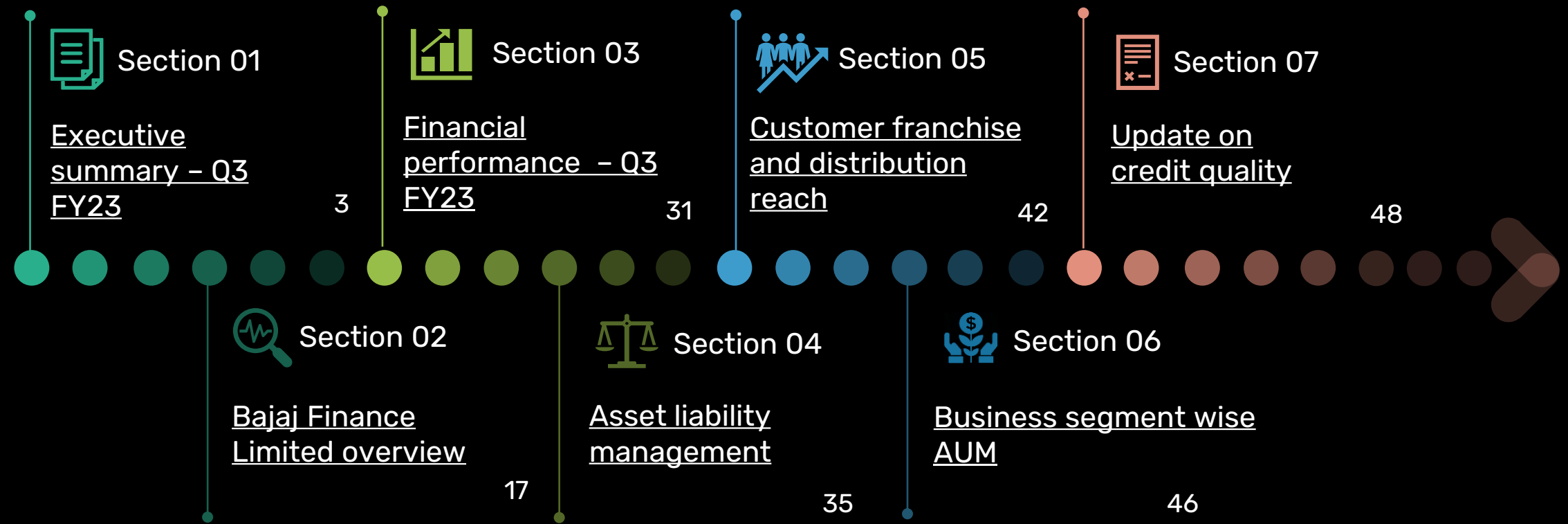




BAJAJ FINANCE LIMITED

Q3 FY23 Investor Presentation

27 January 2023





Section 01

Executive summary – Q3 FY23

1.1

Quarter gone by

1.2

Lead financial indicators

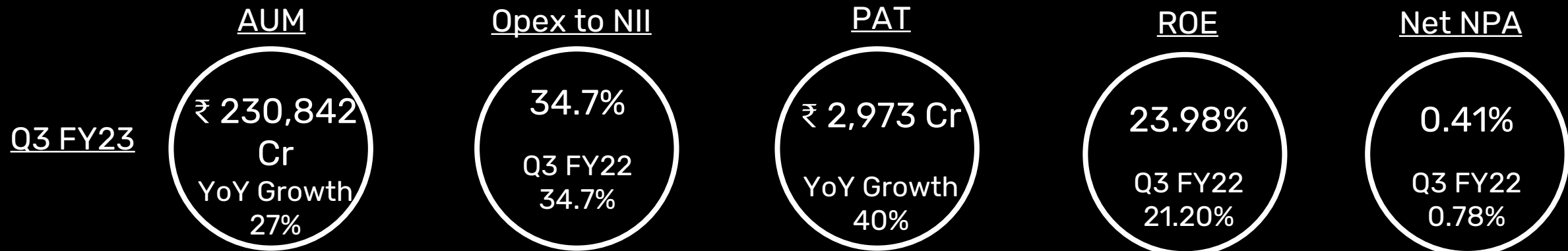
1.3

Omnipresence strategy update

1.4

Update on LRS strategy 2023-27

Good quarter across all financial and portfolio metrics albeit marginally lower AUM growth. On track to deliver ₹ 52-53K crore of core AUM growth in FY23. Q3 witnessed highest ever loans booked and new customer addition. Crossed 31 MM net users on the App. Phase 2 of Consumer App has started to go live. On track to go fully digital across all products and services by March 2023...



Consolidated performance

1. AUM growth of ₹ 12,476 crore in Q3. AUM growth was slower in mortgages due to intense pricing pressures.
2. AUM was up 27% at ₹ 2,30,842 crore as against ₹ 1,81,250 crore as of 31 December 2021.
3. New loans booked in Q3 were highest ever at 7.84 MM. New loans booked in Q3 FY22 were 7.44 MM.
4. In Q3, B2B disbursements were up 6% at ₹ 16,026 crore as against ₹ 15,107 crore in Q3 FY22. B2B business witnessed muted post festive demand in November and December. January is looking better.
5. The Company recorded highest ever new customer addition of 3.14 MM in Q3. Given strong momentum in first 3 quarters, the Company now estimates new customer addition at 11 MM+ in FY23.
6. Customer franchise stood at 66.05 MM as of 31 December 2022. Cross sell franchise stood at 38.58 MM. Confident of ending the fiscal with 68.5-69 MM customer franchise.
7. In Q3, the Company added 29 new locations. Geographic presence stood at 3,714 locations and 1,43,900+ distribution points as of 31 December 2022.
8. Competitive intensity remained elevated across all products. The Company continues to protect its margin profile across businesses. The Company is gradually passing on the impact of higher interest rates to customers across businesses.
9. In Q3, cost of funds was 7.14%. Cost of funds increased by 23 bps over Q2 FY23. However, the Company delivered NIM at Q2 levels despite an increase in cost of funds.
10. Liquidity buffer stood at ₹ 12,758 crore as of 31 December 2022. Given strong ALM management, the impact of recent interest rate hikes on cost of funds remains gradual.

11. Deposits book stood at ₹ 42,984 crore as of 31 December 2022. In Q3, the net deposit growth was ₹ 3,562 crore. Deposits contributed 21% of consolidated borrowings as of 31 December 2022. The Company is on track to deliver its goal of 25% of consolidated borrowings from deposits in the medium term.
12. Net interest income (NII) for Q3 FY23 increased by 24% to ₹ 7,435 crore from ₹ 6,005 crore in Q3 FY22. NII growth was 28% after adjusting NII of ₹ 203 crore earned in IPO financing in Q3 FY22 which has since been discontinued due to change in regulation.
13. In Q3, Opex to NII improved to 34.7% versus 35.9% in Q2. The Company continues to invest in teams and technology for business transformation. The Company expects to sustain its operating efficiencies in Q4 as well.
14. In Q3, loan losses and provisions were ₹ 841 crore. The Company expects its loan losses and provisions at 1.4-1.5% of average assets in FY23. The Company holds a management and macro-economic overlay of ₹ 1,000 crore as of 31 December 2022.
15. GNPA & NNPA stood at 1.14% and 0.41% as of 31 December 2022 as against 1.17% and 0.44% as of 30 September 2022.
16. Overall stage 2 assets stood at ₹ 2,860 crore as of 31 December 2022 as against ₹ 3,155 crore as of 30 September 2022.
17. Overall stage 3 assets stood at ₹ 2,610 crore as of 31 December 2022 as against ₹ 2,530 crore as of 30 September 2022.
18. Credit quality metrics across portfolios remains strong in Q3.
19. The product mix remained steady across 9 different verticals.
20. Consolidated post tax profit grew by 40% to ₹ 2,973 crore in Q3 FY23 as compared to ₹ 2,125 crore in Q3 FY22.
21. Capital adequacy remained strong at 25.14% as of 31 December 2022. Tier-1 capital was 23.28%.

22. Total employee headcount stood at 40,708 (BFL, BHFL and BFSL) as of 31 December 2022.
23. During the quarter, the Company acquired approximately 41.5% stake (on fully diluted basis) in Snapwork Technologies Private Limited for ₹ 92.74 crore with an intent of strengthening its technology roadmap.

Bajaj Housing Finance Limited (BHFL)

24. AUM was up 33% at ₹ 65,581 crore as against ₹ 49,203 crore as of 31 December 2021. Home Loans AUM grew by 31%, Loan against property grew by 16%, Lease Rental Discounting grew by 59% and Developer Finance grew by 69%.
25. In Q3, overall approvals grew by 14%. Approvals were ₹ 14,514 crore in Q3 FY23 as against ₹ 12,679 crore in Q3 FY22.
26. In Q3, disbursements were ₹ 7,429 crore as against ₹ 7,946 crore in Q3 FY22, recording a de-growth of 6.5%.
27. Geographic presence stood at 158 locations.
28. Portfolio composition for HL : LAP : LRD : DF : Rural : Others stood at 61% : 10% : 15% : 7% : 4% : 3% as of 31 December 2022. Home loan continues to be a key focus area.
29. In Q3, cost of funds increased by 49 bps to 7.12%. Liquidity buffer stood at ₹ 4,203 crore as of 31 December 2022.
30. Borrowing mix between Banks : Money market : Assignment : ICD stood at 51% : 35% : 13% : 1% as of 31 December 2022.
31. Capital adequacy ratio stood at 23.00% as of 31 December 2022. Tier-1 capital was 22.25%.
32. BHFL post tax profit grew by 81% to ₹ 334 crore in Q3 FY23 as compared to ₹ 185 crore in Q3 FY22.
33. In Q3, Opex to NII stood at 24.5% as against 28.7% in Q3 FY22.
34. In Q3, loan losses and provisions were ₹ 30 crore as against ₹ 56 crore in Q3 FY22. BHFL holds a management and macro-economic overlay provision of ₹ 242 crore as of 31 December 2022.

35. GNPA & NNPA stood at 0.23% and 0.10% as of 31 December 2022 as against 0.24% and 0.11% as of 30 September 2022.
36. Overall stage 2 assets stood at ₹ 394 crore as of 31 December 2022 as against ₹ 438 crore as of 30 September 2022. Non overdue one-time resolution (OTR) assets classified as stage 2 as of 31 December 2022 stood at ₹ 179 crore.
37. Overall stage 3 assets stood at ₹ 135 crore as of 31 December 2022 as against ₹ 131 crore as of 30 September 2022.
38. Total employee headcount stood at 2,814 as of 31 December 2022.

Bajaj Financial Securities Limited (BFSL)

39. In Q3, BFSL added 77.1K customers to its broking franchise. Its Retail and HNI customer franchise stood at 523.3K as of 31 December 2022.
40. BFSL is currently present in 24 locations. In Q3, it added 6 new locations. It expects to end the year with 30 locations.
41. In Q3, BFSL delivered significant upgrades of its web and app platforms with addition of 45 new features. BFSL plans to add 50-60 new features in Q4.
42. Margin Trading Finance AUM was ₹ 1,080 crore as of 31 December 2022 as against ₹ 770 crore as of 31 December 2021, a growth of 40%.
43. In Q3, total Income was ₹ 61 crore as against ₹ 38 crore in Q3 FY22. Total income in Q3 FY22 included ₹ 7.4 crore earned on account of IPO application and allotment.
44. In Q3, Profit after tax was ₹ 3 crore as against ₹ 7 crore in Q3 FY22.
45. Total employee headcount stood at 532 as of 31 December 2022.

Omnipresence strategy update

Geography – 29 new locations added

1. Total geographic footprint stood at 3,714 locations and 1,43,900+ distribution points. The Company added 29 new locations and 600+ distribution points.

App platform – To go fully digital across all products and services

2. Phase 1 of app platform is live on both the app stores. As articulated in Q1, Phase 2 will go live in 3 sprints.
3. Sprint 1 of phase 2 is live on Play Store, covering Personal Loans, Multi bank Co Branded Credit Cards, Two-Wheeler Marketplace and EMI Card sourcing.
4. As part of sprint 1, 6 Category landing page (CLP) which enable consumers with easier navigation and information have gone live. 4 product display page (PDP) have also gone live leading to significantly enhanced pre-buy experience. Eventually, there will be overall 13 CLP and 18 PDP sections covering all products and services of the Company.
5. Sprint 2 is scheduled for February 2023. Sprint 2 has end-to-end journeys for fixed deposit, business loan, doctor loan and Chartered accountant loan. Sprint 2 also has new feature additions in fixed deposit services, Insurance services along with service-related nudges and reminders.
6. The final sprint will have end-to-end journeys for all Mortgages products, Gold loan, loan against securities, used car financing and secured business loan which is scheduled for March 2023.

