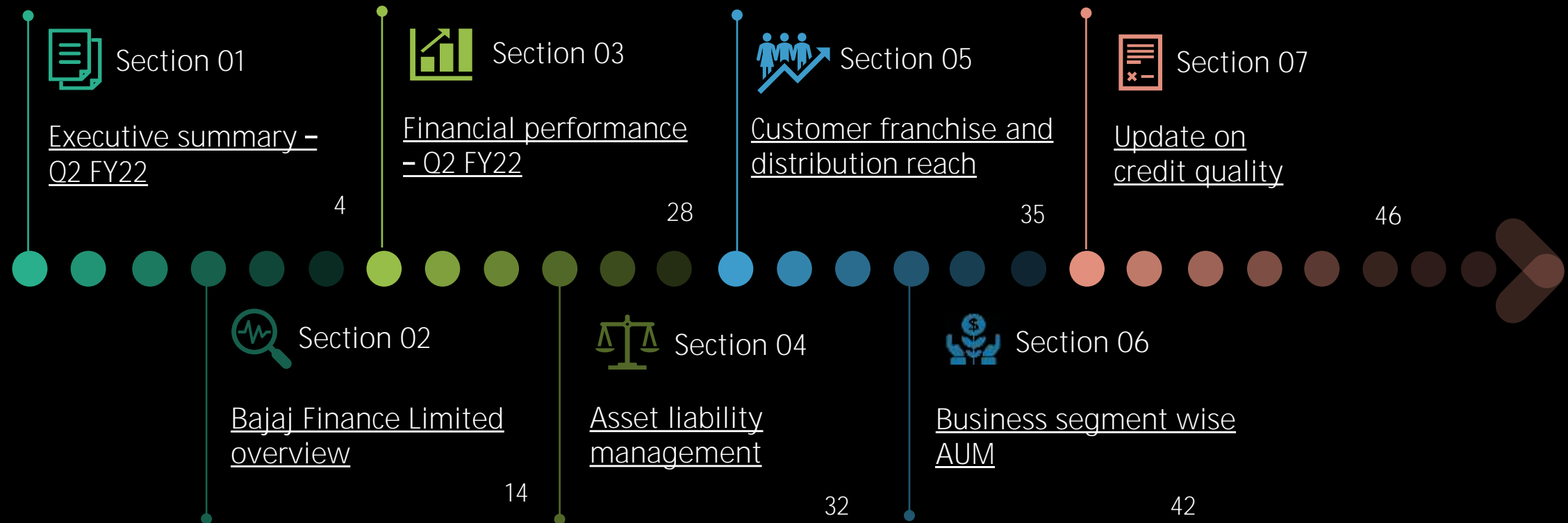




BAJAJ FINANCE LIMITED

Q2 FY22 Investor Presentation
26 October 2021





Section 01

Executive summary – Q2 FY22

1.1

Quarter gone by

1.2

Lead financial indicators

Quarter gone by

A quarter of strong revival across growth, risk, debt management and financial metrics. In absence of a third wave, quite confident about second half of the year on growth, risk and financial metrics. Business transformation go-live is behind schedule by 45 days due to delays in certain tech deliveries and code freeze for festival season. Go-live is now planned for mid December.



*Not annualized

**Not relevant due to moratorium

1. At the outset, YoY numbers are not comparable due to dislocation caused by the pandemic.
2. AUM as of 30 September 2021 was at \$22,559 MM as against \$18,526 MM as of 30 September 2020. Core AUM growth* in Q2 FY22 was ~ \$1,507 MM. In absence of a third wave, the Company expects quarterly AUM growth rate for balance of the year to be strong.
3. The Company booked 6.33 MM new loans in Q2 FY22.
4. Customer franchise stood at 52.80 MM as of 30 September 2021, a growth of 20% YoY. Cross sell franchise stood at 29.37 MM, a growth of 23% YoY. During the quarter, customer franchise grew by 2.35 MM. Customer franchise addition in Q2 FY22 was in line with our general guidance of 7-8 MM annually.
5. Total geographic footprint stood at 3,329 locations and 1,19,900+ distribution points. During the quarter, the Company expanded its presence in 216 new locations.
6. The Company continues to protect its margin profile across businesses. Interest income reversal for Q2 FY22 was \$44 MM as against \$29 MM in Q2 FY21. In absence of a third wave, the company expects quarterly interest reversals to normalise to \$24-27 MM by Q3 FY22.
7. Cost of funds reduced to 6.77% in Q2 FY22 vs 7.11% in Q1 FY22. The Company raised \$915 MM of fixed rate NCDs in 2 year and above tenor to gain from low interest rates environment. This included \$314 MM raised under 10 year tenor. As a result, liquidity buffer was elevated at \$2,276 MM as of 30 September 2021. Liquidity buffer will normalize to pre-COVID levels by Q4 FY22.

*Core AUM growth = (AUM growth for the quarter – short tenor IPO financing book + additional losses on account of COVID)

8. Deposits book on a YOY basis grew by 33% to \$3,881 MM as of 30 September 2021. Its contribution to consolidated borrowings was 20%. Retail : Corporate mix stood at 77 : 23 in Q2 FY22.
9. Opex to NII for Q2 FY22 was 38.1% vs 27.8% in Q2 FY21. The increase in operating expenses for the quarter is on account of elevated debt management cost owing to second wave and salary cost. In Q2 FY22, the Company increased its employee strength by over 2,000 to support its growth stance. With normalization of debt management cost and increase in NII as a result of balance sheet growth, Opex to NII metric should normalize in the range of 33-34% by Q4 FY22.
10. Loan losses and provisions for the quarter were \$176 MM. Total provisions taken in the first half of the year is \$412 MM. During the quarter, the Company has increased management overlay provision from \$65 MM as of 30 June 2021 to \$112 MM as of 30 September 2021 to protect itself from a potential third wave.
11. The Company has seen strong improvement in debt management efficiencies across products in Q2 FY22. In absence of a third wave, loan loss and provisions should normalize to pre COVID levels in Q3 FY22.
12. GNPA & NNPA as of 30 September 2021 stood at 2.45% and 1.10% compared to 2.96% and 1.46% as of 30 June 2021.
13. In absence of a severe third wave, the Company estimates its GNPA at 1.7-1.8% & NNPA at 0.7-0.8% by 31 March 2022. Accordingly, the company estimates its overall credit cost for FY22 to be approximately \$581 MM.
14. GNPA as of 30 September 2021 reduced to \$554 MM vs \$640 MM as of 30 June 2021.
15. NNPA as of 30 September 2021 reduced to \$247 MM vs \$312 MM as of 30 June 2021. Secured assets constituted 78% of NNPA of which Auto finance was \$139 MM (\$192 MM as of 30 June 2021) and Mortgages was \$40 MM (\$39 MM as of 30 June 2021).
16. Overall stage 2 assets as of 30 September 2021 reduced to \$806 MM vs \$1,003 MM as of 30 June 2021.

17. Non overdue one-time restructuring (OTR) book as of 30 September 2021 increased to \$204 MM vs \$174 MM as of 30 June 2021. In Q2 FY22 the Company offered OTR of \$58 MM under OTR 2.0 framework. The Company has considered OTR as an indicator of significant increase in credit risk (SICR) and as a matter of prudence classified it as Stage 2. The Company holds ECL provision of \$39 MM (19.1%) against this book.
18. Other stage 2 assets as of 30 September 2021 reduced to \$601 MM vs \$829 MM as of 30 June 2021. The Company holds ECL provision of \$139 MM (23.1%). Secured non OTR stage 2 assets was \$345 MM (57%) and unsecured was \$256 MM (43%).
19. Consolidated post tax profit for Q2 FY22 was \$200 MM compared to \$130 MM in Q2 FY21, a growth of 53%.
20. Capital adequacy remained very strong at 27.68% as of 30 September 2021. Tier-1 capital was 24.90%.
21. BHFL AUM grew by 33% to \$6,004 MM as of 30 September 2021.
22. BHFL launched its affordable housing business in Q2 FY22.
23. Capital adequacy of BHFL was 20.26% as of 30 September 2021.
24. BHFL delivered post tax profit of \$22 MM in Q2 FY22 compared to \$11 MM in Q2 FY21, a growth of 100%.
25. BFSL acquired 109K customers in Q2 FY22. Its Retail and HNI customer franchise stood at 204K as of 30 September 2021.
26. BFSL delivered post tax profit of \$0.4 MM in Q2 FY22.

The “new way of doing business” envisages BFL to be an Omnipresent financial services Company. The Omnipresence strategy will enable our existing and new customers to engage, transact and be serviced online to offline and vice versa without friction...

Geography

1. Total geographic footprint stood at 3,329 locations and 1,19,900+ distribution points. During the quarter, the Company expanded its presence by 216 new locations. The company is growing its geographic footprint in north and east as GDP contribution of North and East vs its portfolio contribution is lower. This will result in reducing concentration risk and create new growth opportunities.

Omnichannel

1. The Company digitally acquired 372 K new EMI card customers in Q2 FY22 using a integrated digital ecosystem. This offering will be fully integrated into the new consumer app upgrade as it goes live.
2. The EMI store strategy is beginning to yield good momentum. The EMI Store visits increased from 10.2 MM in Q4 FY21 to 29.7 MM in Q2 FY22. This has resulted in 248 K new loans in Q2 FY22. The total SKUs were 30,135 and merchants were 25,031 as of 30 September 2021. This offering is already integrated with the existing consumer app.
3. The point of sale transformation has started delivering good volume momentum for personal loan and credit card distribution business. It is an integrated offline to online framework covering communication, call centre and fulfilment. The consumer app upgrade in mid December will make the process even more seamless and will lead to stronger volume momentum. In Q2 FY22 it delivered \$53 MM in personal loans and 26,989 cards in credit card distribution business.
4. Customer data platform (CDP), key to omnichannel experience has gone live in Q2 FY22. CDP enables multi-channel orchestration, customer communication, call governance with a integrated multi-dialer, multi-lingual architecture. The Company has also migrated from a centralized Pune based call centre infrastructure to 8 regional call centres to deliver multi-lingual sales and service support to its customers.

Consumer app upgrade

1. The current consumer app has 12.9 MM active customers as of 30 September 2021.
2. The upgrade of our new consumer app is delayed by 45 days on account of delays in certain tech deliveries and code freeze for festival season.
3. As part of our sprint release strategy, sprint 1 which covers all customer service menus, payments, EMI store, 20 engagement apps and a robust search functionality has gone live on play store for 10% of customers. Due to festival code freeze, we are now not increasing coverage till 15 November 2021. The sprint 2 which covers end to end business journeys, insurance and mutual fund marketplace will get deployed for all customers by 15 December 2021.

Payments

1. The Company has 3.1 MM customers on its wallet as of 24 October 2021. For festival season, the Company has integrated the wallet feature for seamless fulfilment. It should significantly improve wallet engagement, stickiness and cashback/reimbursement process.
2. Merchant app is on track to go live by February 2022. It will enable P2P and P2M onboarding, transactions, promotions, rewards and settlements.
3. Post receiving Board approval to apply for Payment Aggregator (PA) & Bharat Bill Pay Operating Unit (BBPOU), the Company has initiated various approvals.
4. The Company is in the process of significantly expanding payment talent pool.

Productivity apps

1. The new Debt management services app has gone live for ~9 K employees and ~34 K+ agency resources. The app enables agency staff onboarding, cash receipting, training, communication, compliance features, dialer integration and call recording. The app also enables agency staff to help customers with a host of service-related queries. The Company issued 13.5 MM receipts in Q2 FY22.
2. Sales one App has started to go live in phases. The Company expects to complete roll out by January 2022. Apart from its core features of sales dashboards, reporting, engagement, sales visits and dialer integration, the app integrates online channels with offline fulfilment. The app also enables sales staff to help customers with a host of service-related queries.

