

9 November 2023

To Corporate Relations Department. BSE Limited 1 st Floor, New Trading Ring, Rotunda Building, P J Tower, Dalal Street, Fort, Mumbai 400 001	To Corporate Listing Department. National Stock Exchange of India Ltd Exchange Plaza, 5 th Floor Plot No.C-1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
BSE Code: 532978	NSE Code: BAJAJFINSV

Dear Sir/Madam,

Sub.: Submission of Half Yearly Report for FY2023-24

Pursuant to Regulation 30 and 27 (1) 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 through electronic mode.

Copy of the said report is also placed on the Company's website at <https://www.aboutbajajfinserv.com/investor-relations-annual-reports>

We request you to kindly take this on record.

Thanking you,
Yours faithfully
FOR BAJAJ FINSERV LIMITED

UMA SHENDE
COMPANY SECRETARY
Email id: investors@bajajfinserv.in
Encl.: As above

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BAJAJ FINSERV LIMITEDwww.bajajfinserv.in/corporate-bajaj-finserv

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Corporate ID No.: L65923PN2007PLC130075 | **Email ID:** investors@bajajfinserv.in



HALF YEARLY REPORT

2023-24



Dear Shareholder,

As articulated in my last letter to you, Bajaj Finserv (BFS) strives to be an entity where the whole is greater than the sum of its parts.

Let me provide an update on the progress made by BFS and its subsidiaries for the half-year ended 30 September 2023.

Macro-economic conditions were favourable for our businesses in the last six months and your companies once again delivered a very strong operating performance.

- The number of new loans booked by Bajaj Finance Ltd. (BFL) was 18.5 million in H1/2023-24. Its half yearly consolidated profit after tax increased by 30% to ₹ 6,988 crore. Its wholly owned subsidiary, Bajaj Housing Finance Ltd. (BHFL) recorded profit after tax of ₹ 913 crore – an increase of 47%. BFL's deposit book crossed a milestone of ₹ 50,000 crore in this period.
- Our general insurance company, Bajaj Allianz General Insurance Company Ltd. (BAGIC), recorded market leading growth in gross written premium of 41%; excluding bulky tender-driven crop and government health business growth was 24%. BAGIC's profit after tax increased by 18% to ₹ 883 crore. It continued to deliver superior combined ratio, the key measure of core profitability of general insurance companies.
- Our life insurance company, Bajaj Allianz Life Insurance Company Ltd. (BALIC), recorded market leading growth of 24% in individual rated new business (IRNB) premium during H1/2023-24. BALIC's market share of the private sector in terms of IRNB increased from 7.7% to 8.5%. Its profit after tax increased by 23% to ₹ 349 crore.
- I am further pleased to inform you that our mutual fund venture, Bajaj Finserv Asset Management (BFSAMC) launched the first few products starting from June 2023. BFSAMC received encouraging response to its mutual fund schemes launched in the half year and has already garnered Assets Under Management (AUM) of ₹ 5,235 crore at 30 September 2023.



“Macro-economic conditions were favourable for our businesses in the last six months and your companies once again delivered a very strong operating performance.”

Sanjiv Bajaj
Chairman & Managing Director

Highlights of H1/2023-24 v/s H1/2022-23*

✓ Consolidated total income	–	₹ 49,303 crore v/s	₹ 36,692 crore	↑ 34%
✓ Consolidated profit after tax [@]	–	₹ 3,872 crore v/s	₹ 2,866 crore	↑ 35%
✓ Bajaj Finance, consolidated profit after tax	–	₹ 6,988 crore v/s	₹ 5,377 crore	↑ 30%
✓ General insurance, profit after tax	–	₹ 883 crore v/s	₹ 747 crore	↑ 18%
✓ Life insurance, net new business value (NBV) [#]	–	₹ 331 crore v/s	₹ 325 crore	↑ 2%

* All figures under Ind AS except for general and life insurance which are as per Indian GAAP

[#] NBV is the net present value of the future profits associated with new business written during the period

[@] Under Ind AS, the insurance subsidiaries have chosen to hold a large part of the equity securities portfolio as Fair Value Through Profit and Loss Account. Unrealised Mark-to-Market (MTM) gain/loss on investments [post tax] included in consolidated profit are indicated in the table below.