Payments

7. Sprint 2 is now live on Play Store and will be scaled up in staggered release methodology. This release will provide enhanced experience on UPI registration and payments transactions enabled through direct API with PSP Bank, PPI interoperability through UPI railroad and unified dispute and issue resolution (UDIR) mechanism.
8. After successfully onboarding existing BFL merchants on Bajaj Pay QR, the Company has accelerated QR deployment at small and medium merchants by mobilizing its distribution channels starting Q3 FY23. Bajaj Pay QR enables merchants to accept payments by way of UPI, PPI (Bajaj Pay Wallet) & Bajaj EMI (where eligible). The Company expects to deploy 450-500K merchant QRs in Q4 FY23.

Web platform - On track for 'Web=App' across all products and services

9. As articulated in Q1, Web platform transformation will have 2 phases. Phase 1 is live with full stack customer service offerings, revamped home page, customer assistance tools like calculators, credit reports, cart etc. Consumer application journeys namely, Personal Loans, EMI card, B2B and two-wheeler marketplace are also live on the platform.
10. Phase 2 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.

Omnipresence strategy – disciplined execution, rapid adoption in all processes of the Company and continued progress on all metrics

Particulars	Unit	Q1 FY23	Q2 FY23	Q3 FY23	FY23 estimates
Geography					
New locations added – in the Qtr	#	82	99	29	400-450
Locations - Cumulative	#	3,586	3,685	3714	3,900-3,950
Gold loan branches – Cumulative	#	155	175	179	375
App Metrics					
Downloads – In the Qtr	# in MM	11.01	12.59	14.84	53-55
Net Installs – Cumulative	# in MM	23.0	26.6	31.5	35-38
In-App programs – Cumulative	#	62	87	101	100+
Ranking in financial domain in Playstore	#	6	5	5	Top 5
Service requests initiated on app – In the Qtr	% of total SR	15%	19%	22%	23-25%
App Payments metrics					
Wallet accounts – Cumulative	# in MM	8.91	11.80	14.40	18.50
UPI handles – Cumulative	# in MM	3.61	7.23	10.39	12
Bill pay transactions – In the Qtr	# in MM	2.06	3.59	5.00	12
QRs at merchant PoS - Cumulative	# in '000	18	78	214	600-700
Rewards issued - In the Qtr	# in MM	4.8	9.1	17.3	37-40

Omnipresence strategy – disciplined execution, rapid adoption in all processes of the Company and continued progress on all metrics

BAJAJ FINANCE LIMITED

Particulars	Unit	Q1 FY23	Q2 FY23	Q3 FY23	FY23 estimates
App business metrics					
EMI cards acquired on App – In the Qtr	# in '000	69	100	100	300-325
Personal loan disbursed on App – In the Qtr	In ₹ cr	2,109	2,391	2,301	9,000-10,000
Credit card acquisition on App – In the Qtr	# in '000	30	47.8	59.2	175-200
Flexi loan transactions on App – In the Qtr	# in '000	866	1,030	1,481	3.6-3.8 MM
DMS receipts on App – In the Qtr	# in '000	644	770	900	3.0-3.2 MM
Marketplace metrics					
Bajaj Mall visits – In the Qtr	# in MM	31.8	33.6	44.2	140-150
Bajaj Mall loans – In the Qtr	# in '000	645	562	619	2.6-2.8 MM
Insurance Bazaar policies – In the Qtr	# in '000	9.5	23.5	153.7	250-275
Investments Bazaar MF A/C – In the Qtr	# in '000	10	20.8	19.5	100-110
Digital EMI card metrics					
EMI cards acquired digitally – In the Qtr	# in '000	522	664	637	2.0-2.2 MM
EMI cards acquired digitally – CIF	# in MM	2.3	2.6	3.1	3.8-4.0
B2B loans from digital EMI cards – in the Qtr	# in '000	227	269	284	1.0-1.2 MM

Customer franchise - Key financial metrics

BAJAJ FINANCE LIMITED

Particulars	Unit	FY17	FY18	FY19	FY20	FY21	FY22		9M FY22	9M FY23
New loans booked	In MM	10.1	15.3	23.5	27.4	16.9	24.7		18.4	22.0
New customer addition	In MM	4.1	6.1	8.3	8.1	6.0	9.0		6.8	8.5
Existing customer mix	%	59.8%	60.3%	64.8%	70.4%	64.6%	63.5%		63.0%	61.4%
Total franchise	in MM	20.1	26.2	34.5	42.6	48.6	57.6		55.4	66.1
Cross sell franchise	in MM	11.0	15.4	20.7	24.1	26.9	32.8		31.3	38.6
Co-branded credit cards sold	in MM	0.03	0.39	0.81	1.12	0.70	1.36		0.99	1.42
Other financial products sold to existing customers	in MM	0.06	0.08	0.19	0.27	0.67	2.23		1.61	1.64
AUM per cross sell franchise	₹	54,722	53,417	56,066	60,983	56,879	58,617		57,981	59,835
PAT per cross sell franchise	₹	1,670	1,618	1,933	2,182	1,644	2,145		1,474	2,164

**Update on Long Range Strategy
2023-27**

LRS is an annual 5 year rolling strategy planning process with an execution plan of 12-24 months. As part of LRS, the Company analyses macro, industry outlook, technology megatrends, business megatrends and selects a leading benchmark company to learn from. A rolling bottom's up financial plan is created every year to reflect impact of strategy on business outcomes. LRS is a 13 year old highly institutionalised and rigorous process and involves top 500 people spanning over 45-50 days period...

①
Ambition

To be a leading payments and financial services company in India. Dominate with 100 MM consumers, market share of 3% of payments GMV, 3-4% of total credit and 4-5% of retail credit in India.

②
Strategy

To be an omnipresent financial services company dominant across all consumer platforms - physical, app, web, social, rewards and virtual.

③
Approach

To acquire & cross-sell across payments, assets, deposits, insurance, investments and broking products to Consumer, MSME, Commercial and Rural consumers across all consumer platforms.

④

Philosophy

To build businesses with a 10 year view anchored on prudence and risk management to deliver 'through the cycle' 19–21% shareholder returns.

⑤

Market share

Every business of the company to be amongst top 5 in their respective product.

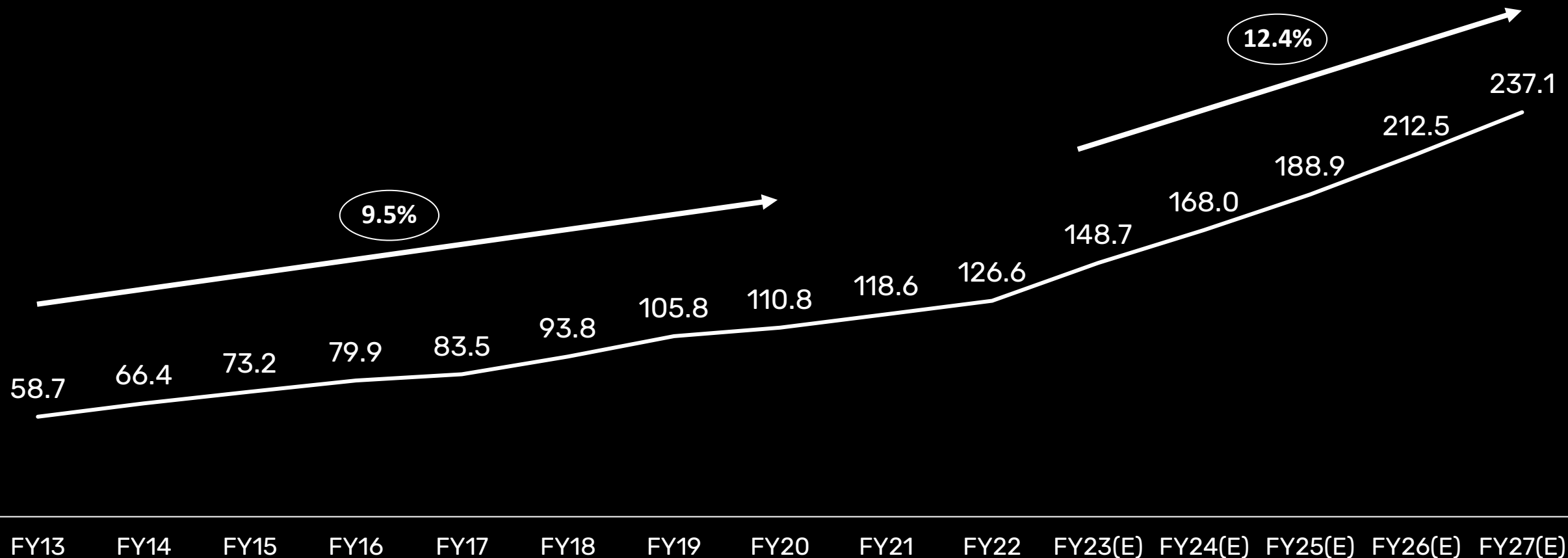
⑥

Profit share

To be amongst top 20 profit-making companies in India and amongst top 5 profit-making financial services companies in India.

in ₹ lakh crore

India's total credit market is forecasted to grow from ₹ 149 lakh crore to ₹ 237 lakh crore, at an average growth rate of 12.4%

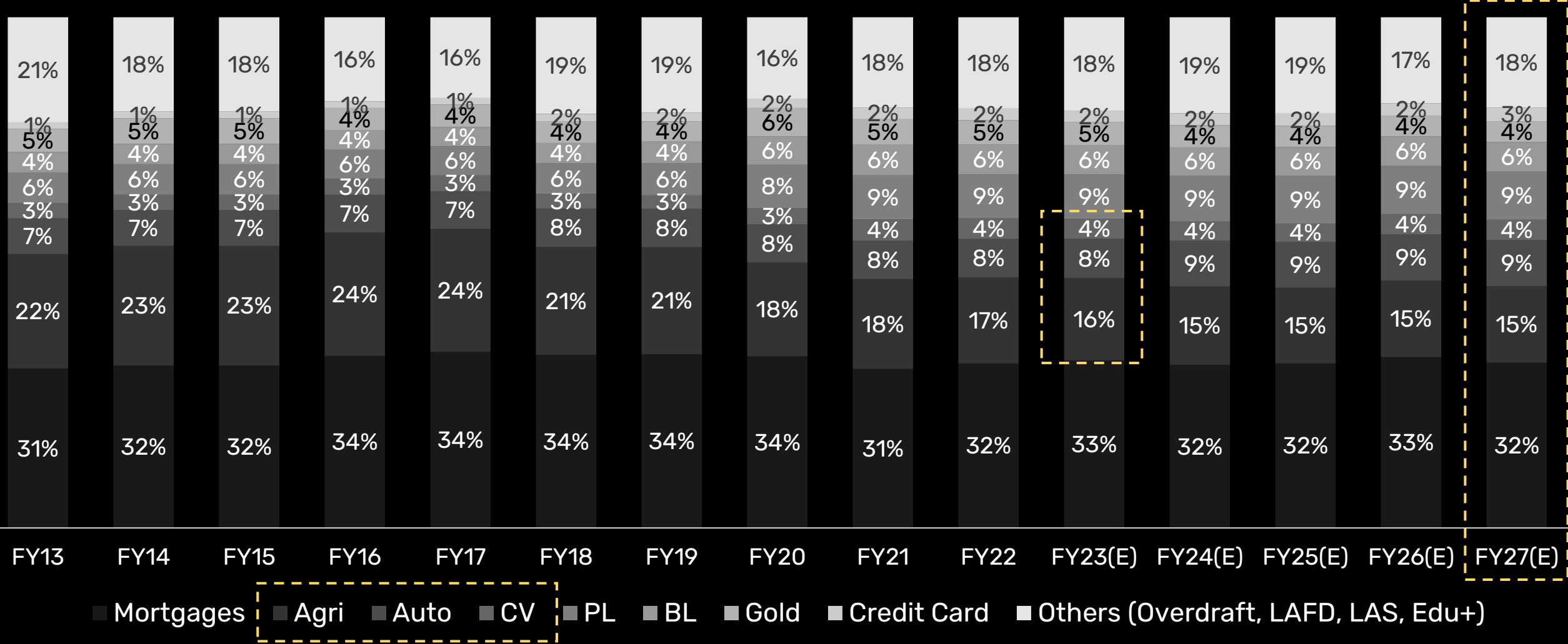


Source : RBI Statistical Tables; Gross Deployment of Bank Credit – RBI, Financial Stability report – RBI

Total Credit = Bank Credit – Advances outside India – Advances to NBFC + NBFC Credit

Assumptions - Growth rate for bank credit is taken in the range of 11% - 13% and for NBFC it is taken in the range of 13% -15% for FY23 -27

India's retail credit mix is forecasted to remain steady. BFL is currently not present in 28% of retail credit categories namely Auto, CV & Agri



Source : Internal research and published regulatory data and reports

India stack (2)

Account Aggregator

ONDC

Platform (4)

Social as a platform

Rewards as a platform

Offline to Online

Hyper personalization

Product (4)

Pre-owned

Monetizing digital assets

UPI as open architecture

Bajaj+

Technology (5)

Augmented reality

Data privacy

CX – Customer experience practice

Vernacular

Voice

Strategic construct – 5 blocks of strategy

BAJAJ FINANCE LIMITED

① Products (12)

Be amongst the top 5 players in each product line

Megatrends – Pre-owned, UPI as Open architecture

New Product Lines – Auto, MFI, Tractor, CV, Emerging corporate

New Product Innovations – B2B on QR, B2B on EDC, Bajaj+, Flexi on QR, Insta PL card

③ Platforms (10)

Dominate all platforms of consumer presence & generate 50% of business from digital platforms

Megatrends – Social & Reward platforms

Consumer App – Hyper personalization, AR, CX

Consumer Web – Discoverability, CX, Video, Vernacular

Marketplace – Bajaj Mall 2.0

⑤ Subsidiaries

Grow and dominate in their respective industries

Leverage BFL platforms and customer franchise to originate Mortgages and broking accounts for subsidiaries.