Bajaj Housing Finance Limited (BHFL)

1. **BHFL's AUM increased by 33% to** \$6,004 MM as of 30 September 2021 from \$4,522 MM as of 30 September 2020.
2. **BHFL's net Interest Income for Q2 FY22 increased by 60% to** \$54 MM from \$34 MM in Q2 FY21.
3. **BHFL's** opex to NII stood at 27.8% in Q2 FY22 as against 28.2% in Q2 FY21.
4. **BHFL's** loan losses and provisions for Q2 FY22 was \$8 MM as against \$9 MM in Q2 FY21. It has management overlay provision of \$22 MM as of 30 September 2021.
5. **BHFL's** GNPA & NNPA as of 30 September 2021 stood at 0.35% and 0.21% respectively compared to 0.28% and 0.18% as of 30 June 2021.
6. **BHFL's** profit after tax increased 100% to \$22 MM in Q2 FY22 against \$11 MM in Q2 FY21.
7. **BHFL's Capital adequacy ratio (including Tier II capital) stood at 20.26% as of 30 Sep 2021.**
8. BHFL launched its affordable housing business in Q2 FY22.

Bajaj Financial Securities Limited (BFSL)

8. BFSL acquired 109K customers in Q2 FY22. Its Retail and HNI customer franchise stood at 204K as of 30 September 2021.
9. **BFSL's total Income was** \$4 MM in Q2 FY22 against \$1 MM in Q2 FY21.
10. BFSL registered a net profit of \$0.4 MM in Q2 FY22 against \$0.3 MM in Q2 FY21.

Section 02 Bajaj Finance Limited overview

2.1

Bajaj group structure

2.2

What do we stand for

2.3

Our general long-term guidance on Financial metrics shareholder profile

2.4

Key strategic differentiators

2.5

Our shareholder profile

2.6

14-years financial snapshot

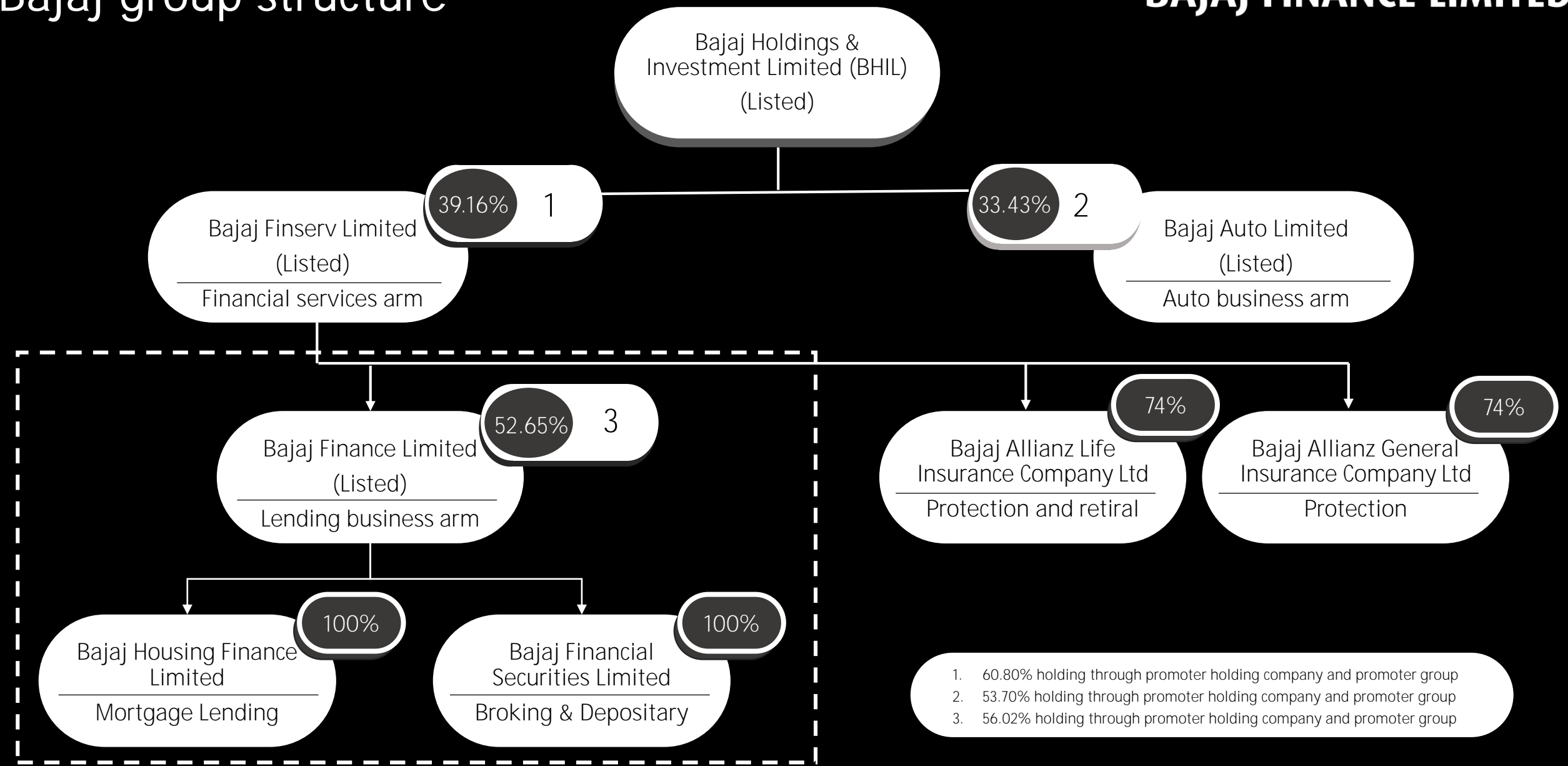
2.7

Product suite

2.8

Executive summary

Bajaj group structure



- 1. 60.80% holding through promoter holding company and promoter group
- 2. 53.70% holding through promoter holding company and promoter group
- 3. 56.02% holding through promoter holding company and promoter group

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

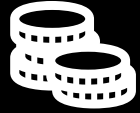
“Focused on mass affluent & above clients with a strategy to cross sell”

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

“Business construct to deliver a sustainable ROA of 4-4.5% and ROE of 19-21% in the long term”

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

Our general long-term guidance on financial metrics **BAJAJ FINANCE LIMITED**



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%

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 52.8 MM

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

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

A well diversified balance sheet

Consolidated lending AUM mix for Consumer: Rural: SME: Commercial: Mortgages stood at 34% : 10% : 13% : 10% : 33%
Consolidated borrowing mix for Money Markets :Banks: Deposits: ECB stood at 47% : 29% : 20% : 4%

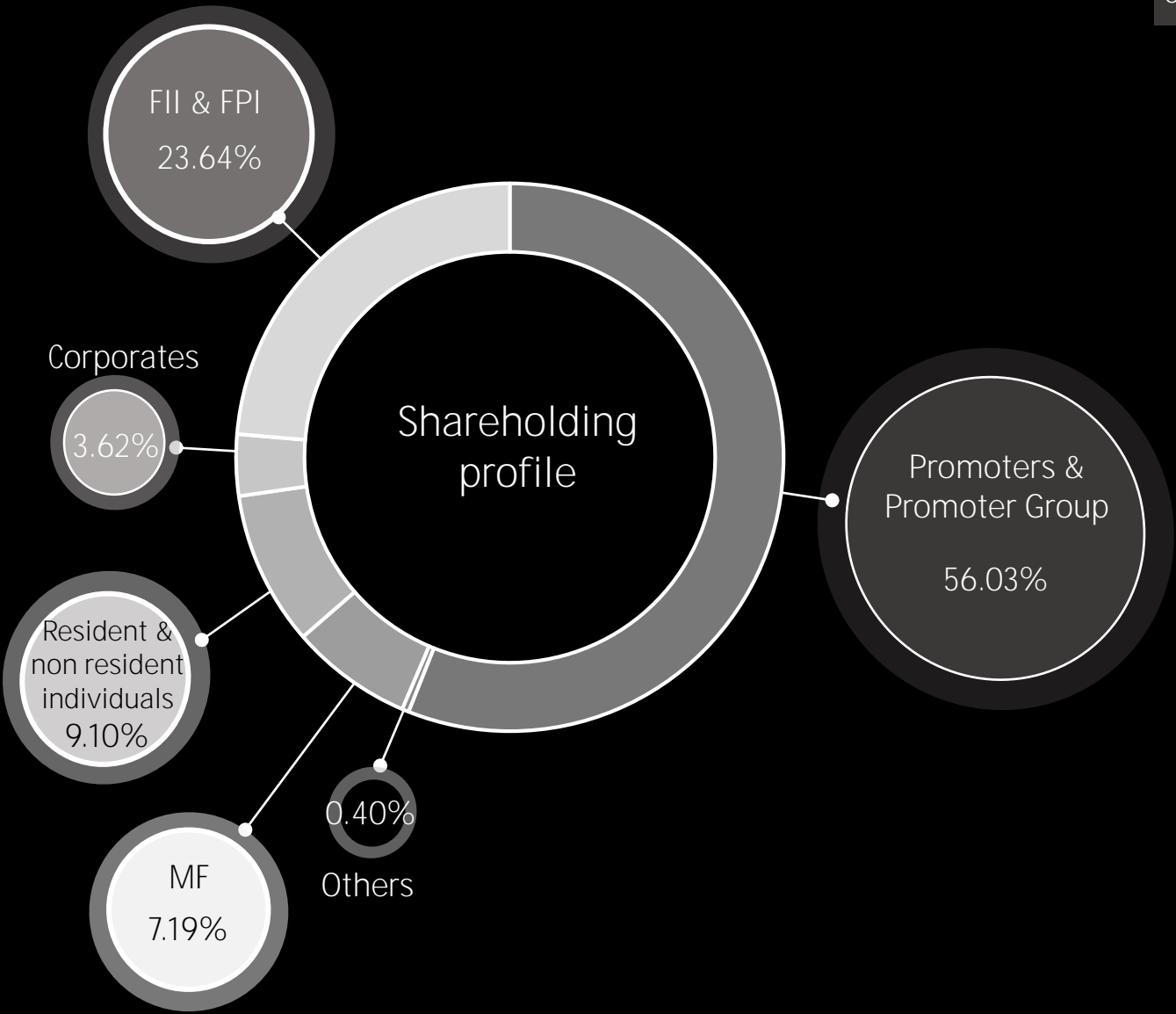
Highly agile & innovative

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

Deep investment in technology and analytics

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

Our shareholder profile



Above shareholding is as of 30 September 2021

Top 20 investors & their holdings

S.No	Name of Shareholder	As on 30 Sept 21	As on 30 Jun 21	As on 30 Sept 20
1	BAJAJ FINSERV LTD	52.65%	52.65%	52.74%
2	GOVERNMENT OF SINGAPORE	3.31%	4.09%	4.20%
3	MAHARASHTRA SCOOTERS LIMITED	3.14%	3.14%	3.15%
4	NEW HORIZON OPPORTUNITIES MASTER FUND	0.77%	0.77%	0.77%
5	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS LONG TERM EQUITY FUND	0.76%	0.79%	0.93%
6	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS BLUECHIP FUND	0.72%	0.67%	0.64%
7	SBI-ETF NIFTY 50	0.69%	0.66%	0.68%
8	NEW WORLD FUND INC	0.58%	0.56%	0.56%
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	0.53%	0.52%	0.43%
10	WF ASIAN SMALLER COMPANIES FUND LIMITED	0.51%	0.51%	0.33%
11	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	0.50%	0.48%	0.53%
12	BARON EMERGING MARKETS FUND	0.48%	0.40%	0.23%
13	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS FOCUSED 25 FUND	0.44%	0.47%	0.46%
14	ST. JAMES'S PLACE EMERGING MARKETS EQUITY UNIT TRUST MANAGED BY WASATCH ADVISORS INC	0.43%	0.46%	0.46%
15	SBI LIFE INSURANCE CO. LTD	0.43%	0.41%	0.39%
16	SBI-ETF SENSEX	0.40%	0.36%	0.32%
17	ISHARES CORE EMERGING MARKETS MAURITIUS CO	0.39%	0.39%	0.22%
18	PEOPLE'S BANK OF CHINA	0.39%	0.40%	0.31%
19	TOUCHSTONE STRATEGIC TRUST - TOUCHSTONE SANDS CAPITAL EMERGING MARKETS GROWTH FUND	0.39%	0.37%	0.24%
20	DF INTERNATIONAL PARTNERS	0.38%	0.38%	0.38%

