

18 January 2022

THE MANAGER, BSE LIMITED DCS - CRD PHIROZE JEEJEBHOY TOWERS DALAL STREET, MUMBAI - 400 001	THE MANAGER, LISTING DEPARTMENT NATIONAL STOCK EXCHANGE OF INDIA LTD. EXCHANGE PLAZA, C-1. BLOCK G, BANDRA - KURLA COMPLEX, BANDRA (EAST) MUMBAI - 400 051
SCRIP CODE: 500034	SCRIP CODE: BAJFINANCE – EQ

Dear Sir/Madam,

Sub: Investor Presentation for the quarter ended 31 December 2021

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Investor Presentation for the quarter ended 31 December 2021.

Please access the link to view live webcast of conference call scheduled to be held on 18 January 2021 at 6.00 p.m. IST: <https://links.ccwebcast.com/?EventId=BFE18012022>

We request you to kindly take the same on record.

Thanking you,
Yours Faithfully,
For Bajaj Finance Limited

**VIJAY
RAMCHANDRA**

Digitally signed by VIJAY RAMCHANDRA
DN: cn=IN, st=Karnataka,
2.5.4.20=64bc3edc7e63172c0a53bca53faa863408256a
c57c996ad0eca064c4843fa, postalCode=560027,
street=behind double road banglore south,
serialNumber=d8684815269e525c72aa7633770e8c160
d8444b57fa2f224f0cee0a8c26d0e, o=Personal,
cn=VIJAY RAMCHANDRA,
pseudoym=a6027f465e248f6bb9b161671c99c
Date: 2022.01.18 17:48:20 +05'30'

R. Vijay
Company Secretary
Email ID: investor.service@bajajfinserv.in

Encl.: As above

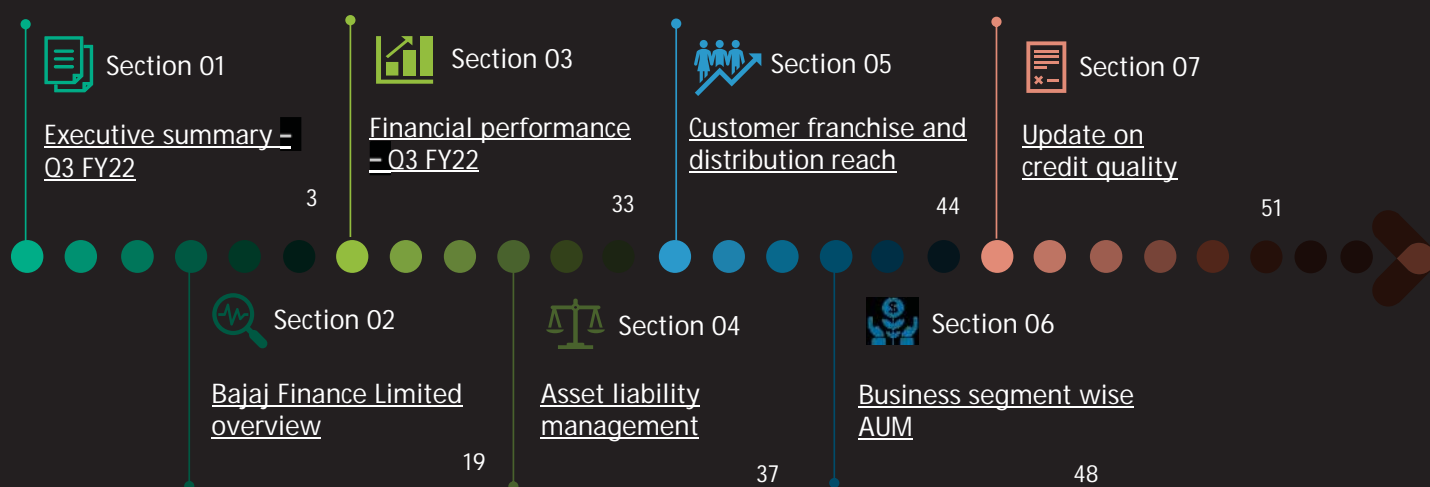


BAJAJ FINANCE LIMITED

Q3 FY22 Investor Presentation
18 January 2022

Presentation Path

BAJAJ FINANCE LIMITED



Click on the section to view

 **Section 01**
Executive summary – Q3 FY22

1.1 Quarter gone by

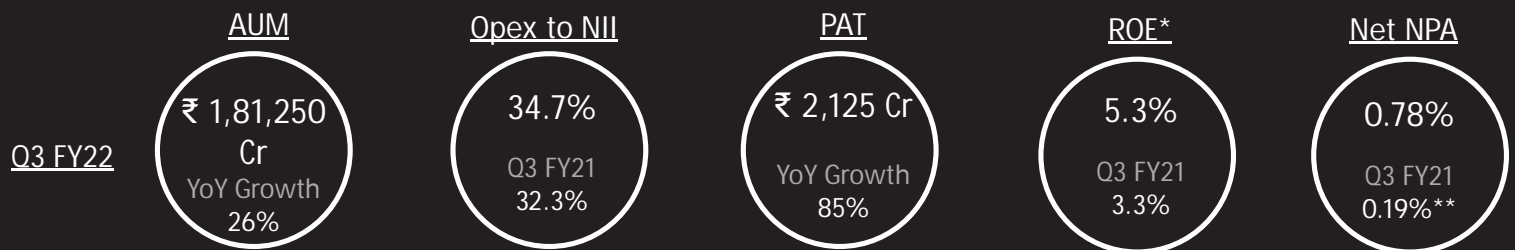
1.2 Lead financial indicators

1.3 Business Transformation Update

Quarter gone by

BAJAJ FINANCE LIMITED

A very good quarter for the Company. Across the board improvement in all metrics. The Company is well prepared to navigate wave 3 given strong management overlay provisions and significantly improved stage 2 and 3 assets. Business transformation phase 1 is delivered and execution for phase 2 has started.



*Not annualized

**Not relevant as this NPA was based on Hon'ble Supreme court's interim order of not classifying NPA. Without the Hon'ble Supreme court's order it was 1.22%.

Lead financial indicators

1. At the outset, YoY numbers are not comparable due to dislocation caused by the pandemic.
2. Highest ever Core AUM growth* of ₹ 14,700 crore in a quarter. AUM as of 31 December 2021 was up 26% at ₹ 1,81,250 crore as against ₹ 1,43,550 crore as of 31 December 2020. AUM composition remained steady. So far in January, there is no impact on business momentum. If the third wave does not create disruption, Company expects Q4 and full year AUM growth to remain strong.
3. The Company booked 7.44 MM new loans in Q3 FY22 as against 6.04 MM in Q3 FY21.
4. Customer franchise stood at 55.36 MM as of 31 December 2021, a growth of 20% YoY. In Q3, customer franchise grew by 2.56 MM. With the increase in adoption of new App, the annual customer franchise addition should accelerate to 8-9 MM as against earlier guidance of 7-8 MM.
5. Cross sell franchise stood at 31.26 MM, a growth of 24% YoY.
6. Geographic footprint stood at 3,423 locations and 1,28,300+ distribution points. In Q3, the Company expanded in 94 new locations.
7. Competitive intensity across products has increased rapidly post wave 2. So far, the Company has been able to protect its margin profile across businesses.
8. Interest income reversal for Q3 FY22 was ₹ 241 crore. By Q4, Interest reversals should normalise to pre-Covid levels of ₹ 180-200 crore.
9. Cost of funds has further reduced to 6.72% in Q3 FY22 vs 6.77% in Q2 FY22. In Q3, the Company raised ₹ 2,722 crore of NCDs in 3 years and above tenor. This included ₹ 2,117 crore raised in 10 year and above tenor. Liquidity buffer was ₹ 14,400 crore as of 31 December 2021. Liquidity buffer will normalize to ₹ 11,000 crore levels by Q4 FY22.

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

Lead financial indicators

10. Deposits book grew by 28% YOY to ₹ 30,481 crore as of 31 December 2021. Its contribution to consolidated borrowings was 20%. Retail : Corporate mix stood at 69 : 31 in Q3 FY22.
11. Opex to NII for Q3 FY22 was 34.7%. The Company estimates Opex to NII metric to normalise to 33-34% in Q4. The Company continues to invest in teams and technology for business transformation.
12. Loan losses and provisions for the quarter were ₹ 1,051 crore. In Q3, the Company has increased management overlay provision from ₹ 832 crore as of 30 September 2021 to ₹ 1,083 crore to protect itself from probable losses arising out of third wave.
13. **Debt management efficiencies across products improved further in Q3. So far, in January'22, the bounce rates and debt management efficiencies are in line with December'21.**
14. Given continued uncertainty of Covid waves, the Company intends to exit FY22 with sufficient management overlay provisions. As a result, the Company expects its loan loss and provision to be now in the range of ₹ 4,800 – 5,000 crore for FY22.
15. GNPA & NNPA as of 31 December 2021 stood at 1.73% and 0.78% compared to 2.45% and 1.10% as of 30 September 2021. **The Company's GNPA and NNPA ratios are now back to pre-Covid levels.**
16. In Q3, the Company has changed its NPA classification criteria from number of EMI outstanding to Days Past Due approach in line with the RBI circular dated 12 November 2021 - **"Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications". This change did not cause any negative impact on Company's GNPA.**
17. Overall stage 2 assets as of 31 December 2021 reduced to ₹ 5,299 crore vs ₹ 5,962 crore as of 30 September 2021.
18. Overall stage 3 assets as of 31 December 2021 reduced to ₹ 3,108 crore vs ₹ 4,103 crore as of 30 September 2021.

Lead financial indicators

19. On portfolio credit quality, from a management assurance standpoint 7 portfolios were green and back to pre-Covid levels and 2 were yellow (2-wheeler and home loan).
20. Consolidated post tax profit grew by 85% to ₹ 2,125 crore in Q3 FY22 as compared to ₹ 1,146 crore in Q3 FY21.
21. Capital adequacy remained very strong at 26.96% as of 31 December 2021. Tier-1 capital was 24.44%.
22. In Q3, the Company has delivered on all its long-term financial guidance metrics. AUM growth was 26%, profit growth was 85%, annualized return on assets was 5.1%, annualized return on equity was 21.2%, gross NPA was 1.73% and net NPA was 0.78%. The Company is now back to pre-Covid long-term guidance metrics.
23. BHFL AUM grew by 39% to ₹ 49,203 crore as of 31 December 2021.
24. Capital adequacy of BHFL was 19.37% as of 31 December 2021.
25. BHFL delivered post tax profit of ₹ 185 crore in Q3 FY22 compared to ₹ 99 crore in Q3 FY21, a growth of 87%.
26. BFL board has approved infusion of ₹ 2,500 crore of equity share capital in BHFL to support its capital needs for next 24 months.
27. BFSL acquired 65K customers in Q3 FY22. Its Retail and HNI customer franchise stood at 269K as of 31 December 2021. In Q3, BFSL has changed its acquisition strategy to focus on higher activation rate.
28. BFSL delivered post tax profit of ₹ 7 crore in Q3 FY22.
29. BFL board has approved infusion of ₹ 400 crore of equity share capital in BFSL to support its growth plans for next 24 months.

