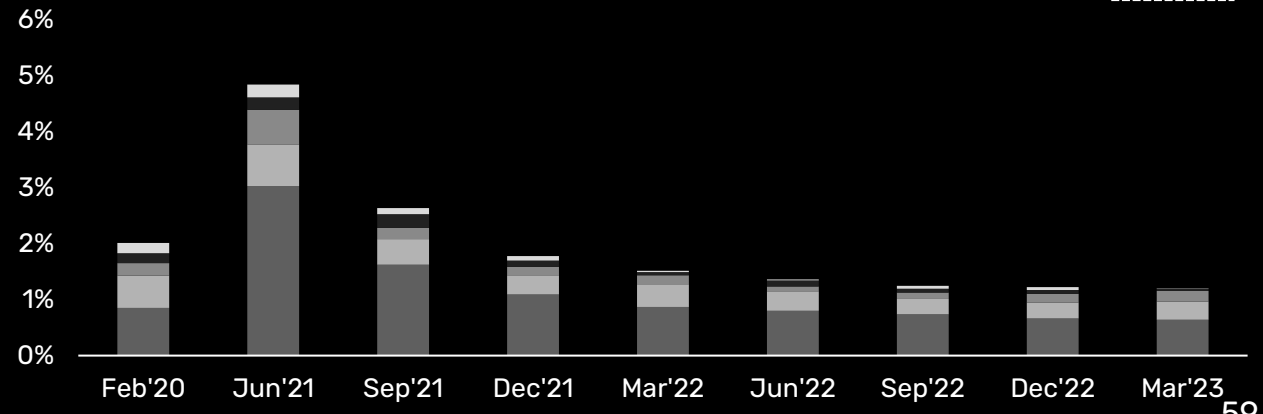
Digital product

Stage	1st Bucket	2nd Bucket	3rd Bucket	4th Bucket	5th Bucket				
1	98.49%	98.71%	99.56%	99.74%	99.66%	99.46%	99.49%	99.57%	99.54%
2	0.97%	0.95%	0.27%	0.20%	0.30%	0.48%	0.40%	0.32%	0.38%



Urban B2C

Stage	1st Bucket	2nd Bucket	3rd Bucket	4th Bucket	5th Bucket				
1	98.00%	95.15%	97.37%	98.22%	98.48%	98.64%	98.75%	98.74%	98.79%
2	1.43%	3.78%	2.08%	1.43%	1.27%	1.15%	1.01%	0.95%	0.96%



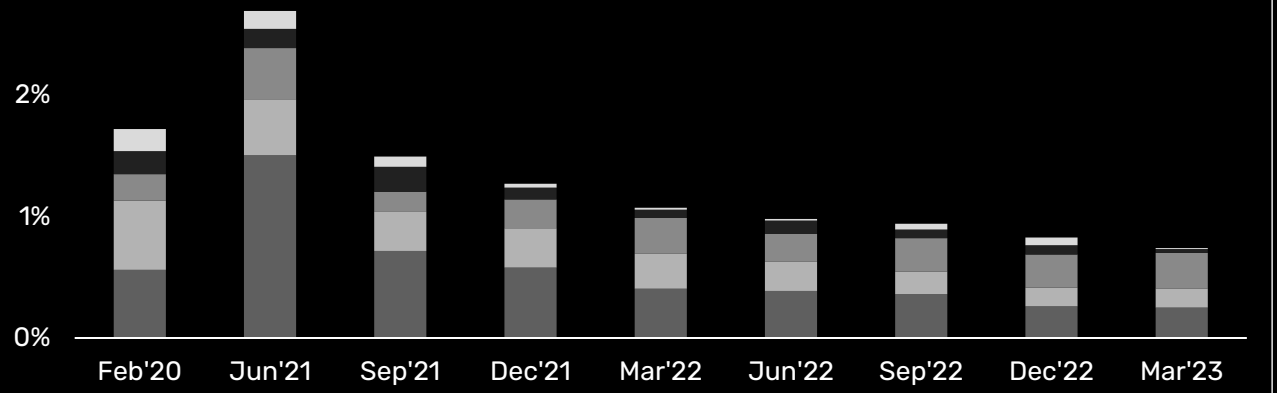
Portfolio credit quality after adjusting ECL provisions | Feb'20 has been retained as a pre covid benchmark

