

30 April 2025

Resilience amid headwinds

Although in-line with expectations, BAJAJ FINANCE (BAF IN) earnings witnessed elevated provisions for Q4 but were offset by lower opex and one-off tax reversals. Recalibration of unsecured book weighed on margin, down 13bp QoQ. Q4 saw asset quality blips with increased ECL provisions of INR 3.6bn after factoring in higher forward flows of 9MFY25, spike in Stage 2, up INR 7.8bn, and higher write-offs of INR 21bn. While rural B2C is still not out of the woods and urban B2C is on a cautionary mode, BAF has observed improvement in early vintages across the portfolios. Its resilience amid headwinds is evident in unchanged guidance with credit cost at 1.85-1.95% and 24-25% AUM growth for FY26E. We reiterate **Buy** with a TP of INR 11,161 (please refer to our note [Consumer finance: Tale of two giants](#) released on 15 April 2025).

Low opex, tax reversals offset provisions spike: Q4 PAT of INR 39.4bn was up 6% QoQ/16%YoY as increased provisions of 15% QoQ and 80%YoY were offset by one-off tax reversals and flat opex, up by a mere 1.6% QoQ, with a cost-income ratio down 33bp QoQ to 33.9%. Standalone credit cost spiked 23bp QoQ to 3.1%, led by changes in expected credit loss (ECL) model. Optimization of opex and AI-led productivity gains would continue to bring operational efficiency coupled with deceleration in credit cost to support ROA of 4.6-4.8% over FY26-28E.

Strategic levers in place to drive a 25% AUM CAGR during FY24-27E: BAF recorded healthy business momentum in Q4 at 5.3% QoQ and 26.1% YoY underpinned by 10.7mn new loans, 4.8% QoQ growth in customer franchise and new businesses launched in the past 2-3 years. AUM growth was led by 8.7% QoQ rise in rural B2C + Gold (7.1% AUM) and SME, up 7.1% QoQ. While vehicle and rural business segments were curbed due to stress, 9MFY25 saw BAF focusing on rural geographic expansion. With management confident of 14-16mn customer accretion run-rate, it can climb to 16-17mn during FY26-28E. With targeted AUM growth is 24-25% for FY26E, we retain a 25% AUM CAGR during FY24-27E.

Asset quality concerns peaking: Q4 saw major asset quality blips: 1) ECL rejig after factoring in 9MFY25 headwinds necessitating additional provisions of INR 3.6bn, 2) spike in Stage 2 assets by INR 7.8bn, and 3) credit cost climbing to ~2.3%. That said, Stage 3 was down INR ~4.9bn attributable to higher write-offs of INR 21bn. Considerable reduction in 3+ personal loan exposures, winding down of 2W & 3W business and adequate action in used car business are enabling confidence to maintain credit cost guidance of 1.85-1.95%. We expect 2.2% credit costs for consolidated and 2.8-2.6% for standalone business during FY26-28E.

Reiterate Buy with a TP of INR 11,161: We retain our EPS estimates as we conservatively factor in credit cost of 2.3% during FY26-27E to err on the side of caution but expect healthy business offset slight fees to aid in a robust EPS CAGR of 25% during FY24-27E. BAF is poised to post a 24% NII CAGR, and a 25% EPS CAGR with a 4.7% RoA & 20% RoE during FY24-27E, underscored by robust customer acquisition engine and proactive risk management initiatives. We reiterate **Buy** valuing its standalone book at 4.9x (unchanged) FY27E P/ABV and BHFL at 3.8x FY27E P/ABV to arrive at a SOTP-TP of INR 11,161. We introduce FY28 estimates. The stock and bonus split to be factored Q1FY26 onwards.

Key financials

YE March	FY24	FY25	FY26E	FY27E	FY28E
NII (INR mn)	269,393	331,112	425,482	533,681	687,373
YoY (%)	29.2	22.9	28.5	25.4	28.8
PPoP (INR mn)	216,253	270,148	345,410	429,639	515,243
YoY (%)	27.6	24.9	27.9	24.4	19.9
PAT (INR mn)	126,441	166,615	197,840	246,401	290,701
YoY (%)	22.9	31.8	18.7	24.5	18.0
EPS (INR)	204.6	268.4	319.0	397.3	468.7
Core RoE (%)	20.5	20.8	20.2	20.5	19.8
RoA (%)	4.9	5.0	4.8	4.8	4.6
P/E (x)	44.4	33.9	28.5	22.9	19.4
P/ABV (x)	7.9	6.5	5.3	4.3	3.5

Note: Pricing as on 29 April 2025; Source: Company, Elara Securities Estimate

Rating: **Buy**

Target Price: **INR 11,161**

Upside: **23%**

CMP: **INR 9,093**

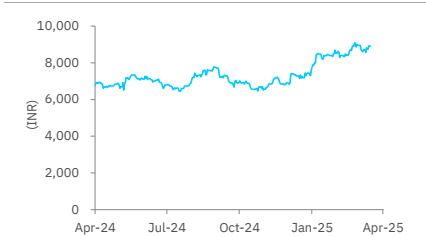
As on 29 April 2025

Key data

Bloomberg	BAF IN
Reuters Code	BJFN.NS
Shares outstanding (mn)	621.4
Market cap (INR bn/USD mn)	5,650/66,293
EV (INR bn/USD mn)	8,129/95,877
ADTV 3M (INR mn/USD mn)	12,125/140
52 week high/low	9,710/6,376
Free float (%)	45

Note: as on 29 April 2025; Source: Bloomberg

Price chart



Source: Bloomberg

	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25
Shareholding (%)				
Promoter	54.7	54.7	54.7	54.7
% Pledge	0.0	0.0	0.0	0.0
FII	21.1	20.8	20.8	21.5
DII	14.4	15.2	15.2	14.9
Others	9.8	9.3	9.3	9.0

Source: BSE

Price performance (%)	3M	6M	12M
Nifty	5.1	(0.5)	7.5
Bajaj Finance	17.2	29.5	33.2
NSE Mid-cap	3.8	(3.0)	6.2
NSE Small-cap	0.2	(9.5)	(1.2)

Source: Bloomberg

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Financials (YE March)