14-years financial snapshot

Financials snapshot [@]	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18 [@] (Consol.)	FY19 [@] (Consol.)	FY20 [@] (Consol.)	FY21 [@] (Consol.)	CAGR (14 yrs)
Assets under Management	335	343	545	1,023	1,771	2,367	3,251	4,380	5,977	8,135	11,138	15,661	19,886	20,669	37%
Income from operations	68	81	124	190	294	420	550	732	991	1,350	1,724	2,500	3,566	3,606	36%
Interest expenses	23	22	27	50	101	163	213	304	396	514	624	895	1,280	1,272	36%
Net Interest Income (NII)	45	59	97	140	193	257	338	428	595	836	1,100	1,605	2,286	2,334	36%
Operating Expenses	26	30	43	62	91	115	156	193	256	346	442	567	765	717	29%
Loan Losses & Provision (ECL)	15	22	35	28	21	25	35	52	73	109	139	203	531	807	36%
Profit before tax	4	7	18	50	81	118	147	183	266	381	519	835	989	810	50%
Profit after tax	3	5	12	33	55	80	97	121	173	248	337	540	711	597	51%
Ratios	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	
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%	
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%	
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%	
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%	
NPA provisioning coverage	30%	32%	55%	79%	89%	83%	76%	71%	77%	74%	70%	60%	60%	58%	

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

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

BAJAJ FINANCE LIMITED

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

BAJAJ HOUSING FINANCE LIMITED

1. Salaried Home Loans ^(E)	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	3. Secured Enterprise Loans

BAJAJ FINANCIAL SECURITIES LIMITED

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

(E) Also available through digital channels

Overview	<ul style="list-style-type: none">• 34-year-old non-bank with a demonstrated track record of profitable growth• Diversified financial services company focused on Consumer, Rural, SME, Commercial, Mortgages and Payments• Focused on mass affluent client with a strategy to cross sell• Strong focus on deposits acceptance and fee product distribution• Present in 3,329 locations with over 119.9K+ point of sale• Customer franchise of 52.8 MM as of 30 September 2021• Amongst the largest new loan acquirers in the country (6.33 MM in Q2 FY22)• AUM mix as of 30 September 2021 - Consumer: Rural: SME: Commercial: Mortgages stood at 34% : 10% : 13% : 10% : 33%• AUM of \$22,559 MM as of 30 September 2021 and post tax profit of \$200 MM in Q2 FY22• Capital adequacy ratio (including Tier II capital) of 27.68% as of 30 September 2021. Tier I capital stood at 24.90%
Subsidiaries	<ul style="list-style-type: none">• 100% shareholding in Bajaj Housing Finance Limited• 100% shareholding in Bajaj Financial Securities Limited
Treasury	<ul style="list-style-type: none">• Strategy is to create a balanced mix of wholesale and retail borrowings• Borrowings of \$19,597 MM with a mix of 47% : 29% : 20% : 4% between money markets, banks, deposits & ECB as of 30 September 2021
Credit Quality	<ul style="list-style-type: none">• Consolidated Gross and Net NPA as of 30 September 2021 stood at 2.45% and 1.10% respectively• Provisioning coverage ratio as of 30 September 2021 was 55%• Provisioning coverage on stage 1 & 2 stood at 155 bps as of 30 September 2021 versus 369 bps as of 30 September 2020

Overview	<ul style="list-style-type: none">• Focused on Consumer, 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 \$16,660 MM as of 30 September 2021• AUM mix as of 30 September 2021 - Consumer: Rural: SME: Commercial: Mortgage stood at 45% : 13% : 18% : 14% : 10%• Post tax profit of \$176 MM in Q2 FY22• Capital adequacy ratio (including Tier II capital) of 27.68% as of 30 September 2021. Tier I capital stood at 24.90%
Consumer business	<ul style="list-style-type: none">• Present in 1,368 locations with 86,800+ active distribution points of sale as of 30 September 2021• Largest consumer electronics, digital products & lifestyle products lender in India• 2-wheeler financing business disbursed 165 K accounts in the quarter (growth 5% YOY)• 3-wheeler financing business disbursed 19 K accounts in the quarter (growth of 42% YOY)• Amongst the largest personal loan lenders in India
Payments	<ul style="list-style-type: none">• EMI Card franchise stood at 25.7 MM cards in force (CIF) as of 30 September 2021• Bajaj Finserv - RBL Bank co-branded credit card CIF stood at 2.19 MM as of 30 September 2021• Bajaj Finserv Mobikwik app has 21.3 MM users as of 30 September 2021 who have linked their EMI card to the wallet• Experia App has 12.9 MM active users as of 30 September 2021
Rural business	<ul style="list-style-type: none">• Highly diversified lender in rural markets offering 10 loan products across consumer and SME business categories• Operates with a unique hub and spoke business model• Present in 1,961 towns and villages with 25,600+ active distribution points of sale as of 30 September 2021

SME Business	<ul style="list-style-type: none">• Offers unsecured working capital loans to SME and self-employed professionals• Secured offerings include enterprise loans against property and financing against used car• Focused on affluent SMEs (average sales of \$2 to 3 MM) with established financials & demonstrated borrowing track record
Commercial business	<ul style="list-style-type: none">• Offers short, medium- and long-term financing to mid market corporates• Focused on auto ancillaries, pharma, specialty chemicals, financial institution groups, lease rental discounting and top mid corporate clients in India
Treasury	<ul style="list-style-type: none">• Strategy is to create a balanced mix of wholesale and retail borrowings with a focus on long term borrowings• Borrowings stood at \$14,618 MM with a mix of 51% : 18% : 26% : 5% between money markets, banks, deposits & ECB as of 30 September 2021
Credit Quality	<ul style="list-style-type: none">• Gross and Net NPA as of 30 September 2021 stood at 3.12% and 1.39% respectively• Provisioning coverage ratio as of 30 September 2021 was 56%• Provisioning coverage on stage 1 & 2 stood at 179 bps as of 30 September 2021 versus 451 bps as of 30 September 2020.
Credit Rating	<ul style="list-style-type: none">• Credit rating for long term borrowing is AAA/Stable by CRISIL, ICRA, CARE & India Ratings• Credit rating for short term borrowing is A1+ by CRISIL, ICRA & India Ratings• Credit rating for FD program is FAAA/Stable by CRISIL & MAAA (Stable) by ICRA• Long term issuer credit rating of BB+/Stable and short-term rating of B by S&P Global ratings for ECB

Executive summary – Bajaj Housing Finance Limited

BAJAJ FINANCE LIMITED

Bajaj Housing Finance Limited

- A 100% subsidiary of Bajaj Finance Limited, registered with National Housing Bank as a Housing Finance Company
- Strategic business unit organization design supported by horizontal common utility functions 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 \$6,004 MM as of 30 September 2021. Post tax profit of \$22 MM for Q2FY22
- Capital adequacy ratio (including Tier II capital) was 20.26% as of 30 Sep 2021

Home Loans

- Offers home loans to salaried customers for an average ticket size of approximately 47 lakhs
- Focused on originating home loans at developer points – B2B home loans business
- Focused on balance transfers to large existing franchise of BFL by creating customized solutions as well as through channel partners
- Currently present across 46 locations in India
- BHFL launched its affordable housing business in Q2 FY22.
- Home loan mix as of 30 Sep 21 – Salaried: Self Employed: Professionals stood at 87%: 8%: 5%

Loan Against Property

- Offers loan to mass affluent and above self-employed customers for an average ticket size of \$70 K
- Focused on balance transfers to large existing franchise of BFL by creating customized solutions as well as through channel partners
- Currently present across 13 locations in India

Rural

- Offers home loans and loans against property to salaried and self-employed customers with an average ticket size of approximately \$23 K for home loans and \$16 K for loan against property
- Hub and spoke strategy through branch network and ASSC tie ups
- Currently present across 96 locations in India

Executive summary – Bajaj Housing Finance Limited

BAJAJ FINANCE LIMITED

Lease Rental Discounting

- Offers loan against lease rentals to high-net-worth individuals and developers on commercial property leased mainly to corporate tenants
- All lease rental discounting transactions are backed by rentals through escrow mechanism
- Ticket size of lease rental discounting ranges from \$1 - \$27 MM with an average ticket size of approximately \$5 MM
- Currently present across 8 locations in India (Mumbai, Delhi, Bangalore, Pune, Ahmedabad, Chennai, Kolkata and Hyderabad)

Developer Financing

- Offers construction finance and inventory finance mainly to category A and A+ developers in India
- Average ticket size ranges between \$3 – \$4 MM
- Currently present in 12 locations.

Credit Quality

- Gross NPA and Net NPA, recognized as per extant RBI prudential norms and provisioned as per Expected Credit Loss (ECL) method prescribed in Ind AS, as of 30 September 2021 stood at 0.35% and 0.21% respectively

Treasury

- Strategy is to create a balanced and sustained mix of borrowings
- Borrowings stood at \$4,903 MM with a mix of 62 : 38 between banks and money markets as of 30 September 2021 against mix of 65 : 35 as of 30 June 2021

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

Bajaj Financial Securities Limited

- A 100% subsidiary of Bajaj Finance Limited, registered with Securities and Exchange Board of India (SEBI)
- Member of Stock Exchanges (NSE and BSE), Depositories (NSDL & CDSL) and AMFI for distribution of Mutual Funds
- Offers Capital Market products like Broking, Depository services, Margin Trade Financing (MTF), Mutual Funds, IPOs and Distribution of PMS.
- Broking business caters to two different business segment – HNI and Retail
- Margin Trade Financing Loan Book of \$76 MM as of 30 September 2021
- Received issuer rating of AAA from CRISIL

HNI Broking

- Business oriented towards delivering relationship based Broking solutions to UHNI & HNI client segment
- Physical Branch network across 7 Location – Mumbai, Ahmedabad, Pune, Indore, Bangalore, Kolkata and Delhi
- Total client base over 4K as of 30 September 2021

Retail Broking

- Acquired 108 K+ Trading and Demat accounts in Q2 FY22.
- Empaneled 500+ Affiliates and Partners for online accounts.
- Working with 120+ Independent Business Advisor (IBAs)
- Focused on driving client activations and customer service frameworks for real time support

Capabilities Update

- Complete migration to Web & Mobile App 2.0 platform which is aimed at offering fast and simple trading experience to clients
- App in App infrastructure to originate customers from existing Mobile App of BFL (Experia)
- Strong pipelines of upcoming new products and features to offer complete product suite of BFSI clients

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

Values in MM
USD 1 = 74 INR

Financial statement summary – Consolidated

Financials snapshot	Q2 FY22	Q2 FY21	Y-o-Y	H1 FY22	H1 FY21	Y-o-Y	FY21
Assets under management	22,559	18,526	22%	22,559	18,526	22%	20,669
Assets under finance	21,731	17,806	22%	21,731	17,806	22%	19,823
Interest income	904	779	16%	1,708	1,562	9%	3,149
Fee and other income	132	84	58%	225	164	37%	377
Net gain on fair value changes on investment	9	19	(51%)	23	54	(58%)	80
Total Income	1,045	881	19%	1,956	1,780	10%	3,606
Interest expenses	324	319	2%	629	656	(4%)	1,272
Net Interest Income	721	562	28%	1,328	1,124	18%	2,334
Operating Expenses	274	156	76%	460	313	47%	717
Loan losses and provisions	176	230	(24%)	412	458	(10%)	807
ECL stage 1 & 2	(24)	185	(113%)	(24)	378	(106%)	56
ECL stage 3 & write off	199	45	347%	437	79	452%	751
Profit before tax	271	176	54%	455	353	29%	810
Profit after tax	200	130	53%	336	260	29%	597
Ratios							
Operating expenses to Net Interest Income	38.1%	27.8%		34.6%	27.8%		30.7%
Loan loss to average AUF*	0.83%	1.29%		1.98%	2.48%		4.14%
Earning per share - Basic (\$) *	0.3	0.2		0.6	0.4		1.0
Return on Average Assets*	0.9%	0.7%		1.6%	1.4%		3.1%
Return on Average Equity *	3.8%	2.9%		6.5%	5.8%		12.8%

