

BAJAJ FINANCE LIMITED

SEC/BM/2017/404

19 July 2017

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

Sir/Madam

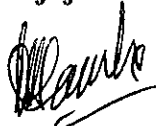
Sub: Investor Presentation for the quarter ended 30 June 2017

Please find enclosed herewith Investor presentation for the quarter ended 30 June 2017.

Thanking you,

Yours sincerely,

For **Bajaj Finance Limited**



Anant Damle
Company Secretary

Encl: As above



BAJAJ FINANCE LIMITED

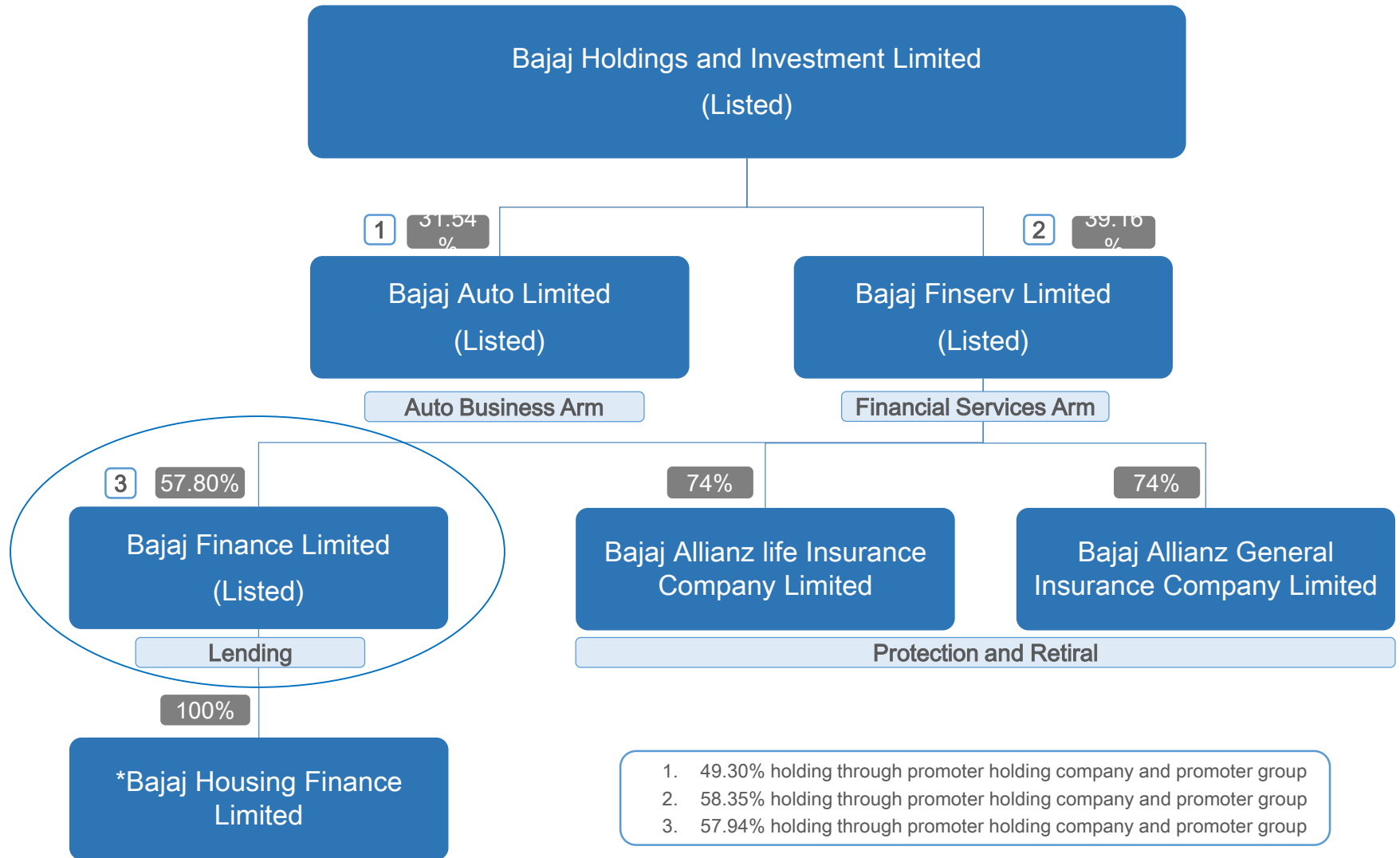
Q1 FY18 Presentation

19 July 2017

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BAJAJ GROUP STRUCTURE



Above shareholding is as of 30 June 2017

*W.e.f Nov 2014 . Bajaj Housing Finance Limited has a 100% subsidiary named Bajaj Financial Securities Limited which does not have any operations

BAJAJ FINSERV GROUP - EXECUTIVE SUMMARY



Bajaj Finserv is the financial services arm of the Bajaj group with business interest in “Lending”, “Protection”, and “Relationship management” through its various subsidiaries



Bajaj Finance Limited

- A 30 year old non bank finance company
- Diversified Consumer, SME, Rural & Commercial lender in India
- Credit rating is AAA/Stable by CRISIL, India Ratings, CARE Ratings and ICRA
- Credit rating for Short Term Debt Program is A1+ by CRISIL, ICRA & India Ratings
- 339 consumer branches and 560 rural locations with over 41,000+ distribution points
- Large customer franchise of 21.69 MM
- 10.03 MM new loans acquired in FY17



Bajaj Allianz General Insurance Company

- 2nd largest private General insurer in India as of FY17
- Offers a wide range of General insurance products across retail and corporate segments
- Highest profit after tax among private players in FY17. ROE of 23% in FY17
- Combined ratio of 96.8% in FY17
- Recognized in the market for claims servicing
- FY17 PAT of ₹ 728 crores



Bajaj Allianz Life Insurance Company

- Amongst top 5 private players as of FY17 on new business
- Deep pan India distribution reach
- Diversified distribution mix consisting of agency, bancassurance, other partners, direct etc.
- AUM of over 49K crores as of FY 17
- Net worth of ₹ 8,476 cr as of 31st March 2017
- One of the most profitable private life insurers in India.
- FY17 PAT of ₹ 836 Crs

WHAT DO WE STAND FOR

“Non bank with strategy & structure of a bank”

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

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

“Business construct to deliver a sustainable ROA of 3% and ROE of 18-20% in the medium term”

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

KEY STRATEGIC DIFFERENTIATORS

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

A trusted brand with strong brand equity

Focus on mass affluent and above clients

Overall franchise of 21.69 MM and Cross sell client base of 12.19 MM

Strong focus on cross selling assets, insurance and wealth products to existing customer

Consumer PPC of 3.01 and SME PPC of 4.93 vs corresponding Consumer PPC of 2.88 and SME PPC of 3.76 last year

Diversified lending strategy

AUM mix for Consumer : SME : Commercial : Rural stood at 46% : 34% : 15% : 6%

Highly agile & highly innovative

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

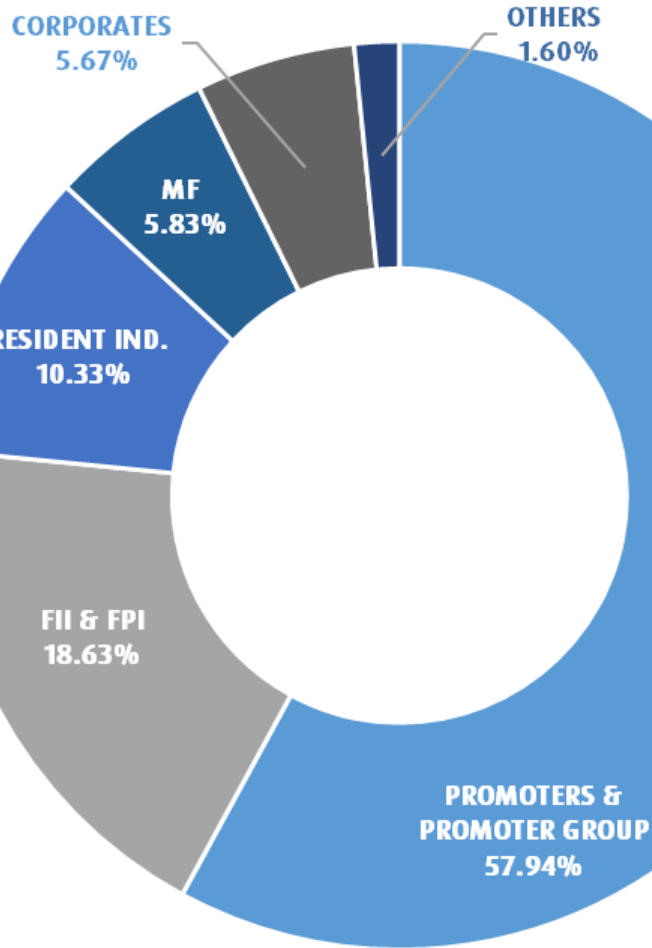
Deep investment in technology and analytics

Has helped establish a highly metricised company and manage risk & controllership effectively

BAJAJ FINANCE – SHAREHOLDER PROFILE

Top 20 investors & their holdings

S.No	Name of Shareholder	As on 31 Mar'17	As on 31 Jun'17
1	BAJAJ FINSERV LTD	57.80%	57.80%
2	MAHARASHTRA SCOOTERS LIMITED	3.45%	3.45%
3	GOVERNMENT OF SINGAPORE	2.56%	2.49%
4	SMALLCAP WORLD FUND, INC	1.11%	1.11%
5	AXIS LONG TERM EQUITY FUND	0.82%	0.96%
6	NEW HORIZON MASTER FUND	0.89%	0.89%
7	NEW WORLD FUND INC.	0.55%	0.55%
8	VANGUARD EMERGING MARKETS STOCK INDEX FUND	0.49%	0.51%
9	MOTILAL OSWAL MULTICAP FUND	0.43%	0.46%
10	BFL EMPLOYEE WELFARE TRUST	0.56%	0.42%
11	GOLDMAN SACHS INDIA FUND LIMITED	0.39%	0.39%
12	STEADVIEW CAPITAL MAURITIUS LTD.	0.39%	0.39%
13	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	0.36%	0.37%
14	ISHARES INDIA INDEX	0.36%	0.36%
15	WF ASIAN SMALLER COMPANIES FUND	0.36%	0.36%
16	HDFC TRUSTEE COMPANY LTD-MID CAP FUND	0.34%	0.34%
17	BIRLA SUN LIFE FRONTLINE EQUITY FUND	0.34%	0.34%
18	KOTAK SELECT FOCUS FUND	0.29%	0.30%
19	TVF FUND LTD.	0.33%	0.29%
20	WF ASIAN RECONNAISSANCE FUND LTD.	0.28%	0.28%