Contribute 12-15% of retail mortgages and 20-25% of broking accounts

② Geography (3)

जहाँ BAJAJ FINSERV वहाँ BAJAJ FINSERV के सारे products

Megatrends – Win U.P, Bihar and North East

Domestic – Geography 2.0, All products in all locations

④ Horizontal functions (9)

Pursue operational excellence and deliver robust controls and compliance

Megatrends – Account Aggregator, data privacy

Risk – Know everyone

DMS – readiness for 6 MM receipts per month

Operations – STP across all products

Service – FPC, self-service

Technology – Consumerization of technology stack

Treasury – Diversified liability profile

1. Launched Loan Against Property (LAP) business in BFL for MSME customers in January 2023.
2. Launched Bajaj+ in January 2023.
3. Launch New Auto Loans in Q2 FY24, Micro Finance in Q4 FY24 and Tractor financing in Q1 FY25.
4. Launch Emerging corporate business in Q3 FY24.
5. Launch B2B on QR and EDC in Q4 FY24, Flexi on QR in Q4 FY24 and Insta PL card in Q4 FY24.
6. Deploy 8 megatrends by FY24 and balance 7 megatrends by FY25.
7. Launch Rewards as a platform in Q4 FY24 and Social as a platform in Q2 FY25.
8. Open 100 locations in UP, Bihar and North-East in FY24 and another 100 locations in FY25.
9. Continue investing in horizontal capabilities for operational excellence and deliver robust controls and compliance.

Sr. No.	Basic construct	Target Metric	9M FY23	FY27 (E)
1	Customer Franchise (MM)	100	66.1	110-120
2	Cross-sell Franchise (MM)	60	38.6	65-70
3	India payments GMV	3%	0.03%	1-1.25%
4	Share of total credit	3-4%	1.61%	2.5-2.75%
5	Share of retail credit	4-5%	2.47%	3.5-3.75%
6	Location presence	4,300-4,500	3,714	4,300-4,500
7	App – Net installs (MM)	60	31.5	70-80
8	Web – Visitors (MM)	NA	165	1,100-1,200
9	Return on Equity	19-21%	23.5%	20-22%
10	AUM per cross sell franchise	100K	59.8K	85-90K
11	PAT per cross sell franchise	4K	2.2K	3.5-3.7K

Henceforth, we will be publishing an abstract of rolling Long Range Strategy and an update along with Q3 results every year...



Section 02

Bajaj Finance Limited overview

2.1

Bajaj group structure

2.2

What do we stand for

2.3

BFL - Consolidated long-term guidance
on financial metrics

2.4

BHFL long-term guidance on
financial metrics

2.5

Key strategic differentiators

2.6

Our shareholder profile

2.7

15-years financial snapshot

2.8

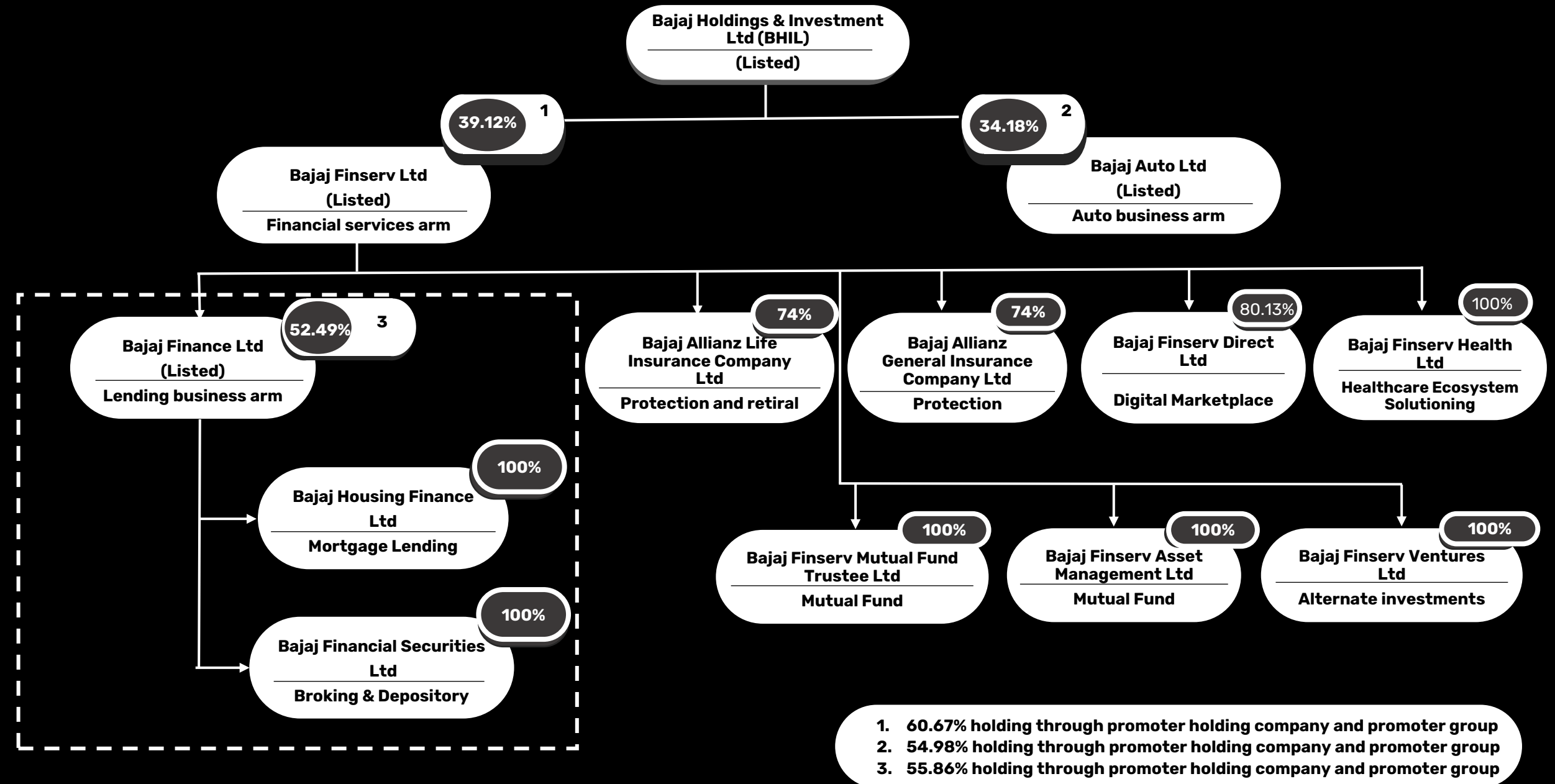
Product suite

2.9

Executive summary

Bajaj group structure

BAJAJ FINANCE LIMITED



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

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

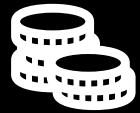
“Diversified financial services strategy with an optimal mix of risk and profit to deliver a sustainable business model”

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

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

BFL Consolidated long-term guidance on financial metrics

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%



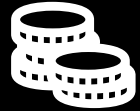
NNPA
in corridor of
0.4%-0.7%



Return on assets
in corridor of
4%-4.5%



Return on equity
in corridor of
19%-21%



AUM growth
in corridor of
26%-28%



Profit growth
in corridor of
28%-30%



GNPA
in corridor of
0.60%-0.80%



NNPA
in corridor of
0.30%-0.40%



Return on assets
in corridor of
1.7%-2.0%



Return on equity
in corridor of
13%-15%

Key strategic differentiators

BAJAJ FINANCE LIMITED

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

A trusted brand with strong brand equity

Focus on mass affluent and above clients

Total customer franchise of 66.05 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 33% : 10% : 13% : 12% : 32%. Consolidated borrowing mix for Money Markets: Banks: Deposits: ECB stood at 47% : 31% : 21% : 1%

Agile and innovative

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

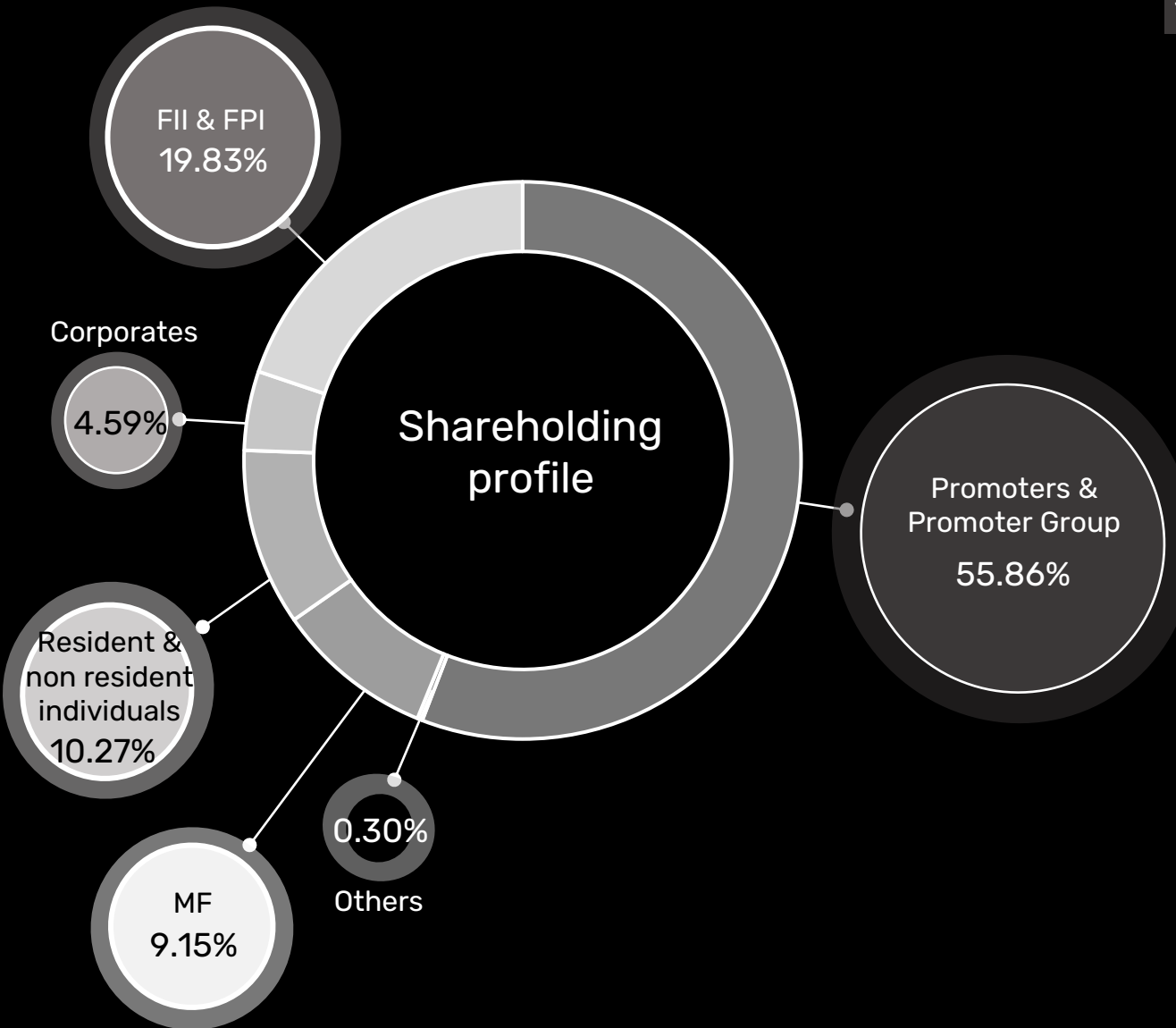
Committed to technology and analytics to transform customer experience

