BFS Group – Diverse Business Portfolio

The Bajaj Finserv group operates through the following diverse business segments:

Finance and Lending

Bajaj Finserv conducts its lending operations through **Bajaj Finance Ltd. (BFL)** and **Bajaj Housing Finance Ltd. (BHFL).**

Bajaj Finance Ltd. was originally incorporated as Bajaj Auto Finance Ltd. on 25 March 1987, primarily to provide two- and three-wheeler financing. It became a public company in 1988 and registered with the Reserve Bank of India (RBI) as an NBFC in 1998. In 2010, the Company changed its name to Bajaj Finance Ltd. BFL is classified as an NBFC-Investment and Credit Company (NBFC-ICC) and is part of the RBI's 'upper layer' NBFCs based on scale-based regulation.

BFL is one of India's largest and most profitable non-banking financial companies (NBFCs). It is a customer-centric, digital-first enterprise with omnipresence across physical, mobile and web channels led by various payment platforms that combine different payment instruments. Focusing on India's mass affluent customers and above in both urban and rural areas, it uses a strategy of cross-selling with the smart use of state-of-the-art data, innovations and analytics to transform customer experience and create growth opportunities. Through deep investments in technology it has created an AI enabled technology architecture that integrates AI across all its processes to deliver significant operating leverage and create a virtuous growth cycle. It offers diversified financial services and optimises the mix of risk so as to regularly generate significant and sustainable profits while meeting all customer needs.

BFL also manages the mortgage business through its listed subsidiary, Bajaj Housing Finance Ltd. (BHFL). BHFL is ranked among the largest housing finance companies in India and is registered as a non-deposit taking housing finance company with the National Housing Bank (NHB) since September 2015 to carry the business of housing finance and categorised as Upper Layer NBFC (NBFC-UL) under Scale Based Regulations (SBR) issued by the Reserve Bank of India. BHFL started its lending operations from July 2017. Pursuant to the requirement under SBR, the Company got listed on the equity segment of the National Stock Exchange and BSE with its IPO in September 2024.

BHFL is one of the largest housing finance companies with diversified mortgage product suite for retail as well as commercial clients. It is focused on building sustainable mortgage business with scalable balance sheet and low-risk business model.

The Company's full mortgage product suite spans across:

+ Home Loans
+ Loans against Property
+ Lease Rental Discounting
+ Developer Financing and other categories, covering non-collateralised loans

Product Offerings

BFL serves mass affluent and rural customers through the following categories:

- **Consumer Lending**
- **MSME Lending (secured and unsecured)**
- **Rural Lending**
- **Commercial Lending**
- **Deposits**
- **Personal Loans**
- **Wheel Financing**
- **Gold Loans**
- **Loan against Securities**
- **Microfinance Business**
- **Partnerships and Services**

Through this varied product suite, BHFL addresses the diverse mortgage needs of all retail customer segments, which include salaried individuals and self-employed professionals. It serves all sub-segments, including prime, near prime, and affordable customers; and offers various transaction types such as purchase, resale, self-construction and balance transfer, through its commercial product suite, which includes construction finance and lease rental discounting.

In the commercial product suite, the Company offers lease rental discounting (LRD) on commercial, retail, warehousing and industrial properties to commercial clients spanning across developers, high net worth individuals (HNI) and corporates; and its developer financing (DF) product covers both residential as well as commercial construction finance offering to real estate developers. This product suite covers the entire spectrum of commercial real estate needs from greenfield assets to stabilised assets.

Prime home loans and LRD are the two anchor products of the Company, delivering both scale and relatively low risk. A higher mix of low-risk salaried customers in home loans portfolio coupled with marquee and well-rated customer mix in LRD portfolio—spanning REITs, sovereign wealth funds, large corporates and large commercial developers—helps maintain a lower Gross NPA at the overall level.

Additionally, BFL owns Bajaj Financial Securities Ltd. (BFSL), an unlisted, SEBI-registered stockbroker and depository participant, strengthening BFS' footprint in the capital markets.

BFSL offers a comprehensive suite of services, including broking, depository (DP) services, margin trading and financing capital for offers of sale.

Associate Companies of Bajaj Finance Ltd.

There are two associate companies of BFL. These are:

Snapwork Technologies Private Ltd.
Which specialises in delivering innovative digital solutions. BFL holds a stake of 41.5% on a fully diluted basis.

Penant Technologies Private Ltd.
Which provides end-to-end lending solutions through its PennApps Lending Factory (PLF) a comprehensive, highly configurable, and scalable lending platform that streamlines the entire loan lifecycle. BFL holds a stake of 26.53% on a fully diluted basis.