FINANCIAL SNAPSHOT

₹ in Crs

Financials snapshot	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	YoY FY16 –FY17	CAGR (10 years)
Assets under management	2,478	2,539	4,032	7,573	13,107	17,517	24,061	32,410	44,229	60,194	36%	43%
Income from operations	503	599	916	1,406	2,172	3,110	4,073	5,418	7,333	10,003	36%	39%
Interest expenses	170	164	201	371	746	1,206	1,573	2,248	2,927	3,803	30%	41%
Net Interest Income (NII)	332	435	715	1,035	1,426	1,904	2,500	3,170	4,406	6,200	41%	38%
Operating Expenses	193	220	320	460	670	850	1,151	1,428	1,898	2,564	35%	33%
Loan Losses & Provision	109	164	261	205	154	182	258	385	543	818	51%	25%
Profit before tax	30	51	134	370	602	872	1,091	1,357	1,965	2,818	43%	66%
Profit after tax	21	34	89	247	406	591	719	898	1,279	1,837	44%	65%
Ratios	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17		
Opex to NII	58.1%	50.6%	44.8%	44.4%	47.0%	44.6%	46.0%	45.0%	43.1%	41.4%		
Return on assets	0.9%	1.4%	2.8%	4.4%	4.2%	4.1%	3.6%	3.3%	3.5%	3.7%		
Return on equity	2.0%	3.2%	8.0%	19.7%	24.0%	21.9%	19.5%	20.4%	20.9%	21.6%		
Earning per share (Basic) - ₹	0.56	0.93	2.42	6.75	11.08	13.57	14.48	17.99	24.23	34.01		
Net NPA	7.05%	5.50%	2.20%	0.80%	0.12%	0.19%	0.28%	0.45%	*0.28%	**0.44%		
NPA provisioning coverage	29%	32%	55%	79%	89%	83%	76%	71%	77%	74%		

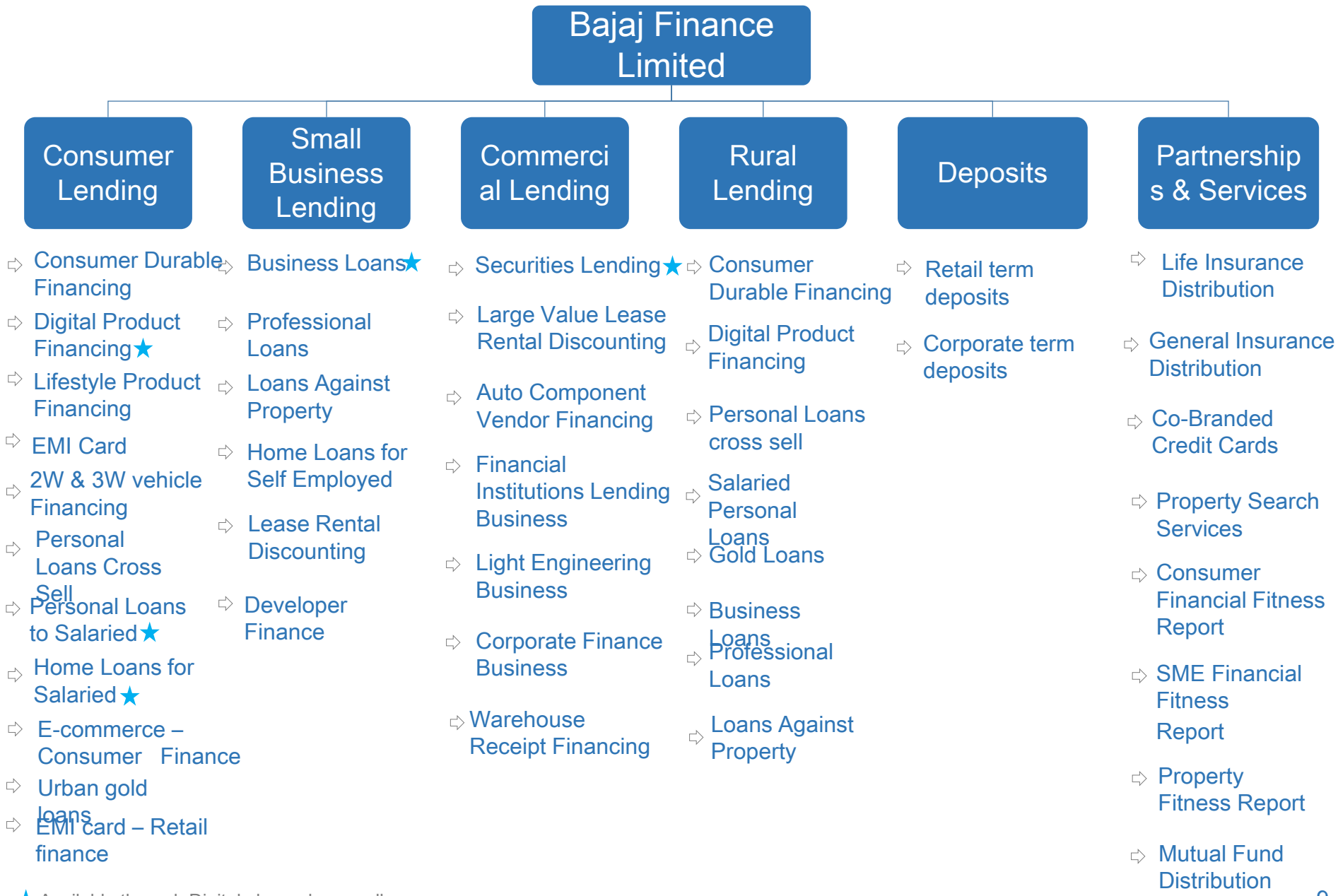
As per the RBI regulations, NBFCs were required to transition to 150 dpd by March 2016 and 120 dpd by March 2017. Hence NPA numbers are not comparable

*The net NPA & provisioning coverage numbers for FY16 are at 150 days over-due while the same for previous years are at 180 days over-due

**The net NPA & provisioning coverage numbers for FY17 are at 120 days over-due

^ EPS numbers adjusted for bonus and split

BAJAJ FINANCE LIMITED PRODUCT SUITE



★ Available through Digital channels as well

EXECUTIVE SUMMARY

- Bajaj Finance**
- 30 year old non bank with a demonstrated track record of profitability
 - Focused on Consumer, Rural, SME & Commercial lines of businesses
 - Portfolio mix for Consumer : SME : Commercial : Rural stands at 46% : 34% : 15% : 6%
 - Strategic business unit organization design supported by horizontal common utility support functions to drive domain expertise, scalability and operating leverage
 - Strategy is to focus on cross sell, customer experience and product & process innovations to create a differentiated & profitable business model
 - The company has ₹ 68,883 Crs of Assets under Management with a net NPA of 0.53% at 90 days overdue and a capital adequacy of 20.15% as of 30 Jun 2017. The company in Q1 FY18 has delivered a post tax profit of ₹ 602 Crs which is a 42% growth at an ROA¹ of 1.0% and ROE¹ of 6.1%

-
- Consumer business**
- Two wheeler financing business currently contributes to 37% of Bajaj Auto's domestic two wheeler sales and disbursed 159K accounts in Q1FY18. Three wheeler financing business currently contributes to 28% of three wheeler sales and disbursed 14K account in Q1FY18
 - Present in 339 locations with 33,000+ active distribution point of sale
 - Largest consumer electronics, digital products & furniture lender in India, focused on affluent consumers
 - Amongst the largest personal loan lenders in India
 - EMI (Existing Membership Identification) Card franchise crossed 9.8* MM cards (CIF)
 - Amongst the largest new loans acquirers in India (3.77 MM in Q1 FY18)

-
- Rural business**
- Highly diversified lender in the rural eco system offering 8 products in consumer and MSME business categories with a unique hub and spoke business model
 - Geographic presence across 560 towns and villages and retail presence across 5,900+ stores

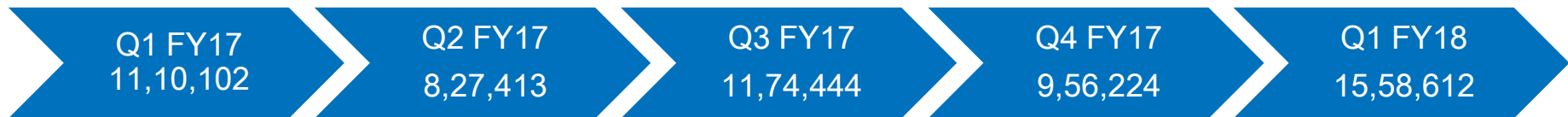
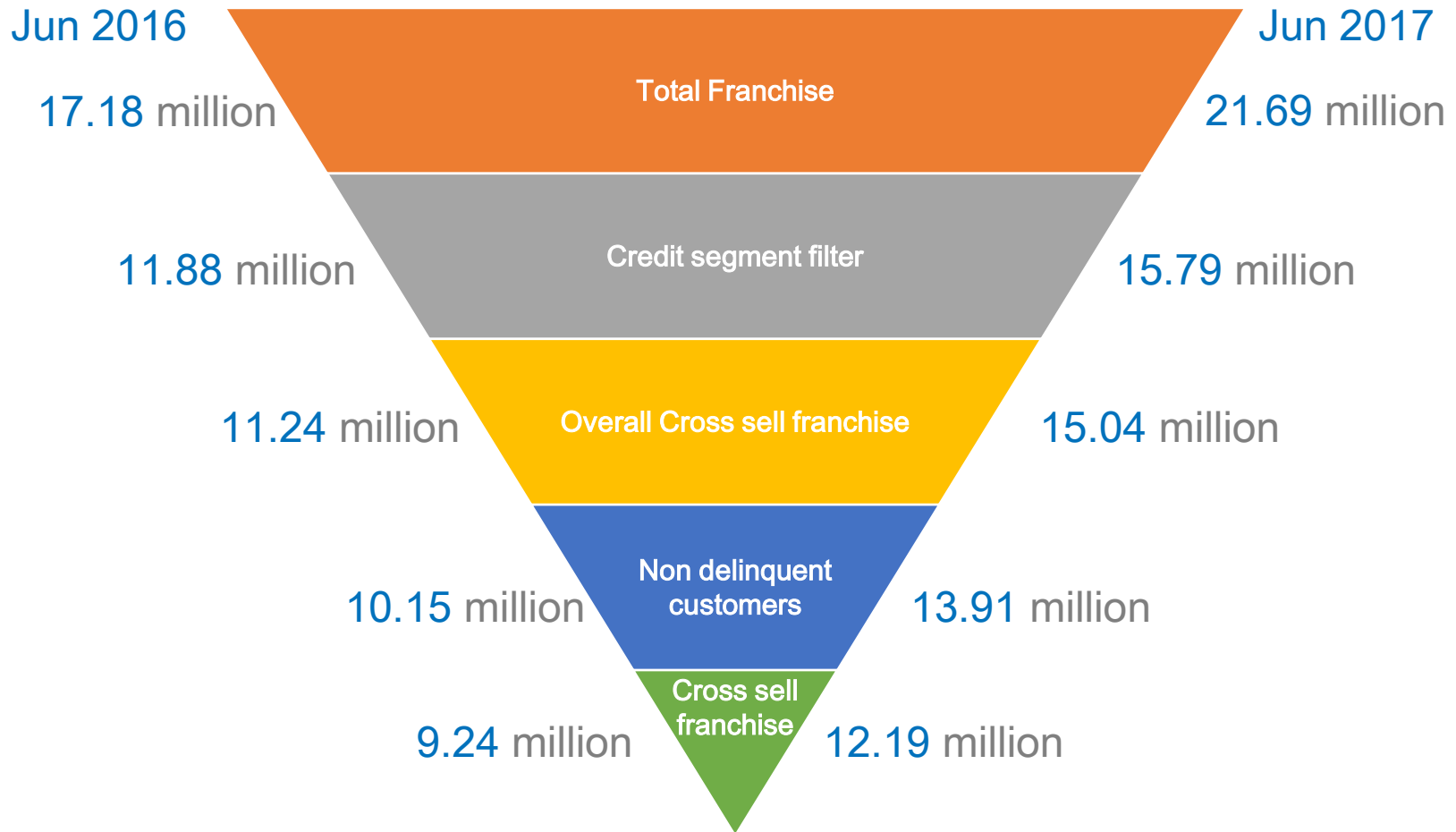
¹ Not Annualised