* Not annualized

Financial statement summary – Bajaj Finance Limited
BAJAJ FINANCE LIMITED

Values in MM
USD 1 = 74 INR

Financials snapshot	Q2 FY22	Q2 FY21	Y-o-Y	H1 FY22	H1 FY21	Y-o-Y	FY21
Assets under management	16,660	14,187	17%	16,660	14,187	17%	15,597
Assets under finance	16,384	13,855	18%	16,384	13,855	18%	15,282
Interest income	789	685	15%	1,488	1,374	8%	2,759
Fee and other income	124	81	53%	213	157	36%	351
Net gain on fair value changes on investment	7	16	(57%)	18	48	(62%)	71
Total Income	920	782	18%	1,720	1,579	9%	3,182
Interest expenses	255	252	1%	494	521	(5%)	1,006
Net Interest Income	665	529	26%	1,226	1,059	16%	2,176
Operating Expenses	259	148	74%	431	296	46%	678
Loan losses and provisions	167	221	(24%)	401	443	(9%)	773
ECL stage 1 & 2	(25)	176	(114%)	(27)	364	(107%)	29
ECL stage 3 & write off	193	44	334%	428	79	442%	744
Profit before tax	239	160	49%	394	320	23%	725
Profit after tax	176	119	49%	290	236	23%	535
Ratios							
Operating expenses to Net Interest Income	38.9%	28.0%		35.2%	28.0%		31.2%
Loan loss to average AUF*	1.04%	1.58%		2.53%	3.03%		5.05%
Earning per share - Basic (\$) *	0.3	0.2		0.5	0.4		0.9
Return on Average Assets*	1.1%	0.9%		1.8%	1.6%		3.5%
Return on Average Equity *	3.5%	2.6%		5.8%	5.3%		11.7%

* Not annualized

Financial statement summary – Bajaj Housing Finance Ltd.
BAJAJ FINANCE LIMITED

Values in MM
USD 1 = 74 INR

Financials snapshot	Q2 FY22	Q2 FY21	Y-o-Y	H1 FY22	H1 FY21	Y-o-Y	FY21
Assets under management	6,004	4,522	33%	6,004	4,522	33%	5,253
Assets under finance	5,288	3,946	34%	5,288	3,946	34%	4,516
Interest income	113	94	20%	218	187	16%	389
Fee and other income	7	4	85%	11	9	23%	29
Net gain on fair value changes on investment	2	2	(7%)	4	6	(30%)	8
Total Income	122	100	22%	233	202	15%	426
Interest expenses	68	66	3%	134	136	(1%)	266
Net Interest Income	54	34	60%	99	66	49%	161
Operating Expenses	15	9	57%	27	19	41%	44
Loan losses and provisions	8	9	(6%)	12	15	(22%)	33
ECL stage 1 & 2	2	9	(80%)	3	15	(83%)	27
ECL stage 3 & write off	6	0	NA	9	0	NA	6
Profit before tax	30	15	99%	60	32	87%	83
Profit after tax	22	11	100%	44	24	87%	61
Ratios							
Operating expenses to Net Interest Income	27.8%	28.2%		27.5%	29.1%		27.7%
Loan loss to average AUF*	0.16%	0.23%		0.24%	0.39%		0.80%
Earning per share - Basic (\$) *	0.005	0.002		0.009	0.005		0.013
Return on Average Assets*	0.4%	0.3%		0.9%	0.6%		1.5%
Return on Average Equity *	2.6%	1.5%		5.3%	3.1%		7.8%

* Not annualized

Section 04 Asset liability management

4.1

Conservative leverage standards –
Bajaj Finance Limited

4.2

Resilient business model –
Consolidated

4.3

Behaviouralized ALM as of 30 September–
Bajaj Finance Limited

4.4

Behaviouralized ALM as of 30 September –
Bajaj Housing Finance Limited

4.5

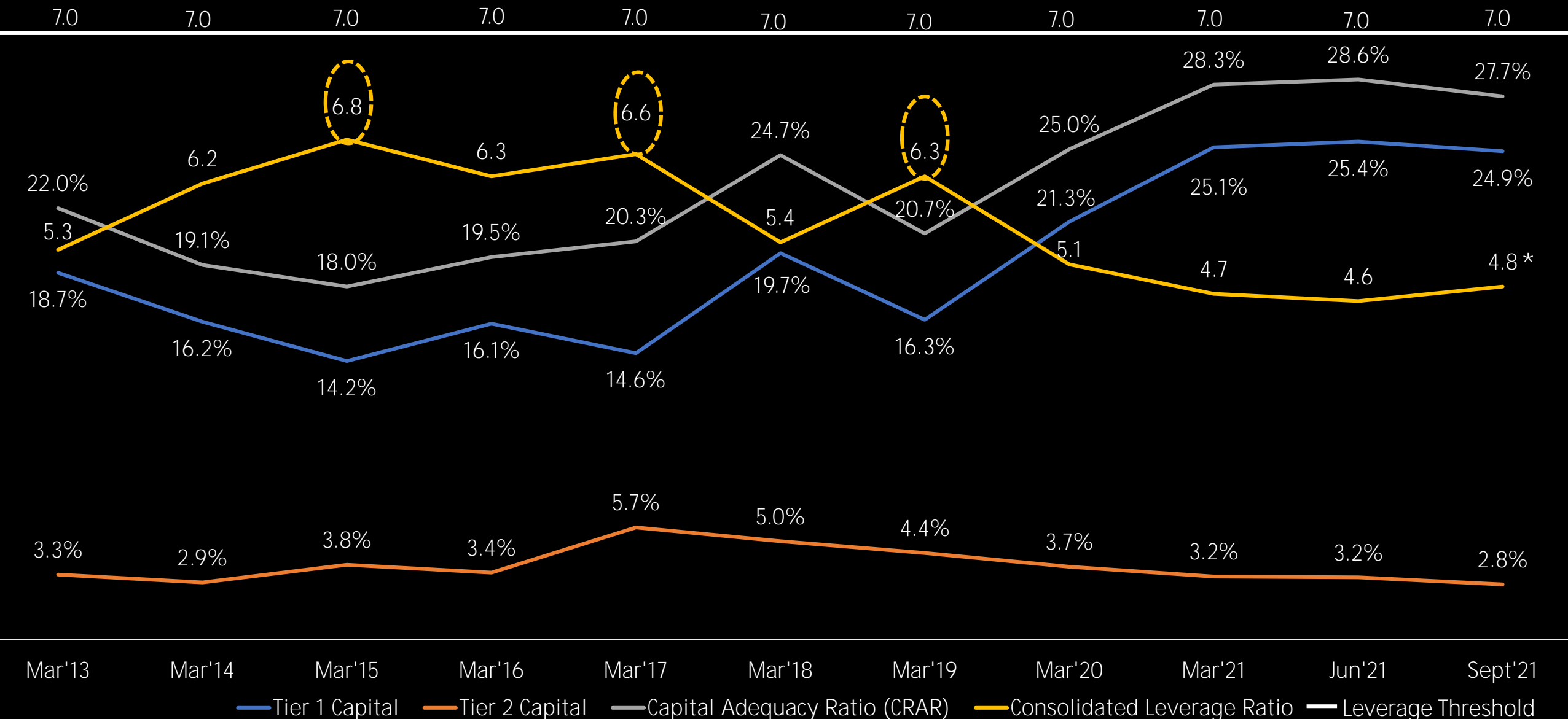
Disciplined ALM Management –
Bajaj Finance Limited

4.6

Liability mix over last 10 years –
Consolidated

Conservative leverage standards


BAJAJ FINANCE LIMITED



*Standalone leverage is approximately 3.9X as of 30 September 2021

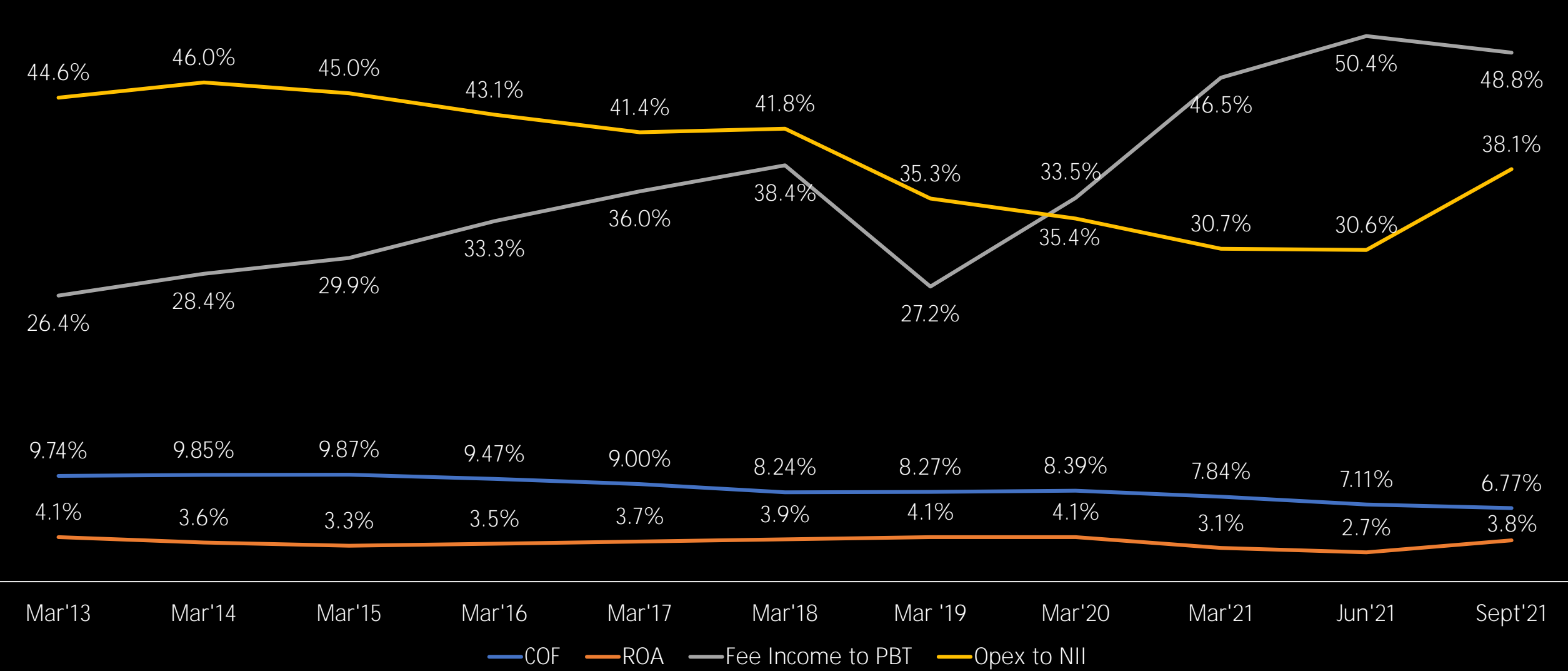
Capital Adequacy Ratios (CRAR) are on standalone basis

Mar '19 onwards numbers are as per Ind AS

 denotes point at which the Company initiated its capital raising plan in last 10 years

Resilient business model – Consolidated

BAJAJ FINANCE LIMITED



Mar '19 onwards numbers are as per Ind AS. Jun'21 number of COF is for the quarter
Post Ind AS, Fee income to PBT represents non-loan fees and commission income as a % of Profit Before Tax

Behaviouralized ALM as of 30 September 2021 – BFL								BAJAJ FINANCE LIMITED			
Values in MM USD 1 = 74 INR											
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	1,391	2	1	74	214	124	120	284	124	794	3,127
Advances	887	308	351	880	867	1,906	2,934	5,739	1,969	984	16,826
Other inflows	44	16	539	164	76	4	33	128	32	331	1,365
Total Inflows (A)	2,322	326	891	1,119	1,156	2,034	3,087	6,151	2,125	2,109	21,318
Cumulative Total Inflows (B)	2,322	2,648	3,539	4,657	5,813	7,847	10,934	17,085	19,210	21,318	-
Borrowings	80	82	338	632	328	1,236	3,255	6,368	1,685	1,382	15,386
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	5,093	5,093
Other Outflows	476	77	159	0	6	1	7	14	63	37	840
Total Outflows (C)	556	159	497	632	334	1,236	3,262	6,382	1,747	6,512	21,318
Cumulative Total Outflows (D)	556	716	1,213	1,845	2,179	3,415	6,677	13,059	14,807	21,318	-
Mismatch (E = A - C)	1,766	166	394	486	823	798	(175)	(231)	378	(4,403)	-
Cumulative mismatch (F = B-D)	1,766	1,932	2,326	2,812	3,634	4,432	4,257	4,025	4,403	-	-
Cumulative mismatch as % (D/F)	317%	270%	192%	152%	167%	130%	64%	31%	30%	0%	
Permissible cumulative gap %	-10%	-10%	-20%								
Additional borrowings possible			3,210								