Income statement (INR mn)	FY24	FY25	FY26E	FY27E	FY28E
NII	269,393	331,112	425,482	533,681	687,373
Other income	61,632	78,713	90,756	113,199	112,067
Gross Income	331,026	409,825	516,238	646,881	799,441
Operating expenses	114,773	139,677	170,828	217,242	284,198
PPOP	216,253	270,148	345,410	429,639	515,243
Provisions	45,722	78,829	78,679	97,436	123,315
PBT	170,531	216,761	266,731	332,202	391,927
Tax	44,090	50,146	68,891	85,801	101,227
PAT	126,441	166,615	197,840	246,401	290,701
Balance Sheet	FY24	FY25	FY26E	FY27E	FY28E
Capital	1,236	1,242	1,240	1,240	1,240
Reserves and Surplus	718,869	878,715	1,076,556	1,322,957	1,386,308
Net worth	720,105	879,957	1,077,796	1,324,197	1,387,548
Borrowings	2,203,787	2,752,176	3,413,020	4,239,466	5,452,268
Other liabilities	42,253	46,563	102,139	54,187	132,343
Total Liabilities	2,966,145	3,678,696	4,592,955	5,617,851	6,972,160
Fixed assets	31,025	36,139	51,494	64,619	81,346
Loans	2,433,344	3,043,592	3,782,146	4,741,313	5,922,957
Investments	383,983	431,326	522,353	559,118	697,099
Cash and bank balances	117,793	167,639	236,961	252,801	270,757
Total Assets	2,966,145	3,678,696	4,592,955	5,617,851	6,972,160
Per Share data & Valuation Ratios	FY24	FY25	FY26E	FY27E	FY28E
EPS- (INR)	204.6	268.4	319.0	397.3	468.7
BV (INR)	1,165.2	1,417.3	1,737.8	2,135.1	2,603.8
ABV- (INR)	1,153.1	1,398.3	1,708.9	2,106.3	2,575.0
P/E- (x)	44.4	33.9	28.5	22.9	19.4
P/ABV-(x)	7.9	6.5	5.3	4.3	3.5
Yield and Cost (%)					
Yield on advances	19.2	18.6	18.9	18.8	18.7
Cost of funds	7.2	7.4	7.4	7.3	6.6
Net Interest Margin (%)	12.7	12.0	12.3	12.3	12.7
Asset Quality (%)					
Gross NPA	1.1	1.2	1.5	1.6	1.6
Net NPA	0.5	0.6	0.7	0.7	0.7
% coverage of NPA	56.2	50.8	52.8	54.8	54.8
credit cost (calc)	2.1	2.8	2.3	2.3	2.3
Capital Adequacy					
Tier 1	24.6	24.2	23.8	23.8	23.4
CAR	26.4	26.0	25.5	25.6	25.2
Growth Rates					
Loan growth	35.9	25.1	24.3	25.4	24.9
Earnings growth	22.9	31.8	18.7	24.5	18.0
Business Ratios					
RoAA (%)	4.9	5.0	4.8	4.8	4.6
RoE (%)	20.5	20.8	20.2	20.5	19.8

Note: Pricing as on 29 April 2025; Source: Company, Elara Securities Estimate

Exhibit 1: Q4FY25 result highlights

(INR mn)	Q4FY25	Q4FY24	YoY (%/bps)	Q3FY25	QoQ (%/bps)	Comments
Income from operations	138,241	112,008	23.4	132,773	4.1	
Interest Expenses	49,142	38,608	27.3	47,773	2.9	
Net Interest Income	89,099	73,400	21.4	85,000	4.8	NII in line with estimates grew by 4.8% QoQ and 21.4% YoY
Other Income	19,844	15,636	26.9	21,166	(6.2)	
Total Income	108,942	89,036	22.4	106,166	2.6	
Total Operating Expenses	36,892	30,597	20.6	36,306	1.6	Opex was up 1.6% QoQ and 20.6% YoY
Operating Profit (PPOP)	72,051	58,440	23.3	69,860	3.1	PPoP was also in line with estimates growing by 3.1% QoQ and 23.3% YoY
Provisions & Write Offs	23,002	12,775	80.1	20,080	14.6	Provisions spiked and were slightly above estimates, up 14.6% QoQ and 80.1% YoY
PBT	49,049	45,665	7.4	49,781	(1.5)	
Tax Expense	9,644	11,646	(17.2)	12,723	(24.2)	
Reported Profit	39,404	34,019	15.8	37,058	6.3	PAT was in line with estimates rising 6.3% QoQ and 15.8% YoY, aided by lower opex

Balance sheet Details

Total AUM	3,088,320	2,448,260	26.1	2,933,700	5.3	AUM growth was at 5.3% QoQ and 26.1% YoY
Asset Quality and other ratios:						
Gross NPA (%)	1.2	1.2	-	1.4	(23)bp	GNPA improved by 23bp QoQ and flat YoY
Net NPA (%)	0.6	0.5	12bps	0.6	(3)bp	
Cost to income ratio (%)	33.9	34.4	(50)bps	34.2	(33)bp	Cost-income ratio improved 33bp QoQ and 50bp YoY
Credit cost (%)	3.1	2.3	77bps	2.8	23bp	Credit cost spiked sequentially by 23bp QoQ and 77bp YoY
NIM (%)	11.8	12.5	(64)bps	12.0	(13)bp	NIM contracted by 13bp QoQ and 64bp YoY

Source: Company, Elara Securities Research

Conference call key takeaways

Business highlights

- ▶ A good quarter on volume, AUM, opex and credit cost. PBT excluding additional ECL provision for annual model redevelopment was up 18%. ROA and ROE were steady. Delivered AUM growth of ~INR 186.2bn to ~INR 4,166.6bn, booked 10.7mn new loans and added 4.7mn new customers. Customer franchise stood at ~101.8mn. Bajaj Finserv App currently has ~70.6mn net users. The Financial Artificial Intelligence (FINAI) transformation is progressing well
- ▶ In Q4, BAF added 4.7mn customers to its franchise. In FY25, the company added 18.2mn customers. Customer franchise stood at 101.8mn as on 31 March 2025. Cross-sell franchise stood at 64.5mn
- ▶ FY25 was a mixed year. Good year on volume, AUM growth, customer acquisition, operating efficiency and pre-provisioning profit. Elevated credit cost resulted in subdued profit growth. Delivered AUM growth of INR 860.5bn, booked ~43.4mn new loans and added ~18.2mn new customers in FY25. Digital platforms delivered ~INR 386.4bn of business and has reached a state of maturity. The company created a blueprint to be a FINAI Company in the next 2-3 years.
- ▶ Aggregate market share was a mere 2.1% of overall India's credit market, with good business growth in new business, and robust growth in gold loans business, led by new customer acquisition and cross sell franchise
- ▶ Rural B2C business growth did not need extra ECL provision
- ▶ Additional provisions do not include any contribution from the rural B2C business. Earlier, there was stress in this portfolio but currently growth is back in the reckoning, 6 Months on Book (6MOB) here is improving with strengthened capacity in rural
- ▶ Rural B2B also remains stable
- ▶ AUM growth of 25% implies INR 1,200bn addition on an annual basis with 2x growth in nominal GDP, 2x of the industry; in the risk business, initial focus is on credit cost and debt management capabilities; once the company gets there, then it will continue focus on growth, followed by operational efficiency improvement
- ▶ RoA of 4.3-4.7% and 19-20% RoE in FY26, as BAF sits on surplus capital