* Includes EMI Card, and Virtual EMI cards

EXECUTIVE SUMMARY (CONTD.)

SME Business	<ul style="list-style-type: none">• Focused on high net worth SMEs with an average annual sales of ₹ 15 Crores with established financials & demonstrated borrowing track records• Offer a range of working capital & growth capital products and mortgage (Loan against property, Lease Rental Discounting & Home Loans) products to SME & self employed professionals• Offer full range of growth & working capital lending products to professionals (Doctors & CA's)• Built a dedicated SME Relationship Management channel to provide wide range of cross sell products to our SME franchise• Retail mortgage product strategy is to sell to existing customers only
Commercial business	<ul style="list-style-type: none">• Offer wholesale lending products covering short, medium and long term needs of Auto component & light engineering vendors and financial institutions in India• Offer a range of structured products collateralized by marketable securities or mortgage
Treasury	<ul style="list-style-type: none">• Strategy is to create a balanced mix of wholesale and retail borrowings• The company's total borrowings stood at ₹ 53,569 Crs with a mix of 32 : 58 : 10 between banks, money markets and deposits
Credit Quality	<ul style="list-style-type: none">• Gross NPA of 1.70% & Net NPA of 0.53% as of 30 Jun 2017 at 90 DPD. The company has moved its NPA recognition policy from 120 days overdue to 90 days overdue. The comparable GNPA and NNPA stood at 1.44% and NNPA of 0.42% as of 30 Jun 2017 vs GNPA 1.47% & NNPA of 0.41% as of 30th June 2016• Provisioning coverage ratio stands at 69% as of 30 Jun 2017
Credit Rating	<ul style="list-style-type: none">• Credit rating for Long Term Debt Program is AAA/Stable by CRISIL, ICRA, CARE & India Ratings• Credit rating for Short Term Debt Program is A1+ by CRISIL, ICRA & India Ratings• Credit rating for FD program is FAAA/Stable by CRISIL & MAAA (Stable) by ICRA

CUSTOMER FRANCHISE



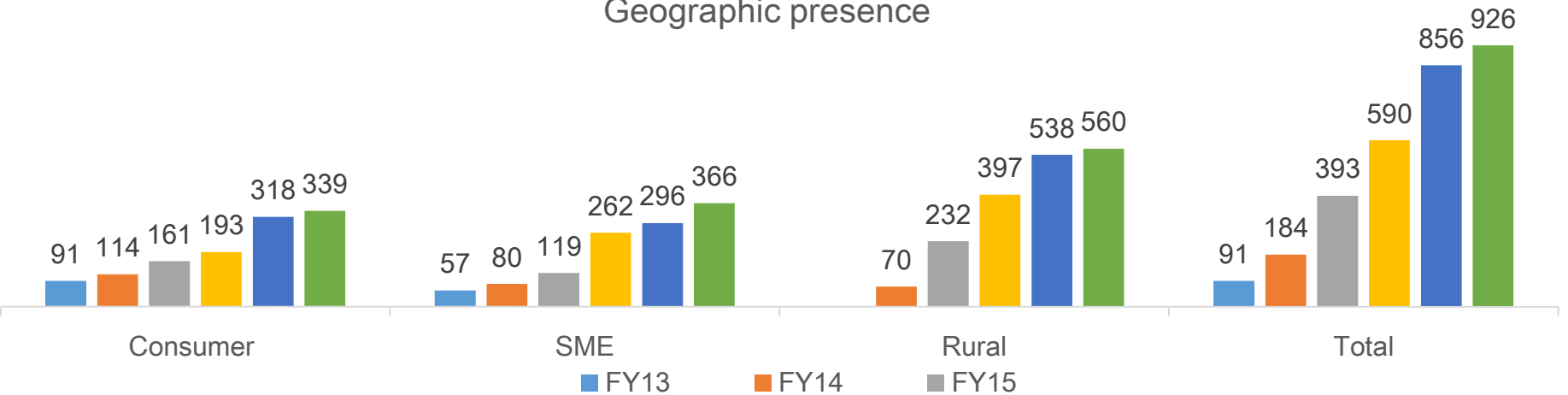
Growing customer cross sell franchise by 25-30% every year...

KEY PORTFOLIO METRICS

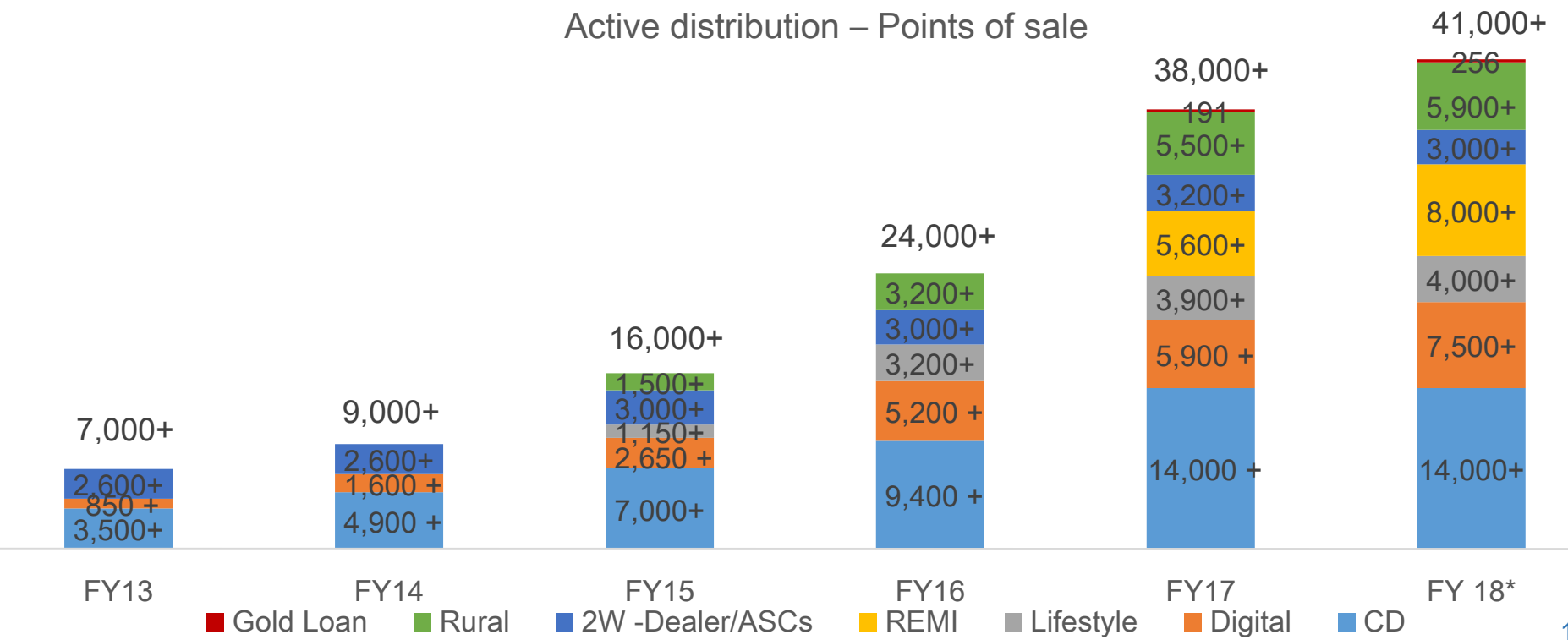
Business Segment	AUM (₹ Crore)			Disb.	No. of Accounts	IRR (%) Range	Ticket (Lacs)			
	Q1 FY17	Q1 FY18	YoY							
Consumer Businesses										
1. 2W & 3W finance	4,080	5,215	28%	1,059	1,078	2%	173,605	22.0-26.0	0.58	
2. Consumer durable finance	6,783	7,974	18%	5,020	6,039	20%	22,61,873	23.0-25.0	0.27	
3. Digital product finance	816	1,217	49%	646	1,081	67%	527,390	23.0-25.0	0.20	
4. Lifestyle product finance	386	513	33%	235	319	36%	65,565	23.0-25.0	0.46	
5. Retail EMI & Ecommerce	-	604	-	-	579	-	2,04,537	23.0-25.0	0.10-0.27	
6. Personal loans cross sell	4,392	6,962	59%	997	1,537	54%	97,397	16.0-26.0	1.49	
7. Salaried personal loans	2,764	3,877	40%	656	1,063	62%	15,678	14.0-16.0	5.5-6.0	
8. Salaried – Home Loans	1,786	3,268	83%	386	673	74%	-	8.5-9.5	37	
9. BFS Direct (HL, PL)	721	1,604	122%	244	445	82%	-	-	-	
SME Businesses										
10. Business loans (BL)	4,866	5,990	23%	1,344	1,299	(3%)	10,293	17.0-20.0	11-14	
11. Professional loans	1,265	2,057	63%	371	661	78%	4,974	14.0-17.0	11-14	
12. Loan against property (LAP)	8,661	8,582	(1%)	1,132	1,561	38%	-	10.50	90-110	
13. Self employed – Home Loans	3,286	3,970	21%	557	964	73%	-	8.8-10.5	55-65	
14. RM Business	2,136	2,349	10%	504	280	(44%)	-	-	-	
Commercial Businesses										
15. Securities lending	2,975	6,127*	106%	-	-	-	-	10.0-11.5	-	
16. Vendor financing	1,545	2,014	30%	-	-	-	-	10.0-12.5	-	
17. Financial institutions group	433	707	63%	20	105	425%	-	9.5-12.0	-	
18. Corporate finance	459	647	41%	120	190	58%	-	10.0-12.0	-	
19. Infrastructure lending	Exited Infra portfolio by selling down its largest exposure and paydown by one of the largest accounts									
Rural Business										
* 20. Rural lending	1,688	3,916	132%	795	1,627	105%	3,70,985	14.0-26.0	-	