Particulars	(₹ In Crore)		
	H1 2023-24	H1 2022-23	Change YoY
Consolidated profit after tax	3,872	2,866	35%
Add: Unrealised MTM loss of insurance subsidiaries, net of tax	102	304	
Consolidated profit after tax, excluding MTM loss	3,974	3,170	25%

A synopsis on the performance of our major subsidiary companies is given below:

a. Bajaj Finance Ltd. (BFL) – Consolidated - Ind AS

- Customer franchise increased by 22% to 76.6 million as of 30 September 2023 as compared to 62.9 million as of 30 September 2022.
- Assets Under Management (AUM) grew by 33% to ₹ 290,264 crore as on 30 September 2023 v/s ₹ 218,366 crore as on 30 September 2022. This includes AUM of its 100% mortgage subsidiary, BHFL, of ₹ 81,215 crore, which recorded a growth of 29%.
- Total income increased by 34% to ₹ 25,882 crore in H1/2023-24 v/s ₹ 19,260 crore during H1/2022-23.
- Profit after tax increased by 30% to ₹ 6,988 crore in H1/2023-24 v/s ₹ 5,377 crore in H1/2022-23.
- Net Non-Performing Assets (NPA) for H1/2023-24 stood at 0.31%.
- Capital adequacy ratio (including Tier-II capital) as on 30 September 2023 stood at 23.19%. The Tier-I capital stood at 21.88%. For BHFL, the capital adequacy ratio (including Tier-II capital) stood at 22.64%.
- To support growth of business for next few years, on 5 October 2023, the Board of Directors of Bajaj Finance Ltd. have 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 the promoter company i.e. Bajaj Finserv Ltd.

We wish to inform that the Shareholders of BFL have approved the issuance of QIP and PI at the Extraordinary General Meeting held on 31 October 2023.

Further, we are pleased to inform that your Company has subscribed to 1,550,000 warrants offered by BFL at an issue price of ₹ 7,670 per warrant by remitting 25% of the issue price on 2 November 2023. The remaining 75% of issue price will be paid at the time of conversion of warrants into equity shares.

b. Bajaj Allianz General Insurance Company Ltd. (BAGIC) – Indian GAAP

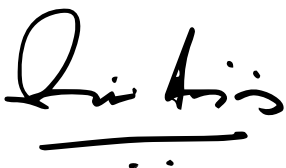
- Gross written premium for H1/2023-24 increased by 41% to ₹ 11,132 crore v/s ₹ 7,900 crore in H1/2022-23. Excluding tender-driven crop and government health insurance premium, BAGIC's gross written premium increased by 24% to ₹ 7,581 crore in H1/2023-24 v/s ₹ 6,097 crore in H1/2022-23.
- Underwriting loss stood at ₹ 5 crore for H1/2023-24 v/s ₹ 78 crore in H1/2022-23.
- Combined ratio, which measures the operating profitability of the insurance operations, improved significantly to 97.6% in H1/2023-24 v/s 102.0% in H1/2022-23. This was mainly due to better expense ratio and reinsurance terms.
- Profit after tax increased by 18% to ₹ 883 crore in H1/2023-24 v/s ₹ 747 crore in H1/2022-23.
- Assets Under Management (AUM), represented by cash and investments stood at ₹ 29,511 crore as on 30 September 2023 v/s ₹ 26,052 crore as on 30 September 2022 – an increase of 13%.
- Solvency ratio stood at a healthy 352% as on 30 September 2023.

c. Bajaj Allianz Life Insurance Company Ltd. (BALIC) – Indian GAAP

- BALIC's individual rated new business premium increased by 24% to ₹ 2,443 crore in H1/2023-24 v/s ₹ 1,967 crore in H1/2022-23.
- Gross written premium for H1/2023-24 was ₹ 9,396 crore v/s ₹ 8,524 crore in H1/2022-23 – an increase of 10%.
- Profit after tax increased by 23% to ₹ 349 crore during H1/2023-24 v/s ₹ 283 crore in H1/2022-23.
- Assets Under Management (AUM), represented by total investments stood at ₹ 98,700 crore as on 30 September 2023 v/s ₹ 86,907 crore as on 30 September 2022 – an increase of 14%.
- Net New Business Value (NBV), which is the metric used to measure profitability of life insurance business, was at ₹ 331 crore in H1/2023-24 v/s ₹ 325 crore in H1/2022-23. While the NBV growth was 2% in the half-year, the second quarter did see a strong growth of 25%.
- Solvency ratio stood at a solid 466% as on 30 September 2023.

