

10 November 2023

THE MANAGER, BSE LIMITED DCS - CRD PHIROZE JEEJEEBHOY 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: Submission of half-yearly report for FY2023-24

Pursuant to Regulation 27(1), 30 and 51 read with Part A and Part B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Half Yearly Report for FY2023-24 containing the financial performance of the Company including summary of significant events during the half year ended 30 September 2023. The same has been circulated to the members and debenture holders through electronic mode.

Copy of the report is also placed on the Company's website at <https://www.bajajfinserv.in/finance-investor-relation-annual-reports>

Kindly take the same on record.

Thanking you,

Yours sincerely,

For **BAJAJ FINANCE LIMITED****R VIJAY
COMPANY SECRETARY**Email ID: investor.service@bajajfinserv.in

Copy to Catalyst Trusteeship Ltd. (Debenture Trustee, Pune)

BAJAJ FINANCE LIMITEDwww.bajajfinserv.in/corporate-bajaj-finance

Corporate Office: 4th Floor, Bajaj Finserv Corporate Office, Off Pune-Ahmednagar Road, Viman Nagar, Pune - 411 014, Maharashtra, India

Corporate Office Extn.: 3rd Floor, Panchshil Tech Park, Viman Nagar, Pune - 411 014, Maharashtra, India
Tel: +91 20 7157 6403 | Fax: +91 20 7157 6364

Registered Office: C/o Bajaj Auto Limited complex, Mumbai - Pune Road, Akurdi, Pune - 411 035, Maharashtra, India

Corporate ID No.: L65910MH1987PLC042961 | **Email ID:** investor.service@bajajfinserv.in



HALF YEARLY REPORT 2023-24



Dear Shareholder,

I am pleased to share with you the consolidated financial results of your Company for the half year ended 30 September 2023. Your Company has delivered highest ever consolidated half yearly profit after tax of ₹ 6,988 crore and its assets under management stood at ₹ 290,264 crore as of 30 September 2023. Your Company is now one of the most profitable and largest NBFCs in India. Both subsidiaries of your Company viz. Bajaj Housing Finance Limited (BHFL) and Bajaj Financial Securities Limited (BFinsec) have also performed well.

Your Company is progressing well on its omnipresence strategy. It now has the largest geographic presence amongst NBFCs in India with presence across 3,934 locations as of 30 September 2023. Your Company added 201 new locations during H1 FY24. Bajaj Finserv App has net installs of 44.68 MM as of 30 September 2023. Your Company added 9.20 MM net installs on Bajaj Finserv App during H1 FY24. Your Company is well placed to accelerate its omnipresence strategy to deliver sustainable growth momentum across businesses.

The global economic outlook remains cloudy. The escalating tensions in Middle East due to the Israel – Gaza conflict has made it more worrisome. Despite this, India remains well positioned to grow. The consensus on India's GDP growth for fiscal 2024 remains anchored at around 6%. However, inflation continued to be an area of concern. RBI has also revised its inflation forecast from 5.1% to 5.4% for fiscal 2024. RBI remained focused on withdrawal of accommodation to ensure that inflation progressively aligns with its target, while supporting growth.



"Your Company is well placed to accelerate its omnipresence strategy to deliver sustainable growth momentum across businesses."