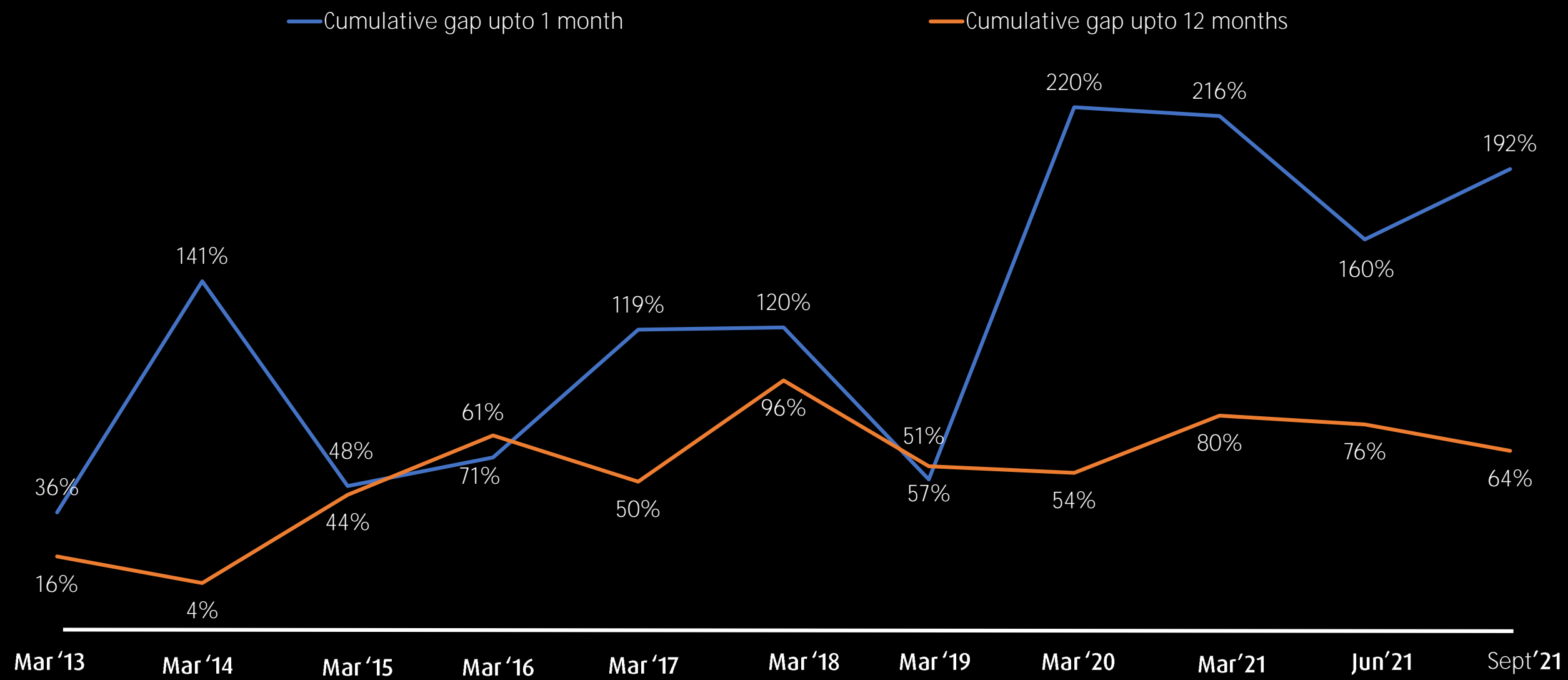
34

Behaviouralized ALM as of 30 Sept 2021 – BHFL									BAJAJ FINANCE LIMITED				
Values in MM USD 1 = 74 INR													
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	>5-7 Y	>7-10 Y	>10 Y	Total
Cash & Investments	31	54	203	135	27	-	0	0	-	-	-	-	450
Advances	38	31	68	104	102	291	525	1,477	945	636	571	499	5,288
Other inflows	44	1	82	2	137	202	137	159	137	48	43	117	1,108
Total Inflows (A)	113	86	353	241	266	494	662	1,636	1,082	683	615	616	6,846
Cumulative Total Inflows (B)	113	198	551	792	1,058	1,552	2,214	3,850	4,932	5,615	6,230	6,846	-
Borrowings	-	-	64	103	111	379	820	2,530	709	214	-	243	5,173
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	-	-	859	859
Other Outflows	57	44	136	46	27	72	89	2	1	0	338	-	814
Total Outflows (C)	57	44	200	149	138	451	909	2,532	709	214	338	1,102	6,846
Cumulative Total Outflows (D)	57	102	302	451	590	1,041	1,950	4,483	5,192	5,406	5,744	6,846	-
Mismatch (E = A - C)	55	41	152	91	128	42	(247)	(896)	373	469	277	(486)	-
Cumulative mismatch (F = B-D)	55	97	249	341	468	511	263	(633)	(260)	210	486	-	-
Cumulative mismatch as % (F/D)	97%	95%	82%	75%	79%	49%	14%	-14%	-5%	4%	8%	0%	
Permissible cumulative gap %	-10%	-10%	-20%										
Additional borrowings possible			387										

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Disciplined ALM Management

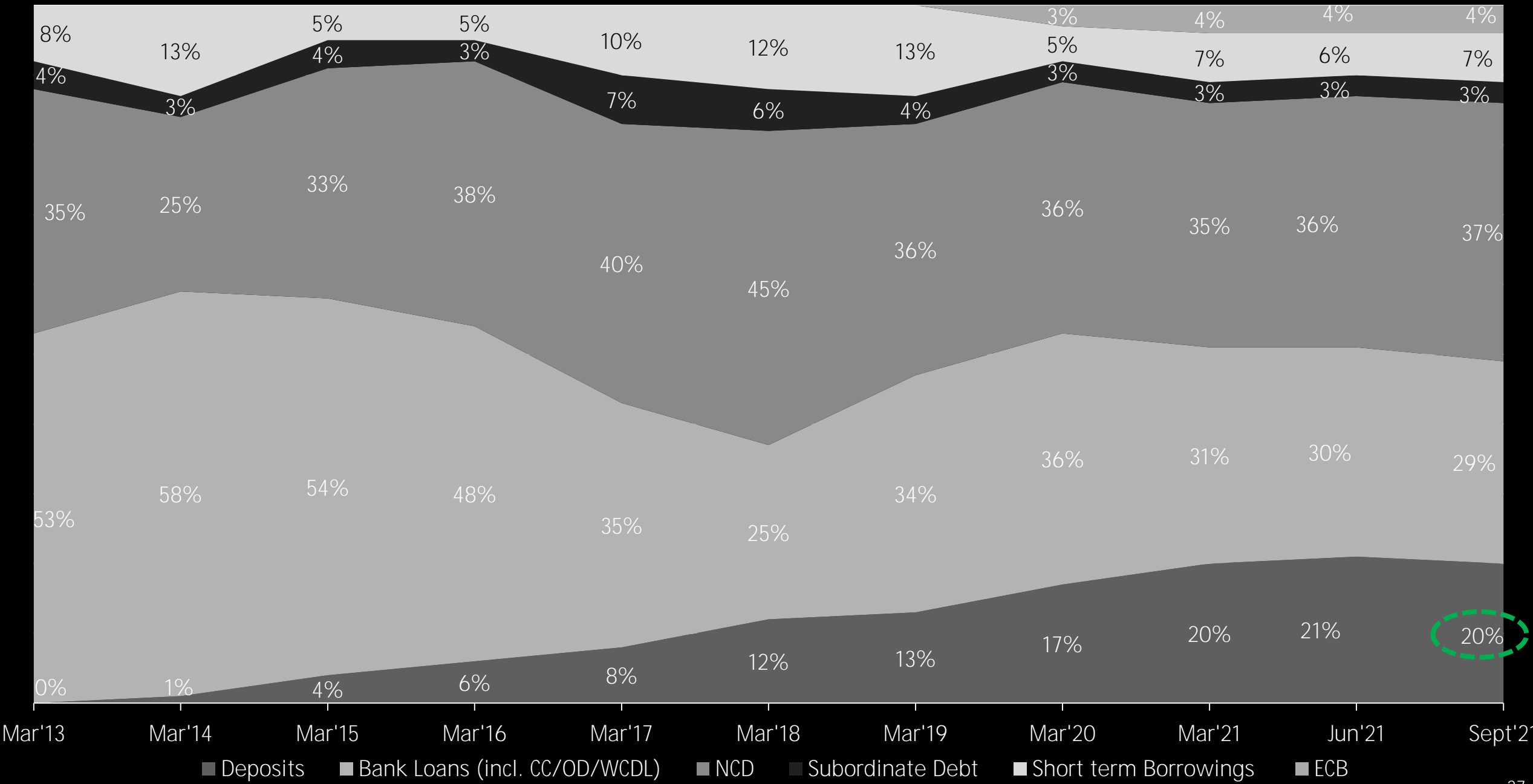
BAJAJ FINANCE LIMITED



Till Mar'19, RBI had prescribed -15% ALM mismatch for upto 1 Month and upto 1 year. From FY20 onwards, RBI has prescribed -20% ALM mismatch for upto 1 Month and left mismatch for subsequent buckets to discretion of the company.