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

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



Sanjiv Bajaj

Chairman & Managing Director
04 November 2023

Annexure A

The consolidated financial results include results of the following major companies:

Name of the company	% shareholding	Segment	Consolidated as
a. Bajaj Allianz Life Insurance Company Ltd.	74%	Insurance - life	Subsidiary
b. Bajaj Allianz General Insurance Company Ltd.	74%	Insurance - general	Subsidiary
c. Bajaj Finance Ltd. (including 100% interest in Bajaj Housing Finance Ltd. and Bajaj Financial Securities Ltd.)	52.45%	Retail financing	Subsidiary

Summarised unaudited consolidated financial results for the half year ended 30 September 2023

Particulars	(₹ In Crore)		
	H1 2023-24	H1 2022-23	Full Year 2022-23
A. Consolidated financial results			
Total income	49,303	36,692	82,072
Total expenses	38,886	28,840	65,261
Profit before tax	10,417	7,852	16,811
Tax expense	2,952	2,278	4,602
Profit after tax	7,465	5,574	12,209
Less: Profit attributable to non-controlling interest	3,593	2,708	5,792
Profit for the period	3,872	2,866	6,417
B. Segment profit before tax			
Life insurance	251	23	(191)
General insurance	901	635	1,403
Retail finance	9,647	7,556	16,169
Investments, windpower and others	(382)	(362)	(570)
Profit before tax	10,417	7,852	16,811
C. Earnings per share (₹) (face value ₹ 1)	24.3	18.0	40.3

About BFS:

Bajaj Finserv Ltd. (BFS) is an unregistered Core Investment Company (CIC) under the RBI regulations 2020 and the holding company for the various financial services businesses under the Bajaj group. Its vision is to be a diversified financial services group with a pan-India presence and, thus, offer life-cycle financial solutions for its various customers. These involve: (i) asset acquisition and lifestyle enhancement through financing, (ii) asset protection through general insurance, (iii) family protection through life and health insurance, (iv) providing healthcare needs for the family, (v) offering savings products, (vi) wealth management, and (vii) retirement planning and annuities. Through these businesses that offer various attractive solutions, BFS serves millions of customers.

BFS participates in the financing business through its 52.45% holding in Bajaj Finance Ltd. (BFL) and in the life, general and health insurance businesses through its 74% holding in two unlisted subsidiaries, Bajaj Allianz General Insurance Company Ltd. (BAGIC) and Bajaj Allianz Life Insurance Company Ltd. (BALIC).

BFS has an 80.13% stake in Bajaj Finserv Direct Ltd. (BFSD), which is a digital marketplace for financial services products from loans to insurance, mutual funds, investments, lifestyle products, payments and e-commerce. The balance 19.87% is held by BFL.

Bajaj Finserv Health Ltd. (BFHL), which is a health tech venture seeking to create a digital preventive, personalised and pre-paid health solution is a wholly-owned subsidiary of BFS.

Bajaj Finserv Ventures Ltd., Bajaj Finserv Asset Management Ltd. and Bajaj Finserv Mutual Fund Trustee Ltd. are wholly-owned subsidiaries of BFS. Bajaj Finserv Asset Management Ltd. is in the mutual fund business and offers a host of innovative investment products and solutions.

Bajaj Housing Finance Ltd. (BHFL), which is a profitable and fast growing enterprise engaged in various aspects of housing finance and development and Bajaj Financial Securities Ltd. (BFinsec), which is a stockbroker that provides its clients a full suite of investment products and services in an all-in-one digital platform, are wholly-owned subsidiaries of Bajaj Finance Ltd.

Both BFS and BFL are included in the benchmark BSE Sensex and Nifty 50 index of large cap stocks.

The results of these subsidiaries are reflected in the consolidated results of the Company.

As required by regulation, BFS has adopted Indian Accounting Standards (Ind AS). The insurance companies are not covered under Ind AS. They have prepared Ind AS financials only for the purpose of consolidation. Accordingly, standalone numbers relating to BAGIC and BALIC reported above are based on non-Ind AS accounting standards (Indian GAAP) as applicable to insurance companies.



BAJAJ FINSERV LIMITED

CIN: L65923PN2007PLC130075

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