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



BAJAJ FINANCE LIMITED

Top 20 investors & their holdings

S.No	Name of Shareholder	As on 31 Dec 22	As on 30 Sept 22	As on 31 Dec 21
1	BAJAJ FINSERV LTD	52.49%	52.49%	52.65%
2	GOVERNMENT OF SINGAPORE	3.44%	3.37%	3.13%
3	MAHARASHTRA SCOOTERS LIMITED	3.13%	3.13%	3.14%
4	SBI NIFTY 50 ETF	0.85%	0.83%	0.71%
5	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS BLUECHIP FUND	0.77%	0.77%	0.73%
6	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS LONG TERM EQUITY FUND	0.69%	0.69%	0.75%
7	NEW HORIZON OPPORTUNITIES MASTER FUND	0.55%	0.59%	0.77%
8	SBI S&P BSE SENSEX ETF	0.54%	0.52%	0.41%
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	0.54%	0.54%	0.54%
10	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	0.53%	0.48%	0.15%
11	NEW WORLD FUND INC	0.53%	0.53%	0.58%
12	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	0.52%	0.52%	0.51%
13	SBI LIFE INSURANCE CO. LTD	0.49%	0.47%	0.46%
14	EUROPACIFIC GROWTH FUND	0.44%	0.44%	0.37%
15	PEOPLE'S BANK OF CHINA	0.40%	0.40%	0.39%
16	SBI EQUITY HYBRID FUND	0.40%	0.40%	0.35%
17	ISHARES CORE MSCI EMERGING MARKETS ETF	0.39%	0.08%	-
18	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS FOCUSED 25 FUND	0.37%	0.39%	0.48%
19	UTI FLEXI CAP FUND	0.35%	0.35%	0.33%
20	SBI FOCUSED EQUITY FUND	0.35%	0.35%	0.15%

Above shareholding is as of 31 December 2022

15-years financial snapshot

BAJAJ FINANCE LIMITED

₹ in crore

Financials snapshot [@]	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	CAGR (15 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	37%
Income from operations	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	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	9,748	34%
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	21,900	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	7,593	30%
Loan Losses & Provision	109	164	261	205	154	182	258	385	543	804	1,030	1,501	3,929	5,969	4,803	31%
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	51%
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	51%

Ratios	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
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%
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%
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%
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%
Provision coverage ratio	30%	32%	55%	79%	89%	83%	76%	71%	77%	74%	70%	60%	60%	58%	58%
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%
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

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

BAJAJ HOUSING FINANCE LIMITED

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

BAJAJ FINANCIAL SECURITIES LIMITED

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

Overview	<ul style="list-style-type: none">• 35-year-old non-bank with a demonstrated track record of profitable growth• Diversified financial services company focused on Urban, 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 3,714 locations with over 143.9K+ point of sale• Customer franchise of 66.05 MM as of 31 December 2022• Amongst the largest new loan acquirers in the country (7.84 MM in Q3 FY23)• AUM mix as of 31 December 2022 – Urban : Rural : SME : Commercial : Mortgages stood at 33% : 10% : 13% : 12% : 32%• AUM of ₹ 2,30,842 crore as of 31 December 2022 and post tax profit of ₹ 2,973 crore in Q3 FY23• Capital adequacy ratio (including Tier II capital) of 25.14% as of 31 December 2022. Tier I capital stood at 23.28%
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 ₹ 2,01,318 crore with a mix of 47% : 31% : 21% : 1% between money markets, banks, deposits & ECB as of 31 December 2022
Credit Quality	<ul style="list-style-type: none">• Consolidated GNPA and NNPA as of 31 December 2022 stood at 1.14% and 0.41% respectively• Provisioning coverage ratio was 64% as of 31 December 2022• Provisioning coverage on stage 1 & 2 stood at 116 bps as of 31 December 2022

Overview	<ul style="list-style-type: none">• 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 ₹ 1,68,359 crore as of 31 December 2022• AUM mix as of 31 December 2022 – Consumer : Rural : SME : Commercial : Mortgage stood at 44% : 14% : 18% : 16% : 8%• Post tax profit of ₹ 2,624 crore in Q3 FY23• Capital adequacy ratio (including Tier II capital) of 25.14% as of 31 December 2022. Tier I capital stood at 23.28%
Consumer business	<ul style="list-style-type: none">• Present in 1,392 locations with 102.9K+ active distribution points of sale as of 31 December 2022• Largest consumer electronics, digital products & lifestyle products lender in India• 2-wheeler financing business disbursed 261.9K accounts in Q3 FY23 (growth of 32% YOY)• 3-wheeler financing business disbursed 41K accounts in Q3 FY23 (growth of 73% YOY)• Amongst the largest personal loan lenders in India
Payments	<ul style="list-style-type: none">• EMI Card franchise stood at 35.9 MM cards in force (CIF) as of 31 December 2022• Co-branded credit card CIF stood at 3.29 MM as of 31 December 2022• Digital app platform has 31.5 MM net users as of 31 December 2022
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 2,322 towns and villages with 33.5K+ active distribution points of sale as of 31 December 2022

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• 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	<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• Strategy is that deposits should contribute 36-37% of standalone and 25% of consolidated borrowings• Borrowings stood at ₹ 1,48,035 crore with a mix of 48% : 22% : 29% : 1% between money markets, banks, deposits & ECB as of 31 December 2022
Credit Quality	<ul style="list-style-type: none">• GNPA and NNPA as of 31 December 2022 stood at 1.45% and 0.52% respectively• Provisioning coverage ratio as of 31 December 2022 was 65%• Provisioning coverage on stage 1 & 2 stood at 132 bps as of 31 December 2022
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 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	<ul style="list-style-type: none">• 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 ₹ 65,581 crore as of 31 December 2022. Post tax profit of ₹ 334 crore for Q3 FY23
- Capital adequacy ratio (including Tier II capital) was 23.00% as of 31 December 2022

Home Loans

- Offers home loans to salaried customers for an average ticket size of 51 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 49 locations as of 31 December 2022
- Home loan mix as of 31 December 2022 – 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 66 lakh
- Focused on offering customized propositions to both self employed and salaried customers
- Present in 25 locations as of 31 December 2022

Rural

- Offers home loans and loans against property to salaried and self-employed customers with an average ticket size of approximately 19 lakhs for home loans and 14 lakhs for loan against property
- Hub and spoke strategy through branch network, ASSC tie ups and channel partners
- Present in 109 locations as of 31 December 2022

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 December 2022

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 11 locations as of 31 December 2022

Credit Quality

- GNPA and NNPA as of 31 December 2022 stood at 0.23% and 0.10% respectively

Treasury

- Strategy is to create a balanced and sustained mix of borrowings
- Borrowings stood at ₹ 51,977 crore with a mix of 51% : 35% : 13% : 1% between banks : money markets : assignment : ICD as of 31 December 2022

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

Overview	<ul style="list-style-type: none">• A 100% subsidiary of Bajaj Finance Limited• Offers Capital Market products - Broking, Depository services, Margin Trade Financing, Mutual Funds, IPOs and Distribution of PMS• Broking business caters to two different business segments – HNI and Retail• Total Income stands at ₹ 61 crore Q3 FY23 and ₹ 146 crore for 9M FY23• Delivered PAT of ₹ 3 crore for Q3 FY23 and ₹ 5.5 crore for 9M FY23• Started ranking in Top 30 Brokers list as per NSE Active client list
HNI Broking	<ul style="list-style-type: none">• Business oriented towards delivering relationship-based Broking solutions to UHNI & HNI client segment• Focus on building Margin Trade Financing book, total loan book as of Q3 FY23 stands at ₹ 1,006 crore• Physical branch network across has been expanded to 24 locations. Opened 6 new Branches during Q3 FY23• Working on Geo-Expansion of our Branch network and planning to reach to 30+ Branches by the end of FY23• Added 5.8K UHNI/HNI clients in Q3. Total client base stood at 17.3K+ as of 31 December 2022
Retail Broking	<ul style="list-style-type: none">• Added ~71.3K+ trading and demat accounts in Q3 FY23. Total retail client base stood at 506.0K as of 31 December 2022• Crossed 1,100+ network of partners and affiliates online accounts• Working with 230+ Independent Business Advisor (IBAs)• Margin Trade Financing book as of Q3 FY23 stands at ₹ 74 crore• Focused on driving client activation of BFSL Platform, monthly activation rate stands at 25%
Credit Rating	<ul style="list-style-type: none">• Issuer rating of AAA from CRISIL
Regulated by	<ul style="list-style-type: none">• Securities and Exchange Board of India

Executive summary – BFSL

Q3 capabilities update

In Q3, 45 new features were added on web and app

Gone live with below capabilities on web and app during Q3 FY23:

- **MTF NON POA** – Enablement of MTF product for NON POA customers
- **Market Smith** – 3rd Party research tool to provide stock recommendations on our Web & Mobile application.
- **BO & CO for options** – Bracket Order & Cover Order for Options contract.
- **Tools & Calculator** – Feature to view Margin files and calculate brokerage & required margin.
- **Applicable Charges to shown upfront** – Compliance requirement to show upfront trade charges.
- **Feedback & Rating** – Facility to get feedback and ratings about our Applications from the customers.
- **Trading View** – New charting tool to enhance the charting experience of our customers.
- **IPO Change** – Inclusion of SME IPO's, now clients can apply for SME IPO's from our platforms.
- **Watchlist Grid View** – Enhanced watchlist interface with grid view for easy understanding.
- **XIRR Logic** – Addition of XIRR values in P&L report for returns assessment.
- **News Upgrade** – Clickable news feed to get detailed news on the stocks and market.
- **UI/UX Enhancements** – few major UI/UX enhancements such as
 - Funds Page redesign
 - Holding & Net Positions Dashboard
 - AMO Order based on market timing
 - MTF Pledge separate dashboard for T1 & T2 stocks.

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	Q3 FY23	Q3 FY22	Y-o-Y	9M FY23	9M FY22	Y-o-Y
Assets under management	2,30,842	1,81,250	27%	2,30,842	1,81,250	27%
Assets under finance	2,25,399	1,74,775	29%	2,25,399	1,74,775	29%
Interest income	9,273	7,265	28%	25,703	19,909	29%
Fees, commission, and other non-interest income	1,513	1,274	19%	4,340	3,110	40%
Total Income	10,786	8,539	26%	30,043	23,019	31%
Interest expenses	3,351	2,534	32%	8,968	7,186	25%
Net Interest Income	7,435	6,005	24%	21,075	15,833	33%
Operating Expenses	2,582	2,086	24%	7,478	5,493	36%
Loan losses and provisions	841	1,051	(20%)	2,330	4,102	(43%)
Profit before tax	4,012	2,868	40%	11,267	6,238	81%
Profit after tax	2,973	2,125	40%	8,350	4,609	81%
Ratios						
Operating expenses to Net Interest Income	34.7%	34.7%		35.5%	34.7%	
Annualized Loan Loss to Average AUF	1.54%	2.51%		1.49%	3.40%	
Annualized Return on Average AUF	5.43%	5.07%		5.34%	3.82%	
Annualized Return on Average Equity	23.98%	21.20%		23.47%	15.73%	
Earning per share - Basic (₹) *	49.2	35.3		138.3	76.5	

Financial statement summary – Bajaj Finance Ltd BAJAJ FINANCE LIMITED

₹ in Crore

Financials snapshot	Q3 FY23	Q3 FY22	Y-o-Y	9M FY23	9M FY22	Y-o-Y
Assets under management	1,68,359	1,32,913	27%	1,68,359	1,32,913	27%
Assets under finance	1,66,335	1,30,732	27%	1,66,335	1,30,732	27%
Interest income	7,802	6,338	23%	21,858	17,353	26%
Fees, commission, and other non-interest income	1,413	1,192	19%	4,111	2,907	41%
Total Income	9,215	7,530	22%	25,969	20,260	28%
Interest expenses	2,456	1,972	25%	6,671	5,625	19%
Net Interest Income	6,759	5,558	22%	19,298	14,635	32%
Operating Expenses	2,408	1,953	23%	6,982	5,150	36%
Loan losses and provisions	811	995	(18%)	2,264	3,958	(43%)
Profit before tax	3,540	2,610	36%	10,052	5,527	82%
Profit after tax	2,624	1,934	36%	7,452	4,083	83%
Ratios						
Operating expenses to Net Interest Income	35.6%	35.1%		36.2%	35.1%	
Annualized Loan Loss to Average AUF	2.00%	3.16%		1.94%	4.33%	
Annualized Return on Average AUF	6.49%	6.14%		6.40%	4.47%	
Annualized Return on Average Equity	22.23%	20.00%		21.92%	14.40%	
Earning per share - Basic (₹) *	43.4	32.1		123.4	67.8	

*Not annualized

Financial statement summary – BHFL

BAJAJ FINANCE LIMITED

₹ in Crore

Financials snapshot	Q3 FY23	Q3 FY22	Y-o-Y	9M FY23	9M FY22	Y-o-Y
Assets under management	65,581	49,203	33%	65,581	49,203	33%
Assets under finance	57,991	43,479	33%	57,991	43,479	33%
Interest income	1,428	907	57%	3,749	2,520	49%
Fees, commission, and other non-interest income	89	79	13%	331	189	75%
Total Income	1,517	986	54%	4,080	2,709	51%
Interest expenses	879	557	58%	2,257	1,549	46%
Net Interest Income	638	429	49%	1,823	1,160	57%
Operating Expenses	156	123	27%	463	325	42%
Loan losses and provisions	30	56	(46%)	67	143	(53%)
Profit before tax	452	250	81%	1,293	692	87%
Profit after tax	334	185	81%	956	512	87%
Ratios						
Operating expenses to Net Interest Income	24.5%	28.7%		25.4%	28.0%	
Annualized Loan Loss to Average AUF	0.21%	0.54%		0.17%	0.50%	
Annualized Return on Average AUF	2.37%	1.79%		2.44%	1.78%	
Annualized Return on Average Equity	13.32%	11.47%		15.05%	10.86%	
Earning per share - Basic (₹) *	0.50	0.38		1.43	1.05	