Business Transformation update

As a Company, we believe that the purpose of any business transformation is a means to an end. It should result in stronger growth momentum, superior customer experience, better cross sell, lower risk and/or improved operating efficiencies. We are pursuing business transformation **singularly with that objective...**

At the outset, “All business transformation takes time, team and technology.” It’s been 15 months since we started phase 1 of business transformation project. Due to wave 2, it got delayed by 3 months. Phase 1 of the digital platform has now gone live with a staggered release methodology. The Company plans to transition all consumers to the new digital platform from February onwards. Next 2 slides cover **details of the new digital platform and the way forward...**

'3-in-1' digital platform – Phase 1 feature set



Payments	UPI	Wallet	EMI Card	Credit Card	6-in-1 Payment Checkout	Bill Payment		
Network	CD Network	DPF Network	REMI Network	LSF Network	LCF Network	E-Com Network	Coaching Network	
Marketplace & Proprietary Apps	No cost EMI Marketplace	Insurance Marketplace	Investment Marketplace	Health RX	Demat and Broking			
3-in-1 Financial Services	No Cost EMI	Unsecured Loans	Mortgage Loans	Other Secured	SME/Prof. Lending	Cards	Deposits	Fee based Services
	<ul style="list-style-type: none"> Consumer Durable Mobile Lifestyle 	<ul style="list-style-type: none"> Personal Loans(2) Salaried PL-Lead 	<ul style="list-style-type: none"> Home Loan LAP 	<ul style="list-style-type: none"> Gold Loan LAS Used Car 	<ul style="list-style-type: none"> Professional Loans SME Loans Medical equipment 	<ul style="list-style-type: none"> EMI Card RBL Bank Card 	<ul style="list-style-type: none"> Fixed Deposit Systematic Dep Plan (SDP) 	<ul style="list-style-type: none"> Fin fitness report Credit health report
Rewards	Earn For "Payment transactions"				Burn			
	Offers	Cashbacks	Vouchers	Bajaj Coins	Convert to Cash	Bill Payment	Voucher Purchase	
Integrated Voice and Marketing Cloud	Customer Data Platform	Centralized Offer Repository	Multi Channel Orchestration	Multi Dialler Orchestration	Cloud Telephony Infra for Distributed Sales Workforce			
Productivity Apps	Sales One App		Debt management One App		Partner One App 1.0			
Services	Information	EMI , Credit Card	Statement	Documents	Repayment	FD & SDP	Profile Update	Calculators
	<ul style="list-style-type: none"> Loan Info Deposit Info Flexi Loan Info Mandate Services Mutual Fund 	<ul style="list-style-type: none"> Card Limit Card Status Card Block/Unblock PIN Change 	<ul style="list-style-type: none"> Loan Statement Repay Schedule FD Statement NOC Cert. of Insurance Gold receipt 	<ul style="list-style-type: none"> Invoice EMI Charge Slip App. Form T & C Agreement Form 15G 	<ul style="list-style-type: none"> Overdue, Advance Payments Prepayments Drawdown 	<ul style="list-style-type: none"> FD Details TDS Waiver Nominee addition 	<ul style="list-style-type: none"> PAN Update Mobile Update Email ID Update Address Update DOB Update 	<ul style="list-style-type: none"> EMI Calculator Flexi Calculator Loan Eligibility FD Calculator
Engagement Stack (31)	Travel (4)	Entertainment (3)	Food (3)	Utilities(4)	Shopping(6)	Health & Wellness(4)	Education(1)	Other Networks(6)



'3-in-1' digital platform – Phase 1 enablers

Core Components (20)	Stimulation <ul style="list-style-type: none"> Notification Engine Nudges Personalization 	Offers and Promotions <ul style="list-style-type: none"> Dynamic Banners Offers Wishlist 	Search <ul style="list-style-type: none"> Search Content Streams 	Service <ul style="list-style-type: none"> Raise a Request FAQ Document Centre 	Sales <ul style="list-style-type: none"> 5 Mins Call Back Track and Resume Application 	Engagement <ul style="list-style-type: none"> Social Share NPS/Feedback In-App Programs 	Utilities <ul style="list-style-type: none"> Locate Us- Maps QR Calculators Expense Manager
Data	Channels Data <ul style="list-style-type: none"> Web Mobile IVR Dialler Email 	Structured <ul style="list-style-type: none"> Customer Demographics Loan & Other Information Banking & Collections Transactions 	Unstructured <ul style="list-style-type: none"> Cookies Consent based SMS data Click Streams 	Consent based App Data <ul style="list-style-type: none"> Device Info Appography Contacts Info Network Info 			
APIs	400+ Digital APIs						
Core Platform	Loan/Deposit Origination Platform <ul style="list-style-type: none"> Loan/Deposit Sourcing APIs Journey Workflows Journey Business Rules Decision Engine 	Loan/ Deposit Booking Platform <ul style="list-style-type: none"> Loan Booking APIs Loan Disbursement APIs Deposit Booking APIs 	Debt Management Platform <ul style="list-style-type: none"> Overdue Payment APIs Advance Payment APIs Loan Settlement APIs 	Loan/Deposit Service Management Platform <ul style="list-style-type: none"> Service APIs for Loans Repayment APIs Service APIs for Deposits 			
Core Infrastructure	High Availability (HA) Infrastructure	Disaster Recovery (DR) Infrastructure	Near DR Infrastructure	Cyber Security	Data Security		
Digital & Data Infrastructure	Data Lake	Enterprise Datawarehouse	Change Data Mgmt	APIs / Micro Services	Kubernetes	TechOps	
New Talent Onboarded	120+ UI/UX , Content Management, & Digital Domain specialist	120+ Payment Domain Resources	240+ Engineering Resources	60+ Data Resources	40+ Core Platform & Infra Resources		<ul style="list-style-type: none"> Onboarded 580+ Laterals and Fresh hires in last 18 Months in multiple domains

There are 15 stacks and 55 features and components.

Previous 2 slides have covered the phase 1 of transformation journey. Phase 1 was focused on creating a strong, stable and scalable foundation. Phase 2 will focus on new to Bajaj customer journeys, introducing new features and functionalities, augmenting current feature sets and nuanced journeys for existing customers for each **line of business to take them closer and closer to DIY...**

'3-in-1' digital platform – Phase 2 feature set



Payments	UPI	Wallet	EMI Card	Credit Card	6-in-1 Payment Checkout	Bill Payment	POS terminals	6-in-1 Check Out for Partners	QR Based P2M Transaction	
Network	CD Network	DPF Network	REMI Network	LSF Network	LCF Network	E-Com Network	Coaching Network	P2M Network	QR Network	
Marketplace & Proprietary Apps	No cost EMI Marketplace	Insurance Marketplace	Investment Marketplace	2-Wheeler Marketplace	Health RX	Doctor RX	Demat and Broking			
3-in-1 Financial Services	No Cost EMI • Cons. Durable- NTB • Mobile- NTB • Lifestyle- NTB	Unsecured Lending • Personal Loans(9) • Salaried PL (3) • Short Term Wallet Loan	Mortgage • Home Loan • LAP	Other Secured • Gold Loan(3) • LAS • 2-Wheeler and Used Car	SME/Prof. Lending • Prof. Loans(3) • SME Loans (3) • Medical equipment	Cards • EMI Card • RBL Bank Card • DBS Bank Card	Deposits • Fixed Deposits(4) • SDP(2) • Loan Against FD	Fee based Services • Fin fitness report • Credit health report 2.0		
Rewards	Earn For Payments, Loans and Commerce				Burn					
	• Offers	• Cashbacks	• Vouchers • Merchant Sponsored Vouchers	• Bajaj Coins	• Convert to Cash	• Bill Payment	• Voucher Purchase			
Integrated Voice and Marketing Cloud	Customer Data Platform	Centralized Offer Repository	Multi Channel Orchestration	Multi Dialler Orchestration	Cloud Telephony Infra for Distributed Sales Workforce	Voice Call Governance				
Productivity Apps	Sales One App • Enhanced Engage & Compliance Frames		Debt management One App • Compliance, Legal & Repo Mgmt.		Partner One App 2.0 • Loan Sourcing , Dashboards		Merchant One App • Onboarding, Payment Dashboards			
Services	Information • Loan Info • Deposit Info • Flexi Loan Info • Mandate Services • Mutual Fund	EMI, Credit Card • Card Limit • Card Status • Card Block/Unblock • PIN Change	Statement • Loan Stat. • Repay Schedule • FD Statement • NOC • COI • GDR	Documents • Invoice • EMI Charge Slip • App. Form • T & C • Agreement • Form 15G	Repayments • Overdue, Adv Payments • Prepayments • Drawdown • EMI Vault	FD & SDP • FD Details • Nominee addition • Renew FD • TDS Waiver • Pre-Maturity, Start Stop SDP	Profile Update • PAN Update • Mobile Update • Email ID Update • Address Update • DOB Update	Calculators • EMI Calculator • Flexi Calculator • Loan Eligibility • FD Calculator • Mortgage Cal		
Engagement Stack(58)	Travel (6)	Entertainment(5)	Food(11)	Utilities(4)	Shopping (18)	Health & Wellness(4)	Education(1)	Other Networks(7)	Donate(2)	30+ Engagement Apps

'3-in-1' digital platform – Phase 2 enablers

Core Components (23)	Stimulation	Offers and Promotions	Search	Service	Sales	Engagement	Utilities
	<ul style="list-style-type: none"> Notification Engine Nudges Personalization 	<ul style="list-style-type: none"> Dynamic Banners Offers Wishlist Segmented Banners 	<ul style="list-style-type: none"> Search Content Streams Geo & Context Based Search 	<ul style="list-style-type: none"> Raise a Request FAQ Document Centre 	<ul style="list-style-type: none"> 5 Mins Call Back Track and Resume Application 	<ul style="list-style-type: none"> Social Share NPS/Feedback In-App Programs Personalized App Features 	<ul style="list-style-type: none"> Locate Us- Maps QR Calculators Expense Manager
Data	Channels Data	Structured	Unstructured	Consent based App Data	Contextual Data		
	<ul style="list-style-type: none"> Web Mobile IVR Dialler Email 	<ul style="list-style-type: none"> Customer Demographics Loan & Other Information Banking & Collections Transactions Financial Services Journey Heatmaps 	<ul style="list-style-type: none"> Cookies Consent based SMS Data Consent based Email Data Click Streams 	<ul style="list-style-type: none"> Device Info Appography Contacts Info Network Info 	<ul style="list-style-type: none"> Personal Events External Events 		
APIs	600+ Digital APIs						
Core Platform	Loan/Deposit Origination Platform	Loan/ Deposit Booking Platform	Debt Management Platform	Loan/Deposit Service Management Platform			
	<ul style="list-style-type: none"> Loan/Deposit Sourcing APIs 2.0 Journey Workflows 2.0 Journey Business Rules 2.0 Decision Engine 	<ul style="list-style-type: none"> Loan Booking APIs Loan Disbursement APIs Deposit Booking APIs 	<ul style="list-style-type: none"> Overdue Payment APIs Advance Payment APIs Loan Settlement APIs 	<ul style="list-style-type: none"> Service APIs for Loans 2.0 Repayment APIs Service APIs for Deposits 			
Core Infrastructure	High Availability (HA) Infrastructure	Disaster Recovery(DR) Infrastructure	Near DR Infrastructure	Cyber Security	Data Security		
Digital & Data Infrastructure	Data Lake	Enterprise Datawarehouse	Change Data Mgmt	APIs / Micro Services	Kubernetes	TechOps	
New Talent Onboarded	<ul style="list-style-type: none"> Projected Cumulative addition of 1400+ Lateral and Fresh hires in Phase 1 and 2 of Digital Transformation Journey 						
	150+ UI/UX , Content Management, & Digital Domain specialist	400+ Payment Domain Resources	625+ Engineering Resources	130+ Data Resources	100+ Core Platform & Infra Resources		

There are 15 stacks and 72 features and components.