STRONG DISTRIBUTION REACH

Geographic presence



Active distribution – Points of sale



KEY PERFORMANCE HIGHLIGHTS FOR Q1 FY18

- Customer franchise as of 30 Jun 2017 ↑ 26% to 21.69 million from 17.18 million as of 30 Jun 2016. During the quarter, the company acquired 1.56 MM new customers
- New loans booked during Q1 FY18 ↑ 48% to 37,71,392 from 25,40,540 in Q1 FY17
- AUM as of 30 Jun 2017 was ↑ 39% to ₹ 68,883 Crs from ₹ 49,608 Crs as of 30 Jun 2016. AUM as of 30 Jun 2017 Includes 2,021 Crore of IPO financing. Adjusted for this AUM would have grown by 35%
- Total income for Q1 FY18 ↑ 39% to ₹ 3,165 Crs from ₹ 2,282 Crs in Q1 FY17
- Loan losses and provisions for Q1 FY18 were ₹ 286 Crs as against ₹ 180 Crs in Q1 FY17. During the quarter, the company took an additional charge of ₹ 42 Crs across its consumer and infrastructure finance businesses. Adjusted for this additional charge loan loss & provisions were ₹ 244 Crs, and have grown 36%.
- Profit after tax for Q1 FY18 ↑ 42% to ₹ 602 Crs from ₹ 424 Crs in Q1 FY17
- Return on Assets and Return on Equity for Q1 FY18 were 1.0% and 6.1% respectively
- Gross NPA and Net NPA as of 30 Jun 2017 stood at 1.70% and 0.53% respectively. The provisioning coverage ratio stood at 69% as of 30 Jun 2017. During the quarter, as required by RBI guidelines, the company has moved its NPA recognition policy from 120 days overdue to 90 days overdue. The comparable GNPA and NNPA at 120 days overdue stood at 1.44% and NNPA of 0.42% as of 30 Jun 2017 vs GNPA 1.47% & NNPA of 0.41% as of 30th June 2016
- Capital adequacy ratio (including Tier II capital) as of 30 Jun 2017 stood at 20.15%. Tier I capital stood at 14.20%. During the quarter, the company raised ₹ 600 Crs by way of Tier II bonds to augment its capital base.

OTHER UPDATES FOR Q1 FY18

- Deposit book crossed a milestone of ₹ 5,000 crore and stood at ₹ 5,095 crore as of 30 June 2017 – at 10% of BFL's overall borrowings book. Retail deposit average size is at 2.93 lacs with weighted tenor of 33 months
- During the quarter, the Company received AAA rating from ICRA. The company has now AAA rating from CRISIL, ICRA, CARE & India Ratings
- During the quarter, the Company's operations have been certified with CMMi SVC Level 3 (CMMi for Services). Capability Maturity Model Integration (CMMi) is best practice model for operations which has been developed by Carnegie Mellon University (USA) and administered by CMMi institute (USA)
- The Company has been ranked as one of the “Best Company to Work for” in India, for the fifth year in a row by Great Places to Work Institute.
- The Board of Directors has approved, subject to the approval of shareholders, issue of securities for an aggregate amount up to ₹ 4,500 crore through Qualified Institutional Placement to Qualified Institutional Buyers in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

FINANCIAL STATEMENT SUMMARY

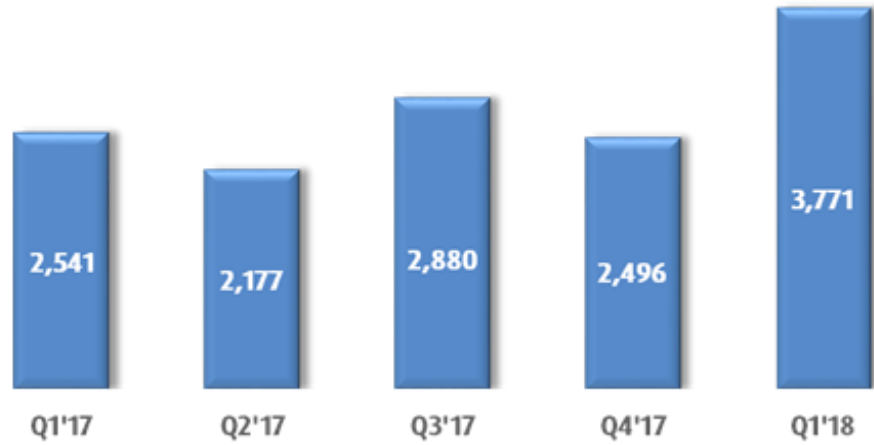
	₹ in Crores						
Financials snapshot	Q1'18	Q1'17	YoY	FY'17	FY'16	YoY	FY'15
Assets under finance (AUF)	65,121	47,923	36%	56,832	42,756	33%	31,199
Assets under management (AUM)	68,883	49,608	39%	60,194	44,229	36%	32,410
Total Interest & fee Income	3,165	2,282	39%	10,003	7,333	36%	5,418
Interest expenses	1,078	883	22%	3,803	2,927	30%	2,248
Net Interest Income (NII)	2,087	1,399	49%	6,200	4,406	41%	3,170
Operating Expenses	876	567	54%	2,564	1,898	35%	1,428
Loan Losses & Provision	286	180	59%	818	543	51%	385
Profit before tax	925	652	42%	2,818	1,965	43%	1,357
Income tax	323	228	42%	981	686	43%	459
Profit after tax	602	424	42%	1,837	1,279	44%	898
Ratios	Q1'18	Q1'17		FY'17	FY'16		FY'15
Total Opex to NII	42.0%	40.5%		41.4%	43.1%		45.0%
Total Opex to Total Income	27.7%	24.8%		25.6%	25.9%		26.4%
Loan loss to AUF*	0.4%	0.4%		1.4%	1.3%		1.2%
Return on Average AUF*	1.0%	0.9%		3.7%	3.5%		3.3%
Earning per share - Basic (Rs.) *	11.0	7.9		34.0	24.2		18.0
Return on Average Equity *	6.1%	5.5%		21.6%	20.9%		20.4%

* Not annualized

FINANCIAL PERFORMANCE TRENDS – Q1 FY18

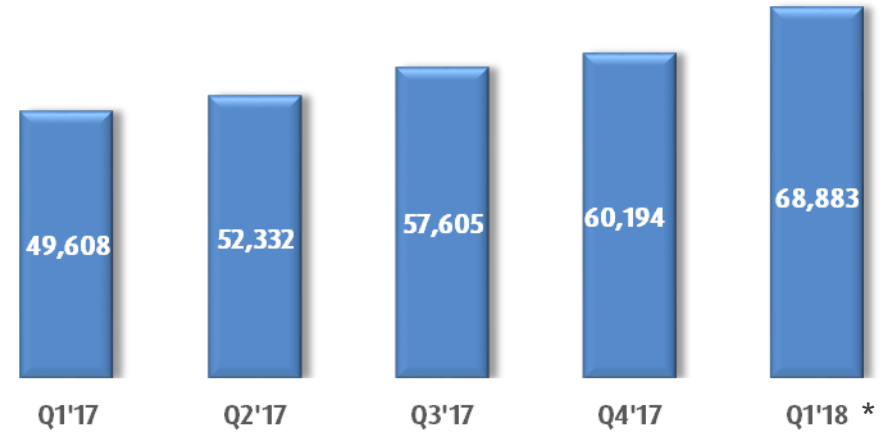
of Loans Disbursed ('000)

↑ 48% YoY



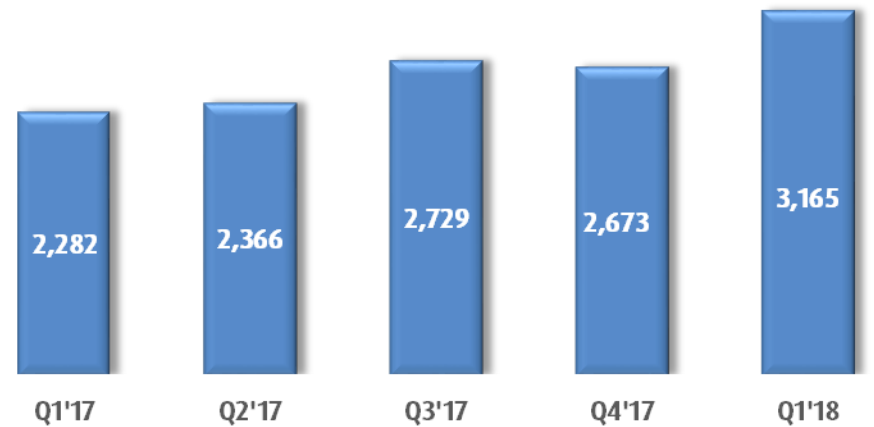
AUM (₹ Crore)