Sanjiv Bajaj
Chairman

Consolidated Financial Performance Highlights of H1 FY24 vs H1 FY23

- New loans booked during H1 FY24 grew by 30% to 18.47 MM from 14.18 MM in H1 FY23.
- Customer franchise grew by 22% to 76.56 MM as of 30 September 2023 from 62.91 MM as of 30 September 2022. Your Company delivered a record increase of 7.42 MM to its customer franchise in H1 FY24.
- Assets under management grew by 33% to ₹ 290,264 crore as of 30 September 2023 from ₹ 218,366 crore as of 30 September 2022.
- Deposits book crossed a milestone of ₹ 50,000 crore in H1 FY24 and stood at ₹ 54,821 crore as of 30 September 2023 as compared to ₹ 39,422 crore as of 30 September 2022, a growth of 39%. Deposits constitute approximately 21% of consolidated borrowings as of 30 September 2023.
- Net interest income for H1 FY24 increased by 26% to ₹ 17,242 crore from ₹ 13,643 crore in H1 FY23.
- Total operating expenses to net interest income for H1 FY24 was 34.0% as against 35.9% in H1 FY23.
- Loan losses and provisions for H1 FY24 was ₹ 2,072 crore as against ₹ 1,489 crore in H1 FY23. Your Company holds a management and macro-economic overlay of ₹ 740 crore as of 30 September 2023.
- Profit before tax for H1 FY24 increased by 28% to ₹ 9,309 crore from ₹ 7,255 crore in H1 FY23.
- Profit after tax for H1 FY24 increased by 30% to ₹ 6,988 crore from ₹ 5,377 crore in H1 FY23.
- Gross NPA and Net NPA as of 30 September 2023 stood at 0.91% and 0.31% respectively, as against 1.17% and 0.44% as of 30 September 2022. Your Company has provisioning coverage ratio of 66% on stage 3 asset and 101 bps on stage 1 and stage 2 assets as of 30 September 2023.
- Capital adequacy ratio (including Tier-II capital) as of 30 September 2023 stood at 23.19%. The Tier-I capital was 21.88%.
- Your Company has a healthy liquidity surplus of ₹ 11,373 crore as of 30 September 2023.

A synopsis of financial performance of subsidiaries is given below

Bajaj Housing Finance Limited (BHFL)

- Assets under management grew by 29% to ₹ 81,215 crore as of 30 September 2023 from ₹ 62,931 crore as of 30 September 2022.
- Net interest income for H1 FY24 increased by 23% to ₹ 1,462 crore from ₹ 1,184 crore in H1 FY23.
- Loan losses and provisions for H1 FY24 was ₹ 25 crore as against ₹ 36 crore in H1 FY23. BHFL holds a management and macro-economic overlay of ₹ 176 crore as of 30 September 2023.
- Profit after tax for H1 FY24 increased by 47% to ₹ 913 crore from ₹ 622 crore in H1 FY23.
- Gross NPA and Net NPA as of 30 September 2023 stood at 0.24% and 0.09% respectively, as against 0.24% and 0.11% as of 30 September 2022. BHFL has provisioning coverage ratio of 61% on stage 3 assets and 58 bps on stage 1 and stage 2 assets as of 30 September 2023.
- Capital adequacy ratio (including Tier-II capital) as of 30 September 2023 stood at 22.64%.

Bajaj Financial Securities Limited (BFinsec)

- Customer franchise as of 30 September 2023 stood at approximately 617,800. BFinsec acquired approximately 52,700 customers in H1 FY24.
- Margin trade financing (MTF) book stood at ₹ 2,056 crore as of 30 September 2023 as against ₹ 692 crore as of 30 September 2022.
- Total income for H1 FY24 was ₹ 183 crore as against ₹ 88 crore in H1 FY23.
- Profit after tax for H1 FY24 was ₹ 18 crore.

Update on key business developments and initiatives during the period

- Your Company is progressing well on its omnipresence financial services strategy across geography, app, web, and payments.
- Your Company increased its geographic presence from 3,733 locations as of 31 March 2023 to 3,934 locations as of 30 September 2023 by adding 201 locations in H1 FY24.
- Your Company expanded its distribution reach from more than 154,650 as of 31 March 2023 to more than 181,100 distribution points as of 30 September 2023 by adding 26,450 distribution points in H1 FY24.
- Your Company has made significant progress on download and adoption of its Bajaj Finserv App. It has 44.68 MM net users as of 30 September 2023.
- Your Company has made good progress on its payments strategy. As of 30 September 2023 18.60 MM users have created UPI handles.
- Existing Member Identification (EMI) card franchise stood at 41.9 MM Cards in force (CIF) as of 30 September 2023.
- Your Company has nearly 3.82 MM co-brand credit cards in force, which have been issued in partnership with two banks as of 30 September 2023.
- Your Company has the highest credit rating of AAA/Stable from CRISIL, ICRA, CARE and India Ratings for its long-term debt programme and A1+ from CRISIL, ICRA and India Ratings for its short-term debt programme. Your Company's deposit programme also has the highest credit rating of AAA (Stable) from CRISIL and ICRA.
- Your Company has long-term issuer credit rating of BBB-/Stable and a short-term issuer credit rating of A-3 by S&P Global Ratings.
- Your Company started its new car financing business in June 2023 and is progressing well with presence across 85 locations.
- Your Company also started a pilot programme for Microfinance business across 12 locations in September 2023 with plans to expand this offering across 100 locations by March 2024.
- On 5 October 2023, the Board of Directors approved issue of securities for an aggregate amount of up to ₹ 8,800 crore through Qualified Institutions Placement (QIP) to Qualified Institutional Buyers and up to 1,550,000 warrants convertible into equivalent number of equity shares for an aggregate amount of up to ₹ 1,200 crore through preferential issue (PI) to promoter company viz. Bajaj Finserv Limited ('BFS').