The Company plans to deliver Phase 2 in 8 to 9 months subject to no major disruption as a result of current & new Covid waves. Unlike phase 1, phase 2 will get delivered in 3-4 sprints. The first update on phase 2 will be provided in July quarter results. During this period, the Company remains committed to delivering its long-term guidance **metrics...**

Omnipresence strategy update

Geography

1. Total geographic footprint stood at 3,423 locations and 1,28,300+ distribution points. In Q3, the Company added 94 new locations to its distribution footprint. The Company is investing deeply in UP and Bihar to reduce concentration risk and create new growth opportunities.

Digital Platform

2. The current consumer app has 16.5 MM active customers as of 31 December 2021. 6 MM customers have transitioned to the new app as of now.
3. In Q3, the Company acquired 492K new EMI card customers digitally. Digital NTB EMI card CIF is now 1.3 MM. In Q3, digital NTB EMI card delivered 240K loans.
4. In Q3, EMI store visits were 44.8 MM. In Q3, Company booked 393K new loans from marketplace. EMI store currently hosts 27,917 SKUs across 23,250 merchants as of 31 December 2021.
5. The point-of-sale transformation delivered 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. In Q3, it delivered ₹ 599 crore in personal loans and 91.4K cards in credit card distribution business.

Payments

6. The Company has 4.7 MM customers on its wallet as of 31 December 2021. In Q3, it added 2.6 MM wallets.
7. QR based P2M transaction functionality on track to go live by February 2022.
8. Payment Aggregator (PA) & Bharat Bill Pay Operating Unit (BBPOU) is pending regulatory approvals.

Lead Financial Indicators – Subsidiary companies

BAJAJ FINANCE LIMITED

Bajaj Housing Finance Limited (BHFL)

1. AUM increased by 39% to ₹ 49,203 crore as of 31 December 2021 from ₹ 35,492 crore as of 31 December 2020.
2. Net Interest Income for Q3 FY22 increased by 30% to ₹ 429 crore from ₹ 329 crore in Q3 FY21.
3. Opex to NII stood at 28.7% in Q3 FY22 as against 26.4% in Q3 FY21.
4. Loan losses and provisions for Q3 FY22 was ₹ 56 crore as against ₹ 107 crore in Q3 FY21. BHFL has increased its management overlay provision to ₹ 203 crore as of 31 December 2021 from ₹ 166 crore as of 30 September 2021 to protect itself from probable losses arising out of third wave.
5. GNPA & NNPA as of 31 December 2021 stood at 0.35% and 0.18% respectively compared to 0.35% and 0.21% as of 30 September 2021.
6. Profit after tax increased 87% to ₹ 185 crore in Q3 FY22 against ₹ 99 crore in Q3 FY21.
7. Capital adequacy ratio (including Tier II capital) stood at 19.37% as of 31 December 2021.

Bajaj Financial Securities Limited (BFSL)

8. Acquired 65K customers in Q3 FY22. Its Retail and HNI customer franchise stood at 269K as of 31 December 2021. In Q3, BFSL has changed its acquisition strategy to focus on higher activation rate.
9. Total Income was ₹ 38 Crore in Q3 FY22 against ₹ 8 Crore in Q3 FY21.
10. Net profit for Q3 FY22 was ₹ 7 Crore against ₹ 1 Cr in Q3 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](#)

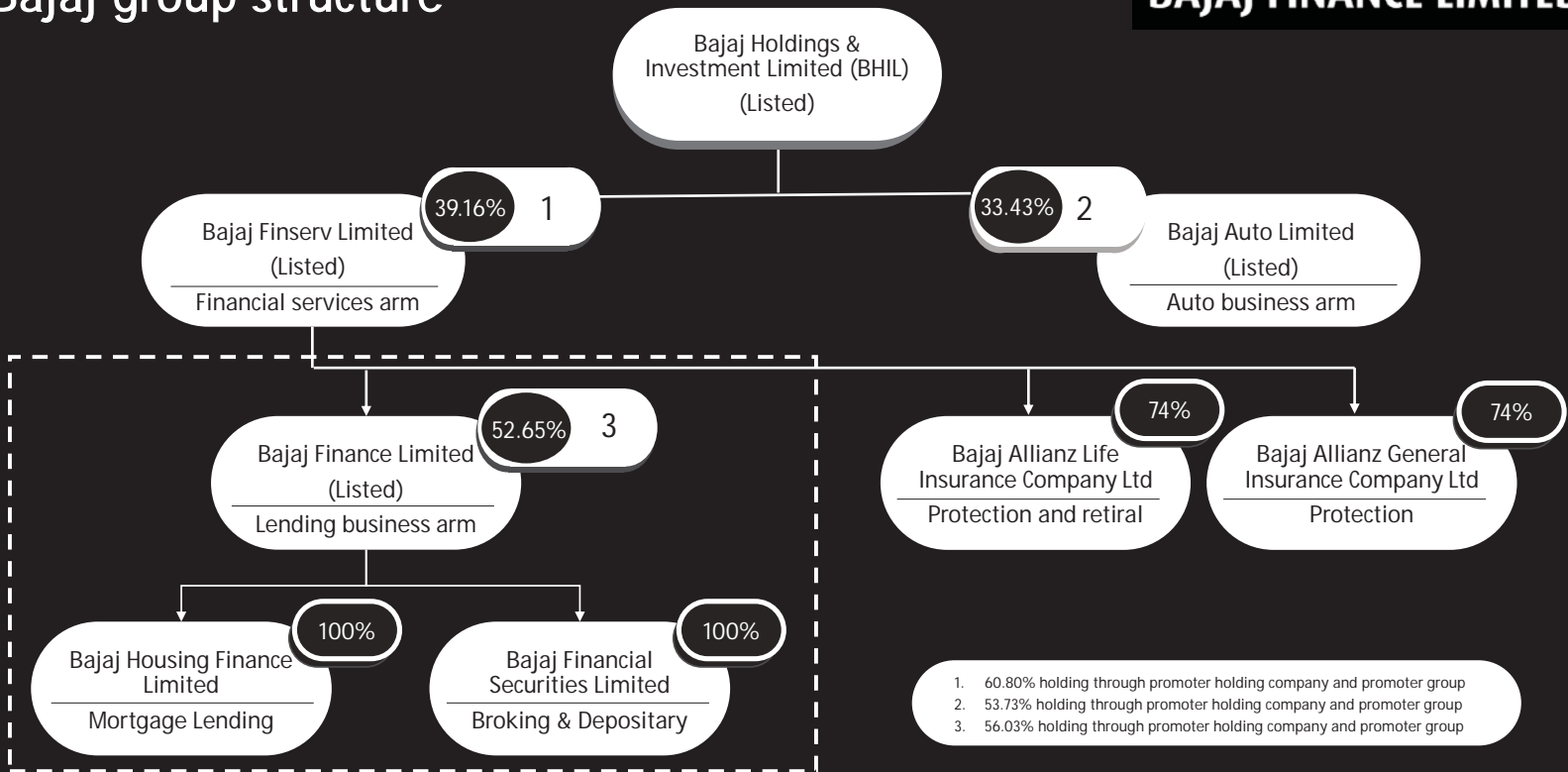
2.6 [14-years financial snapshot](#)

2.7 [Product suite](#)

2.8 [Executive summary](#)

Bajaj group structure

BAJAJ FINANCE LIMITED



Above shareholding is as of 31 December 2021

What do we stand for

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”

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 55.36 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% : 11% : 32%
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

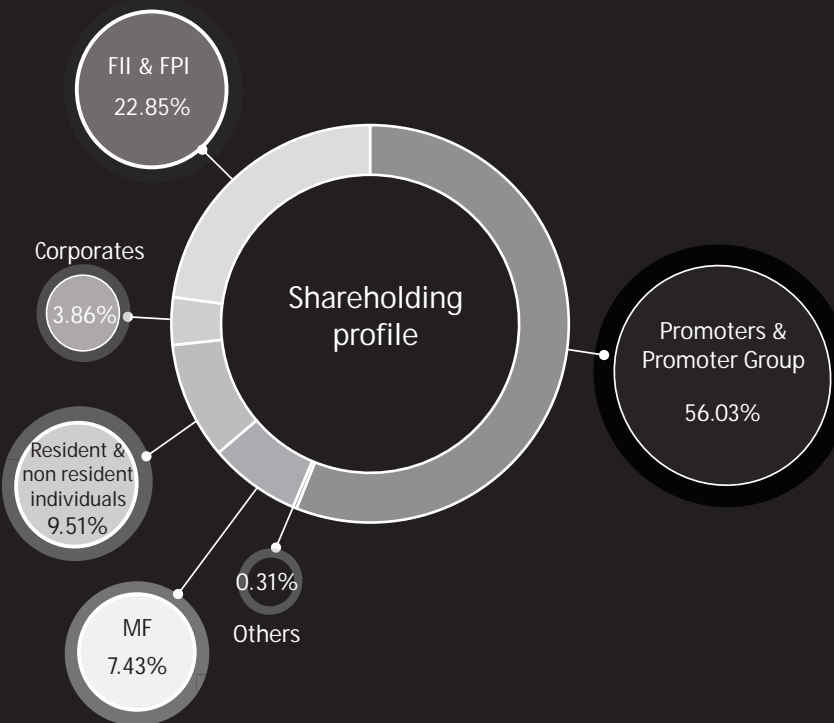
Has helped achieve multi product cross sell and manage risk & controllership effectively. Obsessed to deliver frictionless experience to customer

BAJAJ FINANCE LIMITED

Top 20 investors & their holdings

S.No	Name of Shareholder	As on 31 Dec 21	As on 30 Sep 21	As on 31 Dec 20
1	BAJAJ FINSERV LTD	52.65%	52.65%	52.74%
2	MAHARASHTRA SCOOTERS LIMITED	3.14%	3.14%	3.15%
3	GOVERNMENT OF SINGAPORE	3.13%	3.31%	4.28%
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	0.75%	0.76%	0.79%
6	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS BLUECHIP FUND	0.73%	0.72%	0.68%
7	SBI-ETF NIFTY 50	0.71%	0.69%	0.52%
8	NEW WORLD FUND INC	0.58%	0.58%	0.56%
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	0.54%	0.53%	0.45%
10	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	0.51%	0.50%	0.50%
11	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS FOCUSED 25 FUND	0.48%	0.44%	0.44%
12	SBI LIFE INSURANCE CO. LTD	0.46%	0.43%	0.39%
13	BARON EMERGING MARKETS FUND	0.42%	0.48%	0.34%
14	ST. JAMES'S PLACE EMERGING MARKETS EQUITY UNIT TRUST MANAGED BY WASATCH ADVISORS INC	0.41%	0.43%	0.44%
15	SBI-ETF SENSEX	0.41%	0.40%	0.33%
16	LIFE INSURANCE CORPORATION OF INDIA	0.41%	0.37%	0.62%
17	PEOPLE'S BANK OF CHINA	0.39%	0.39%	0.42%
18	ISHARES CORE EMERGING MARKETS MAURITIUS CO	0.39%	0.39%	0.35%
19	DF INTERNATIONAL PARTNERS	0.38%	0.38%	0.38%
20	WF ASIAN SMALLER COMPANIES FUND LIMITED	0.37%	0.51%	0.33%