Margin analysis

- ▶ In Q4, cost of funds was ~7.9%, an increase of 3bp over Q3FY25. The company expects cost of funds to gradually go down to ~7.8%-7.9% by end-FY26. We will continue to update on its progress
- ▶ Moderation in the unsecured business which had an impact on NIM; cost of funds is estimated to go down by 10-15bp in FY26. Overall, we expect NIM to remain stable in FY26
- ▶ Fee and other income: BAF has moderated fees & charges and stopped its cobranded credit card business. It estimates fees and charges to grow by 13-15% in FY26
- ▶ It expects ~75% of fixed borrowings and repricing money with a lag, but the bank will get repriced immediately, and commercial paper (CP) rates are set to reduce
- ▶ With 10-15bp COF improvement, stability in NIM is likely; liquidity environment is also positive, with front-loaded rates

Asset quality

- ▶ In Q4, BAF conducted annual refresh of its ECL model, incorporating the past 12 months portfolio performance and forward-looking macro outlook. Given higher flow-forward rates and elevated credit cost observed in the past three quarters, the redevelopment resulted in an additional ECL provision of INR 3.59 bn, primarily on Stage 1 assets.
- ▶ Loan losses and provisions were ~INR 23.3bn in Q4. The company made an additional provision of ~INR 3.6bn on account of ECL model redevelopment in Q4, primarily on Stage 1 assets. Adjusted for this, loan losses and provisions for Q4FY25 was INR 19.7bn
- ▶ In Q4, net increase in stage 2 & 3 assets was ~INR 2.9bn. Stage 2 assets increased by ~INR 7.8bn and stage 3 assets decreased by ~INR 4.9bn. The company has started seeing an improvement in early vintages across portfolios
- ▶ Credit cost: For FY26, BAF estimates loan loss to average Assets Under Finance (AUF) in the range of 1.85%-1.95%; it is still not out of the woods from urban B2C business but continues to act on it and H2 will be better than FY
- ▶ GNPA and NNPA is estimated to remain lower than long-term guidance
- ▶ ECL model takes past 7-8 years of the history of how the book has behaved. Stage 1 looks at 12-month performance with forward views, seen elevated credit costs in the past three quarters; as this information gets factored in the ECL model, it throws higher provision requirement. ECL provision releases might come in the future. Stage 1 provisions take the past three quarters' impact into account
- ▶ Stage 3 is holding up after factoring in Loss Given Default (LGD) that is moving, and it has not shown any significant worsening
- ▶ Aggregate standard provisioning has gone up to 75bp
- ▶ Write-offs are at INR 21 bn in Q4
- ▶ 3 personal loans exposure is down in rural as well as urban, 2- & 3-wheelers are winding down business and credit cost has come off – 50% here are scooters
- ▶ Auto and 2- & 3-wheeler and used car businesses – adequate action undertaken

Other operational highlights

- ▶ Focus on organic growth than buying a business unless the company thinks to do the latter
- ▶ BAF has re-evaluated income tax position on deductibility of expenditure based on favorable court and tribunal orders in recent years. Accordingly, the company has reversed INR 2.5bn in tax expenses from previous years and reduced FY25 tax provision by INR 990mn, resulting in tax reduction of ~INR 3.5bn in Q4FY25
- ▶ In Q4, the company added 137 standalone gold loan branches and 30 standalone MFI branches. Gold loan branches stood at 964 and MFI branches stood at 333 as on 31 March 2025
- ▶ Opex to Net total income (NTI) – Opex to NTI is estimated to improve 40-50bp from current levels
- ▶ The company onboarded 44,650 resources from outsourced manpower to a fixed-term contract (FTC) employment model in some businesses. This action aims to boost productivity and improve customer service
- ▶ On 26 March 2025, Bajaj Finserv, the promoter and holding company, exercised the option attached to warrants issued on 2 November 2023 and paid the remaining 75% of the consideration, amounting to INR 8,916.4mn
- ▶ On 28 April 2025, BAF entered into an agreement for acquisition of a 12% stake in Protectt.ai Labs for INR 650mn. Founded in 2020, Protectt.ai is a cybersecurity product company that specializes in mobile app security solutions. The investment is being done with an intent of strengthening the company's technology roadmap in the cybersecurity space

Exhibit 2: Overall, AUM growth moderates to 4.7% QoQ and 26% YoY; rural B2C and mortgages sustain traction while other segments slow

AUM (INR mn)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Consumer B2B -Auto Finance Business	129,790	147,360	165,480	193,840	197,420	196,890	189,600	189,720	173,190
YoY growth (%)	27.3	47.9	62.9	64.5	52.1	33.6	14.6	(2.1)	(12.3)
QoQ growth (%)	10.1	13.5	12.3	17.1	1.8	(0.3)	(3.7)	0.1	(8.7)
AUM mix (%)	5.2	5.5	5.7	6.2	6.0	5.6	5.1	4.8	4.2
Consumer B2B - Sales Finance Businesses	176,270	223,210	229,730	244,850	234,480	269,750	271,690	291,490	291,090
YoY growth (%)	17.7	35.5	41.3	46.5	33.0	20.9	18.3	19.0	24.1
QoQ growth (%)	5.5	26.6	2.9	6.6	(4.2)	15.0	0.7	7.3	(0.1)
AUM mix (%)	7.1	8.3	7.9	7.9	7.1	7.6	7.3	7.3	7.0
Consumer B2C Businesses	501,080	548,450	581,780	617,050	660,930	716,280	772,390	831,430	876,960
YoY growth (%)	29.2	33.1	32.0	32.0	31.9	30.6	32.8	34.7	32.7
QoQ growth (%)	7.2	9.5	6.1	6.1	7.1	8.4	7.8	7.6	5.5
AUM mix (%)	20.3	20.3	20.0	19.8	20.0	20.2	20.7	20.9	21.0
Rural B2B Business	48,030	55,670	55,340	61,660	62,090	75,530	72,800	79,550	79,440
YoY growth (%)	16.3	22.0	27.8	31.6	29.3	35.7	31.6	29.0	27.9
QoQ growth (%)	2.5	15.9	(0.6)	11.4	0.7	21.6	(3.6)	9.3	(0.1)
AUM mix (%)	1.9	2.1	1.9	2.0	1.9	2.1	1.9	2.0	1.9
Rural B2C Business	194,570	202,720	208,800	214,260	222,060	235,430	251,780	274,020	297,740
YoY growth (%)	27.2	21.1	16.6	16.1	14.1	16.1	20.6	27.9	34.1
QoQ growth (%)	5.4	4.2	3.0	2.6	3.6	6.0	6.9	8.8	8.7
AUM mix (%)	7.9	7.5	7.2	6.9	6.7	6.6	6.7	6.9	7.1
SME Business	337,650	349,640	386,730	413,960	455,570	495,010	542,880	580,840	622,210
YoY growth (%)	35.2	31.6	33.9	34.1	34.9	41.6	40.4	40.3	36.6
QoQ growth (%)	9.3	3.6	10.6	7.0	10.1	8.7	9.7	7.0	7.1
AUM mix (%)	13.6	12.9	13.3	13.3	13.8	14.0	14.5	14.6	14.9
Securities Lending Business	150,930	162,380	169,860	192,050	220,380	220,430	233,590	252,620	253,770
YoY growth (%)	43.3	50.3	39.4	44.9	46.0	35.7	37.5	31.5	15.2
QoQ growth (%)	13.8	7.6	4.6	13.1	14.8	0.0	6.0	8.1	0.5
AUM mix (%)	6.1	6.0	5.9	6.2	6.7	6.2	6.2	6.3	6.1
Commercial Lending Business	158,340	180,640	195,580	206,720	220,060	235,890	246,150	260,570	277,600
YoY growth (%)	37.7	50.0	46.2	39.2	39.0	30.6	25.9	26.0	26.1
QoQ growth (%)	6.6	14.1	8.3	5.7	6.5	7.2	4.3	5.9	6.5
AUM mix (%)	6.4	6.7	6.7	6.6	6.7	6.7	6.6	6.5	6.7
Mortgages	777,130	830,900	909,340	965,290	1,033,160	1,096,710	1,158,360	1,220,190	1,294,610
YoY growth (%)	26.0	26.5	27.9	31.4	32.9	32.0	27.4	26.4	25.3
QoQ growth (%)	5.8	6.9	9.4	6.2	7.0	6.2	5.6	5.3	6.1
AUM mix (%)	31.4	30.8	31.3	31.0	31.2	31.0	31.0	30.7	31.1
IPO Financing	-	-	-	-	-	-	-	-	-
Overall AUMs	2,473,790	2,700,970	2,902,640	3,109,680	3,306,150	3,541,920	3,739,240	3,980,430	4,166,610
YoY growth (%)	25.3	32.4	32.9	34.7	33.6	31.1	28.8	28.0	26.0
QoQ growth (%)	7.2	9.2	7.5	7.1	6.3	7.1	5.6	6.5	4.7