36

Consolidated Liability mix over last 10 years





Section 05

Customer franchise and distribution reach

5.1

Customer franchise

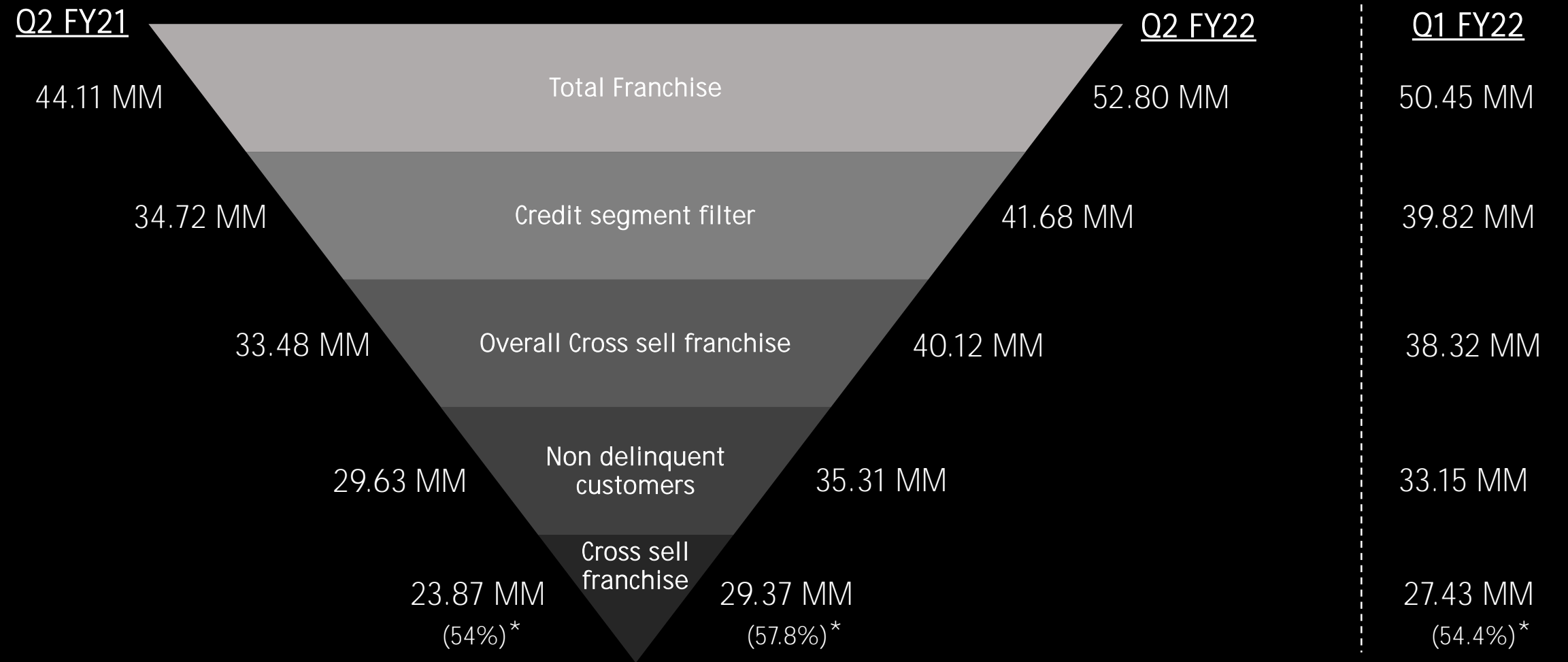
5.2

Geographic presence

5.3

Strong distribution reach

Customer franchise

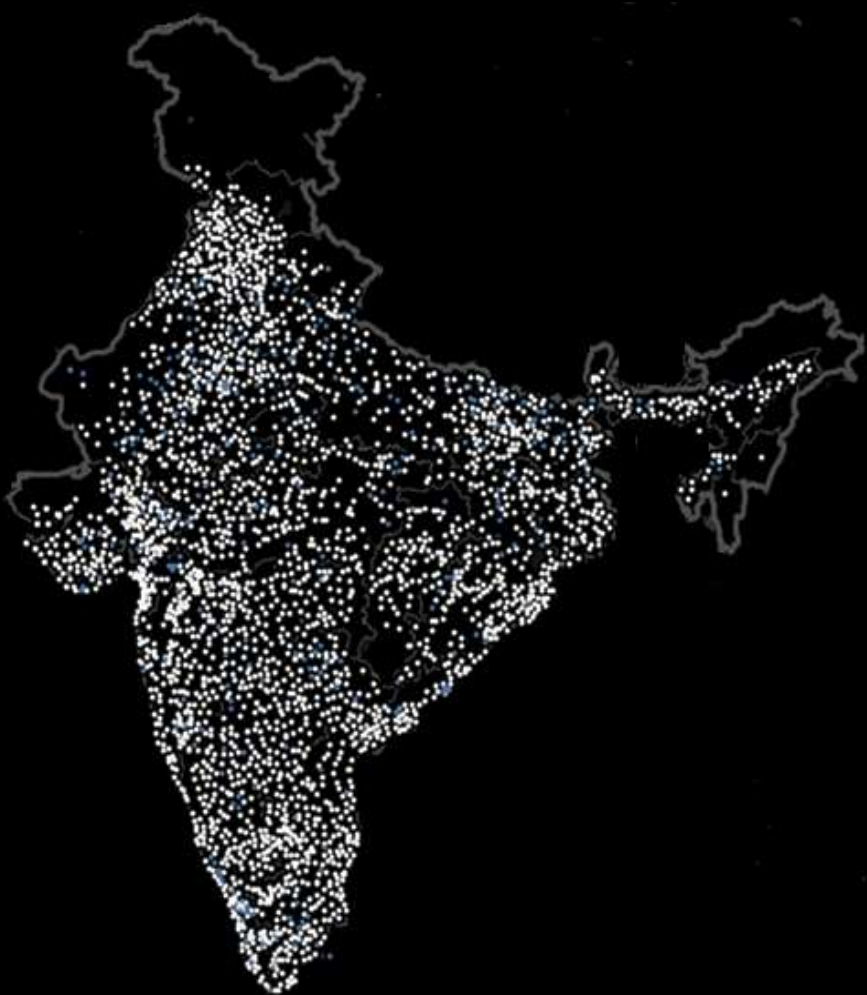


Customer Franchise addition



*Represents cross sell franchise as a % of total franchise

Geographic presence



Map not to scale

Geographic Presence	30 Jun 2020	30 Sept 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sept 2021
Urban	1,049	1,134	1,210	1,298	1,368	1,368
Of which urban lending branches	1,049		1,137	1,148	1,179	1,179
Of which urban lending franchisee			73	150	189	189
Rural	1,359	1,507	1,604	1,690	1,745	1,961
Of which rural lending branches	527	527	527	527	527	580
Of which rural lending franchisee	832	980	1,077	1,163	1,218	1,381
Total Bajaj Finance presence	2,408	2,641	2,814	2,988	3,113	3,329

Blue dots indicate newly opened locations in Q2 FY22

Strong distribution reach

Active distribution	30-Sep-19	30-Sep-20	31-Dec-20	31-Mar-21	30-Jun-21	30-Sep-21
Consumer durable stores – Urban	22,000+	24,200+	24,700+	26,400+	26,900+	28,000+
Consumer durable stores – Rural	15,200+	19,600+	22,500+	24,000+	24,000+	25,600+
Digital product stores	23,100+	26,400+	25,400+	23,800+	26,350+	27,600
Lifestyle retail stores	8,300+	9,500+	8,800+	9,800+	9,400+	9,700+
EMI card – retail spends stores	20,700+	24,300+	10,400+	14,300+	14,500+	15,400+
Bajaj Auto dealers, sub-dealerships and ASSC	4,900+	5,500+	5,800+	5,900+	5,800+	5,900+
Direct Sales Agents/Independent Financial Agents	2,800+	4,900+	5,200+	6,100+	7,500+	7,500+
Overall active distribution network	97,000+	1,14,400+	1,02,800+	1,10,300+	1,14,400+	1,19,900+



Section 06

Business segment wise AUM

6.1

Business segment wise AUM as of 30
September - Consolidated

6.2

Business segment wise AUM as of 30 September
- Mortgages

Business segment wise AUM - Consolidated					BAJAJ FINANCE LIMITED		
						Values in MM	USD 1 = 74 INR
Assets Under Management	Consolidated as of 30 September 2020	BFL as of 30 September 2021	BHFL as of 30 September 2021	Consolidated as of 30 September 2021	Growth YoY	Composition as of 30 September 2020	Composition as of 30 September 2021
Auto Finance Business	1,714	1,451	-	1,451	(15%)	9%	6%
Sales Finance Business	1,070	1,697	-	1,697	59%	6%	8%
Consumer B2C Business	3,819	4,375	176	4,551	19%	20%	20%
Rural Sales Finance Business	244	440	-	440	80%	1%	2%
Rural B2C Business	1,391	1,808	-	1,808	30%	8%	8%
SME Lending Business	2,467	2,953	19	2,956	20%	13%	13%
Securities Lending Business	586	909	-	986	68%	3%	4%
IPO Financing	133	23	-	23	(83%)	1%	0%
Commercial Lending Business	886	1,324	-	1,324	50%	5%	6%
Mortgages	6,216	1,680	5,809	7,323	18%	34%	33%
Total	18,526	16,660	6,004	22,559	22%	100%	100%
Co-brand Credit Card – CIF	1.87 MM			2.19 MM	17%		
EMI Card – CIF	20.6 MM			25.7 MM	25%		
Co-brand Wallets	16.8 MM			21.3 MM	27%		

Business segment wise AUM - Mortgages

Bajaj Housing Finance Limited				Mortgage – All			
Assets Under Management	30 Sep 2020	30 Sep 2021	Growth	30 Sep 2020	30 Sep 2021	Growth	Composition as of 30 Sep 2021
Home Loans	2,900	3,740	29%	3,536	4,166	18%	57%
Loan against property	568	685	21%	1,557	1,556	0%	21%
Lease rental discounting	459	756	65%	582	920	58%	13%
Developer Finance	244	341	40%	254	342	35%	5%
Rural	231	286	24%	286	340	19%	4%
Total	4,402	5,808	32%	6,215	7,324	18%	100%

Bajaj Housing Finance Limited				Mortgage - All			
Home Loan customer categorisation	30 Sep 2020	30 Sep 2021	Growth	30 Sep 2020	30 Sep 2021	Growth	Composition as of 30 Sep 2021
Home Loan to Salaried	2,680	3,511	31%	3,037	3,748	23%	87%
Home Loan to Self Employed	170	183	7%	411	346	(16%)	8%
Home Loan to Professional	153	193	26%	200	225	13%	5%

Section 07 Update on credit quality

7.1

Provisioning Coverage - Consolidated

7.2

ECL summary – Consolidated

7.3

ECL summary – Bajaj Housing Finance Limited

7.4

Portfolio stagewise provisioning

7.5

Portfolio credit quality - Consolidated

Provisioning Coverage - Consolidated										
Particulars	AUM 30 Sept 2021	GNPA	NNPA	PCR (%)	GNPA %			NNPA %		
					31 Mar 21	30 Jun 21	30 Sept 21	31 Mar 21	30 Jun 21	30 Sept 21
Auto Finance Business	1,451	259	139	46%	9.31%	19.15%	16.00%	4.84%	12.18%	9.25%
Sales Finance Business	1,697	12	2	80%	1.11%	1.05%	0.64%	0.26%	0.24%	0.13%
Consumer B2C Business	4,551	96	24	75%	1.70%	2.84%	2.11%	0.44%	0.95%	0.54%
Rural Sales Finance Business	440	5	1	81%	1.11%	1.35%	1.09%	0.26%	0.29%	0.21%
Rural B2C Business	1,808	58*	24*	59%*	1.65%	2.85%	3.09%*	0.39%	0.92%	1.28%*
SME Lending Business	2,956	51	13	75%	0.94%	2.15%	1.69%	0.23%	0.70%	0.43%
Securities Lending Business	1,009	0	0	18%	-	-	0.02%	-	-	0.02%
Commercial Lending Business	1,324	6	4	34%	-	-	0.45%	-	-	0.29%
Mortgages	7,323	67	40	40%	0.92%	0.88%	0.97%	0.58%	0.61%	0.59%
Total	22,559	554	247	55%	1.79%	2.96%	2.45%	0.75%	1.46%	1.10%

*Includes Gold loan GNPA of \$ 13 MM and NNPA of \$12 MM. Net of Gold loan, the GNPA, NNPA and PCR are 2.79%, 0.71% and 75%.

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ECL summary – Consolidated

Assets categorization	Sept'20	Dec'20	Mar'21	Jun'21	Sept'21
Stage 1 & 2 (represents standard assets)	98.66%	97.14%	98.21%	97.04%	97.55%
Stage 3 (classified as NPA)	1.03%	0.55%	1.79%	2.96%	2.45%
Stage 3 (not classified as NPA)	0.31%	2.32%	-	-	-

Summary of stage wise assets and provision for impairment allowance

Assets and impairment allowance	Sept'20	Dec'20	Mar'21	Jun'21	Sept'21
Gross Stage 1 & 2 assets* (A)	18,653	19,228	20,254	20,971	22,099
ECL Provision Stage 1 & 2 (B)	689	366	367	366	343
Net Stage 1 & 2 assets (C = A-B)	17,964	18,862	19,887	20,606	21,756
ECL Provision % Stage 1 & 2 assets (D = B/A)	3.69%	1.90%	1.81%	1.74%	1.55%
Gross Stage 3 assets@ (E)	253	567	369	640	554
ECL Provision Stage 3 (F)	149	329	216	328	308
Net Stage 3 assets (G = E-F)	104	238	154	312	247
Coverage Ratio % Stage 3 assets (H= F/E)	59%	58%	58%	51%	55%
Overall coverage ratio	4.43%	3.51%	2.82%	3.21%	2.87%

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

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

ECL summary – Bajaj Housing Finance Limited

BAJAJ FINANCE LIMITED

Asset categorization	Sept'20	Dec'20	Mar'21	Jun'21	Sep'21
Stage 1 & 2 (represents standard assets)	99.91%	99.65%	99.65%	99.72%	99.65%
Stage 3 (classified as NPA)	0.08%	0.06%	0.35%	0.28%	0.35%
Stage 3 (not classified as NPA)	0.01%	0.29%			