Our shareholder profile



Above shareholding is as of 31 December 2021

14-years financial snapshot

BAJAJ FINANCE LIMITED

₹ in crore

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	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	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	36%
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	36%
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	36%
Operating Expenses	193	220	320	460	670	850	1,151	1,428	1,898	2,564	3,270	4,197	5,662	5,308	29%
Loan Losses & Provision (ECL)	109	164	261	205	154	182	258	385	543	804	1,030	1,501	3,929	5,969	36%
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	50%
Profit after tax	21	34	89	247	406	591	719	898	1,279	1,837	2,496	3,995	5,264	4,420	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%	
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%	
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	

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

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

Product suite

BAJAJ FINANCE LIMITED

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. Loans to self employed and Professionals ^(E)	2. IPO financing	2. Digital Product Loans	2. Corporate Term Deposits	2. UPI	2. General Insurance Distribution
3. Lifestyle Product Loans	3. Secured Enterprise Loans	3. ESOP financing	3. Lifestyle Product Loans	3. Systematic Deposit Plan	3. BBPS	3. Health Insurance Distribution
4. Lifecare financing	4. Used-car financing	4. Vendor financing to auto component manufacturers	4. Personal Loans Cross Sell			4. Pocket Insurance ^(E)
5. EMI Cards	5. Medical equipment financing	5. Financial Institutions Lending	5. Salaried Personal Loans			5. Co-Branded Credit Card
6. Retail Spend Financing		6. Light Engineering Lending	6. Gold Loans			6. Co-Branded Wallet
7. 2-Wheeler & 3-Wheeler Loans		7. Specialty Chemicals Lending	7. Loans to Professionals			7. Financial Fitness Report
8. Personal Loan Cross-Sell						
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

Executive summary – Consolidated

BAJAJ FINANCE LIMITED

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 3,423 locations with over 128.3K+ point of sale• Customer franchise of 55.36 MM as of 31 December 2021• Amongst the largest new loan acquirers in the country (7.44 MM in Q3 FY22)• AUM mix as of 31 December 2021 - Consumer: Rural: SME: Commercial: Mortgages stood at 34% : 10% : 13% : 11% : 32%• AUM of ₹ 1,81,250 crore as of 31 December 2021 and post tax profit of ₹ 2,125 crore in Q3 FY22• Capital adequacy ratio (including Tier II capital) of 26.96% as of 31 December 2021. Tier I capital stood at 24.44%
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 ₹ 1,54,041 crore with a mix of 47% : 29% : 20% : 4% between money markets, banks, deposits & ECB as of 31 December 2021
Credit Quality	<ul style="list-style-type: none">• Consolidated Gross and Net NPA as of 31 December 2021 stood at 1.73% and 0.78% respectively• Provisioning coverage ratio as of 31 December 2021 was 56%• Provisioning coverage on stage 1 & 2 stood at 156 bps as of 31 December 2021

Executive summary – Bajaj Finance Limited

BAJAJ FINANCE LIMITED

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 ₹ 1,32,913 crore as of 31 December 2021• AUM mix as of 31 December 2021- Consumer: Rural: SME: Commercial: Mortgage stood at 46% : 14% : 17% : 14% : 9%• Post tax profit of ₹ 1,934 crore in Q3 FY22• Capital adequacy ratio (including Tier II capital) of 26.96% as of 31 December 2021 Tier I capital stood at 24.44%
Consumer business	<ul style="list-style-type: none">• Present in 1,368 locations with 92.9K+ active distribution points of sale as of 31 December 2021• Largest consumer electronics, digital products & lifestyle products lender in India• 2-wheeler financing business disbursed 199K accounts in the quarter (de growth of 13% YOY)• 3-wheeler financing business disbursed 23.8K accounts in the quarter (growth of 30% YOY)• Amongst the largest personal loan lenders in India
Payments	<ul style="list-style-type: none">• EMI Card franchise stood at 27.5 MM cards in force (CIF) as of 31 December 2021• Bajaj Finserv - RBL Bank co-branded credit card CIF stood at 2.59 MM as of 31 December 2021• Bajaj Finserv Mobikwik app has 21.8 MM users as of 31 December 2021 who have linked their EMI card to the wallet• Experia App has 16.5 MM active users as of 31 December 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 2,055 towns and villages with 27.9K+ active distribution points of sale as of 31 December 2021

Executive summary – Bajaj Finance Limited

BAJAJ FINANCE LIMITED

SME Business	<ul style="list-style-type: none">• Offers unsecured working capital loans to SME and self-employed professionals• Secured offerings include enterprise loans against property• Focused on accelerating used car financing business (average ticket size of ~7 lakhs)• Focused on affluent SMEs (average sales of ₹ 15 to 17 crore) 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 ₹ 1,14,093 crore with a mix of 50% : 19% : 26% : 5% between money markets, banks, deposits & ECB as of 31 December 2021
Credit Quality	<ul style="list-style-type: none">• Gross and Net NPA as of 31 December 2021 stood at 2.19% and 0.98% respectively• Provisioning coverage ratio as of 31 December 2021 was 56%• Provisioning coverage on stage 1 & 2 stood at 181 bps as of 31 December 2021
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
- 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 ₹ 49,203 crore as of 31 December 2021. Post tax profit of ₹ 185 crore for Q3FY22
- Capital adequacy ratio (including Tier II capital) was 19.37% as of 31 December 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 enabling customers to buy homes along with balance transfer proposition
- Currently present across 62 locations in India
- Home loan mix as of 31 Dec 21 – Salaried: Self Employed: Professionals stood at 88%: 7%: 5%

Loan Against Property

- Offers loan to mass affluent and above self-employed customers for an average ticket size of 56 lakhs
- Focused on offering customized propositions to both self employed and salaried customers directly as well as through channel partners
- Currently present across 20 locations in India

Rural

- Offers home loans and loans against property to salaried and self-employed customers with an average ticket size of approximately 18 lakhs for home loans and 13 lakhs for loan against property
- Hub and spoke strategy through branch network and ASSC tie ups
- Currently present across 108 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
- Offers construction finance for commercial properties to existing LRD customers
- All lease rental discounting transactions are backed by rentals through escrow mechanism
- Ticket size of lease rental discounting ranges from 5 - 450 crore with an average ticket size of approximately 40 crore
- Currently present across 10 locations in India (Mumbai, Delhi, Bangalore, Pune, Ahmedabad, Chennai, Kolkata, Hyderabad, Cochin and Raipur)

Developer Financing

- Offers construction finance and inventory finance mainly to category A and A+ developers in India
- Average ticket size ranges between 20 - 25 crore
- Currently present in 8 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 31 December 2021 stood at 0.35% and 0.18% respectively

Treasury

- Strategy is to create a balanced and sustained mix of borrowings
- Borrowings stood at ₹ 39,128 crore with a mix of 61 : 39 between banks and money markets as of 31 December 2021 against mix of 62 : 38 as of 30 September 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

Executive summary – Bajaj Financial Securities Ltd

BAJAJ FINANCE LIMITED

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 - Broking, Depository services, Margin Trade Financing, Mutual Funds, IPOs and Distribution of PMS
- Broking business caters to two different business segments – HNI and Retail
- Received issuer rating of AAA from CRISIL
- Delivered PAT of 7 Cr in Q3 FY22

HNI Broking

- Business oriented towards delivering relationship-based Broking solutions to UHNI & HNI client segment
- Physical branch network across 6 locations – Mumbai, Ahmedabad, Pune, Bangalore, Kolkata and Delhi
- Total client base 4.7K+ as of 31 December 2021

Retail Broking

- Acquired 63K+ trading and demat accounts in Q3 FY22
- Empaneled 700+ affiliates and partners for online accounts
- Working with 200+ Independent Business Advisor (IBAs)
- Focused on driving client activation of BFSL Platform, activation rate has increased from 26% to 48% in the quarter

Capabilities Update

- Gone live with below capabilities on web and mobile during Q3 FY22 –
 - Global Indices : Feature to allow our users to track leading Global Index at one place
 - Multiple Charts : Support 4 charts simultaneously to offering charting solution to client needs
 - E-collect Feature : Quick and Hassle-free fund addition via IMPS / RTGS and NEFT payment
 - Square Off all : Single click square off of all open positions and holdings
- BFSL is working on implementation of new products and features to significantly enhance its offerings for retail and HIN clients. It plans to deliver it by September 2022.

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 FY22	Q3 FY21	Y-o-Y	9M FY22	9M FY21	Y-o-Y	FY21
Assets under management	1,81,250	1,43,550	26%	1,81,250	1,43,550	26%	1,52,947
Assets under finance	1,74,775	1,37,920	27%	1,74,775	1,37,920	27%	1,46,687
Interest income	7,262	5,723	27%	19,904	17,279	15%	23,304
Fee and other income	1,213	797	52%	2,879	2,009	43%	2,788
Net gain on fair value changes on investment	60	139	(57%)	227	540	(58%)	591
Total Income	8,535	6,659	28%	23,010	19,828	16%	26,683
Interest expenses	2,535	2,363	7%	7,186	7,218	0%	9,414
Net Interest Income	6,000	4,296	40%	15,824	12,610	25%	17,269
Operating Expenses	2,081	1,389	50%	5,484	3,702	48%	5,308
Loan losses and provisions	1,051	1,352	(22%)	4,102	4,738	(13%)	5,969
ECL stage 1 & 2	208	(2,391)	(109%)	27	409	(93%)	414
ECL stage 3 & write off	843	3,743	(77%)	4,075	4,329	(6%)	5,555
Profit before tax	2,868	1,555	84%	6,238	4,170	50%	5,992
Profit after tax	2,125	1,146	85%	4,609	3,073	50%	4,420
Ratios							
Operating expenses to Net Interest Income	34.7%	32.3%		34.7%	29.4%		30.7%
Loan loss to average AUF*	0.63%	1.00%		2.55%	3.39%		4.14%
Earning per share - Basic (₹) *	35.3	19.1		76.5	51.2		73.6
Return on Average Assets*	1.3%	0.9%		2.9%	2.2%		3.1%
Return on Average Equity *	5.3%	3.3%		11.8%	9.1%		12.8%

* Not annualized

Financial statement summary – Bajaj Finance Limited

BAJAJ FINANCE LIMITED

₹ in Crore

Financials snapshot	Q3 FY22	Q3 FY21	Y-o-Y	9M FY22	9M FY21	Y-o-Y	FY21
Assets under management	1,32,913	1,09,598	21%	1,32,913	1,09,598	21%	1,15,418
Assets under finance	1,30,732	1,07,056	22%	1,30,732	1,07,056	22%	1,13,090
Interest income	6,335	4,973	27%	17,348	15,141	15%	20,419
Fee and other income	1,146	745	54%	2,724	1,908	43%	2,599
Net gain on fair value changes on investment	44	129	(66%)	179	487	(63%)	528
Total Income	7,525	5,847	29%	20,251	17,536	15%	23,546
Interest expenses	1,972	1,870	5%	5,625	5,723	(2%)	7,446
Net Interest Income	5,553	3,977	40%	14,626	11,813	24%	16,100
Operating Expenses	1,948	1,310	49%	5,141	3,502	47%	5,016
Loan losses and provisions	995	1,245	(20%)	3,958	4,520	(12%)	5,721
ECL stage 1 & 2	179	(2,463)	(107%)	(21)	229	(109%)	215
ECL stage 3 & write off	816	3,708	(78%)	3,979	4,291	(7%)	5,506
Profit before tax	2,610	1,422	84%	5,527	3,791	46%	5,363
Profit after tax	1,934	1,049	84%	4,083	2,795	46%	3,956
Ratios							
Operating expenses to Net Interest Income	35.1%	32.9%		35.1%	29.6%		31.2%
Loan loss to average AUF*	0.79%	1.19%		3.25%	4.10%		5.05%
Earning per share - Basic (₹) *	32.1	17.5		67.8	46.5		65.9
Return on Average Assets*	1.5%	1.0%		3.3%	2.5%		3.5%
Return on Average Equity *	5.0%	3.1%		10.8%	8.4%		11.7%