Portfolio credit quality – Consolidated

BAJAJ FINANCE LIMITED

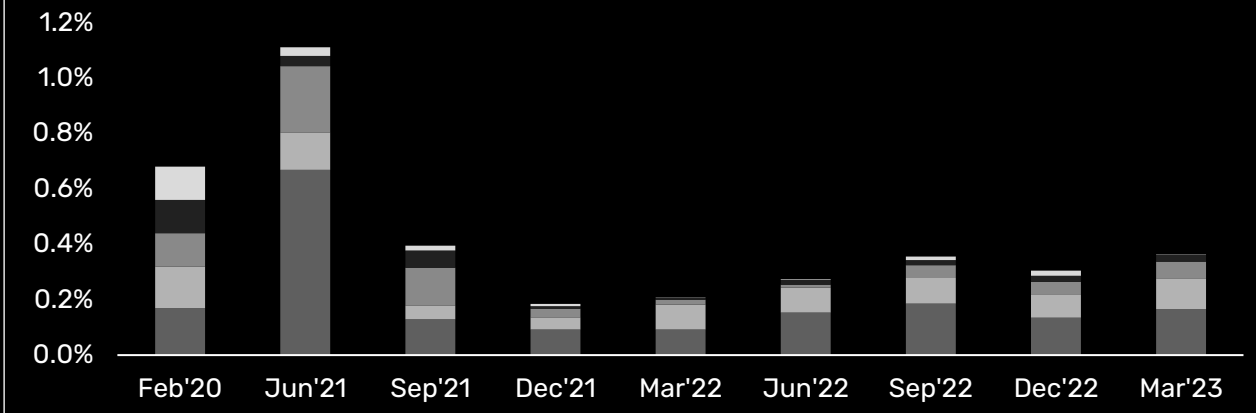
Business & professional loans

Stage	1st Bucket	2nd Bucket	3rd Bucket	4th Bucket	5th Bucket				
1	98.27%	97.30%	98.51%	98.73%	98.93%	99.02%	99.06%	99.14%	99.26%
2	1.13%	1.97%	1.04%	0.90%	0.69%	0.63%	0.55%	0.41%	0.41%



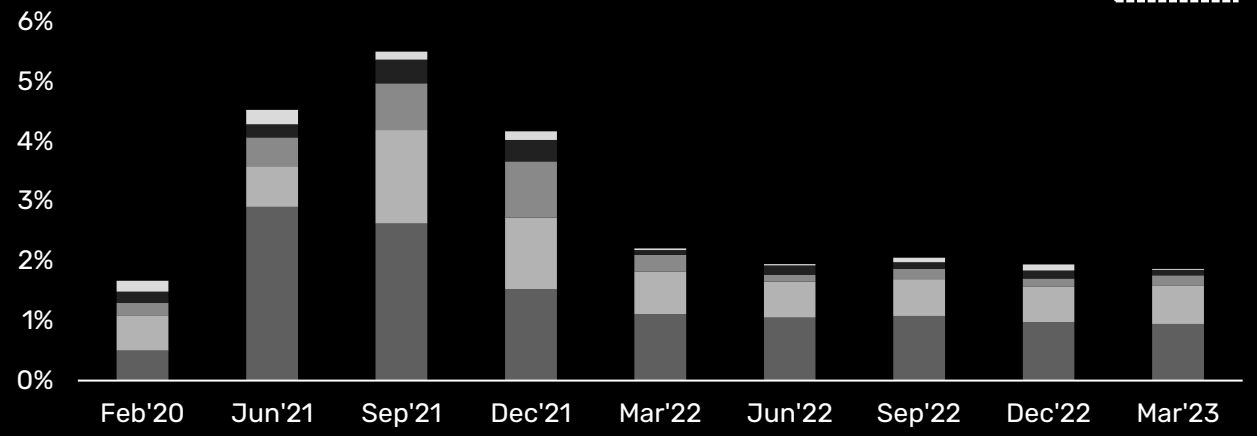
Rural B2B

Stage	1st Bucket	2nd Bucket	3rd Bucket	4th Bucket	5th Bucket				
1	99.33%	98.89%	99.60%	99.82%	99.79%	99.73%	99.64%	99.70%	99.64%
2	0.32%	0.80%	0.18%	0.14%	0.18%	0.24%	0.28%	0.22%	0.28%