Summary of stage wise assets and provision for impairment allowance

Assets and impairment allowance	Sept'20	Dec'20	Mar'21	Jun'21	Sep'21
Gross Stage 1 & 2 assets* (A)	4,000	4,237	4,595	4,916	5,391
ECL Provision Stage 1 & 2 (B)	30	39	42	43	45
Net Stage 1 & 2 assets (C = A-B)	3,970	4,198	4,553	4,873	5,346
ECL Provision % Stage 1 & 2 assets (D = B/A)	0.74%	0.93%	0.91%	0.87%	0.83%
Gross Stage 3 assets@ (E)	4	15	16	14	19
ECL Provision Stage 3 (F)	1	6	6	5	8
Net Stage 3 assets (G = E-F)	2	9	10	9	12
Coverage Ratio % Stage 3 assets (H= F/E)	38%	38%	38%	36%	40%
Overall coverage ratio	0.78%	1.06%	1.04%	0.97%	0.96%

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

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

Stagewise receivables & provisioning as of 30 Sep 2021

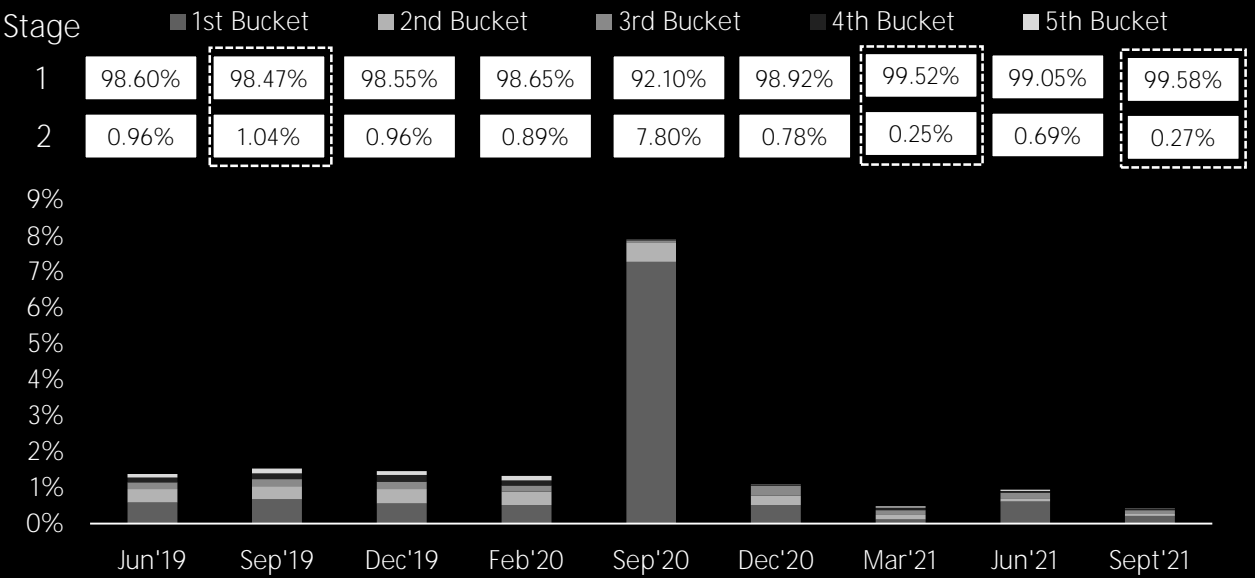
BAJAJ FINANCE LIMITED

Values in MM
USD 1 = 74 INR

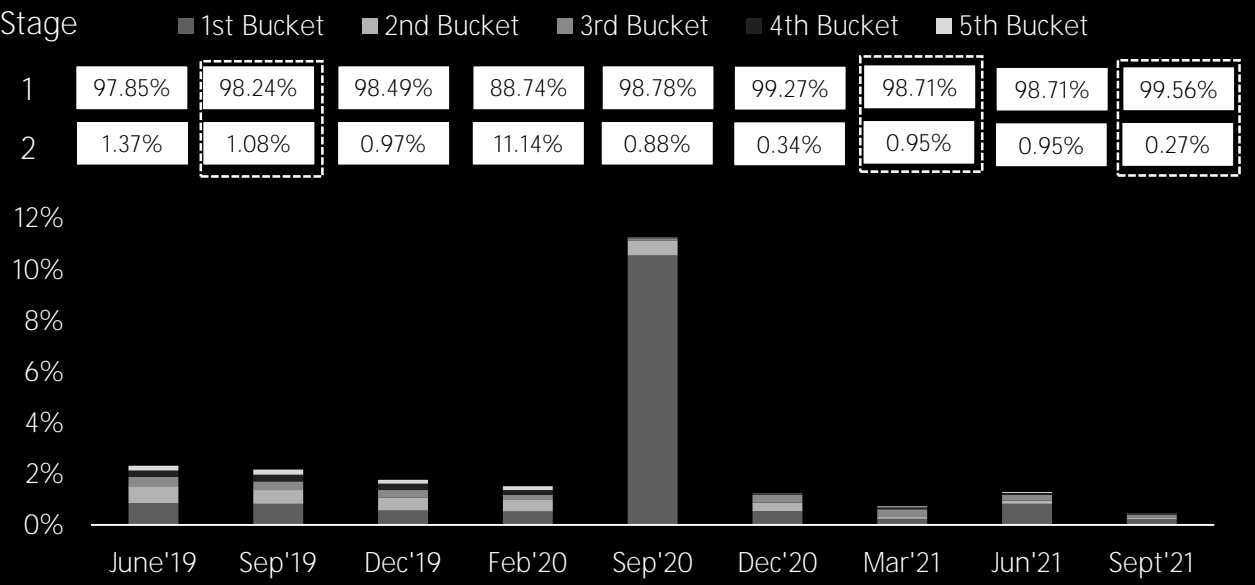
	Gross Assets Receivable				ECL Provision				PCR %			
	Stage 1	Stage 2 OTR*	Stage 2 Normal	Stage 3	Stage 1	Stage 2 OTR*	Stage 2 Normal	Stage 3	Stage 1	Stage 2 OTR*	Stage 2 Normal	Stage 3
Auto Finance Business	1,144	3	215	259	19	-	31	121	1.6%	6.5%	14.3%	46.5%
Sales Finance Business	1,652	53	14	12	12	7	6	10	0.7%	13.1%	40.7%	79.7%
Consumer B2C Business	4,288	17	136	96	49	4	45	72	1.1%	24.3%	33.0%	75.0%
Rural Sales Finance Business	440	-	3	5	2	-	1	4	0.4%	40.3%	51.7%	81.0%
Rural B2C Business	1,728	2	92	58	20	-	17	34	1.2%	23.8%	18.5%	59.3%
SME Lending Business	2,913	18	49	51	31	7	20	38	1.1%	36.0%	40.4%	75.0%
Securities Lending Business	1,015	-	2	-	-	-	-	-	0.0%	0.0%	8.1%	17.5%
Commercial Lending Business	1,321	-	1	6	3	-	-	2	0.2%	0.0%	0.1%	34.3%
Mortgages	6,521	111	89	67	29	21	19	27	0.4%	18.7%	21.6%	40.0%
Total as of 30 Sep 2021	21,021	204	601	554	165	39	139	308	0.8%	19.1%	23.1%	55.5%
Total as of 30 Jun 2021	19,746	174	829	640	146	32	189	328	0.7%	18.3%	22.7%	51.3%
Total as of 31 Mar 2021	19,127	235	674	369	155	44	167	216	0.8%	18.9%	24.9%	58.4%
Gross Assets receivables				Provision				Net Assets receivables				
Total as of 30 Sep 2021			22,381	651			21,731					
Total as of 30 Jun 2021			21,389	694			20,695					
Total as of 31 Mar 2021			20,405	582			19,823					