* Not annualized

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

₹ in Crore

Financials snapshot	Q3 FY22	Q3 FY21	Y-o-Y	9M FY22	9M FY21	Y-o-Y	FY21
Assets under management	49,203	35,492	39%	49,203	35,492	39%	38,871
Assets under finance	43,479	30,772	41%	43,479	30,772	41%	33,419
Interest income	907	747	21%	2,520	2,134	18%	2,877
Fee and other income	65	65	-	146	130	12%	218
Net gain on fair value changes on investment	14	9	56%	43	51	(16%)	60
Total Income	986	821	20%	2,709	2,315	17%	3,155
Interest expenses	557	492	13%	1,549	1,495	4%	1,966
Net Interest Income	429	329	30%	1,160	820	41%	1,189
Operating Expenses	123	87	41%	325	231	41%	329
Loan losses and provisions	56	107	(48%)	143	217	(34%)	247
ECL stage 1 & 2	29	72	(60%)	48	180	(73%)	199
ECL stage 3 & write off	27	35	(23%)	95	37	157%	48
Profit before tax	250	135	85%	692	372	86%	613
Profit after tax	185	99	87%	512	274	87%	453
Ratios							
Operating expenses to Net Interest Income	28.7%	26.4%		28.0%	28.2%		27.7%
Loan loss to average AUF*	0.14%	0.36%		0.37%	0.74%		0.80%
Earning per share - Basic (₹) *	0.38	0.20		1.05	0.56		0.93
Return on Average Assets*	0.4%	0.3%		1.3%	0.9%		1.5%
Return on Average Equity *	2.9%	1.7%		8.1%	4.8%		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 31 December -
Bajaj Finance Limited

4.4

Behaviouralized ALM as of 31 December -
Bajaj Housing Finance Limited

4.5

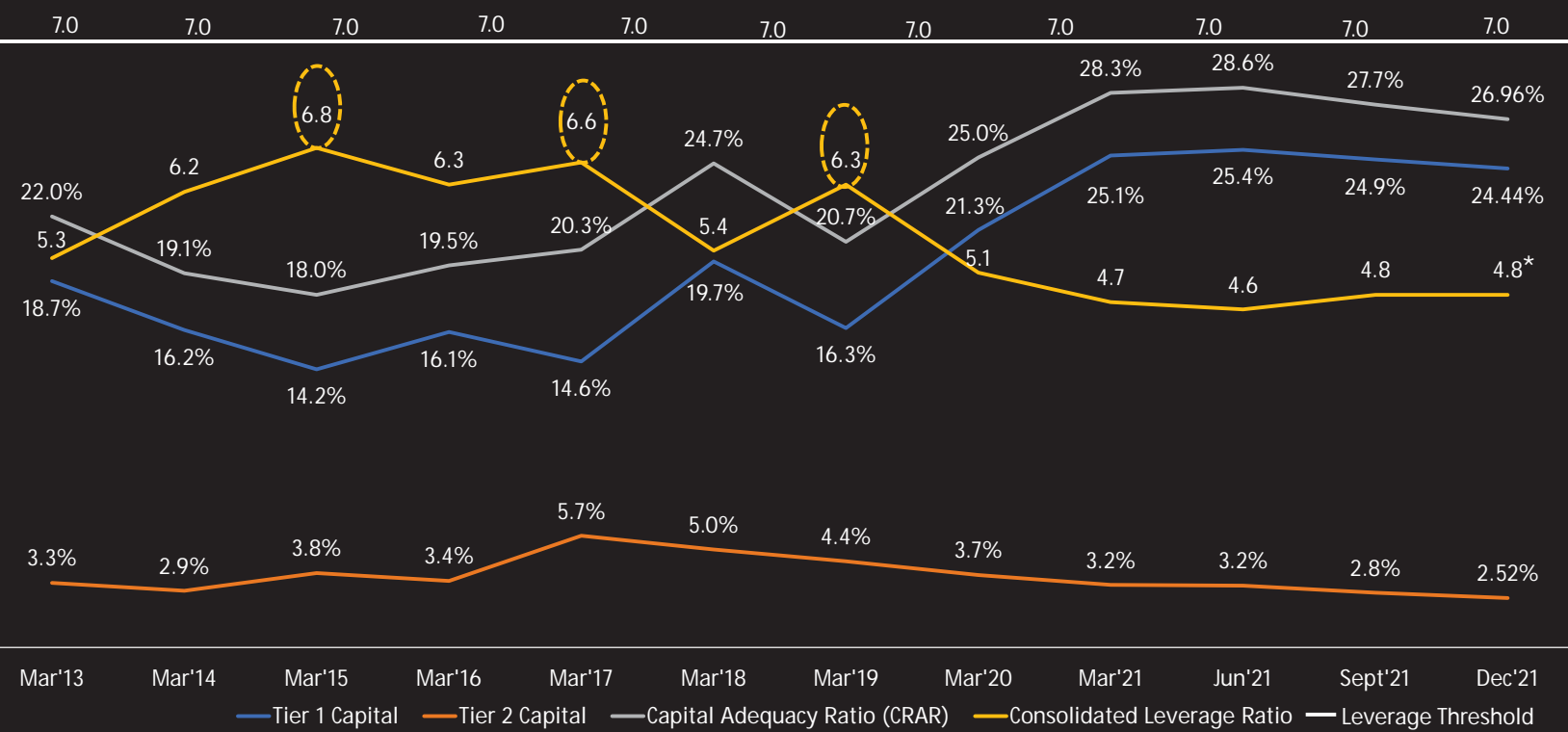
Disciplined ALM Management -
Bajaj Finance Limited

4.6

Liability mix over last 10 years -
Consolidated

Conservative leverage standards

BAJAJ FINANCE LIMITED



*Standalone Leverage is approximately 3.95X as of 31 December 2021

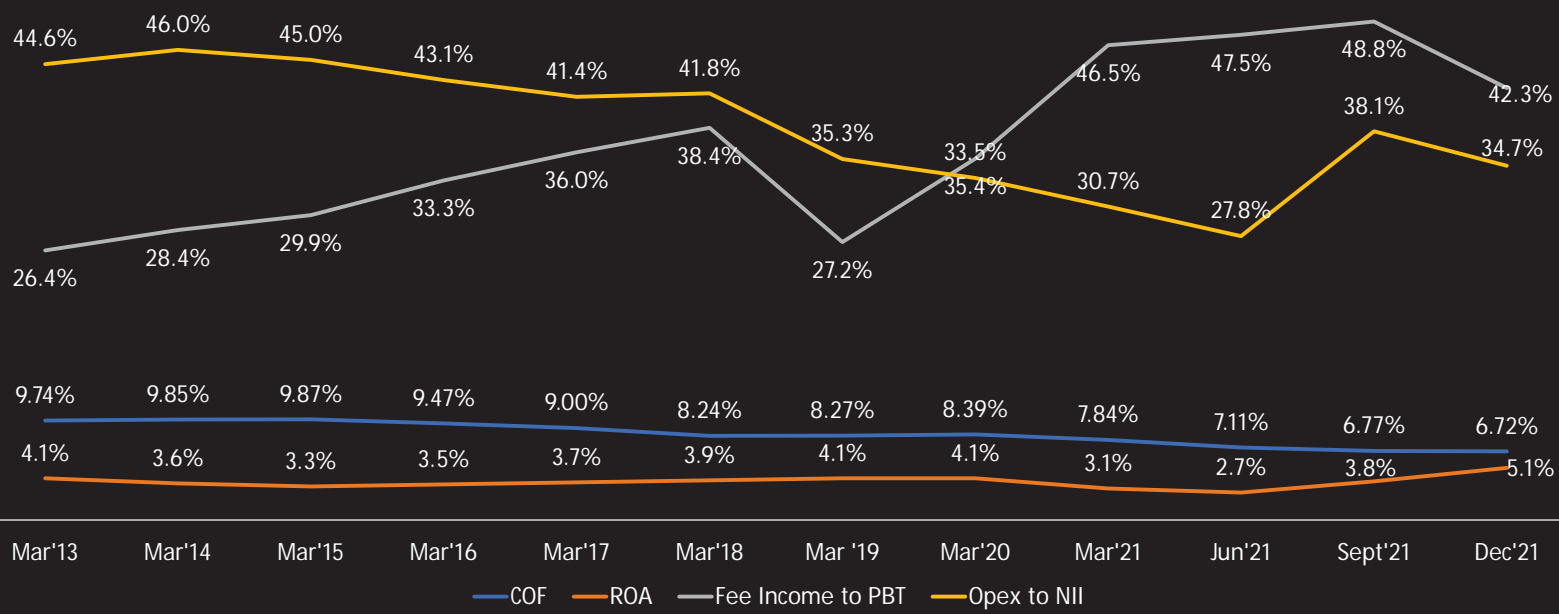
Capital Adequacy Ratios (CRAR) are on standalone basis

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, Sep'21 and Dec'21 numbers of COF are for the quarter

Behaviouralized ALM as of 31 December 2021 – 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	8,567	200	481	997	796	1,980	3	2,240	807	5,845	21,917
Advances	5,103	1,983	3,125	6,990	6,213	14,980	23,285	43,390	17,763	11,381	1,34,212
Other inflows	255	99	4,561	93	719	35	1,093	29	264	2,383	9,532
Total Inflows (A)	13,926	2,282	8,167	8,080	7,729	16,995	24,382	45,660	18,834	19,609	1,65,662
Cumulative Total Inflows (B)	13,926	16,208	24,374	32,454	40,183	57,178	81,560	1,27,220	1,46,053	1,65,662	
Borrowings	383	444	2,217	7,109	4,063	11,836	27,212	43,941	11,159	11,047	1,19,412
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	39,688	39,688
Other Outflows	3,863	488	1,384	-	56	3	31	115	234	387	6,562
Total Outflows (C)	4,247	933	3,601	7,109	4,119	11,840	27,243	44,057	11,393	51,122	1,65,662
Cumulative Total Outflows (D)	4,247	5,179	8,780	15,889	20,008	31,848	59,090	1,03,147	1,14,540	1,65,662	
Mismatch (E = A - C)	9,679	1,349	4,566	971	3,610	5,155	(2,861)	1,603	7,440	(31,513)	
Cumulative mismatch (F = B-D)	9,679	11,028	15,594	16,565	20,175	25,330	22,469	24,072	31,513	-	
Cumulative mismatch as % (F/D)	228%	213%	178%	104%	101%	80%	38%	23%	28%	-	
Permissible cumulative gap %	-10%	-10%	-20%								
Additional borrowings possible			21,688								