↑ 39% YoY



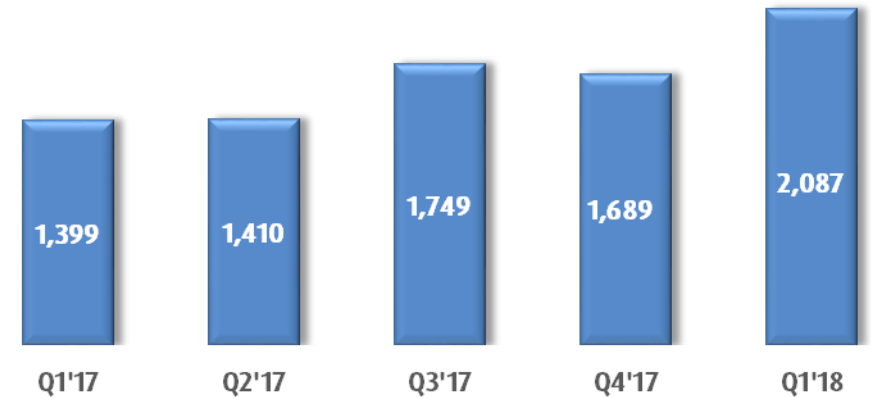
Revenue (₹ Crore)

↑ 39% YoY



Net Interest Income (NII) (₹ Crore)

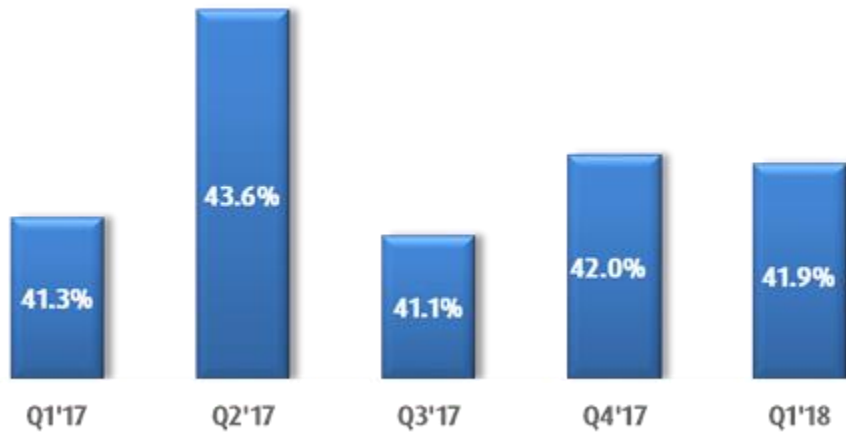
↑ 49% YoY



* Q1 FY18 AUM Includes 2,021 Crore of IPO financing. Adjusted for this AUM would have grown by 35%

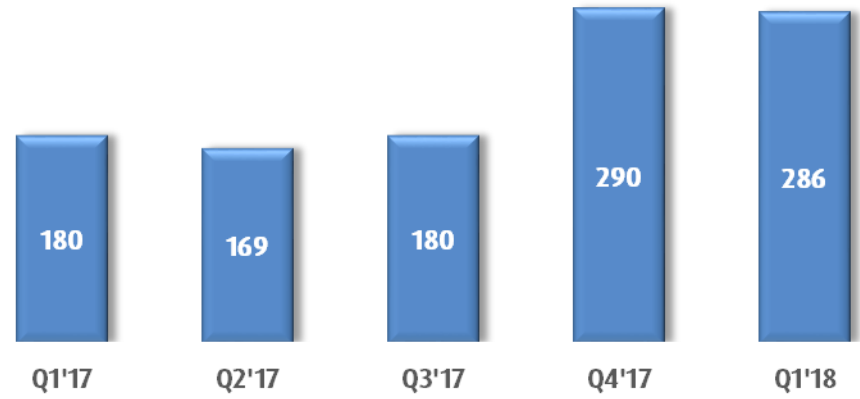
FINANCIAL PERFORMANCE TRENDS – Q1 FY18

Operating expenses % of NII

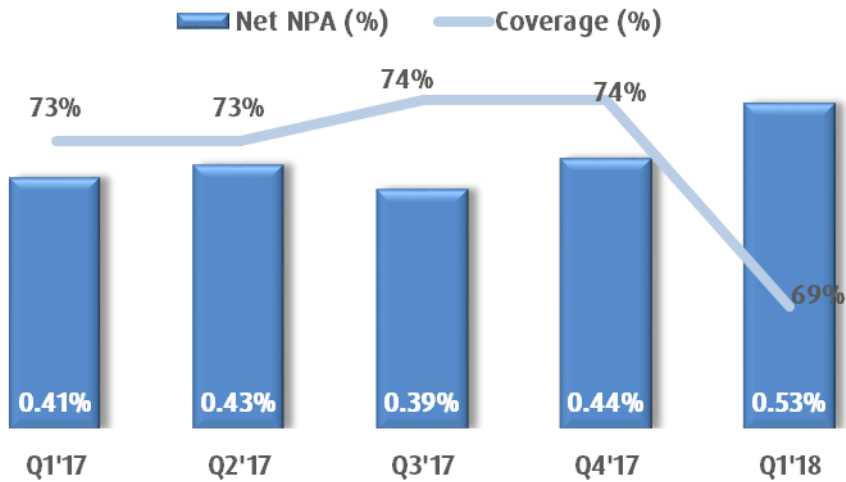


Loan loss provision (₹ Crore)*

↑ 59% YoY

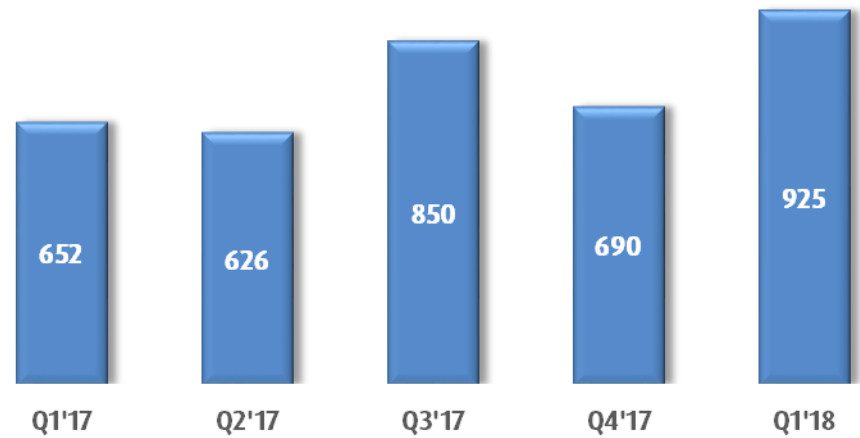


Net NPA & Provisioning coverage**



Profit Before Tax (₹ Crore)

↑ 42% YoY

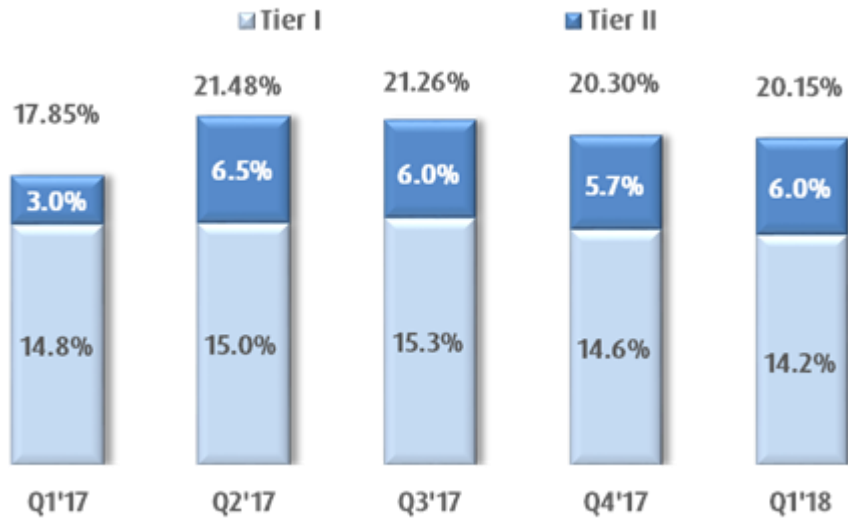


*In Q1FY18 Company took an additional charge of ₹42 crore across its consumer and infrastructure finance businesses. Adjusted for this additional charge, loan losses and provisions were ₹244 crore and have grown 36%

**The net NPA & provisioning coverage numbers from Q1 FY17 are at 90 days over-dues while the same for previous quarters are at 120 days over-due.

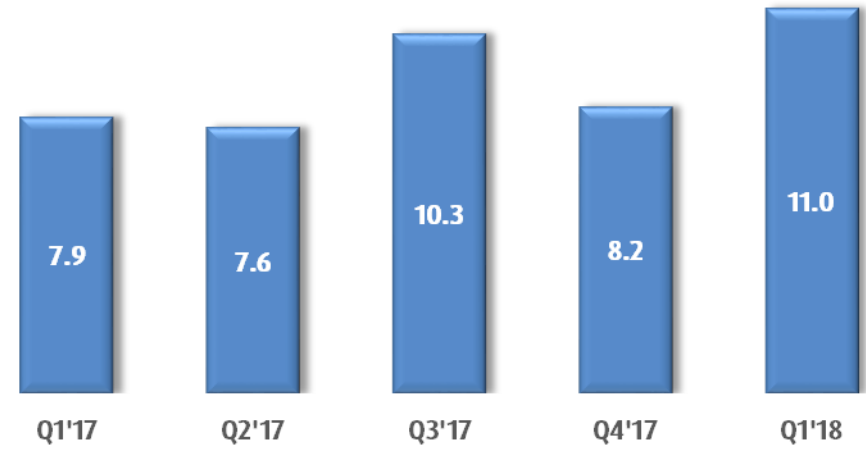
FINANCIAL PERFORMANCE TRENDS – Q1 FY18

Capital adequacy ratio



Earnings per share – Basic (₹)