Source: Company, Elara Securities Research

Exhibit 3: Consumer lending business loses share in AUM mix; SME business inches up

AUM Mix (%)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Total Consumer lending business	32.6	34.0	33.7	34.0	33.1	33.4	33.0	33.0	32.2
Consumer B2B -Auto Finance Business	5.2	5.5	5.7	6.2	6.0	5.6	5.1	4.8	4.2
Consumer B2B - Sales Finance Businesses	7.1	8.3	7.9	7.9	7.1	7.6	7.3	7.3	7.0
Consumer B2C Businesses	20.3	20.3	20.0	19.8	20.0	20.2	20.7	20.9	21.0
Total Rural Lending business	9.8	9.6	9.1	8.9	8.6	8.8	8.7	8.9	9.1
Rural B2B Business	1.9	2.1	1.9	2.0	1.9	2.1	1.9	2.0	1.9
Rural B2C Business	7.9	7.5	7.2	6.9	6.7	6.6	6.7	6.9	7.1
SME Business	13.6	12.9	13.3	13.3	13.8	14.0	14.5	14.6	14.9
Total Commercial Lending business	12.5	12.7	12.6	12.8	13.3	12.9	12.8	12.9	12.8
Securities Lending Business	6.1	6.0	5.9	6.2	6.7	6.2	6.2	6.3	6.1
Commercial Lending Business	6.4	6.7	6.7	6.6	6.7	6.7	6.6	6.5	6.7
Mortgages	31.4	30.8	31.3	31.0	31.2	31.0	31.0	30.7	31.1
IPO Financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total AUM mix	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

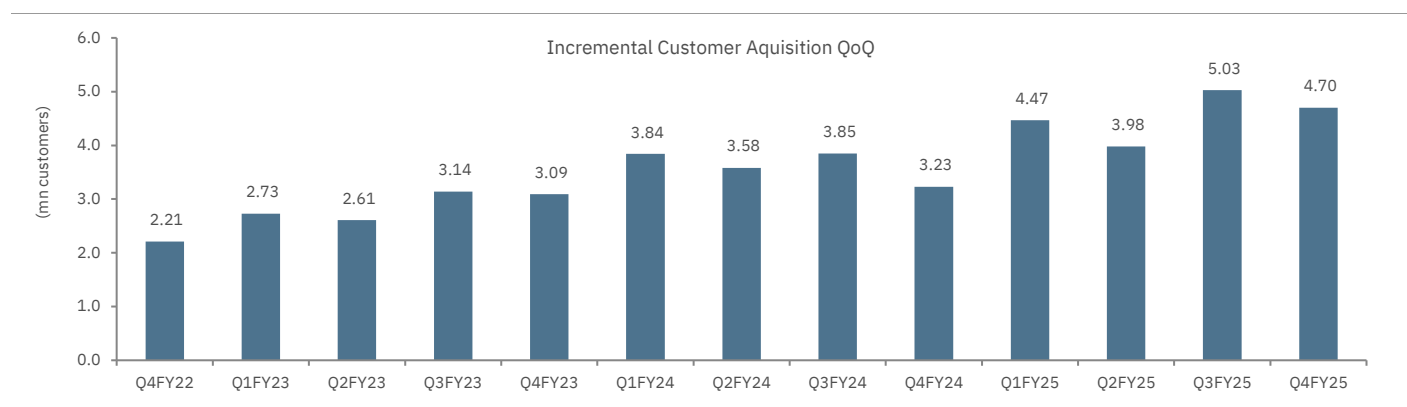
Source: Company, Elara Securities Research

Exhibit 4: New customer addition loses momentum; total customer franchise breaches the 100mn mark

Key Data Metrics	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Total Customer Franchise (Units mn)	69.14	72.98	76.56	80.41	83.64	88.11	92.09	97.12	101.82
YoY gr. (%)	20.1	21.0	21.7	21.7	21.0	20.7	20.3	20.8	21.7
QoQ gr. (%)	4.7	5.6	4.9	5.0	4.0	5.3	4.5	5.5	4.8
Total Cross sell Franchise (Units mn)	40.56	44.27	46.67	49.28	50.75	55.14	57.70	61.56	64.45
YoY gr. (%)	23.8	27.7	28.2	27.7	25.1	24.6	23.6	24.9	27.0
QoQ gr. (%)	5.1	9.1	5.4	5.6	3.0	8.7	4.6	6.7	4.7
New to BAF Customers (Nos)	3,430,000	3,840,000	3,580,000	3,850,000	3,230,000	4,470,000	3,980,000	5,030,000	4,700,000
YoY gr. (%)	55.2	40.7	55.7	22.6	(5.8)	16.4	11.2	30.6	45.5
QoQ gr. (%)	9.2	12.0	(6.8)	7.5	(16.1)	38.4	(11.0)	26.4	(6.6)
EMI Card - CIF in Mn	42	41.6	41.9	42.2	41	45.6	55.3	56.4	58.9
YoY gr. (%)	40.0	26.8	21.8	17.5	(2.4)	9.6	32.0	33.6	43.7
QoQ gr. (%)	17.0	(1.0)	0.7	0.7	(2.8)	11.2	21.3	2.0	4.4
Wallets	35.5	40.2	44.68	49.19	52.41	56.79	61.67	66.57	70.57
YoY gr. (%)	60.9	80.3	68.0	56.2	47.6	41.3	38.0	35.3	34.6
QoQ gr. (%)	12.7	13.2	11.1	10.1	6.5	8.4	8.6	7.9	6.0