Behaviouralized ALM as of 31 December 2021 – BHFL **BAJAJ FINANCE LIMITED**

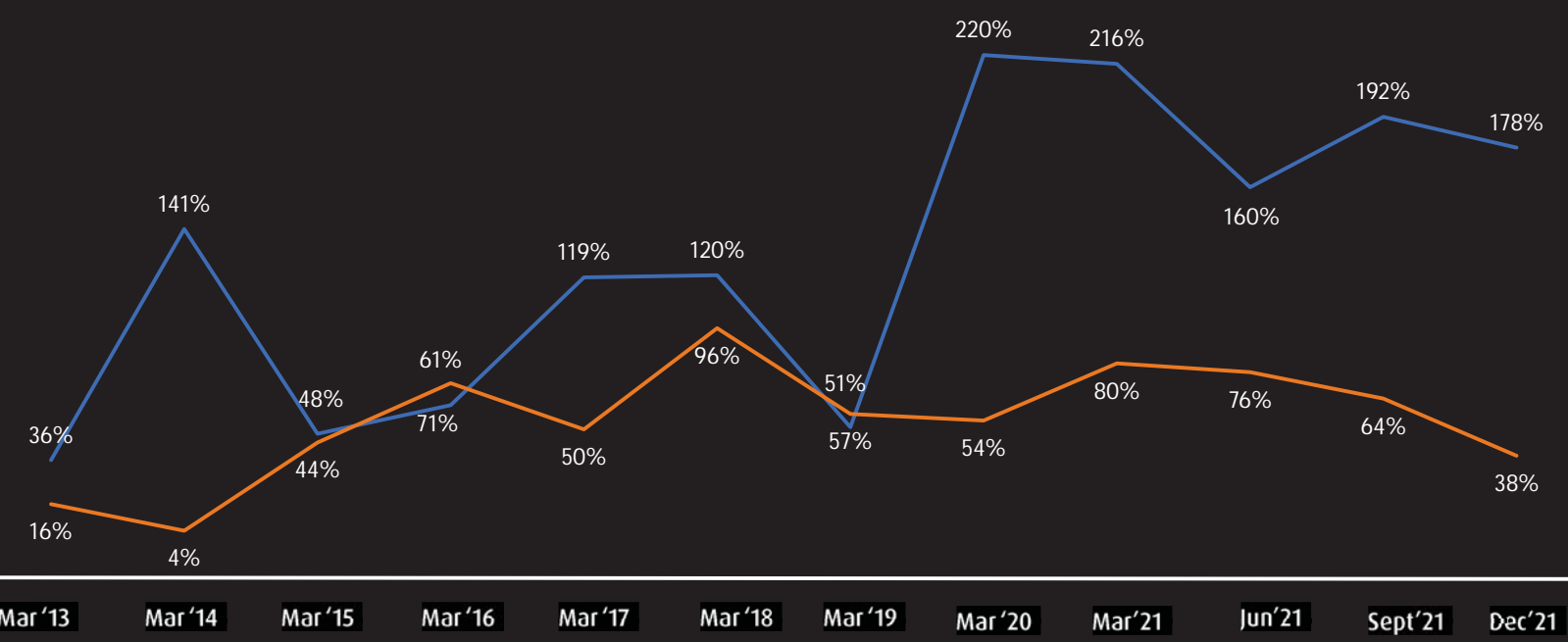
₹ in Crore

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	>5-7 Y	>7-10 Y	>10 Y	Total
Cash & Investments	492	100	-	1,000	349	149	-	-	-	-	-	-	2,090
Advances	307	280	607	910	899	2,490	4,522	12,617	7,563	4,956	4,395	3,931	43,479
Other inflows	52	2	1,618	159	514	1,045	1,222	1,201	1,016	271	359	960	8,420
Total Inflows (A)	851	382	2,226	2,069	1,762	3,684	5,743	13,819	8,579	5,227	4,754	4,892	53,989
Cumulative Total Inflows (B)	851	1,233	3,459	5,528	7,289	10,974	16,717	30,536	39,116	44,343	49,098	53,989	
Borrowings	-	-	1,087	1,540	1,491	3,059	6,511	19,231	5,695	1,233	271	1,799	41,918
Capital Reserves and Surplus	-	-	-	-	-	-	-	-	-	-	-	6,544	6,544
Other Outflows	453	348	929	373	227	601	70	18	8	2	2,500	-	5,527
Total Outflows (C)	453	348	2,016	1,913	1,718	3,660	6,581	19,248	5,703	1,235	2,771	8,343	53,989
Cumulative Total Outflows (D)	453	801	2,816	4,730	6,447	10,108	16,689	35,937	41,641	42,875	45,646	53,989	
Mismatch (E = A - C)	399	34	210	156	44	24	(838)	(5,429)	2,876	3,993	1,984	(3,452)	
Cumulative mismatch (F = B-D)	399	432	642	798	842	866	28	(5,401)	(2,525)	1,468	3,452	-	
Cumulative mismatch as % (F/D)	88%	54%	23%	17%	13%	9%	-	-15%	-6%	3%	8%	-	
Permissible cumulative gap %	-10%	-10%	-20%										
Additional borrowings possible			1,506										

Disciplined ALM Management

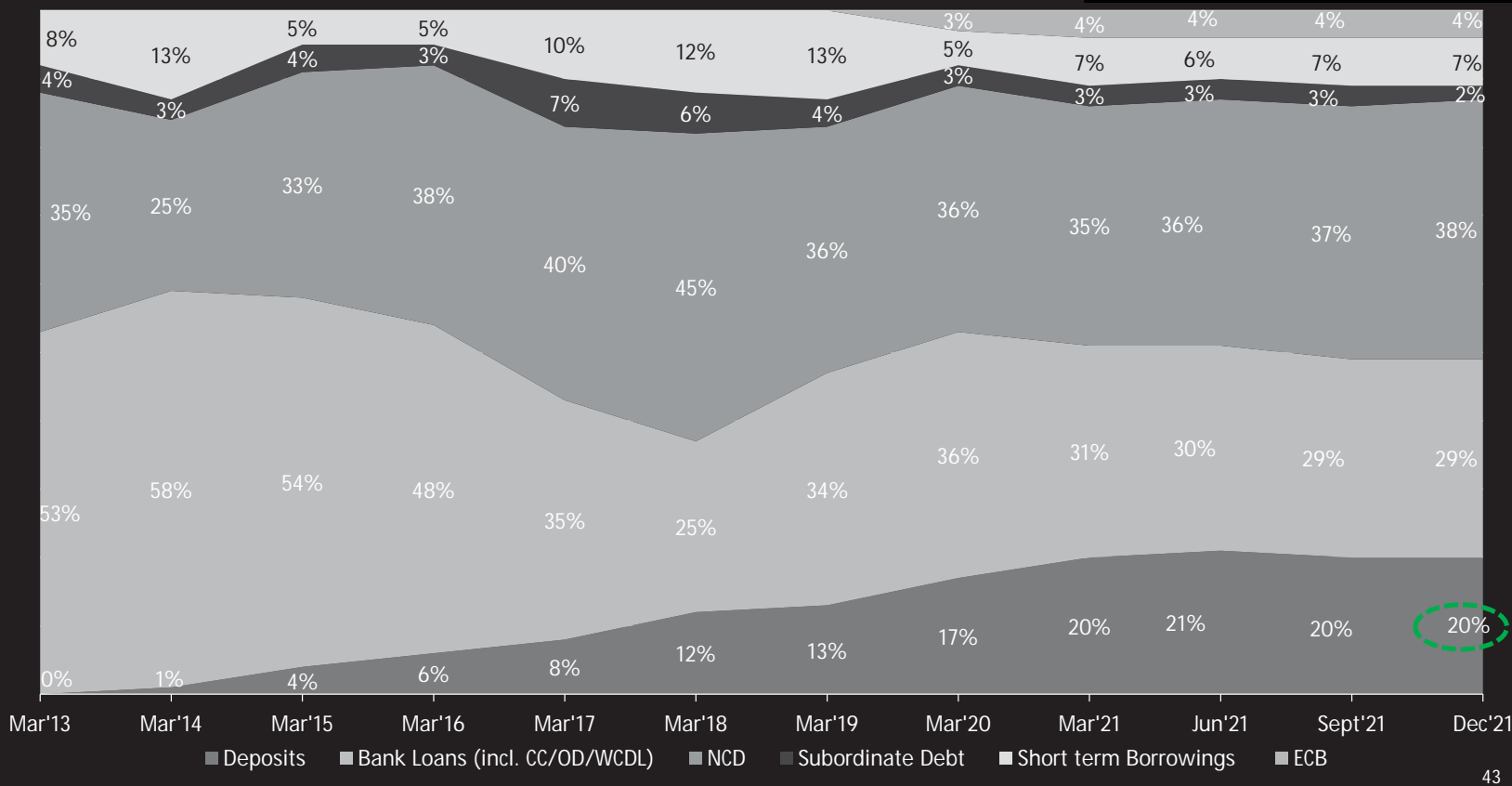
BAJAJ FINANCE LIMITED

— Cumulative gap upto 1 month — Cumulative gap upto 12 months



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.

Consolidated Liability mix over last 10 years BAJAJ FINANCE LIMITED





Section 05

Customer franchise and distribution reach

5.1

Customer franchise

5.2

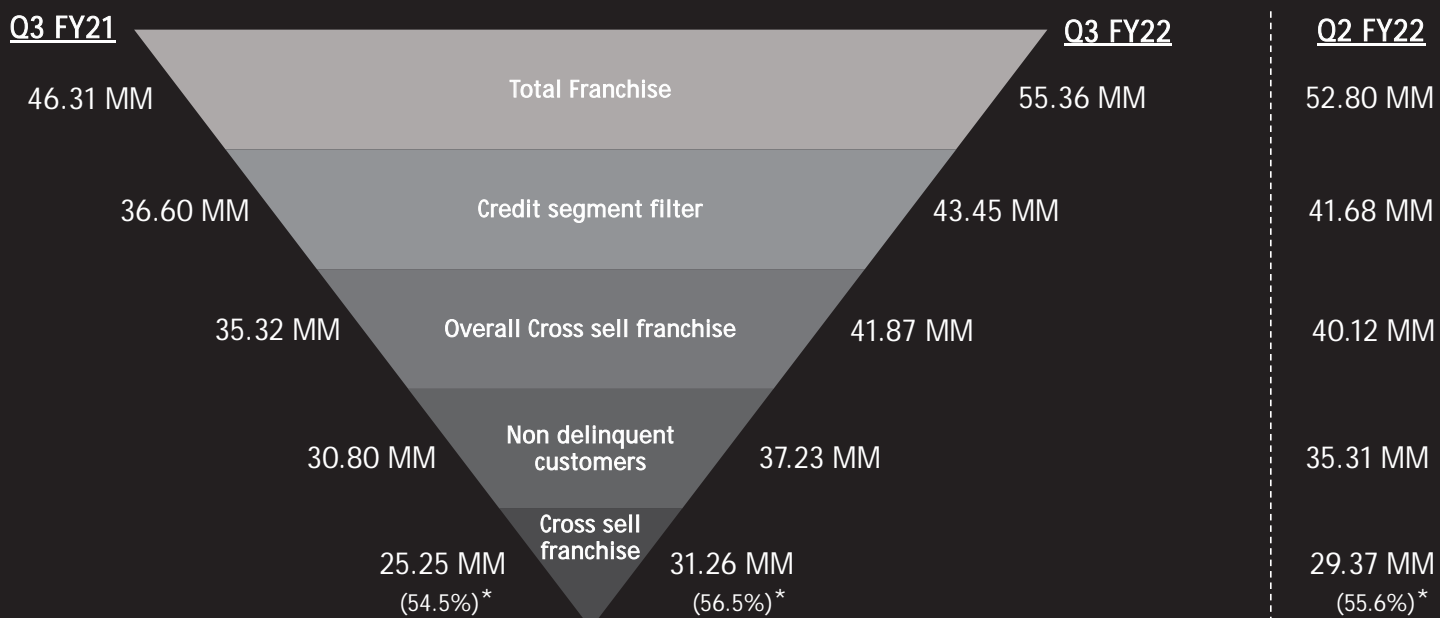
Geographic presence

5.3

Strong distribution reach

Customer franchise

BAJAJ FINANCE LIMITED



Customer Franchise addition



*Represents cross sell franchise as a % of total franchise

Geographic presence

BAJAJ FINANCE LIMITED



Geographic Presence	30 Sept 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021	30 Sept 2021	31 Dec 2021
Urban lending branches	1,134	1,210	1,298	1,368	1,368	1,368
Rural lending branches	1,507	1,604	1,690	1,745	1,961	2,055
Total Bajaj Finance presence	2,641	2,814	2,988	3,113	3,329	3,423

