

15 August 2025

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

Dear Sir/Madam,

**Sub.: Intimation of revision in credit rating pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 30 read with Para A(3) of Part A of Schedule III of the SEBI Listing Regulations, we wish to inform that S&P Global Ratings vide their report dated 14 August 2025, has upgraded the Company (issuer) credit rating from BBB-/Positive/A-3 to BBB/Stable/A-2. S&P Global Ratings has further informed that the Standalone Credit Profile (SACP) for the Company remains unchanged at 'bbb'.

S&P Global Ratings report mentioned that the rating upgrade is subsequent to the upward revision in the sovereign credit rating on India to 'BBB' from 'BBB-'

Attached herewith is the relevant extract of the report for your reference.

Thanking you,  
For **Bajaj Finance Limited**

**R. Vijay**  
**Company Secretary**  
Email ID: [investor.service@bajajfinserv.in](mailto:investor.service@bajajfinserv.in)  
Cc: Catalyst Trustee Ltd. (Debenture Trustee, Pune)  
Encl.: As above

**BAJAJ FINANCE LIMITED**

<https://www.aboutbajajfinserv.com/finance-about-us>

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## **Bajaj Finance Ltd.**

(Primary analyst: Shinoy Varghese)

Our upgrade of Bajaj Finance follows a similar rating action on the India sovereign. Our assessment of the finance company's SACP remains unchanged at 'bbb'.

Bajaj Finance's creditworthiness benefits from the company's strong market position in the financing of consumer durables and two- and three-wheelers, and its adequate liquidity.

We expect Bajaj Finance to sustain its RAC ratio above 15%, in line with a very strong capital and earnings assessment over the next 12-24 months. The ratio was 18.9% as of March 31, 2025, benefiting from lower risk weights because risks are recalibrated to reflect India's improved economic environment and the upgrade of the sovereign. We also expect the ratio to benefit from the company's good profitability and low dividend payout amid some pressure from the company's likely above-average loan growth.

Bajaj Finance's capital and risk position together will remain a credit strength, in our opinion. We view the company's underwriting standards as satisfactory. Its target segment of largely mass-affluent borrowers (other than in the auto-finance business or in recent new ventures) is also better than domestic peers'.

That said, Bajaj Finance's concentration in the inherently higher-risk unsecured consumer lending leads to structurally higher credit costs. We expect the company's credit costs to remain at about 2%, over the next 12-24 months, higher than that of its rated peers.

## **Outlook**

The stable rating outlook reflects our view that Bajaj Finance will maintain its strong market position and healthy capital position over the next two years. We also expect the company's liquidity and funding profile to remain adequate over the period.

Bajaj Finance's creditworthiness is somewhat insulated from any stress in other companies of the parent group, in our view. That's because the company is prudentially regulated and listed, restricting its ability to directly support other members of the group in the case of an extraordinary event. Moreover, Bajaj Finance is financially and operationally independent from other group companies.

## **Downside scenario**

A downgrade of Bajaj Finance is unlikely over the next 12-24 months, in our view.

## Ten Indian Financial Institutions Upgraded Following Sovereign Action; Outlooks Stable

### Upside scenario

An upgrade of Bajaj Finance is contingent on an improvement in the company's financial profile as well as the sovereign credit ratings on India. We view this scenario as unlikely over the next 12-24 months.

### Rating Component Scores

	To	From
Issuer credit rating	BBB/Stable/A-2	BBB-/Positive/A-3
SACP	bbb	bbb
Anchor	bb+	bb+
Business position	Strong(+1)	Strong(+1)
Capital and earnings	Very Strong (+2)	Strong (+1)
Risk position	Moderate (-1)	Adequate (0)
Funding and liquidity	Adequate and Adequate(0)	Adequate and Adequate(0)
Comparable ratings analysis	0	0
Support	0	0
ALAC support	0	0
GRE support	0	0
Group support	0	0
Sovereign support	0	0
Additional factors	0	-1