 **Section 04**
Asset liability management

4.1

Conservative leverage standards –
Bajaj Finance Limited

4.2

Resilient business model –
Consolidated

4.3

Behaviouralized ALM – Bajaj Finance
Limited

4.4

Behaviouralized ALM – Bajaj Housing
Finance Limited

4.5

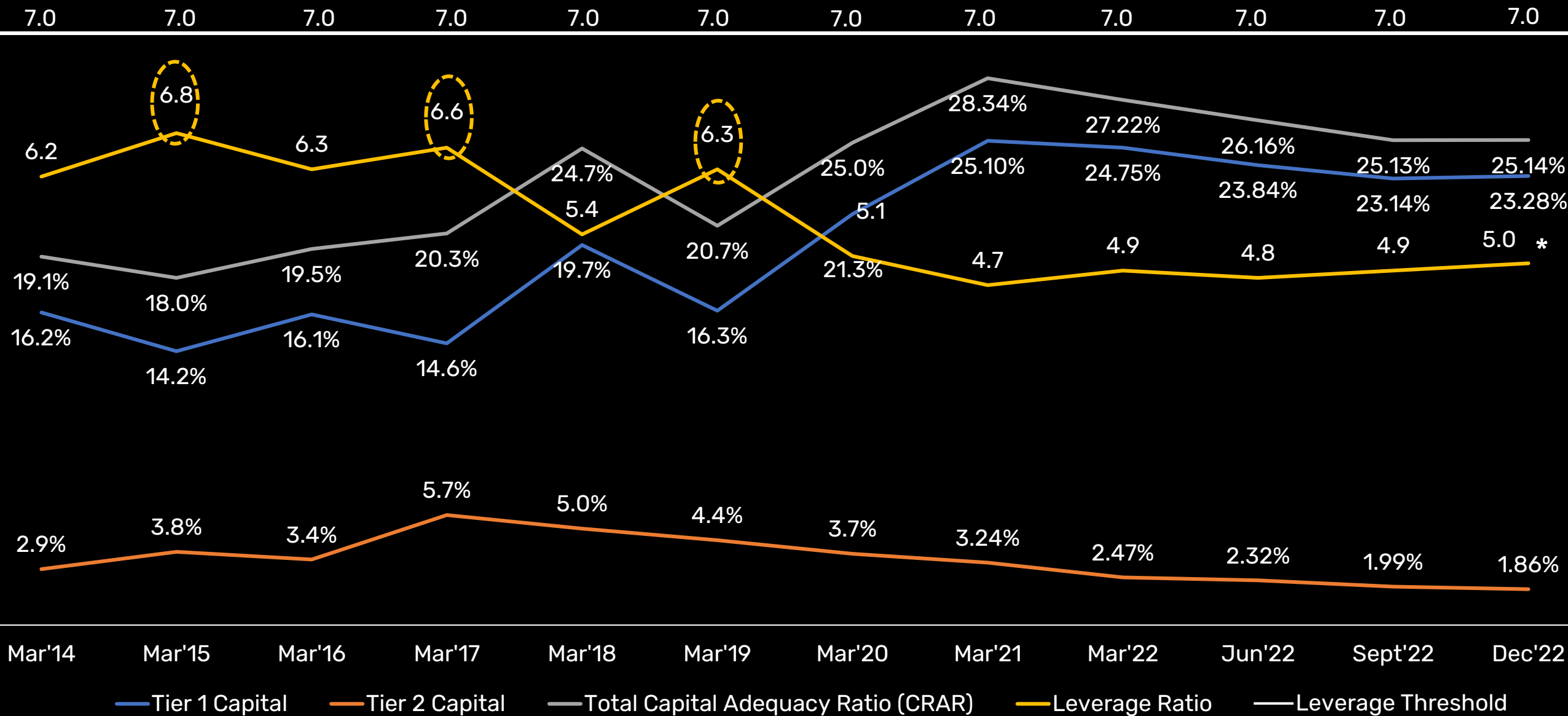
Disciplined ALM Management –
Bajaj Finance Limited

4.6

Consolidated liability mix

Conservative leverage standards

BAJAJ FINANCE LIMITED



*Standalone leverage is approximately 4.1X as of 31 December 2022

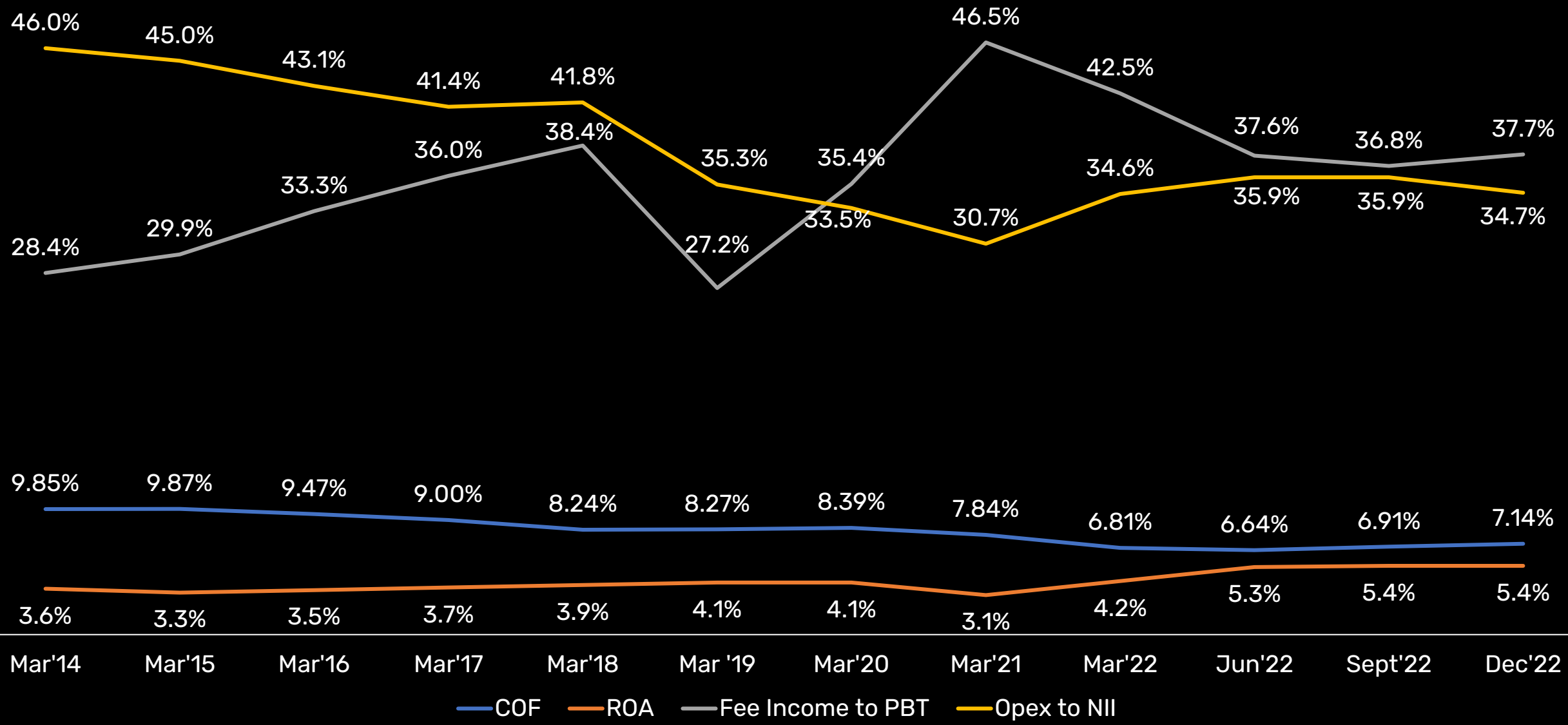
Capital Adequacy Ratios (CRAR) are on standalone basis

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 and Dec'22 COF numbers are for the quarter.

Behaviouralized ALM as of 31 Dec 2022 – 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	12,692	-	33	1,203	10	1,609	636	2,892	626	8,986	28,688
Advances	6,395	2,044	3,687	8,244	7,363	18,280	26,662	60,971	21,958	14,516	1,70,119
Other inflows	4,830	112	163	460	134	466	129	754	604	3,339	10,991
Total Inflows (A)	23,917	2,156	3,884	9,906	7,506	20,355	27,428	64,618	23,189	26,841	2,09,798
Cumulative Total Inflows (B)	23,917	26,073	29,957	39,863	47,369	67,723	95,151	1,59,769	1,82,957	2,09,798	
Borrowings	7,626	3,599	1,894	6,896	6,932	12,171	22,562	56,931	22,097	13,237	1,53,943
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	48,602	48,602
Other Outflows	2,199	348	1,631	1,619	70	45	327	251	296	466	7,253
Total Outflows (C)	9,825	3,947	3,525	8,515	7,002	12,216	22,889	57,182	22,393	62,305	2,09,798
Cumulative Total Outflows (D)	9,825	13,771	17,297	25,812	32,814	45,029	67,918	1,25,100	1,47,493	2,09,798	
Mismatch (E = A - C)	14,093	(1,791)	358	1,391	505	8,139	4,539	7,436	796	(35,464)	
Cumulative mismatch (F = B-D)	14,093	12,301	12,660	14,050	14,555	22,694	27,233	34,669	35,464	-	
Cumulative mismatch as % (F/D)	143%	89%	73%	54%	44%	50%	40%	28%	24%	0%	

Permissible cumulative gap %	(10%)	(10%)	(20%)								
Additional borrowings possible			20,149								