Strong distribution reach

BAJAJ FINANCE LIMITED

Active distribution	31-Dec-19	31-Dec-20	31-Mar-21	30-Jun-21	30-Sep-21	31-Dec-21
Consumer durable stores – Urban	23,300+	24,700+	26,400+	26,900+	28,000	29,500+
Consumer durable stores – Rural	17,900+	22,500+	24,000+	24,000+	25,600+	27,900+
Digital product stores	25,300+	25,400+	23,800+	26,350+	27,600+	28,800+
Lifestyle retail stores	9,000+	8,800+	9,800+	9,400+	9,700+	10,800+
EMI card – retail spends stores	22,800+	10,400+	14,300+	14,500+	15,400+	17,800+
Bajaj Auto dealers, sub-dealerships and ASSC	5,300+	5,800+	5,900+	5,800+	5,900+	6,000+
Direct Sales Agents/Independent Financial Agents	3,500+	5,200+	6,100+	7,500+	7,500+	7,500+
Overall active distribution network	1,07,100+	1,02,800+	1,10,300+	1,14,400+	1,21,100+	1,28,300+

 **Section 06**
Business segment wise AUM

6.1

Business segment wise AUM as of 31 December - Consolidated

6.2

Business segment wise AUM as of 31 December - Mortgages

Business segment wise AUM - Consolidated

BAJAJ FINANCE LIMITED
₹ in Crore

Assets Under Management	Consolidated as of 31 December 2020	BFL as of 31 December 2021	BHFL as of 31 December 2021	Consolidated as of 31 December 2021	Growth YoY	Composition as of 31 December 2020	Composition as of 31 December 2021
Auto Finance Business	12,707	10,620	-	10,620	(16%)	9%	6%
Sales Finance Business	10,186	14,920	-	14,920	46%	7%	8%
Consumer B2C Business	29,042	34,951	1,393	36,344	25%	20%	20%
Rural Sales Finance Business	2,438	3,993	-	3,993	64%	2%	2%
Rural B2C Business	10,954	14,311	-	14,311	31%	7%	8%
SME Lending Business	18,882	23,217	136	23,153	23%	13%	13%
Securities Lending Business	5,074	8,357	-	9,127	80%	4%	5%
IPO Financing	-	-	-	-	-	-	-
Commercial Lending Business	7,510	10,478	-	10,478	40%	5%	6%
Mortgages	46,758	12,066	47,673	58,304	25%	33%	32%
Total	1,43,550	1,32,913	49,203	1,81,250	26%		
Co-brand Credit Card – CIF	1.9 MM			2.6 MM	37%		
EMI Card – CIF	23.5 MM			27.5 MM	17%		
Co-brand Wallets	18.3 MM			21.8 MM	19%		

Business segment wise AUM - Mortgages

BAJAJ FINANCE LIMITED

₹ in crore

Assets Under Management	Bajaj Housing Finance Limited			Mortgage - All			Composition as of 31 Dec 2021
	31 Dec 2020	31 Dec 2021	Growth	31 Dec 2020	31 Dec 2021	Growth	
Home Loans	22,217	30,409	37%	26,120	33,067	27%	57%
Loan against property	4,417	5,927	34%	11,249	12,318	9%	21%
Lease rental discounting	3,972	6,196	56%	5,075	7,420	46%	13%
Developer Finance	1,893	2,907	54%	1,930	2,907	51%	5%
Rural	1,846	2,233	21%	2,384	2,592	9%	4%
Total	34,346	47,673	39%	46,758	58,304	25%	100%

Home Loan customer categorisation	Bajaj Housing Finance Limited			Mortgage - All			Composition as of 31 Dec 2021
	31 Dec 2020	31 Dec 2021	Growth	31 Dec 2020	31 Dec 2021	Growth	
Home Loan to Salaried	20,632	28,661	39%	22,741	30,055	32%	88%
Home Loan to Self Employed	1,271	1,396	10%	2,821	2,489	(12%)	7%
Home Loan to Professional	1,156	1,581	37%	1,448	1,791	24%	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

BAJAJ FINANCE LIMITED

₹ in Crore

Particulars	AUM 31 Dec 2021	GNPA	NNPA	PCR (%)	GNPA %			NNPA %		
					30 Jun 21	30 Sept 21	31 Dec 21	30 Jun 21	30 Sept 21	31 Dec 21
Auto Finance Business	10,620	1,304	651	50%	19.15%	16.00%	11.04%	12.18%	9.25%	5.84%
Sales Finance Business	14,920	45	9	81%	1.05%	0.64%	0.30%	0.24%	0.13%	0.06%
Consumer B2C Business	36,344	479	119	75%	2.84%	2.11%	1.33%	0.95%	0.54%	0.34%
Rural Sales Finance Business	3,993	10	2	81%	1.35%	1.09%	0.24%	0.29%	0.21%	0.05%
Rural B2C Business	14,311	376*	207*	45%	2.85%	3.09%	2.55%*	0.92%	1.28%	1.42%*
SME Lending Business	23,153	329	82	75%	2.15%	1.69%	1.39%	0.70%	0.43%	0.35%
Securities Lending Business	9,127	5	5	4%	-	0.02%	0.06%	-	0.02%	0.05%
Commercial Lending Business	10,478	44	27	38%	-	0.45%	0.42%	-	0.29%	0.26%
Mortgages	58,304	516	278	46%	0.88%	0.97%	0.95%	0.61%	0.59%	0.52%
Total	1,81,250	3,108	1,380	56%	2.96%	2.45%	1.73%	1.46%	1.10%	0.78%

*Includes Gold loan GNPA of ₹ 160 crore and NNPA of ₹ 153 crore. Net of Gold loan, the GNPA, NNPA and PCR are 1.72%, 0.43% and 75%.

ECL summary – Consolidated

Asset categorization	Dec'20	Mar'21	Jun'21	Sept'21	Dec'21
Stage 1 & 2 (represents standard assets)	97.14%	98.21%	97.04%	97.55%	98.27%
Stage 3 (classified as NPA)	0.55%	1.79%	2.96%	2.45%	1.73%
Stage 3 (not classified as NPA)	2.32%	-	-	-	-

Summary of stage wise assets and provision for impairment allowance

Assets and impairment allowance	Dec'20	Mar'21	Jun'21	Sept'21	Dec'21
Gross Stage 1 & 2 assets* (A)	1,42,287	1,49,878	1,55,188	1,63,534	1,76,141
ECL Provision Stage 1 & 2 (B)	2,708	2,713	2,707	2,537	2,745
Net Stage 1 & 2 assets (C = A-B)	1,39,579	1,47,165	1,52,481	1,60,997	1,73,395
ECL Provision % Stage 1 & 2 assets (D = B/A)	1.90%	1.81%	1.74%	1.55%	1.56%
Gross Stage 3 assets [@] (E)	4,194	2,731	4,737	4,103	3,108
ECL Provision Stage 3 (F)	2,433	1,595	2,430	2,277	1,728
Net Stage 3 assets (G = E-F)	1,761	1,136	2,307	1,826	1,380
Coverage Ratio % Stage 3 assets (H= F/E)	58%	58%	51%	55%	56%
Overall coverage ratio	3.51%	2.82%	3.21%	2.87%	2.50%

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

Summary of stage wise assets and provision for impairment allowance

Assets and impairment allowance	Dec'20	Mar'21	Jun'21	Sep'21	Dec'21
Gross Stage 1 & 2 assets* (A)	31,356	34,000	36,378	39,892	43,760
ECL Provision Stage 1 & 2 (B)	291	310	316	330	359
Net Stage 1 & 2 assets (C = A-B)	31,065	33,690	36,062	39,562	43,401
ECL Provision % Stage 1 & 2 assets (D = B/A)	0.93%	0.91%	0.87%	0.83%	0.82%
Gross Stage 3 assets [@] (E)	110.2	119.1	102.5	142.0	152.3
ECL Provision Stage 3 (F)	41.3	45.2	36.6	56.2	74.7
Net Stage 3 assets (G = E-F)	68.9	73.9	65.9	85.9	77.6
Coverage Ratio % Stage 3 assets (H= F/E)	38%	38%	36%	40%	49%
Overall coverage ratio	1.06%	1.04%	0.97%	0.96%	0.99%

*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 ECL provisioning as of 31 December 2021

BAJAJ FINANCE LIMITED
₹ in crore

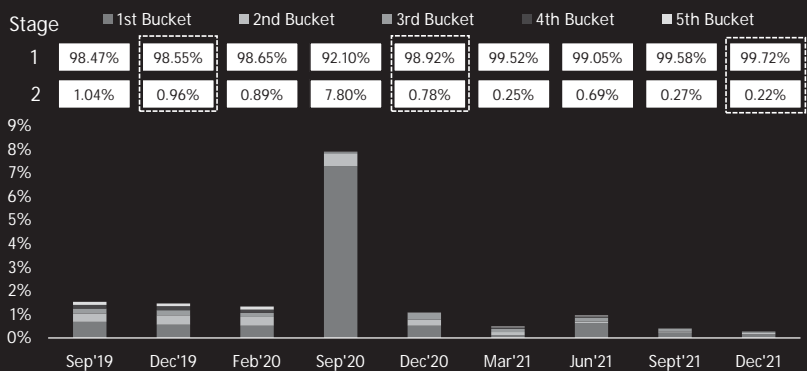
	Gross Assets Receivable				ECL Provision				PCR %			
	Stage 1	Stage 2		Stage 3	Stage 1	Stage 2		Stage 3	Stage 1	Stage 2		Stage 3
		OTR*	Normal			OTR*	Normal			OTR*	Normal	
Auto Finance Business	8,925	18	1,558	1,303	143	1	389	651	1.6%	6.4%	25.0%	50.0%
Sales Finance Business	14,676	389	98	45	108	101	43	37	0.7%	26.0%	43.4%	80.7%
Consumer B2C Business	34,642	113	770	479	400	25	269	360	1.2%	22.3%	34.9%	75.1%
Rural Sales Finance Business	3,999	-	18	10	17	-	9	8	0.4%	29.5%	52.6%	80.7%
Rural B2C Business	13,872	11	505	376	164	3	116	170	1.2%	23.2%	23.0%	45.1%
SME Lending Business	22,912	102	323	329	247	32	123	247	1.1%	31.6%	38.0%	75.2%
Securities Lending Business	9,111	-	16	5	4	-	0.3	0.2	0.1%	-	1.8%	3.9%
Commercial Lending Business	10,466	-	-	44	22	-	-	17	0.2%	-	-	38.2%
Mortgages	52,239	820	558	517	259	155	115	238	0.5%	18.9%	20.6%	46.2%
Total as of 31 Dec 2021	1,70,842	1,453	3,846	3,108	1,364	317	1,064	1,728	0.8%	21.8%	27.7%	55.6%
Total as of 30 Sep 2021	1,55,556	1,512	4,451	4,103	1,219	289	1,030	2,277	0.8%	19.1%	23.1%	55.5%
Total as of 30 Jun 2021	1,46,119	1,287	6,137	4,737	1,077	235	1,395	2,430	0.7%	18.3%	22.7%	51.3%