I am happy to inform that Shareholders approved issuance of QIP and PI at their Extraordinary General Meeting held on 31 October 2023. I would like to thank all shareholders for their overwhelming support for the said resolutions.

I am pleased to inform that:

- On 2 November 2023, BFS subscribed to 1,550,000 warrants at an issue price of ₹ 7,670 per warrant aggregating to approximately ₹ 1,189 crore by remitting ₹ 297.21 crore being 25% of the consideration. The remaining 75% of the consideration will be paid at the time of conversion of warrants into equity shares anytime within eighteen months from the date of allotment.
- On 9 November 2023, your Company concluded allotment of 12,104,539 shares at an issue price of ₹ 7,270 per share aggregating to approximately ₹ 8,800 crore.

This capital raise will further augment your Company's capital position and enable it to pursue sustainable growth over the medium term.

- With the objective of strengthening its technology roadmap, on 16 October 2023, your Company has entered into a binding term sheet with Pennant Technologies Private Limited ('a technology product company'), subject to satisfaction of the conditions to be set out in the definitive agreements to be entered into, for acquisition of up to 26% equity stake on a fully diluted basis for an aggregate amount of approximately ₹ 267.50 crore.

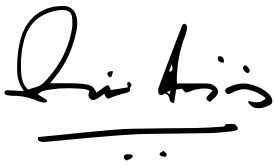
Detailed updates on the above initiatives and achievements including progress of your Company's Omnipresence strategy are given in the investor presentations for **Q1** and **Q2** FY24. I urge you to refer to the same.

Summary of consolidated financial results is given in **Annexure A**.

India continues to be among the fastest growing economies and your Company is well positioned to participate in this growth.

I would like to thank you for your continued support and wish you and your family a very happy Diwali and a prosperous New Year.

With my very best wishes,

A handwritten signature in black ink, appearing to read 'Sanjiv Bajaj', with a horizontal line underneath.

Sanjiv Bajaj

Chairman

10 November 2023

Annexure A

Highlights of the consolidated financial results for H1 FY24

(₹ in crore)

Particulars	H1 FY24	H1 FY23	Growth HoH %	FY23
New loans booked (nos. in MM)	18.47	14.18	30%	29.58
Assets under management	290,264	218,366	33%	247,379
Receivables under financing activity	285,748	212,721	34%	242,269
Interest income	22,555	16,430	37%	35,550
Fees and commission income	2,650	2,093	27%	4,352
Net gain on fair value changes	161	130	24%	334
Sale of services & income on de-recognised loans	48	21	129%	61
Others*	468	586	(20%)	1,118
Total income	25,882	19,260	34%	41,415
Interest expenses	8,640	5,617	54%	12,560
Net interest income	17,242	13,643	26%	28,855
Total operating expenses	5,864	4,899	20%	10,139
Loan losses and provisions	2,072	1,489	39%	3,190
Share of profit of associate	3	-		2
Profit before tax	9,309	7,255	28%	15,528
Profit after tax	6,988	5,377	30%	11,508
Earnings per share (face value ₹ 2):				
Basic (₹)	115.50	89.07	30%	190.53
Diluted (₹)	115.04	88.59	30%	189.57

* Others includes other operating income and other income



BAJAJ FINANCE LIMITED

CIN: L65910MH1987PLC042961

Registered Office: Akurdi, Pune 411 035

Corporate Office: 4th Floor, Bajaj Finserv Corporate Office,
Off Pune-Ahmednagar Road, Viman Nagar, Pune - 411 014

Email ID: investor.service@bajajfinserv.in

Website: www.bajajfinserv.in/corporate-bajaj-finance

Tel No.: (020) 7150 5514 / (020) 7157 6403