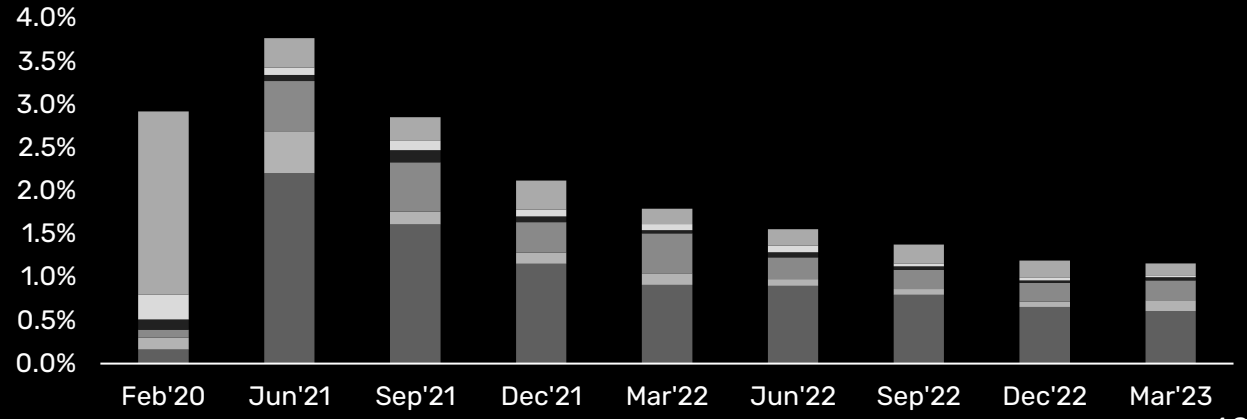
Rural B2C

Stage	1st Bucket	2nd Bucket	3rd Bucket	4th Bucket	5th Bucket				
1	98.32%	95.47%	94.49%	95.83%	97.79%	98.05%	97.94%	98.02%	98.13%
2	1.09%	3.59%	4.19%	2.73%	1.83%	1.65%	1.70%	1.57%	1.58%



Loan against property

Stage	1st Bucket	2nd Bucket	3rd Bucket	4th Bucket	5th Bucket	5+ Bucket			
1	97.06%	96.23%	97.15%	97.88%	98.56%	98.44%	98.62%	98.81%	98.84%
2	0.30%	2.69%	1.76%	1.29%	0.79%	0.98%	0.86%	0.72%	0.73%

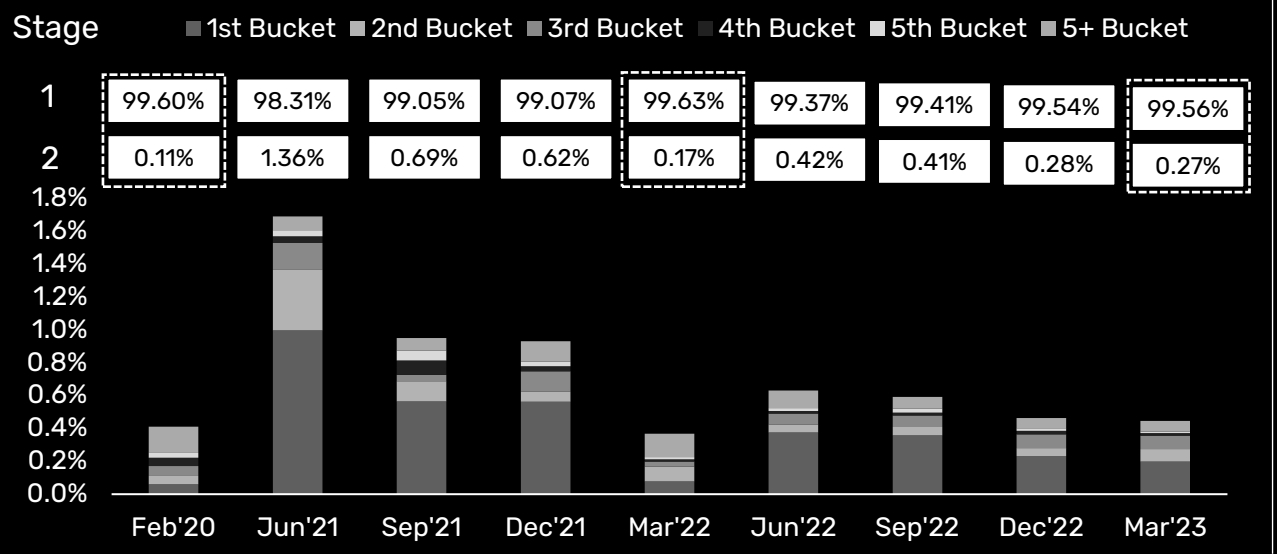


Portfolio credit quality after adjusting ECL provisions | Feb'20 has been retained as a pre covid benchmark

Portfolio credit quality – Consolidated

BAJAJ FINANCE LIMITED

Home loans



Commercial lending

- Commercial lending business portfolio is 99.72% current

Loan against securities

- Loan against securities business portfolio is 99.94% current

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

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BAJAJ FINANCE LIMITED
Q4 FY23 Investor Presentation
Thank You

Glossary

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