Source: Company, Elara Securities Research

Exhibit 5: Incremental customer acquisition down sequentially to 4.7mn



Source: Company, Elara Securities Research

Exhibit 6: Borrowings rises 7.6% QoQ; short term borrowings gains 300bp in the mix

Liability profile	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Overall Borrowings (INR mn)	1,616,846	1,766,020	1,920,095	2,001,700	2,203,787	2,314,790	2,447,078	2,557,550	2,752,180
YoY gr. (%)	31.4	38.6	41.7	35.2	36.3	31.1	27.4	27.8	24.9
QoQ gr. (%)	9.2	9.2	8.7	4.3	10.1	5.0	5.7	4.5	7.6
Borrowings mix (%)									
Deposits	21.0	21.0	21.0	22.0	21.0	20.0	20.0	20.0	20.0
Bank Loans (includes CC/OD/WCDL)	33.0	31.0	32.0	33.0	30.0	30.0	29.0	29.0	28.0
NCD	34.0	36.0	33.0	33.0	32.0	34.0	37.0	37.0	35.0
SUBORDINATE DEBT	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
SHORT TERM BORROWINGS	9.0	9.0	12.0	11.0	14.0	13.0	9.0	9.0	12.0
CBLO/ECB	1.0	1.0	1.0	-	2.0	2.0	4.0	4.0	4.0

Source: Company, Elara Securities Research

Exhibit 7: Return metrics suffer as loan loss to AUM spikes by 17bp QoQ and 67bp YoY

BAF Consolidated	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Total Opex to Net Interest Income	34.1	34.0	34.0	33.9	34.0	33.3	33.3	33.1	33.1
YoY increase in bps	(50)	(190)	(190)	(80)	(10)	(70)	(70)	(80)	(90)
QoQ increase in bps	(60)	(10)	0	(10)	10	(70)	0	(20)	0
Loan loss to AUM	1.5	1.6	1.6	1.7	1.7	2.0	2.1	2.2	2.3
YoY increase in bps	109	2	13	15	19	42	51	47	67
QoQ increase in bps	(7)	10	(1)	13	(3)	33	8	9	17
Return on Average Assets	5.4	5.4	5.2	4.9	4.8	4.6	4.6	4.5	4.6
YoY increase in bps	20	9	(24)	(50)	(56)	(79)	(59)	(40)	(24)
QoQ increase in bps	0	2	(26)	(26)	(6)	(21)	(6)	(7)	10
Return on Average Equity	23.9	24.5	24.1	22.0	20.5	19.9	19.4	19.1	19.1
YoY increase in bps	114	140	53	(198)	(346)	(461)	(474)	(290)	(138)
QoQ increase in bps	(4)	53	(37)	(210)	(152)	(62)	(50)	(26)	0

v

Source: Company, Elara Securities Research

Exhibit 8: GNPA stock sees a YoY spike across the board, but sequentially, it has declined for almost all

GNPA (INR mn)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Auto Finance Business	6,490	5,940	5,280	5,640	6,160	6,900	7,790	9,010	9,100
YoY gr. (%)	(47.6)	(46.5)	(39.9)	(24.6)	(5.1)	16.2	47.5	59.8	47.7
QoQ gr. (%)	(13.2)	(8.5)	(11.1)	6.8	9.2	12.0	12.9	15.7	1.0
Sale Finance Business	690	800	1,370	1,770	1,360	1,460	2,220	2,370	1,740
YoY gr. (%)	(84.0)	50.9	55.7	62.4	97.1	82.5	62.0	33.9	27.9
QoQ gr. (%)	(36.7)	15.9	71.3	29.2	(23.2)	7.4	52.1	6.8	(26.6)
Consumer B2C Business	4,630	5,110	6,920	8,030	6,780	7,190	10,680	12,390	10,330
YoY gr. (%)	28.3	52.5	71.7	60.6	46.4	40.7	54.3	54.3	52.4
QoQ gr. (%)	(7.4)	10.4	35.4	16.0	(15.6)	6.0	48.5	16.0	(16.6)
Rural B2B Business	190	200	340	430	310	290	590	720	470
YoY gr. (%)	171.4	100.0	41.7	48.3	63.2	45.0	73.5	67.4	51.6
QoQ gr. (%)	(34.5)	5.3	70.0	26.5	(27.9)	(6.5)	103.4	22.0	(34.7)
Rural B2C Business	1,910	1,960	2,680	2,880	2,380	2,450	3,730	4,040	2,690
YoY gr. (%)	2.1	12.6	18.1	13.4	24.6	25.0	39.2	40.3	13.0
QoQ gr. (%)	(24.8)	2.6	36.7	7.5	(17.4)	2.9	52.2	8.3	(33.4)
SME Business	4,260	4,290	4,980	5,550	5,730	6,490	8,470	9,400	8,640
YoY gr. (%)	17.0	19.5	16.6	14.7	34.5	51.3	70.1	69.4	50.8
QoQ gr. (%)	(12.0)	0.7	16.1	11.4	3.2	13.3	30.5	11.0	(8.1)
Securities Lending Business	30	20	40	20	20	20	20	20	20
YoY gr. (%)	50.0	-	100.0	-	(33.3)	-	(50.0)	-	-
QoQ gr. (%)	50.0	(33.3)	100.0	(50.0)	-	-	-	-	-
Commercial Lending Business	420	420	520	620	420	420	370	360	350
YoY gr. (%)	(4.5)	16.7	44.4	72.2	-	-	(28.8)	(41.9)	(16.7)
QoQ gr. (%)	16.7	-	23.8	19.2	(32.3)	-	(11.9)	(2.7)	(2.8)
Mortgages	4,510	4,740	4,320	4,690	5,000	5,320	5,660	6,290	6,320
YoY gr. (%)	(9.4)	3.0	(2.9)	4.7	10.9	12.2	31.0	34.1	26.4
QoQ gr. (%)	0.7	5.1	(8.9)	8.6	6.6	6.4	6.4	11.1	0.5
Overall GNPA	23,130	23,480	26,450	29,630	28,160	30,540	39,530	44,600	39,660
YoY gr. (%)	(26.2)	(7.5)	4.5	13.5	21.7	30.1	49.5	50.5	40.8
QoQ gr. (%)	(11.4)	1.5	12.6	12.0	(5.0)	8.5	29.4	12.8	(11.1)