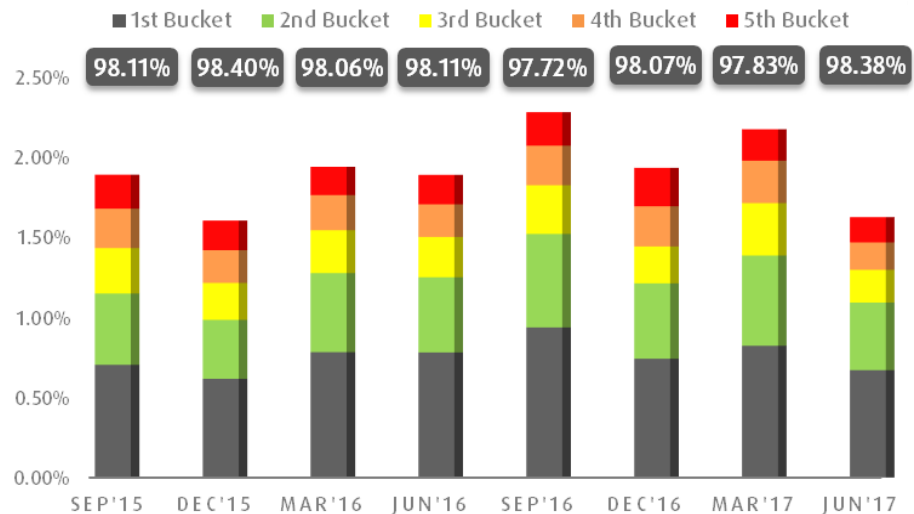
↑ 40% YoY



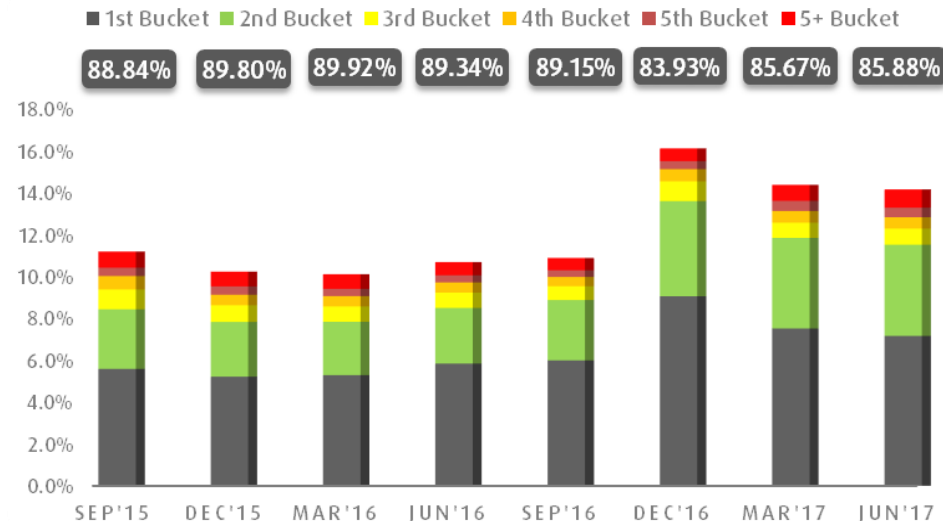
CREDIT QUALITY – PORTFOLIO

COMPOSITION

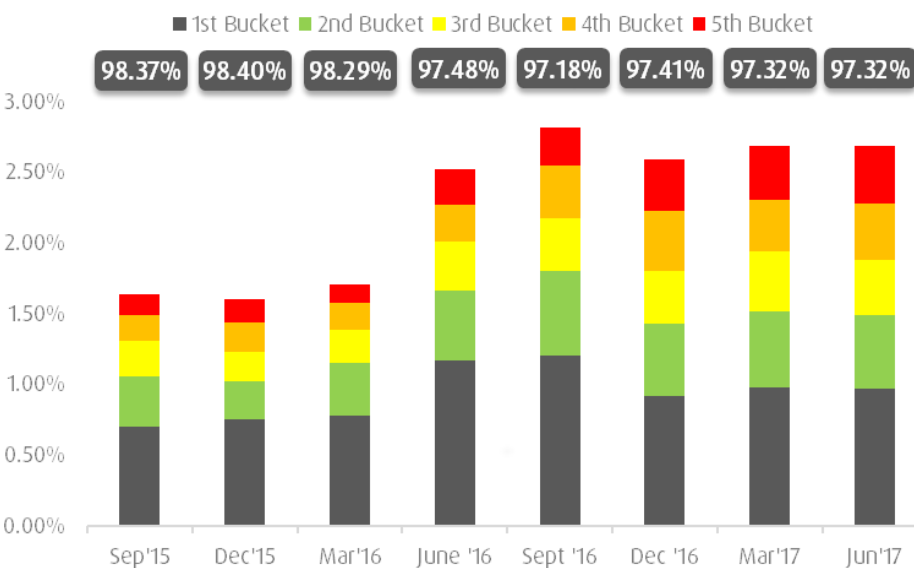
CD loan portfolio



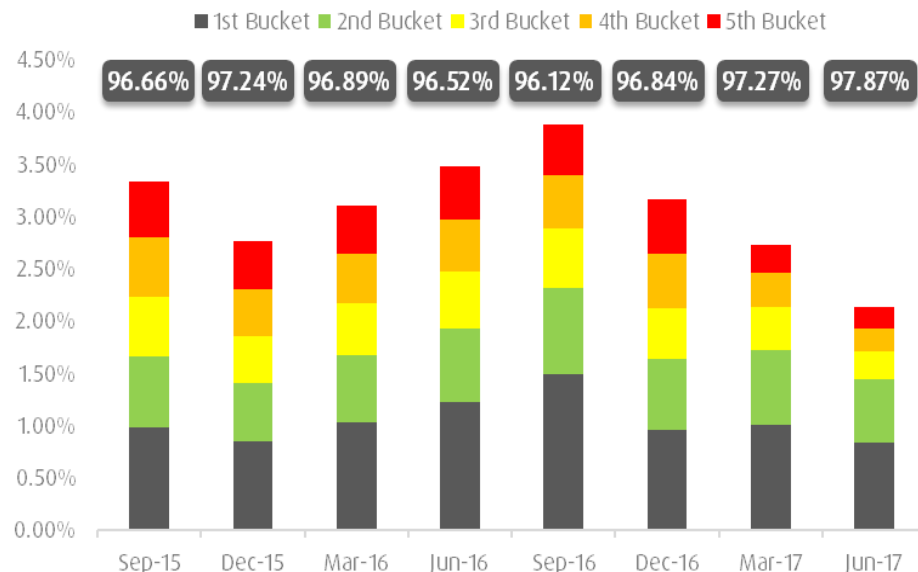
Two & Three wheeler loan portfolio



Lifestyle finance loan portfolio

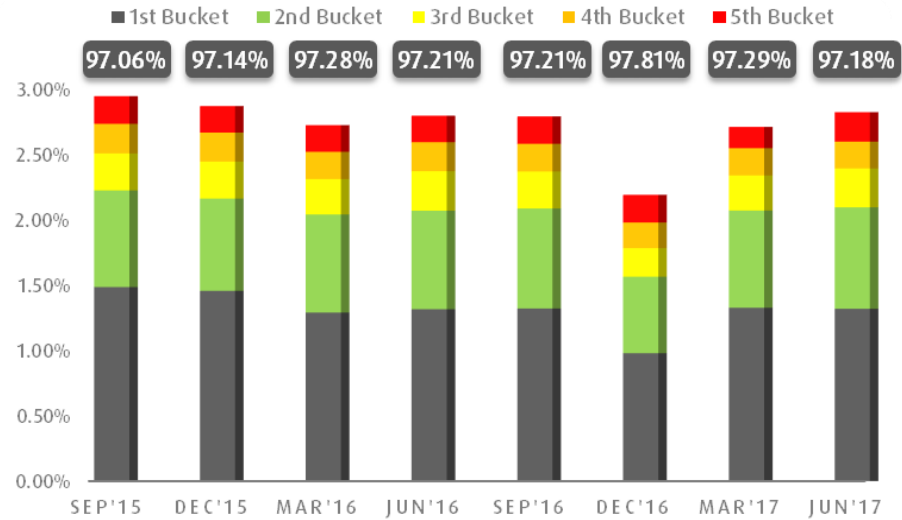


Digital product finance loan portfolio

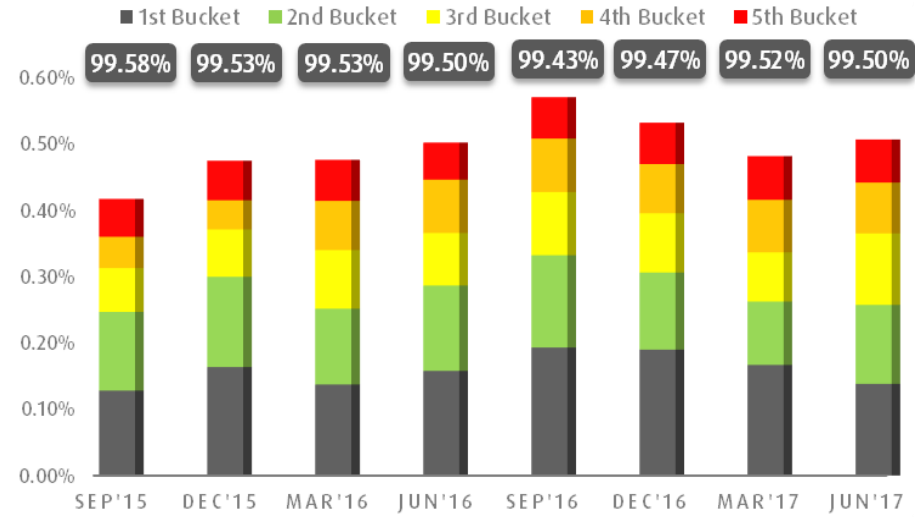


CREDIT QUALITY – PORTFOLIO COMPOSITION

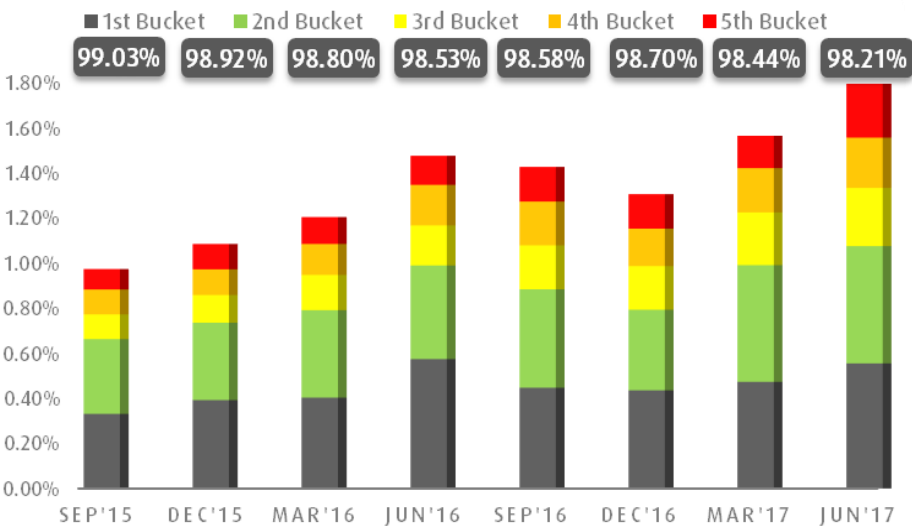
Personal loan cross sell portfolio



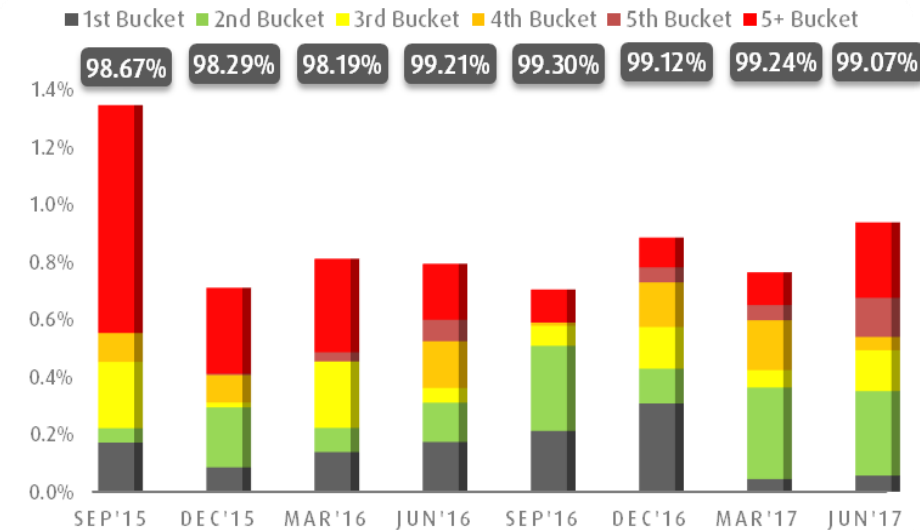
Salaried personal loan portfolio



Small business loan portfolio

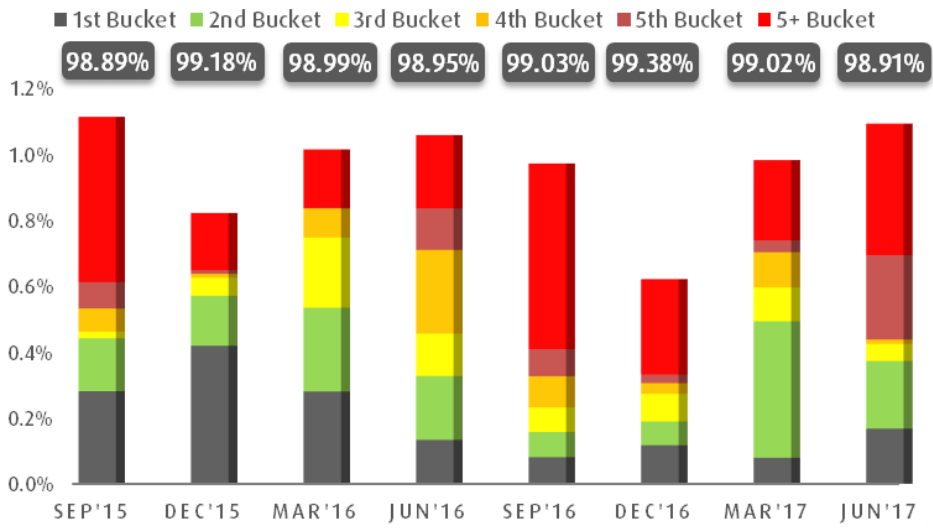


Loan against property portfolio

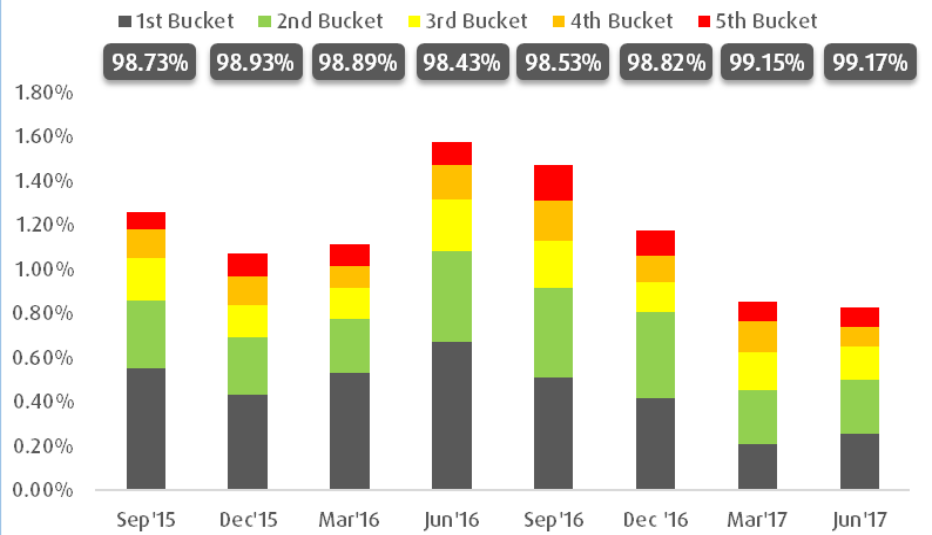


CREDIT QUALITY – PORTFOLIO COMPOSITION

Home loans portfolio



Rural Lending portfolio



CREDIT QUALITY – PROVISIONING COVERAGE

Business Segment (Values in ₹ Crs)	AUM (Crs.)	GNPA (Crs.)	NNPA	PCR (%)	GNPA	NNPA
Consumer Business	31,468	711	201	72%	2.26%	0.65%
SME Business	23,410	390	139	64%	1.91%	0.69%
Commercial Business	10,089	5	4	34%	0.05%	0.04%
Rural Business	3,916	29	8	72%	0.75%	0.21%
Bajaj Finance	68,883	1,136	352	69%	1.70%	0.53%

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BAJAJ FINANCE LIMITED

Q1 FY18 Presentation

THANK YOU

ANNEXURES

GLOSSARY

2W	Two Wheeler	IIP	Index of Industrial Production
3W	Three Wheeler	IRR	Internal Rate of Return
ACMF	Auto Components Manufacturer Financing	LAP	Loan Against Property
AR	Assets Receivable	LAS	Loan Against Securities
ARU	Activation, Retention & Usage	MF	Mutual Fund
ASC	Authorized Service Centers	MM	Million
AUF	Assets Under Finance	MSME	Micro, Small & Medium Enterprise
AUM	Assets Under Management	NII	Net Interest Income
B2B	Business to Business	NNPA	Net Non Performing Assets
B2C	Business to Customer	NTB	New to Bajaj Finance