In Q3 daily average LCR was 227% as against regulatory requirement of 70%

Behaviouralized ALM as of 31 Dec 2022 – BHFL

BAJAJ FINANCE LIMITED

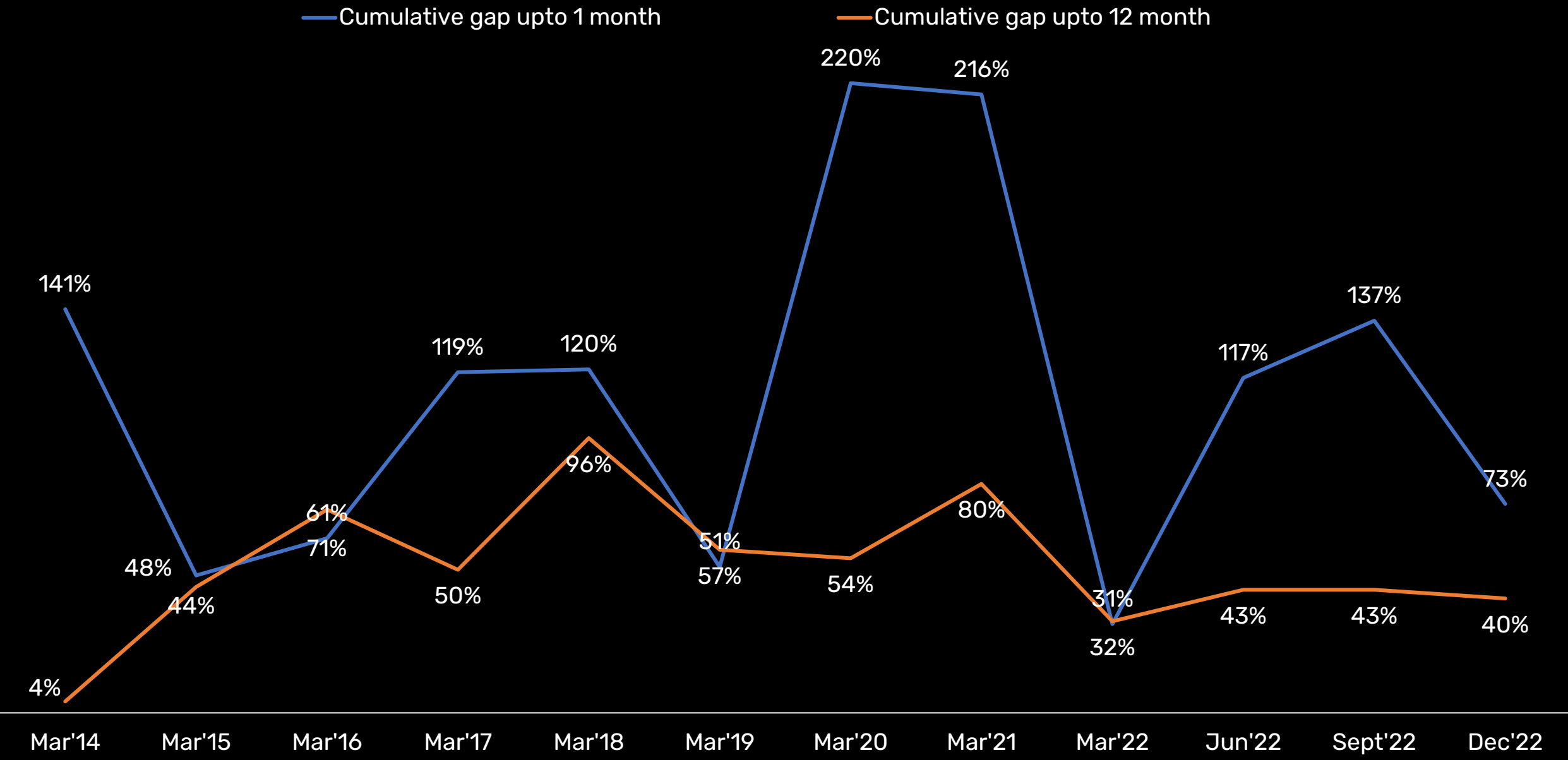
₹ in Crore

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	756	500	2,300	149	247	220	33	0	-	-	4,203
Advances	589	338	548	1,073	1,068	2,922	5,507	14,746	9,761	21,440	57,991
Other inflows	-	350	23	1,869	494	858	3,741	3,586	1,811	5,381	18,114
Total Inflows (A)	1,345	1,188	2,870	3,091	1,808	4,000	9,280	18,332	11,572	26,821	80,307
Cumulative Total Inflows (B)	1,345	2,533	5,403	8,494	10,303	14,302	23,582	41,915	53,486	80,307	
Borrowings	-	499	1,366	1,341	1,021	2,790	5,421	21,465	13,100	4,992	51,997
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	10,198	10,198
Other Outflows	1,193	601	1,165	956	770	1,132	3,442	4,459	528	3,867	18,113
Total Outflows (C)	1,193	1,100	2,531	2,298	1,791	3,922	8,863	25,925	13,628	19,057	80,307
Cumulative Total Outflows (D)	1,193	2,293	4,824	7,122	8,913	12,835	21,698	47,623	61,251	80,307	
Mismatch (E = A - C)	152	87	339	794	17	78	417	(7,592)	(2,057)	7,765	
Cumulative mismatch (F = B-D)	152	239	579	1,372	1,390	1,467	1,884	(5,708)	(7,765)	-	
Cumulative mismatch as % (F/D)	13%	10%	12%	19%	16%	11%	9%	(12%)	(13%)	0%	
Permissible cumulative gap %	-10%	-10%	-20%								
Additional borrowings possible			1,924								

In Q3, daily average LCR was 101% as against regulatory requirement of 60%

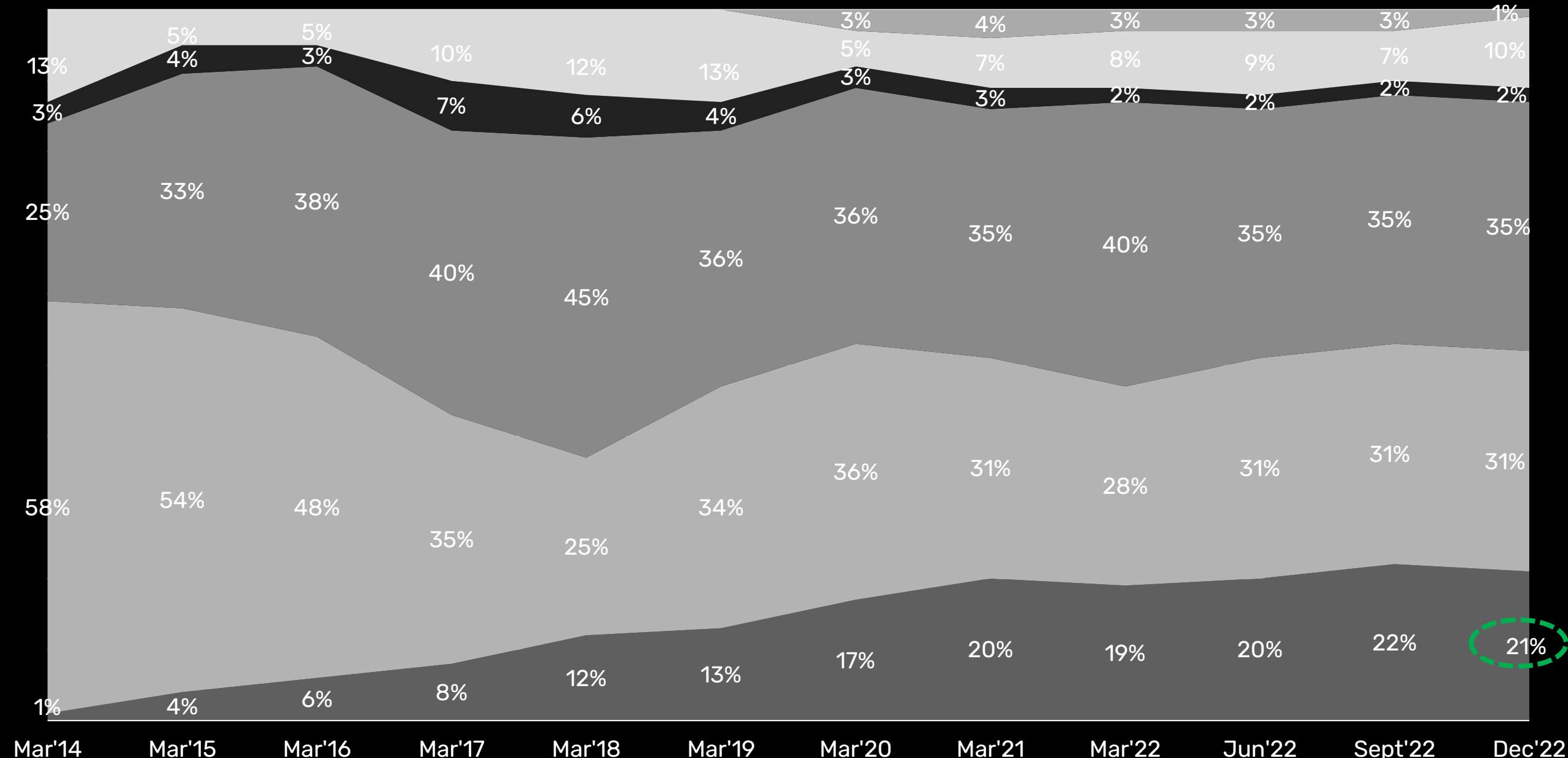
Disciplined ALM Management - BFL

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

Q3 FY22

Q3 FY23

Q2 FY23

55.36MM

Total Franchise

66.05 MM

62.91 MM

43.45 MM

Credit segment filter

51.30 MM

49.08 MM

41.87 MM

Overall Cross sell franchise

49.66 MM

47.46 MM

37.23 MM

Non delinquent customers

43.86 MM

41.88 MM

31.26 MM
(56.5%)*

Cross sell franchise

38.58 MM
(58.4%)*

36.39 MM
(57.8%)*

Customer Franchise addition

Q2 FY22
2.35 MM

Q3 FY22
2.56 MM

Q4 FY22
2.21 MM

Q1 FY23
2.73 MM

Q2 FY23
2.61 MM

Q3 FY23
3.14 MM

*Represents cross sell franchise as a % of total franchise



Geographic Presence	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022	31 Dec 2022
Urban lending branches	986	1,210	1,368	1,368	1,368	1,372	1,392
Rural lending branches	1,193	1,604	2,055	2,136	2,218	2,313	2,322
Total Bajaj Finance presence	2,179	2,814	3,423	3,504	3,586	3,685	3,714
Net additions in the period	443	635	609	81	82	99	29

Strong distribution reach

BAJAJ FINANCE LIMITED

Active distribution	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022	31 Dec 2022
Consumer durable stores – Urban	23,300+	24,700+	29,500+	30,600+	31,000+	31,400+	32,000+
Consumer durable stores – Rural	17,900+	22,500+	27,900+	29,800+	31,500+	33,500+	33,550+
Digital product stores	25,300+	25,400+	28,800+	29,500+	31,150+	31,400+	32,050+
Lifestyle retail stores	9,000+	8,800+	10,800+	11,000+	11,050+	11,500+	11,150+
EMI card – retail spends stores	22,800+	10,400+	17,800+	18,800+	20,050+	20,800+	20,950+
Bajaj Auto dealers, sub-dealers & ASSC	5,300+	5,800+	6,000+	6,000+	5,550+	5,700+	5,100+
Non-captive 2W dealers, sub-dealers & ASSC*	-	-	-	-	1,170+	1,150+	1,600+
DSA/Independent Financial Agents	3,500+	5,200+	7,500+	7,500+	7,500+	7,500+	7,500+
Overall active distribution network	1,07,100+	1,02,800+	1,28,300+	1,33,200+	1,38,900+	1,43,300+	1,43,900+
Net addition in the period	22,400	4,300	25,500	4,900	5,700	4,400	600



Section 06

Business Segment wise AUM

5.1

Business segment wise AUM -
Consolidated

5.2

Business segment wise
AUM - Mortgages

 **Section 06**

Business segment wise AUM

Business segment wise AUM - Consolidated

BAJAJ FINANCE LIMITED
₹ in Crore

Assets Under Management (Businesses)	AUM as of 31 Dec 2021	BFL as of 31 Dec 2022	BHFL as of 31 Dec 2022	AUM as of 31 Dec 2022	Growth YoY	Composition as of 31 Dec 2021	Composition as of 31 Dec 2022
Two & Three wheeler Finance	10,620	11,786	-	11,786	11%	6%	5%
Urban Sales Finance	14,920	16,712	-	16,712	12%	8%	7%
Urban B2C	36,344	45,108	1,625	46,733	29%	20%	20%
Rural Sales Finance	3,993	4,684	-	4,684	17%	2%	2%
Rural B2C	14,311	18,458	-	18,458	29%	8%	8%
SME Lending	23,153	30,739	141	30,880	33%	13%	13%
Securities Lending	9,127	12,177	-	13,257	45%	5%	6%
Commercial Lending	10,478	14,848	-	14,848	42%	6%	6%
Mortgages	58,304	13,847	63,815	73,484	26%	32%	33%
Total	1,81,250	1,68,359	65,581	2,30,842	27%	100%	100%
Co-brand Credit Card CIF	2.60 MM			3.29 MM	27%		
EMI Card CIF	27.5 MM			35.9 MM	31%		

Business segment wise AUM - Mortgages

BAJAJ FINANCE LIMITED

₹ in Crore

Consolidated mortgages					
Assets Under Management (Businesses)	AUM as of 31 Dec 2021	AUM as of 31 Dec 2022	Growth YoY	Composition as of 31 Dec 2021	Composition as of 31 Dec 2022
Home Loans	33,067	41,334	25%	57%	56%
Loan against property	12,318	13,326	8%	21%	18%
Lease rental discounting	7,420	11,180	51%	13%	15%
Developer Finance	2,907	4,914	69%	5%	7%
Rural Mortgages	2,592	2,730	5%	4%	4%
Other loans	-	-	-	-	-
Total	58,304	73,484	26%	100%	100%

Bajaj Housing Finance Limited					
Assets Under Management (Businesses)	AUM as of 31 Dec 2021	AUM as of 31 Dec 2022	Growth YoY	Composition as of 31 Dec 2021	Composition as of 31 Dec 2022
Home Loans	30,409	39,687	31%	62%	61%
Loan against property	5,927	6,878	16%	12%	10%
Lease rental discounting	6,196	9,835	59%	13%	15%
Developer Finance	2,907	4,914	69%	6%	7%
Rural Mortgages	2,233	2,501	12%	5%	4%
Other loans	1,531	1,766	15%	2%	3%
Total	49,203	65,581	33%	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 Dec 22	GNPA	NNPA	PCR (%)	GNPA %			NNPA %		
					31 Dec 19	30 Sep 22	31 Dec 22	31 Dec 19	30 Sep 22	31 Dec 22
Two & Three Wheeler Finance	11,786	748	373	50%	5.68%	8.01%	5.99%	2.61%	4.17%	3.08%
Urban Sales Finance	16,712	109	17	85%	0.92%	0.53%	0.64%	0.18%	0.09%	0.10%
Urban B2C	46,733	500	125	75%	1.34%	0.93%	1.08%	0.38%	0.23%	0.27%
Rural Sales Finance	4,684	29	4	86%	0.59%	0.54%	0.61%	0.12%	0.08%	0.09%
Rural B2C	18,458	254	70	73%	1.33%	1.23%	1.34%	0.44%	0.35%	0.37%
SME Lending	30,880	484	121	75%	1.41%	1.45%	1.54%	0.36%	0.37%	0.39%
Securities Lending	13,257	2	2	7%	-	0.02%	0.01%	-	0.02%	0.01%
Commercial Lending	14,848	36	19	48%	0.60%	0.27%	0.24%	0.25%	0.14%	0.12%
Mortgages	73,484	448	203	54%	1.36%	0.65%	0.64%	0.99%	0.30%	0.29%
Total	2,30,842	2,610	934	64%	1.61%	1.17%	1.14%	0.70%	0.44%	0.41%