Portfolio credit quality – Consolidated

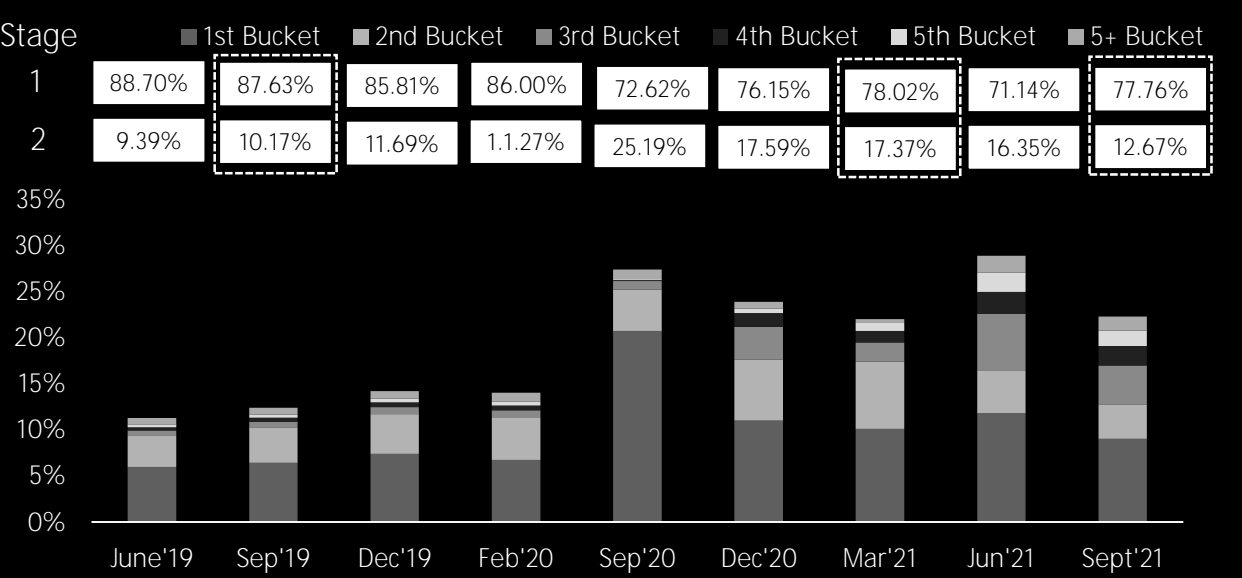
Consumer Durable & Lifestyle



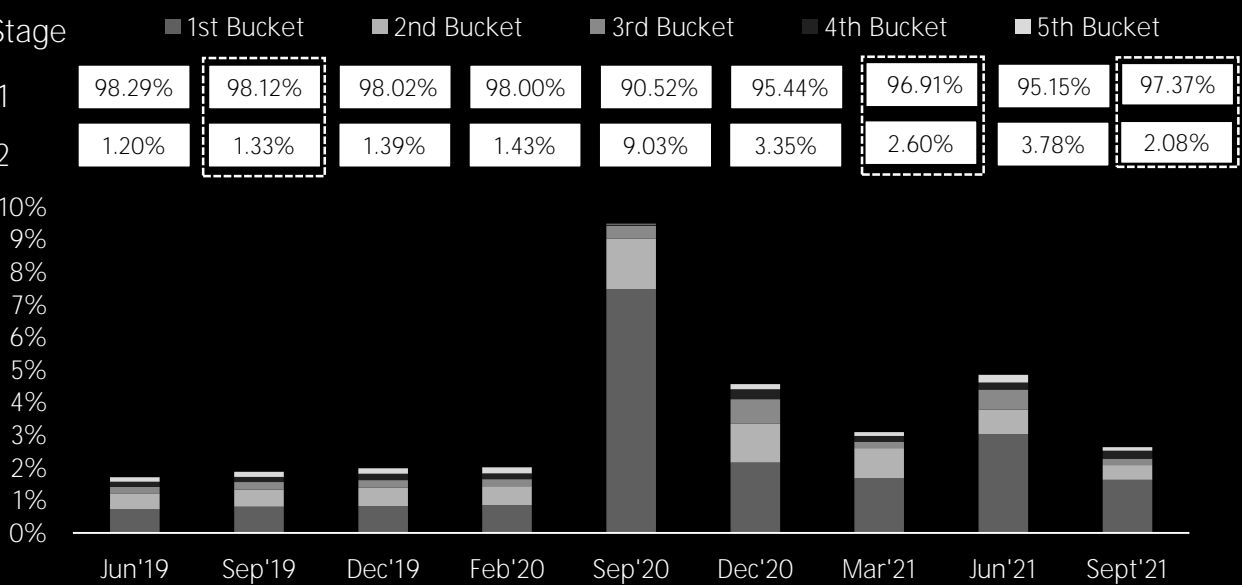
Digital product



Two & three-wheeler

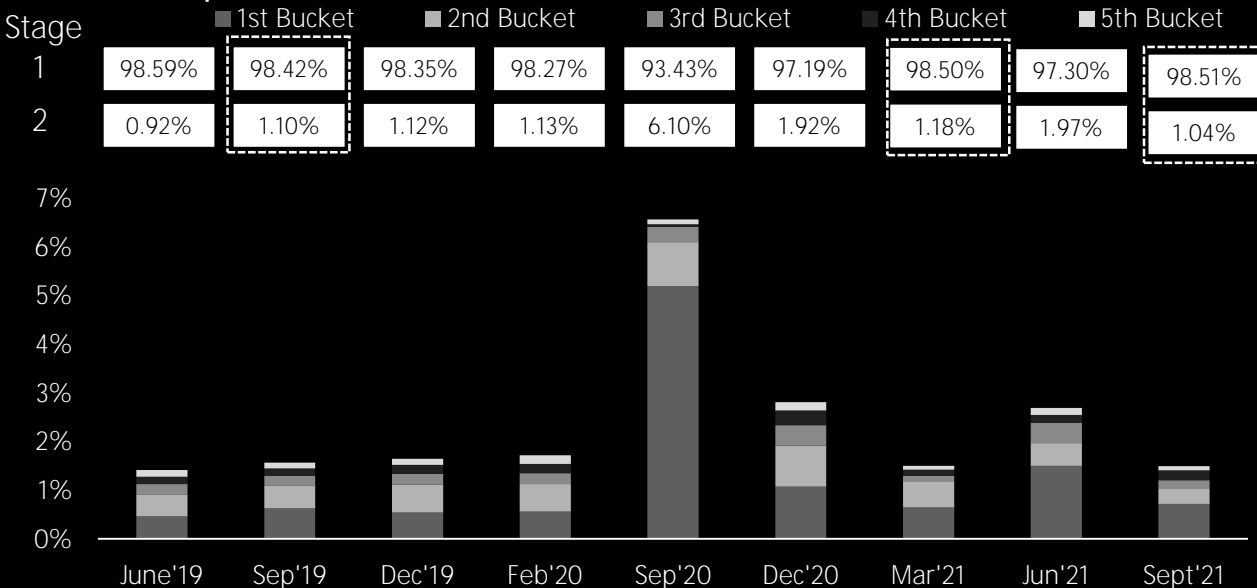


B2C loans

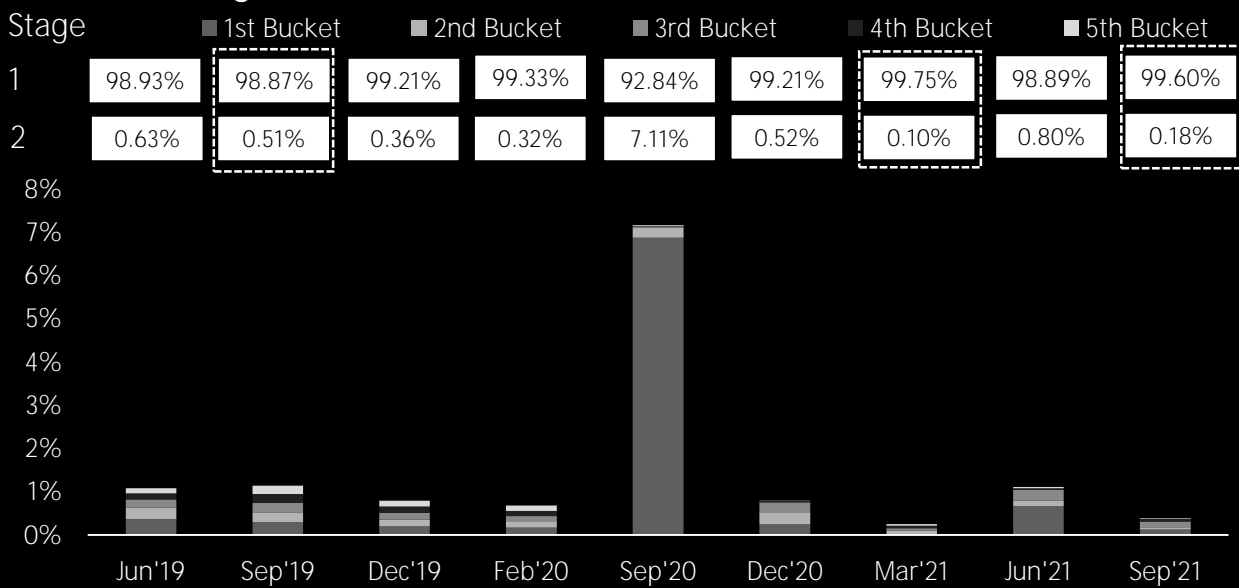


Portfolio credit quality – Consolidated

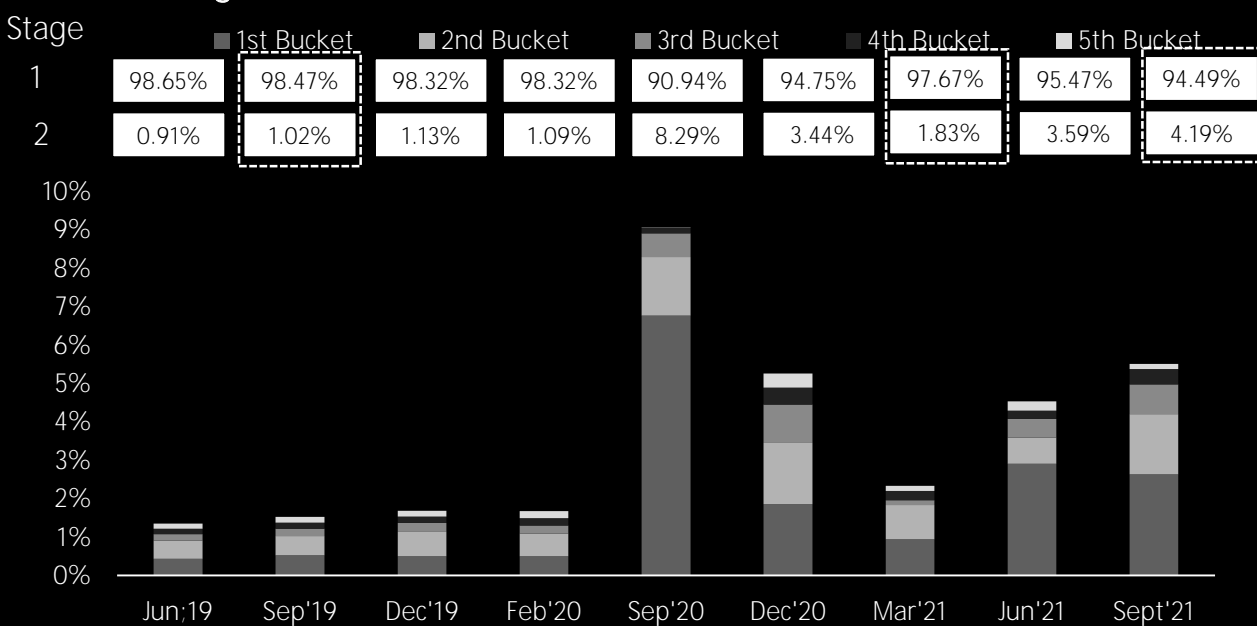
Business & professional loans



Rural Lending B2B

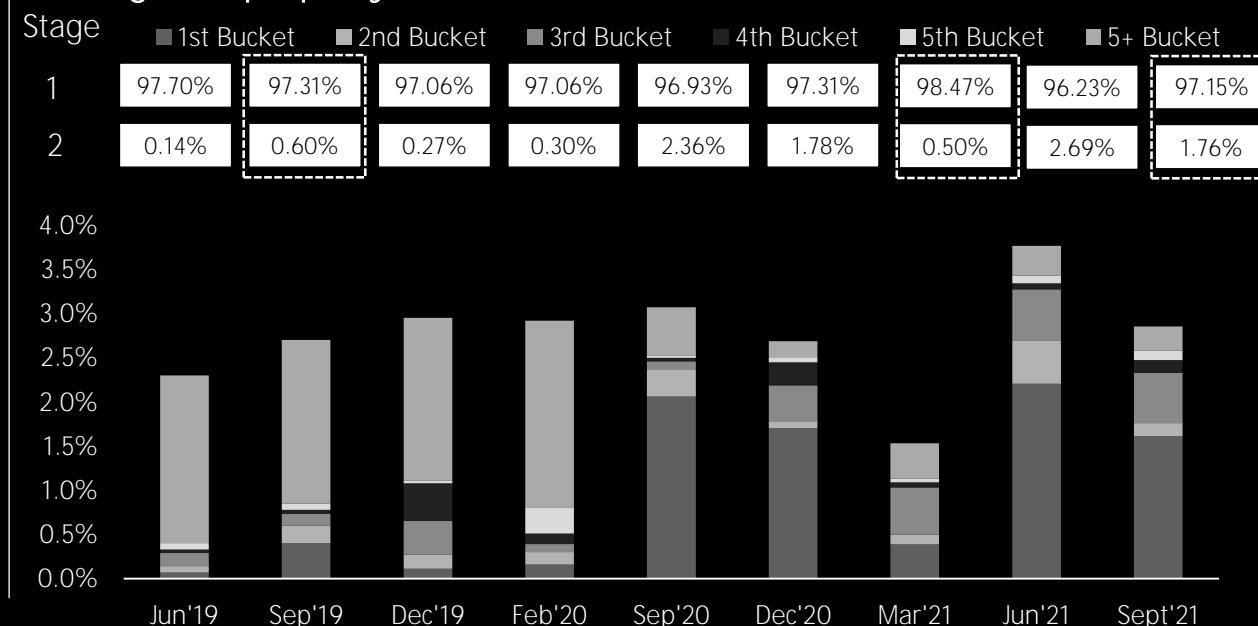


Rural lending B2C



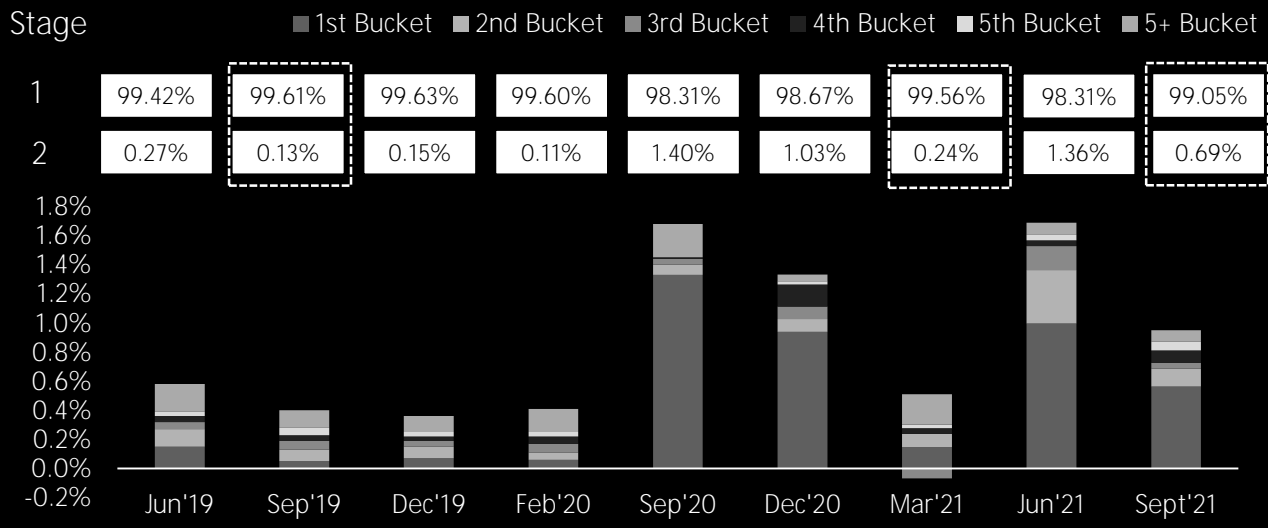
BAJAJ FINANCE LIMITED

Loan against property



Portfolio credit quality – Consolidated

Home loans



BAJAJ FINANCE LIMITED

Q2 FY22 Investor Presentation

Thank You

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