Source: Company, Elara Securities Research

Exhibit 9: GNPA for autos continue to worsen, up 45bp QoQ and 199bp YoY, while rural lending businesses show an improvement

GNPA (%)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Auto Finance Business	4.8	3.9	3.1	2.8	3.0	3.4	4.0	4.6	5.0
YoY increase in bps	(622.0)	(627.0)	(492.0)	(316.0)	(175.0)	(47.0)	89.0	175.0	199.0
QoQ increase in bps	(120.0)	(91.0)	(79.0)	(26.0)	21.0	37.0	57.0	60.0	45.0
Sale Finance Business	0.4	0.4	0.6	0.7	0.6	0.5	0.8	0.8	0.6
YoY increase in bps	(242.0)	3.0	6.0	7.0	18.0	18.0	22.0	9.0	2.0
QoQ increase in bps	(25.0)	(4.0)	24.0	12.0	(14.0)	(4.0)	28.0	(1.0)	(21.0)
Consumer B2C Business	0.9	0.9	1.2	1.3	1.0	1.0	1.4	1.5	1.2
YoY increase in bps	(2.0)	11.0	26.0	22.0	10.0	6.0	19.0	18.0	14.0
QoQ increase in bps	(15.0)	1.0	25.0	11.0	(27.0)	(3.0)	38.0	10.0	(31.0)
Rural B2B Business	0.4	0.4	0.6	0.7	0.5	0.4	0.8	0.9	0.6
YoY increase in bps	22.0	15.0	6.0	8.0	11.0	2.0	20.0	20.0	9.0
QoQ increase in bps	(23.0)	(2.0)	24.0	9.0	(20.0)	(11.0)	42.0	9.0	(31.0)
Rural B2C Business	1.0	0.9	1.3	1.3	1.1	1.1	1.7	1.8	1.1
YoY increase in bps	(24.0)	(7.0)	2.0	(3.0)	12.0	18.0	48.0	47.0	2.0
QoQ increase in bps	(39.0)	(1.0)	31.0	6.0	(24.0)	5.0	61.0	5.0	(69.0)
SME Business	1.2	1.2	1.3	1.3	1.3	1.4	1.6	1.7	1.5
YoY increase in bps	(19.0)	(13.0)	(19.0)	(23.0)	1.0	18.0	38.0	41.0	23.0
QoQ increase in bps	(30.0)	(4.0)	6.0	5.0	(6.0)	13.0	26.0	8.0	(24.0)
Securities Lending Business	0.02	0.01	0.02	0.01	0.01	0.01	0.01	0.01	0.01
YoY increase in bps	1.0	(1.0)	-	-	(1.0)	-	(1.0)	-	-
QoQ increase in bps	1.0	(1.0)	1.0	(1.0)	-	-	-	-	-
Commercial Lending Business	0.3	0.2	0.3	0.3	0.2	0.2	0.2	0.1	0.1
YoY increase in bps	(12.0)	(6.0)	-	6.0	(7.0)	(5.0)	(12.0)	(16.0)	(7.0)
QoQ increase in bps	2.0	(3.0)	4.0	3.0	(11.0)	(1.0)	(3.0)	(1.0)	(2.0)
Mortgages	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5
YoY increase in bps	(26.0)	(15.0)	(16.0)	(14.0)	(11.0)	(10.0)	1.0	3.0	2.0
QoQ increase in bps	(4.0)	(1.0)	(10.0)	1.0	(1.0)	-	1.0	3.0	(2.0)
Overall GNPA	0.9	0.9	0.9	1.0	0.9	0.9	1.1	1.1	1.0
YoY increase in bps	(66.0)	(38.0)	(26.0)	(19.0)	(9.0)	(1.0)	15.0	17.0	11.0
QoQ increase in bps	(20.0)	(7.0)	4.0	4.0	(10.0)	1.0	20.0	6.0	(16.0)

Source: Company, Elara Securities Research

Exhibit 10: BHFL - Performance metrics sees a sequential improvement

BHFL Key Metrics/Ratio Analysis	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
NII (INR mn)	6,310	7,020	7,610	6,450	6,290	8,100	8,970	8,060	8,230
YoY gr. (%)	39.6	18.2	29.0	1.1	(0.3)	15.4	17.9	25.0	30.8
QoQ gr. (%)	(1.1)	11.3	8.4	(15.2)	(2.5)	28.8	10.7	(10.1)	2.1
PAT (INR mn)	3,020	4,620	4,510	4,370	3,810	4,830	5,460	5,480	5,870
YoY gr. (%)	52.5	46.2	47.4	30.8	26.2	4.5	21.1	25.4	54.1
QoQ gr. (%)	(9.6)	53.0	(2.4)	(3.1)	(12.8)	26.8	13.0	0.4	7.1
Total Opex to Net Interest Income	26.5	24.1	22.1	23.2	27.1	21.0	20.5	19.8	21.7
YoY increase in bps	(600.0)	(10.1)	(10.5)	(5.3)	2.3	(12.9)	(7.2)	(14.7)	(19.9)
QoQ increase in bps	200.0	(9.1)	(8.3)	5.0	16.8	(22.5)	(2.4)	(3.4)	9.6
Loan loss to AUM	0.38	0.04	10.00	0.01	0.18	0.05	0.02	0.15	0.12
YoY increase in bps	30.0	(33.3)	4,247.8	(95.2)	(52.6)	25.0	(99.8)	1,400.0	(33.3)
QoQ increase in bps	17.0	(89.5)	24,900.0	(99.9)	1,700.0	(72.2)	(60.0)	650.0	(20.0)
RoA	2.01	2.88	2.63	2.43	2.00	2.35	2.49	2.36	2.40
YoY increase in bps	161.0	9.9	12.9	2.5	(0.5)	(18.4)	(5.3)	(2.9)	20.0
QoQ increase in bps	(36.0)	43.3	(8.7)	(7.6)	(17.7)	17.5	6.0	(5.2)	1.7
RoE	11.67	17.21	16.12	15.02	12.65	14.32	13.03	11.50	12.10
YoY increase in bps	867.0	11.0	27.9	12.8	8.4	(16.8)	(19.2)	(23.4)	(4.3)
QoQ increase in bps	(165.0)	47.5	(6.3)	(6.8)	(15.8)	13.2	(9.0)	(11.7)	5.2

Source: Company, Elara Securities Research

Exhibit 11: GS3 for BHFL improves sequentially while absolute stock increases QoQ