BL	Business Loan	Opex	Operating Expenses
CAGR	Compounded Annual Growth Rate	PAT	Profit After Tax
CIF	Cards in Force	PBT	Profit Before Tax
CPI	Consumer Price Index	POS	Point of Sale
EMI	Existing Member Identification	PPC	Products Per Customer
EPS	Earnings Per Share	RBI	Reserve Bank of India
FIG	Financial Institutions Group	ROA	Return on Assets
FII	Foreign Institutional Investor	ROE	Return on Equity
FPI	Foreign Portfolio Investment	SME	Small & Medium Enterprise
GNPA	Gross Non Performing Assets	TAT	Turn Around Time
HL	Home Loan	TTD	Through the Door
IFA	Independent Financial Advisor	WPI	Wholesale Price Index

Product Per Customer (PPC)

Product per Customer (PPC) is a measure of cumulative products bought by a customer over vintages

Retail

Products offered	PPC Benchmark	PPC (12 MOB)	PPC (18 MOB)	PPC (24 MOB)
16	3	2.42*	2.74*	3.01*

Product offerings – Retail

Loan Products

- Consumer durable finance, Digital finance, Lifestyle finance, Personal Loan, Salaried Personal Loans, Salaried Home Loans

Fee Products

- EMI Card, Credit Card, EMI Card – Preferred, Life Insurance, Health Insurance, Mutual Fund, Fixed Deposit, Extended Warranty Insurance, Credit Vidya, Retail Financial Fitness report

SME

Products offered	PPC Benchmark	PPC (12 MOB)	PPC (18 MOB)	PPC (24 MOB)
14	5	4.98*	5.06*	4.93*

Product offerings – SME

Loan Products

- Business loans, Loan against property, Home loans, Construction equipment loans, Securities lending

Fee Products

- EMI Card, EMI Card – Preferred, Life Insurance, Health Insurance, Mutual Fund, CRISIL ratings, Property search services, Property fitness report, SME financial fitness report

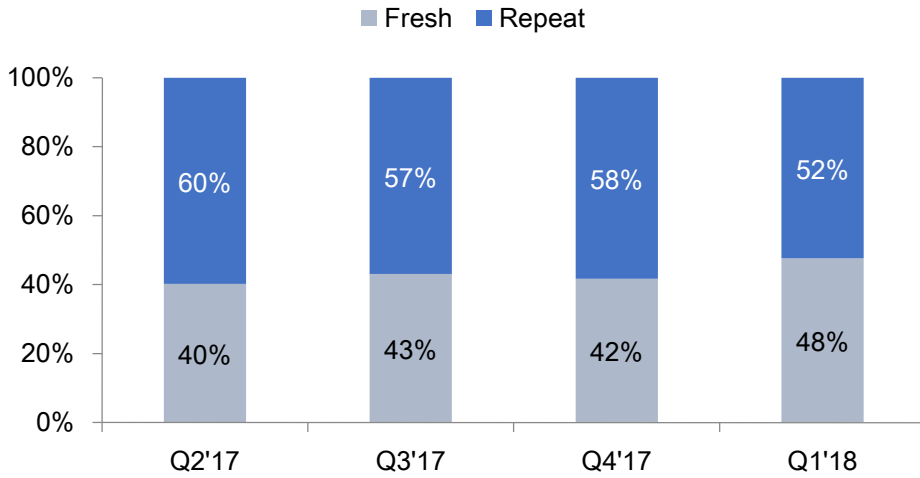
* Base product is included in the PPC calculation

* PPC does not include short tenor & renewable loans (viz. PO, LAS & Retailer finance), TW, infra and Rural lending sourcing