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
		OTR*	Normal			OTR*	Normal			OTR*	Normal	
Two & Three Wheeler Finance	10,974	-	768	748	175	-	154	375	1.6%	-	20.0%	50.1%
Urban Sales Finance	16,755	-	115	109	122	-	54	92	0.7%	-	46.9%	84.6%
Urban B2C	45,090	1	666	500	570	0	235	375	1.3%	10.0%	35.3%	75.0%
Rural Sales Finance	4,689	-	29	29	23	-	16	25	0.5%	-	52.7%	86.2%
Rural B2C	18,333	-	399	254	234	-	110	184	1.3%	-	27.5%	72.6%
SME Lending	30,789	0	201	484	301	0	71	363	1.0%	10.0%	35.3%	75.0%
Securities Lending	13,284	-	9	2	6	-	0	0	0.0%	-	0.1%	6.5%
Commercial Lending	14,845	-	14	36	36	-	0	17	0.2%	-	0.2%	47.9%
Mortgages	69,484	266	392	448	384	63	84	245	0.6%	23.6%	21.7%	54.5%
Total as of 31 Dec 2022	2,24,243	267	2,593	2,610	1,851	63	724	1,676	0.8%	23.6%	27.9%	64.2%
Total as of 30 Sep 2022	2,11,180	341	2,815	2,530	1,658	79	830	1,577	0.8%	23.2%	29.5%	62.3%
Total as of 30 Jun 2022	1,96,360	474	3,095	2,539	1,569	109	916	1,521	0.8%	23.0%	29.6%	59.9%

Provisioning Coverage - BHFL

BAJAJ FINANCE LIMITED

₹ in Crore

Particulars	AUM 31 Dec 22	GNPA	NNPA	PCR (%)	GNPA %			NNPA %		
					31 Dec 19	30 Sep 22	31 Dec 22	31 Dec 19	30 Sep 22	31 Dec 22
Home Loans	39,687	70	31	56%	0.08%	0.21%	0.19%	0.06%	0.09%	0.08%
Loan against property	6,878	32	18	45%	0.08%	0.52%	0.59%	0.05%	0.30%	0.33%
Lease rental discounting	9,835	-	-	-	-	-	-	-	-	-
Developer Finance	4,914	-	-	-	-	-	-	-	-	-
Rural Mortgages	2,501	25	10	61%	0.20%	1.34%	1.30%	0.14%	0.62%	0.52%
Other loans	1,766	8	3	66%	0.10%	0.40%	0.47%	0.04%	0.11%	0.15%
Total	65,581	135	61	55%	0.07%	0.24%	0.23%	0.05%	0.11%	0.10%

Stagewise ECL provisioning – BHFL

BAJAJ FINANCE LIMITED

₹ in Crore

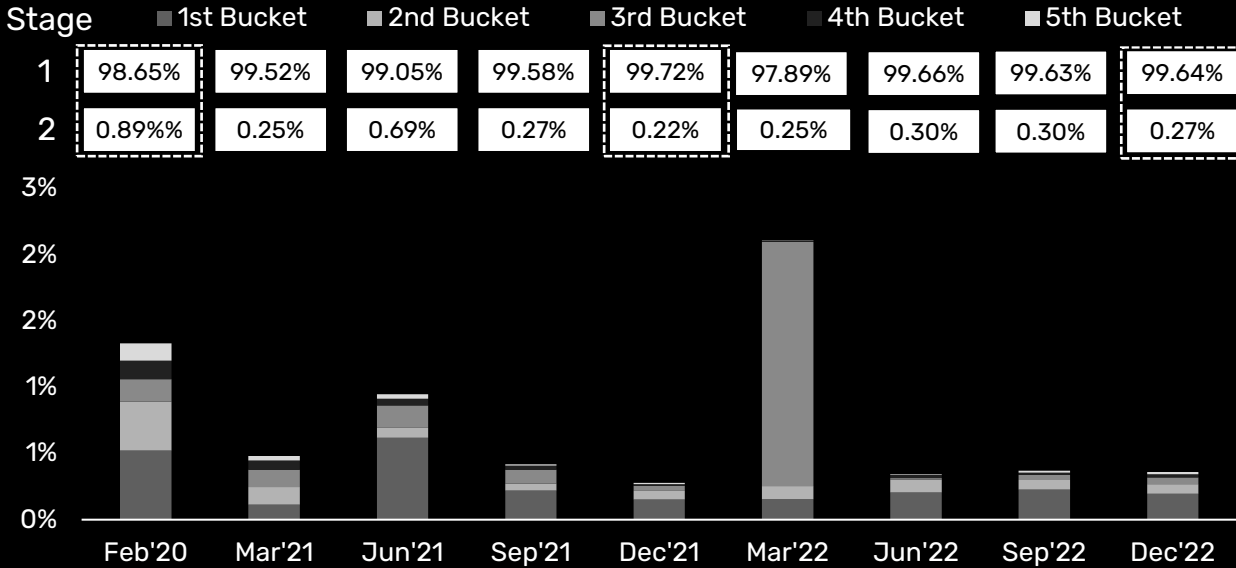
	Gross Assets Receivable				ECL Provision				PCR %			
	Stage 1	Stage 2		Stage 3	Stage 1	Stage 2		Stage 3	Stage 1	Stage 2		Stage 3
		OTR*	Normal			OTR*	Normal			OTR*	Normal	
Home Loans	36,062	113	101	70	182	29	19	39	0.5%	25.9%	18.4%	55.9%
Loan against property	5,209	41	62	32	34	10	10	14	0.7%	23.4%	15.6%	44.2%
Lease rental discounting	8,161	0	0	0	53	0	0	0	0.6%	0.0%	0.0%	0.0%
Developer Finance	4,951	0	0	0	38	0	0	0	0.8%	0.0%	0.0%	0.0%
Rural Mortgages	1,801	20	43	25	11	5	7	15	0.6%	23.3%	16.8%	60.0%
Other loans	1,769	4	9	8	15	1	3	6	0.8%	23.9%	28.9%	67.5%
Total as of 31 Dec 2022	57,952	179	215	135	333	45	38	74	0.6%	25.0%	17.7%	54.6%
Total as of 30 Sep 2022	54,848	219	219	131	314	55	38	71	0.6%	25.1%	17.3%	54.2%
Total as of 30 Jun 2022	49,878	244	248	134	283	62	42	78	0.6%	25.6%	16.9%	58.2%