BHFL Asset Quality	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Gross Stage 1 & 2 assets	625,020	667,120	713,010	735,140	796,090	855,760	901,390	958,390	994,830
YoY gr. (%)	33.5	32.4	29.0	26.0	27.4	28.3	26.4	30.4	25.0
QoQ gr. (%)	7.1	6.7	6.9	3.1	8.3	7.5	5.3	6.3	3.8
Gross Stage 1 & 2 assets % AUM	99.8	99.8	99.8	99.8	99.8	99.7	99.7	99.7	99.7
YoY increase in bps	9.1	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(0.1)	(0.1)
QoQ increase in bps	1.2	(0.0)	(0.0)	0.0	0.0	(0.1)	(0.0)	(0.0)	0.0
Gross Stage 3 assets	1370.0	1520.0	1710.0	1710.0	1710.0	2360.0	2580.0	2810.0	2870.0
YoY gr. (%)	(6.4)	13.4	30.5	26.7	24.8	55.3	50.9	64.3	67.8
QoQ gr. (%)	1.5	10.9	12.5	-	-	38.0	9.3	8.9	2.1
Gross Stage 3 assets % AUM	0.22	0.23	0.24	0.23	0.21	0.28	0.29	0.29	0.29
YoY increase in bps	(9.1)	(14.3)	1.2	0.5	(2.0)	21.0	19.3	26.0	34.2
QoQ increase in bps	(1.2)	3.9	5.2	(3.0)	(7.6)	28.3	3.8	2.4	(1.6)
Coverage Ratio % Stage 3 assets	63.6	65.9	60.8	60.8	63.4	59.3	57.9	55.4	60.3
YoY increase in bps	960	13	12	11	(0)	(10)	(5)	(9)	(5)
QoQ increase in bps	900	4	(8)	(0)	4	(7)	(2)	(4)	9

Source: Company, Elara Securities Research

Exhibit 12: CIF growth run rate sees a marginal uptick QoQ

Particulars	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
EMI Card - CIF in Mn	42	42	42	42	41	46	55	56	59
QoQ gr. (%)	17.0	(1.0)	0.7	0.7	(2.8)	11.2	21.3	2.0	4.4

Source: Company, Elara Securities Research

Exhibit 13: Deposits as a % of total borrowings steady

Particulars	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Deposits as a % of total borrowings	21.0	21.0	21.0	22.0	21.0	20.0	20.0	20.0	20.0

Source: Company, Elara Securities Research

Exhibit 14: Number of urban branches come off as focus on rural increases

Particulars (Units)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Urban Branches	1,392	1,422	1,469	1,538	1,569	1,585	1,596	1,599	1,582
Rural Branches	2,341	2,406	2,465	2,554	2,576	2,617	2,649	2,660	2,681
Urban Branches as a % of total branches	37.3	37.1	37.3	37.6	37.9	37.7	37.6	37.5	37.1
Rural Branches as a % of total branches	62.7	62.9	62.7	62.4	62.1	62.3	62.4	62.5	62.9

Source: Company, Elara Securities Research

Exhibit 15: Total customer franchise increases to a new high, breaches the 100mn mark

(Units mn)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Total Customer Franchise	69.1	73.0	76.6	80.4	83.6	88.1	92.1	97.1	101.8
Non-delinquent customers	45.9	48.9	51.3	54.1	56.7	63.0	65.8	69.4	72.6

Source: Company, Elara Securities Research

Exhibit 16: Customer accretion healthy albeit a bit slower sequentially

(Units)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
New to BAF customers	3,430,000	3,840,000	3,580,000	3,850,000	3,230,000	4,470,000	3,980,000	5,030,000	4,700,000

Source: Company, Elara Securities Research

Exhibit 17: Calculated cost of funds decreases by 23bp QoQ

Particulars	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Cost of funds (%)	5.8	6.8	7.3	7.4	7.3	7.4	7.6	7.6	7.4
Operating leverage	5.1	5.2	5.4	4.7	4.9	4.9	4.7	4.7	4.7

Source: Company, Elara Securities Research

Exhibit 18: 30+ bucket spikes for 2W & 3W by 96bp QoQ

Credit Quality- Portfolio Composition	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Consumer Durable									
Bucket 0	99.6	99.6	99.5	99.4	99.5	99.5	99.5	99.4	99.4
30+	0.3	0.4	0.4	0.4	0.4	0.5	0.4	0.5	0.5
2W & 3W									
Bucket 0	93.3	94.3	94.7	94.7	94.7	93.1	92.2	92.1	90.7
30+	4.2	3.7	3.7	3.7	3.7	5.0	5.6	5.5	6.5
Digital Products									
Bucket 0	99.5	99.5	99.4	99.4	99.4	99.1	99.2	99.3	99.2
30+	0.4	0.5	0.5	0.5	0.5	0.8	0.6	0.5	0.7
Urban B2C									
Bucket 0	98.8	98.7	98.7	98.7	98.7	98.3	98.3	98.3	98.3
30+	1.0	1.0	1.0	1.0	1.0	1.2	1.2	1.1	1.3
Business & professional									
Bucket 0	99.3	99.3	99.3	99.3	99.3	98.7	98.6	98.7	98.6
30+	0.4	0.4	0.4	0.4	0.4	0.7	0.7	0.6	0.7
Loan against property									
Bucket 0	98.8	98.9	99.1	99.1	99.1	99.1	98.8	98.7	98.9
30+	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.6	0.5
Home loans									
Bucket 0	99.6	99.4	99.5	99.5	99.5	99.4	99.4	99.3	99.4
30+	0.3	0.4	0.4	0.4	0.4	0.4	0.3	0.4	0.4
Rural lending B2B									
Bucket 0	99.6	99.7	99.6	99.6	99.6	99.6	99.5	99.5	99.5
30+	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4
Rural lending B2C									
Bucket 0	98.1	98.0	98.2	98.2	98.2	97.8	97.9	98.0	98.1
30+	1.6	1.7	1.4	1.4	1.4	1.9	1.6	1.5	1.6