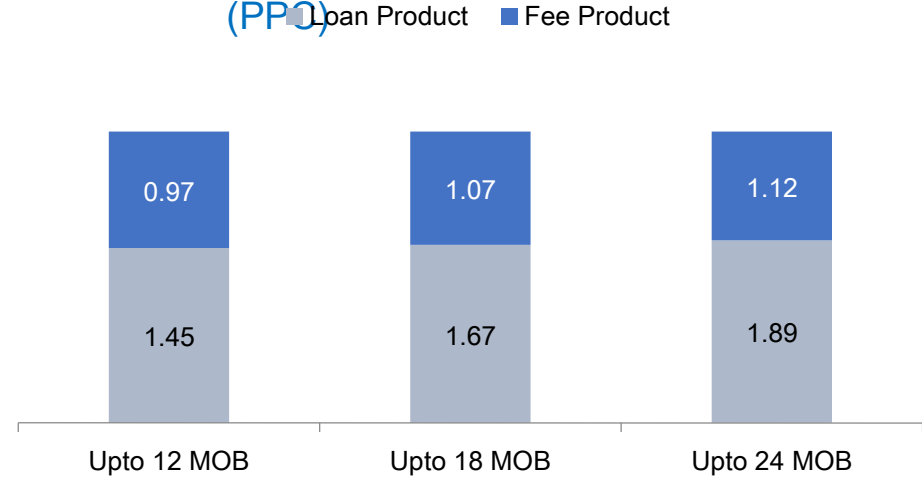
Product Per Customer (PPC)

Retail

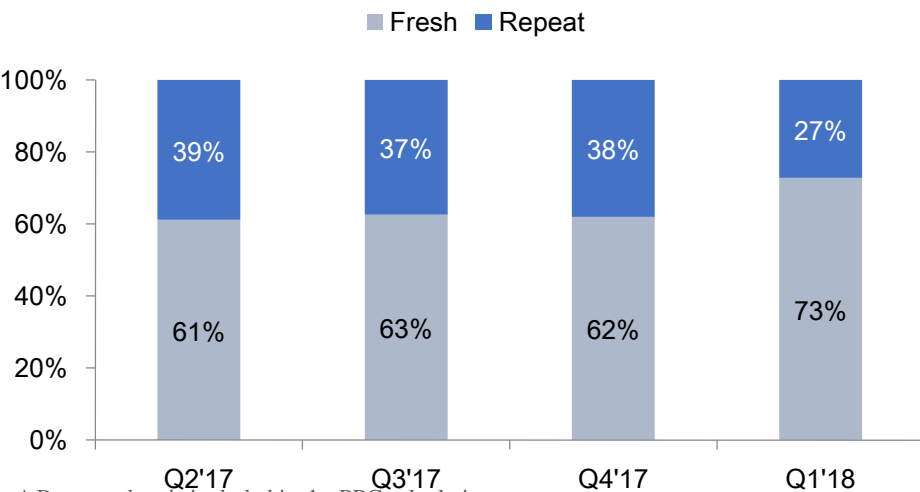
Disbursed Value – Fresh v/s Repeat Mix



Product Per Customer (PPC)

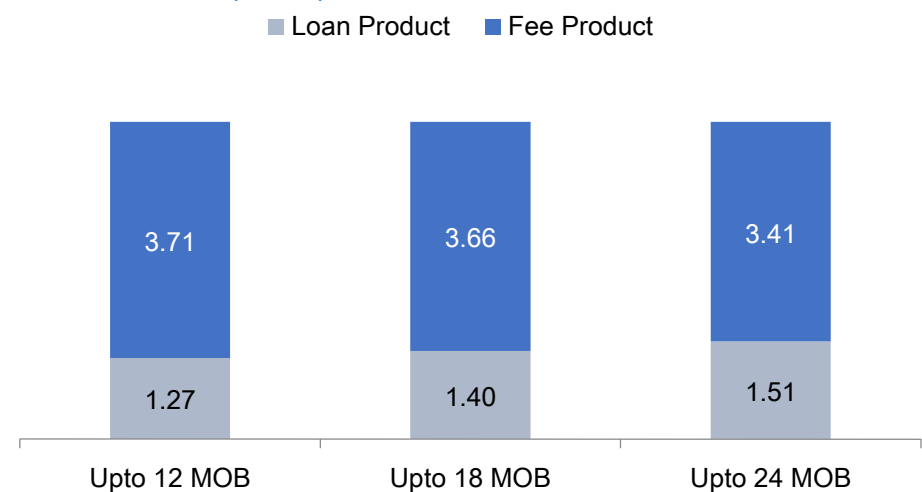


Disbursed Value – Fresh v/s Repeat Mix



SME

Product Per Customer (PPC)

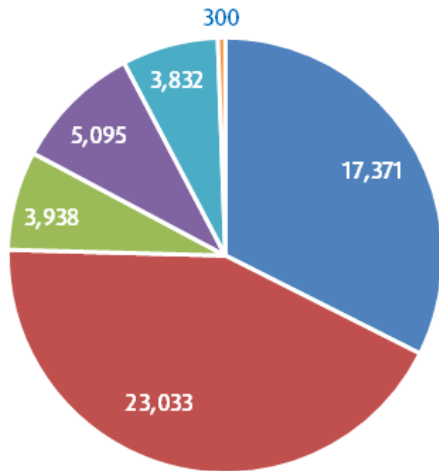


* Base product is included in the PPC calculation

* PPC does not include short tenor & renewable loans (viz. PO, LAS & Retailer finance), TW, Infra and Rural lending sourcing

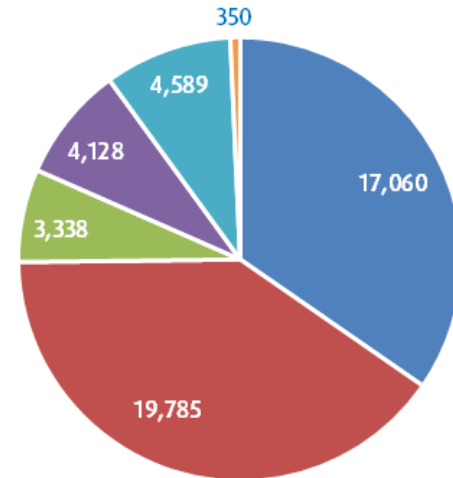
ALM STRATEGY

Borrowings – Jun '17 (₹ 53,569 Crs)



■ Banks ■ NCDs ■ Subordinate Debt ■ Deposits ■ CPs ■ CBLO

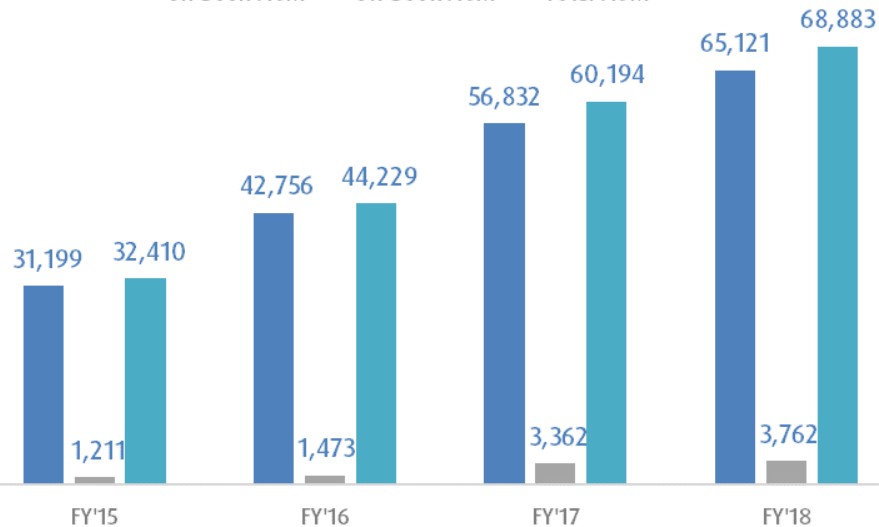
Borrowings – Mar '17 (₹ 49,250 Crs)



■ Banks ■ NCDs ■ Subordinate Debt ■ Deposits ■ CPs ■ CBLO

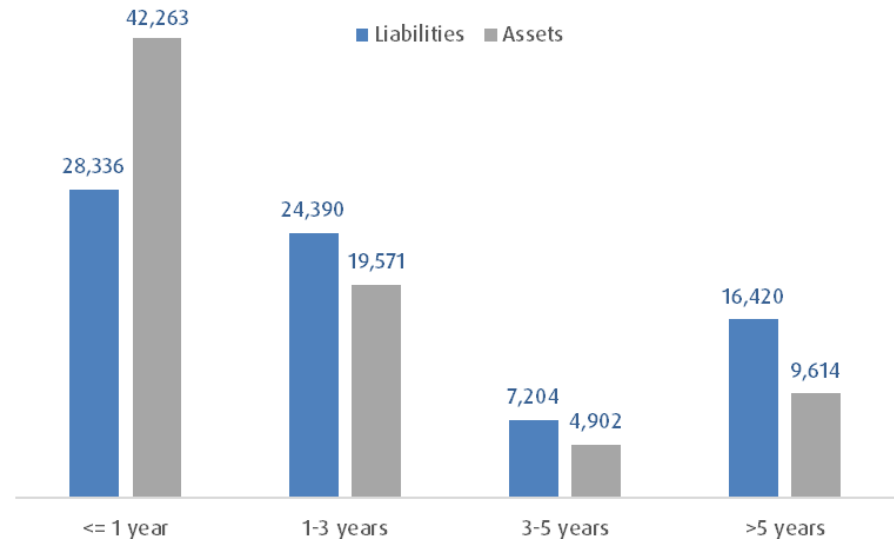
Loan Book (₹ Crs)

■ On Book AUM ■ Off Book AUM ■ Total AUM



Behaviouralised ALM (₹ Crs)

■ Liabilities ■ Assets



NPA PROVISIONING STANDARDS

Bajaj Finance provides a general provision of 0.40% on all standard assets (0.50% on Mortgages)

Consumer Finance provision coverage

- **Consumer Durables :**
 - 3-5 Bucket - 75%
 - Above 5 - 100%
- **2 and 3 Wheeler :**
 - 3 – 5 Bucket – 40%
 - 6 - 12 Bucket - 60%
 - Above 12 - 100%
- **Personal Loan Cross Sell :**
 - 3 - 5 Bucket - 75%
 - Above 5 - 100%
- **Salaried Personal Loan :**
 - 3 - 5 Bucket – 75%
 - Above 5 - 100%

SME Finance provision coverage

- **Home Loan / Loan against Property :**
 - 3-5 Bucket - 15%
 - 6–12 Bucket - 25%
 - 13-18 Bucket – 40%
 - 18-24 Bucket – 60%
 - Above 24 - 100%
- **Unsecured Business & Professional Loans :**
 - 3-5 Bucket – 75%
 - Above 5 – 100%

Commercial Lending provision coverage

- 6 – 12 Bucket – 10%
- 12 – 18 Bucket – 20%
- 18 – 24 Bucket – 30%
- Above 24 – 100%
- Graded provision on secured portfolio
- **Securities Lending**
 - Above 5 - 100%

Bajaj Finance provisioning standards are substantially stringent than RBI norms applicable for NBFC's.