* Represents non overdue OTR assets classified as Stage 2

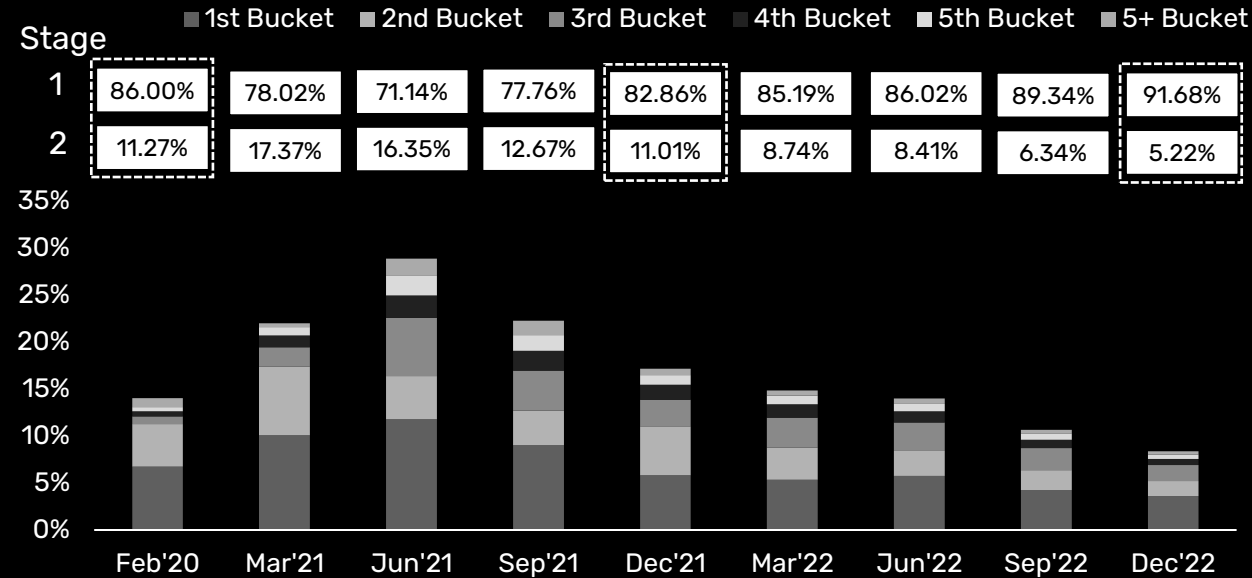
Portfolio credit quality – Consolidated

BAJAJ FINANCE LIMITED

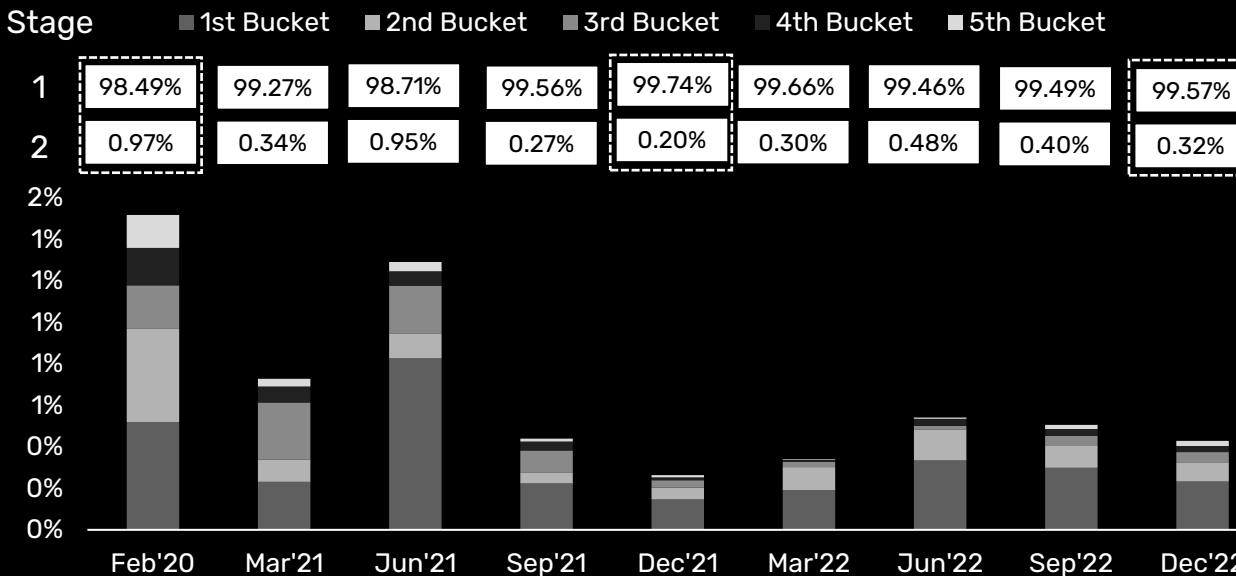
Consumer Durable & Lifestyle



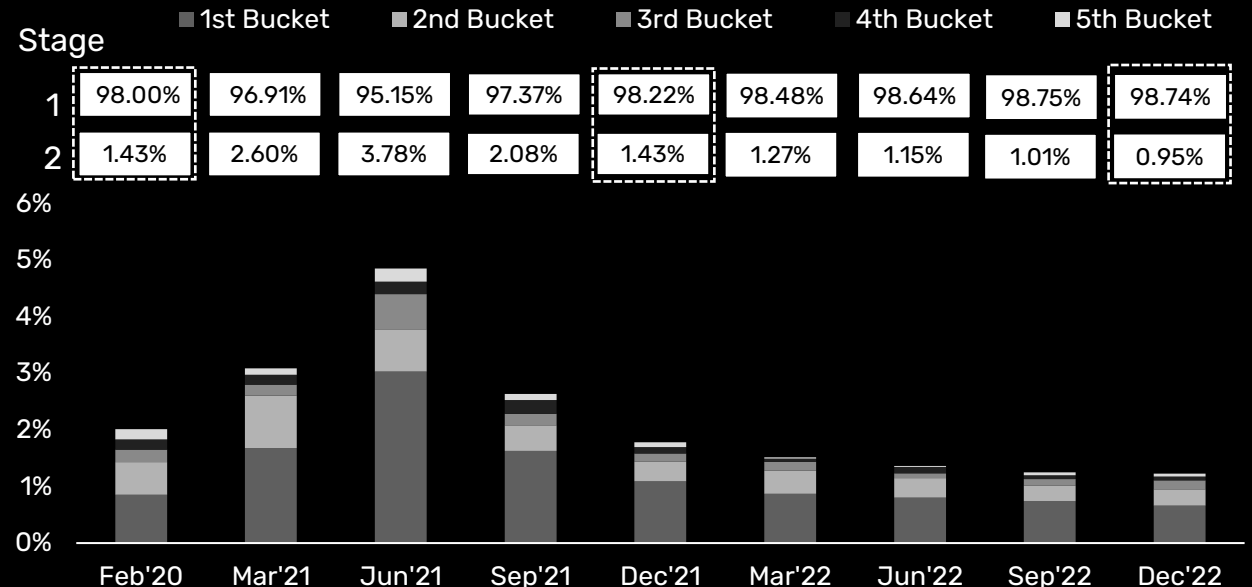
Two & three wheeler



Digital product



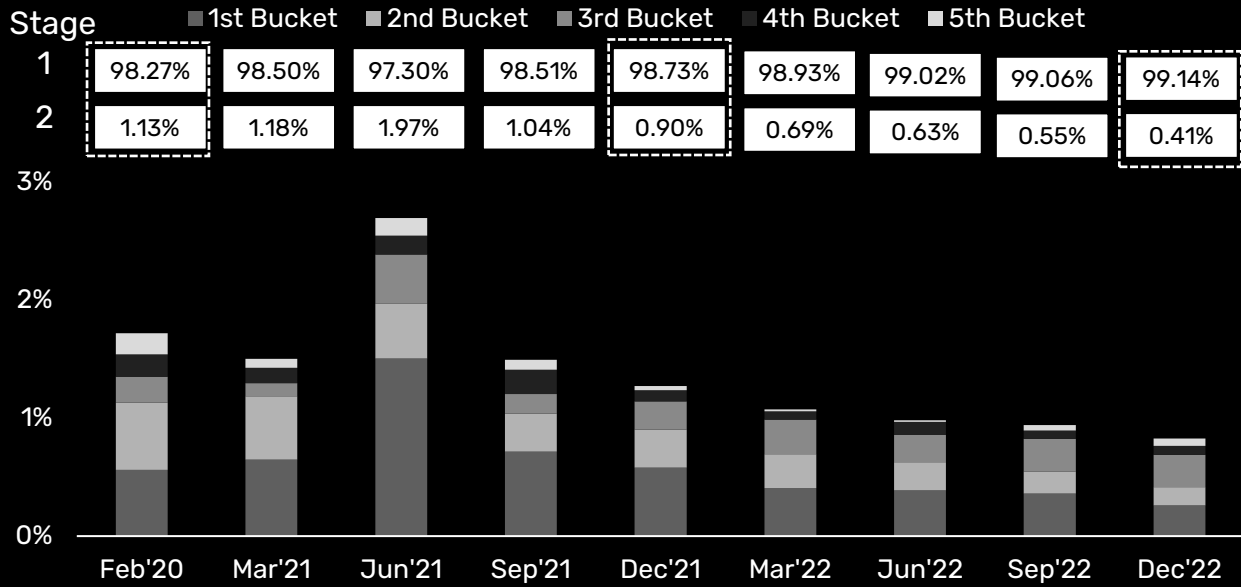
Urban B2C



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

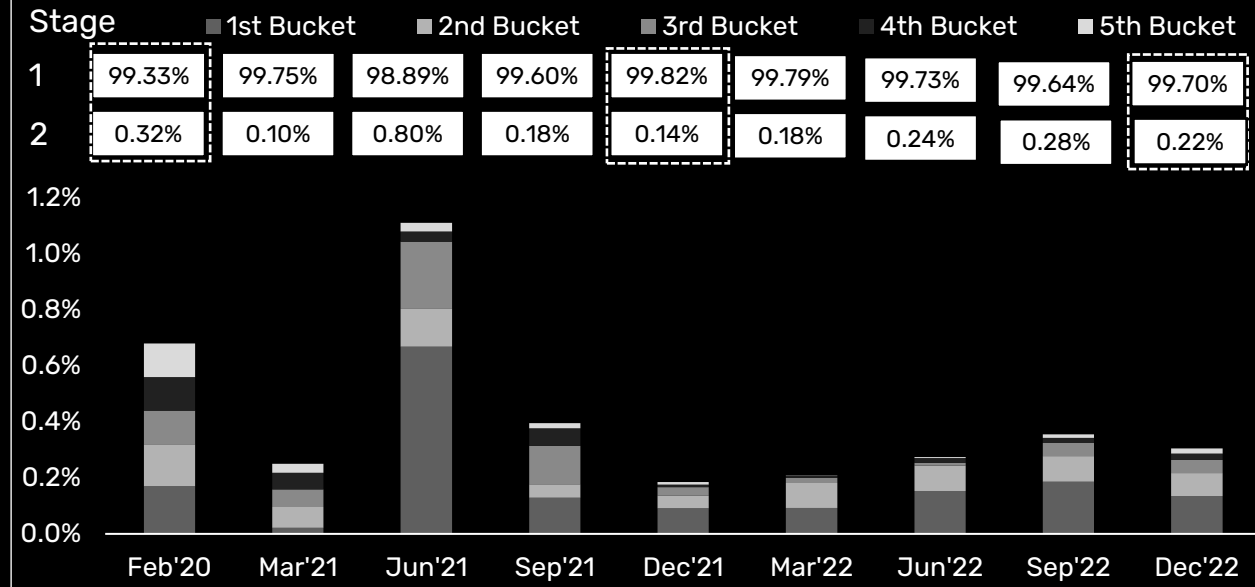
Portfolio credit quality – Consolidated

Business & professional loans

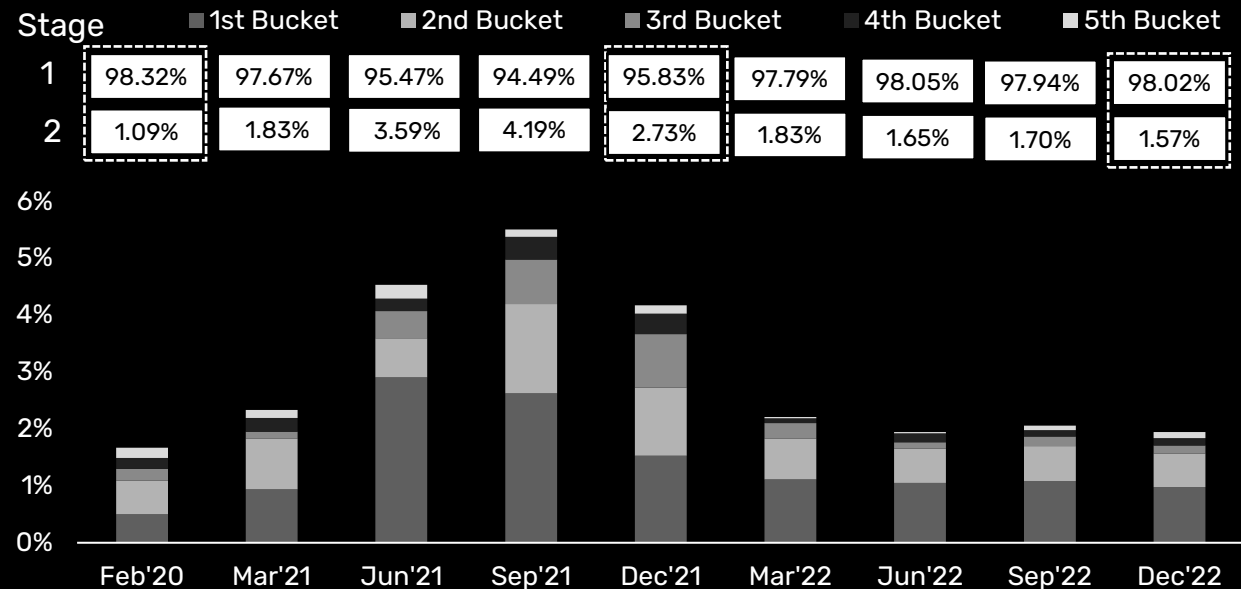


BAJAJ FINANCE LIMITED

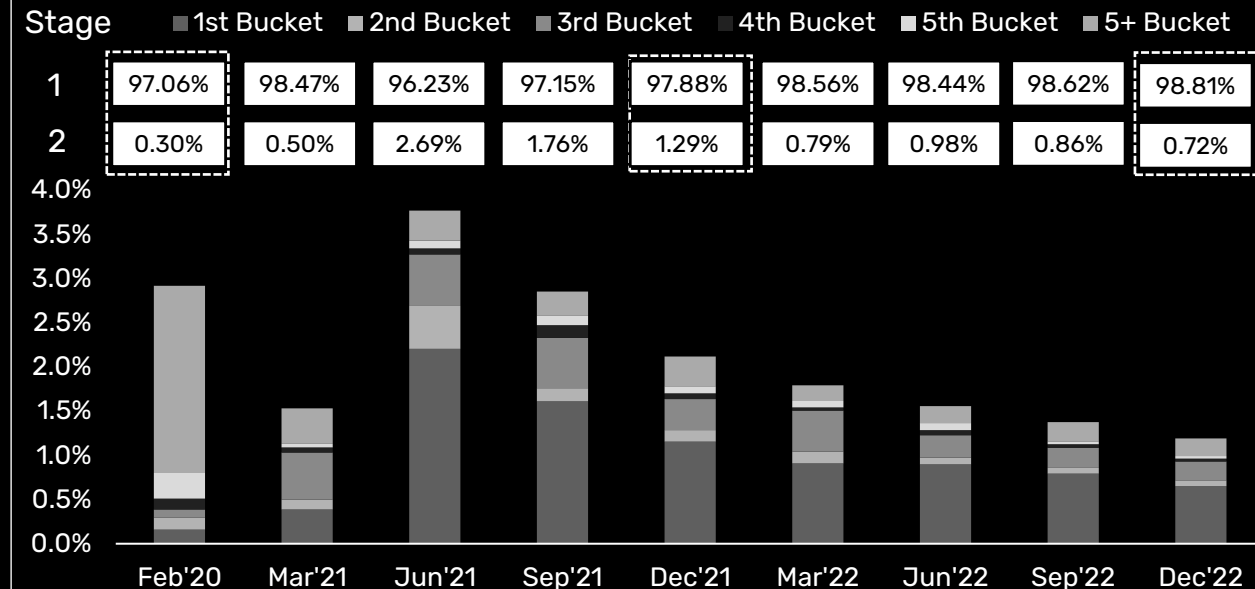
Rural B2B



Rural B2C



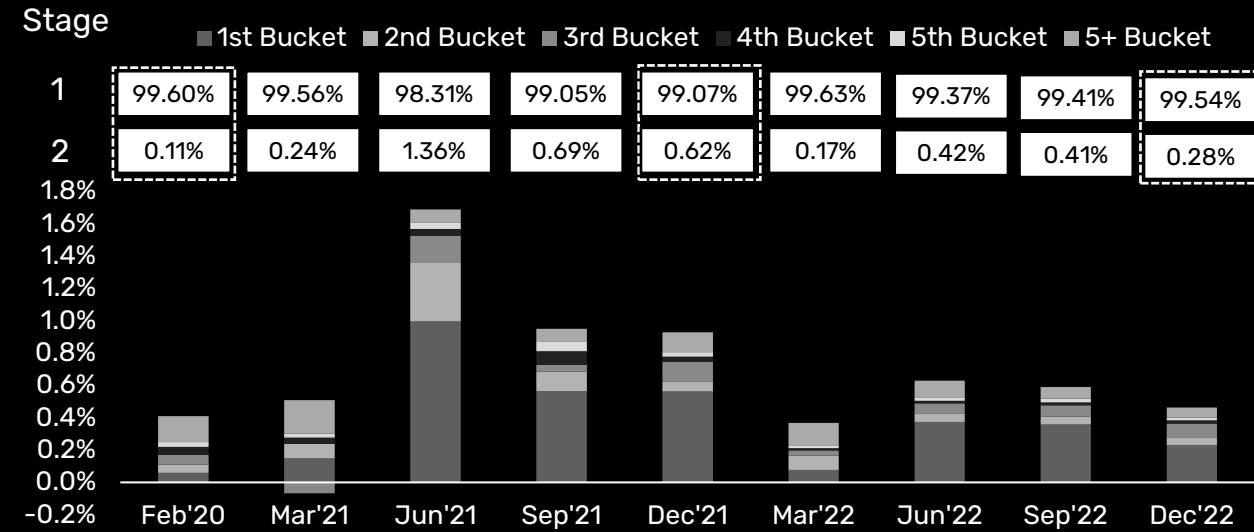
Loan against property



Portfolio credit quality – Consolidated

BAJAJ FINANCE LIMITED

Home loans ●



Commercial lending ●

- Commercial lending business portfolio is 99.88% current

Securities lending ●

- Securities lending business portfolio is 99.99% current

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BAJAJ FINANCE LIMITED
Q3 FY23 Investor Presentation
Thank You

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