Source: Company, Elara Securities Research

Exhibit 19: Omni presence strategy -- key metrics reflect a slowdown in traction

Particulars	Units	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Geography										
New locations added - in the quarter	#	19	95	106	158	53	57	43	14	4
Locations - Cumulative	#	3,733	3,828	3,934	4,092	4,145	4,202	4,245	4,259	4,263
Gold loan branches - Cumulative	#	181	424	514	537	650	692	757	827	964
App Metrics										
Downloads - In the quarter	# in mn	13.43	15.1	16.74	15.78	15.42	18.34	18.67	20.08	18.81
Net Installs - Cumulative	# in mn	35.5	40.2	44.7	49.2	52.4	56.8	61.7	66.6	70.6
In-App programs - Cumulative	#	104	118	134	129	147	153	161	179	148
App Payments metrics										
UPI handles - Cumulative	# in mn	12.98	15.48	18.6	21.48	24.78	28.46	32.24	36.26	40.09
Bill pay transactions - in the quarter	# in mn	5.27	5.44	6.43	7.49	8.18	8.61	8.57	8.37	7.11
QR deployment at merchant PoS - Cumulative	# in '000	627	1140	2160	2710	3140	3310	3410	3560	3720
Rewards issued - In the quarter	# in mn	13.50	18.10	22.10	25.40	28.1	20.3	30.5	26.8	28.8
App business metrics										
Digital EMI card acquisition - In the quarter	# in '000	99	123	130	89	NA	134	275	253	250
Personal loan disbursement - In the quarter	In INR mn	26,070	27,600	29,100	28,610	31,870	51,000	52,480	49,210	47,980
Credit card acquisition - In the quarter	# in '000	72	77	69.9	59.7	38.8	39	31.8	NA	NA
Flexi loan transactions - In the quarter	# in '000	1,554	1,700	1,990	2,190	2,710	2,830	2,990	2,960	2,840
DMS receipts - In the quarter	# in '000	972	982	1,100	1,240	1,470	1,590	1,600	1,960	2,540
Marketplace metrics										
Bajaj Mall visits - In the quarter	# in mn	47.1	49	52	46	34	41.3	46.6	58.7	40.8
Bajaj Mall loans - In the quarter	# in '000	607	826	589	491	255	721	793	1386	1030
Insurance Bazaar policies sold - In the quarter	# in '000	107.6	112	106	149.1	526.2	306.8	291	235	220
Investments Bazaar MF A/C - In the quarter	# in '000	23.6	25.4	38.5	55	59.3	23.4	23.6	56	NA
Digital EMI card metrics										
Digital EMI card acquisition - In the quarter	# in '000	598	665	678	439	-	502	1051	1028	1050
Digital EMI card acquisition - In the CIF	# in MM	3.6	3.8	4.2	4.5	3.6	5.3	6.3	7.1	7.6
B2B loans from digital EMI cards - in the quarter	# in '000	291	416	346	281	-	155	306	420	410

Source: Company, Elara Securities Research

Exhibit 20: Retain Buy with a TP at INR 1,161 on 4.9x for SA and BHFL at 3.8x FY27E P/ABV

Standalone BAF Fair price - EVA (INR)	11,530
Standalone BAF Fair price basis Gordon Growth (INR)	9,091
Average of the two - BAF Value per share (INR)	10,310
Core book P/ABV (x)	4.9
BHFL - Market capitalization (INR)	991,050
BHFL P/ABV basis FY27 Net worth	3.8
Stake adjusted Market capitalization (INR)	879,530
SoTP Value per share (INR)	1,418.1
Value per share (including holding co. discount of 40%) (INR)	850.9
SoTP target price (INR)	11,161
Current price, INR	9,093
Upside (%)	22.7

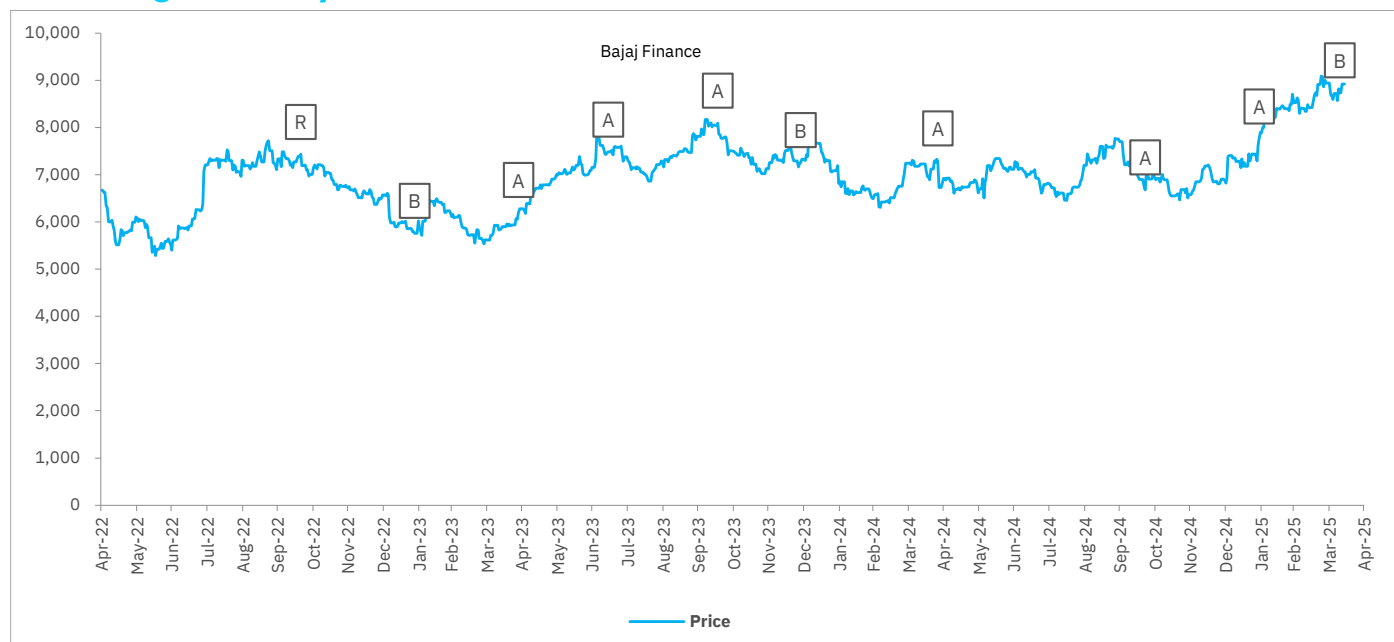
Note: pricing as on 29 April 2025; Source: Company, Elara Securities Estimate

Exhibit 21: Change in estimates

(INR mn)	Old		Revised		(%)		New
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY28E
Net Interest Income	410,849	517,606	425,482	533,681	3.6	3.1	687,373
Operating Profit	342,421	430,925	345,410	429,639	0.9	(0.3)	515,243
PAT	197,366	249,340	197,840	246,401	0.2	(1.2)	290,701
EPS (INR)	318.0	402.0	319	397	0.3	(1.2)	469

Source: Elara Securities Estimate

Coverage History



Date	Rating	Target Price (INR)	Closing Price (INR)
20-Oct-2022	Reduce	7,203	7,432
27-Jan-2023	Buy	7,006	5,761
27-Apr-2023	Accumulate	7,006	6,056
14-Jul-2023	Accumulate	8,681	7,482
17-Oct-2023	Accumulate	9,000	8,093
28-Dec-2023	Buy	9,000	7,259
25-Apr-2024	Accumulate	8,053	7,295
22-Oct-2024	Accumulate	7,683	6,678
29-Jan-2025	Accumulate	8,892	7,760
09-Apr-2025	Buy	11,161	8,736

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BUY (B)	Absolute Return >+20%
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