OTR – One time Restructuring
Stage 1 – Loan accounts up to 1 DPD | Stage 2 – Loan accounts in-between 2-90 DPD, including weak accounts & OTR accounts without any overdue | Stage 3 – Customer classified as NPA as per RBI guidelines

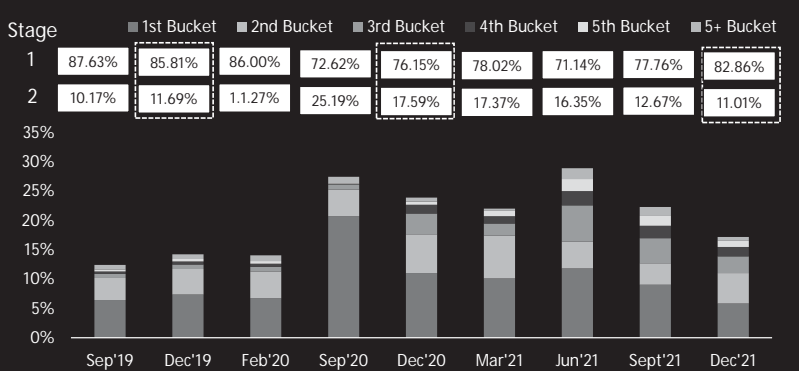
Portfolio credit quality – Consolidated

BAJAJ FINANCE LIMITED

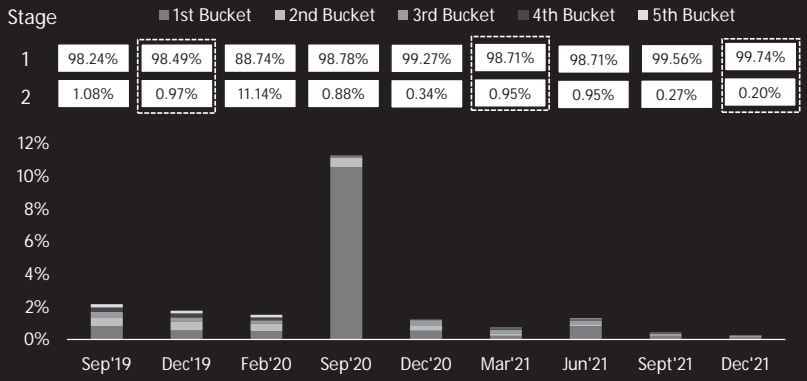
Consumer Durable & Lifestyle ●



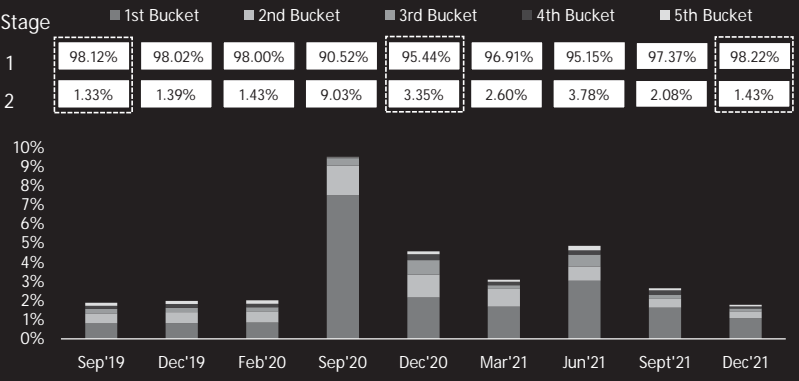
Two & three-wheeler ●



Digital product ●

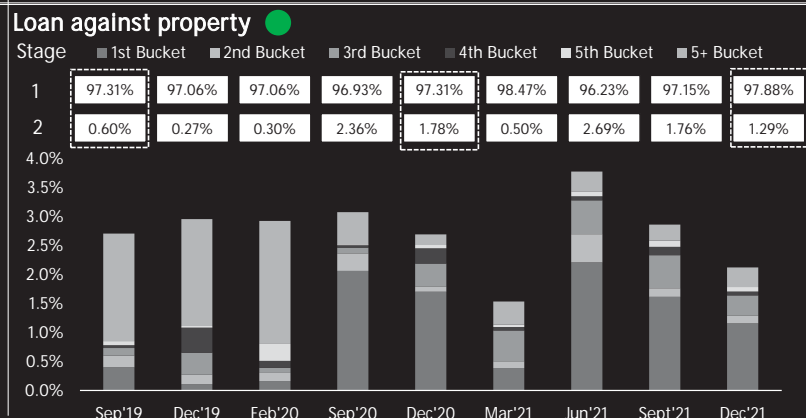
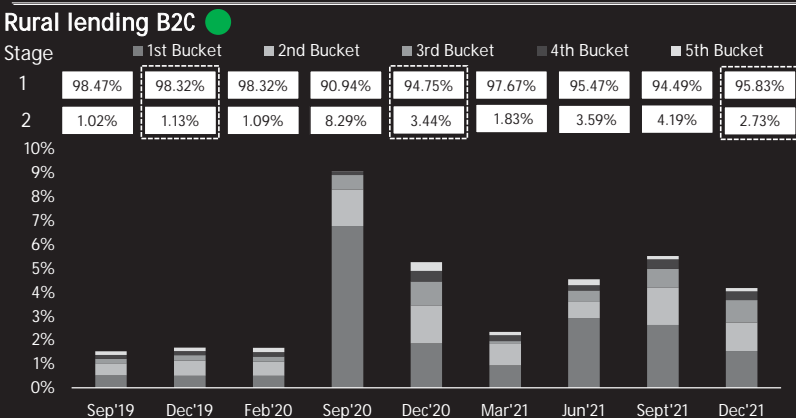
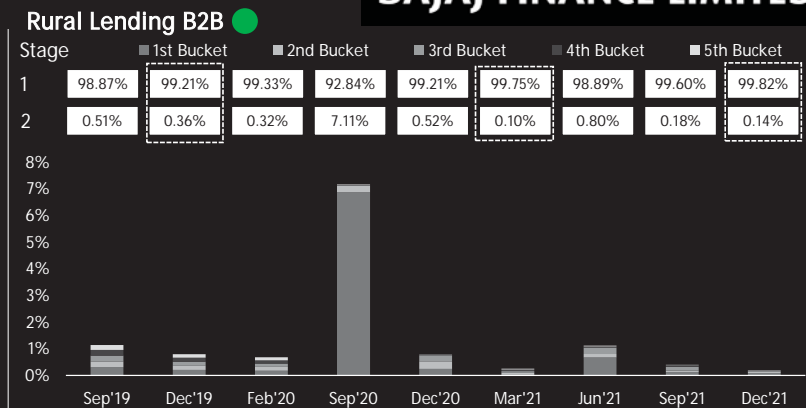
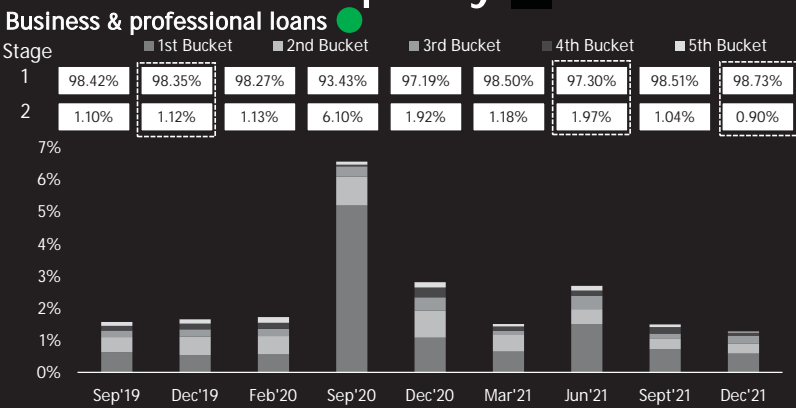


B2C loans ●



● Portfolio credit quality after adjusting ECL provisions

Portfolio credit quality – Consolidated



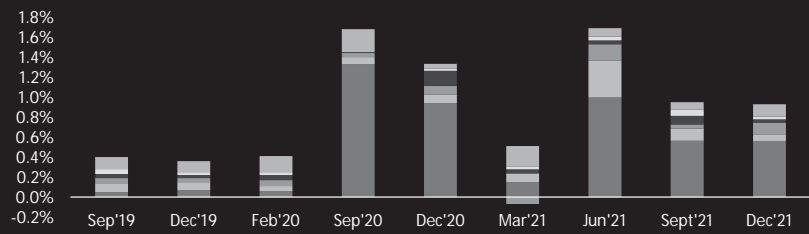
• Portfolio credit quality after adjusting ECL provisions

Portfolio credit quality – Consolidated

Home loans ●

Stage ■ 1st Bucket ■ 2nd Bucket ■ 3rd Bucket ■ 4th Bucket ■ 5th Bucket ■ 5+ Bucket

1	99.61%	99.63%	99.60%	98.31%	98.67%	99.56%	98.31%	99.05%	99.07%
2	0.13%	0.15%	0.11%	1.40%	1.03%	0.24%	1.36%	0.69%	0.62%



• Portfolio credit quality after adjusting ECL provisions

Disclaimer

BAJAJ FINANCE LIMITED

This presentation has been prepared by and is the sole responsibility of Bajaj Finance Limited (together with its subsidiaries, referred to as the **"Company"** or **"Bajaj Finance"**). By accessing this presentation, you are agreeing to be bound by the trailing restrictions.

This presentation does not constitute or does not intend to constitute or form part of any offer or invitation or inducement to sell, or any solicitation of any offer or recommendation to purchase, any securities of the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment therefor. In particular, this presentation is not intended to be a prospectus or offer document under the applicable laws of any jurisdiction, including India. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. There is no obligation to update, modify or amend this communication or to otherwise notify the recipient if information, opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. However, the Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such change or changes.

These materials are being given solely for your information and may not be copied, reproduced or redistributed to any other person in any manner. The distribution of these materials in certain jurisdictions may be restricted by law and persons into whose possession these materials come should inform themselves about and observe any such restrictions. Certain statements contained in this presentation that are not statements of historical fact constitute **"forward-looking statements."** You can generally identify forward-looking statements by terminology such as **"aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "goal", "plan", "potential", "project", "pursue", "shall", "should", "will", "would",** or other words or phrases of similar import. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the **Company's** actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, among others: (a) material changes in the regulations governing the **Company's** businesses; (b) the Company's ability to comply with the capital adequacy norms prescribed by the RBI; (c) decreases in the value of the Company's collateral or delays in enforcing the Company's collateral upon default by borrowers on their obligations to the Company; (d) the Company's ability to control the level of NPAs in the Company's portfolio effectively; (e) internal or external fraud, operational errors, systems malfunctions, or cyber security incidents; (f) volatility in interest rates and other market conditions; and (g) any adverse changes to the Indian economy.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. The information contained in this presentation is only current as of its date and the Company does not undertake any obligation to update the information as a result of new information, future events or otherwise.

BAJAJ FINANCE LIMITED

BAJAJ FINANCE LIMITED

Q3 FY22 Investor Presentation

Thank You