



6th May, 2024



India's Best Performing and Most Customer Centric PMS

Comprehensive Overview of Bajaj Finserv's Diverse Operations

Revenue Shifts and Business Evolution: Bajaj Finserv Ltd. has seen a significant transformation in its revenue composition over the years. Life Insurance contributions have decreased from 55% in FY18 to 25% in FY22, while General Insurance has grown from 0% to 28% in the same period. Retail Financing remains strong, slightly increasing to 45% from 43%. Investment contributions have slightly decreased, indicating a strategic refocus on core financial services.

Diverse Insurance and Financing Solutions: Bajaj Finserv, through its subsidiaries such as Bajaj Allianz for general and life insurance, and Bajaj Finance for lending solutions, offers comprehensive services ranging from asset acquisition financing to family and income protection, and retirement solutions. These services cater to a vast customer base, providing both stability and growth.

Technological and Digital Initiatives: Bajaj Finserv is embracing digital transformation with several initiatives aimed at enhancing customer service. Platforms like Bajaj Finserv Direct and Bajaj Financial Securities leverage technology to provide seamless financial services. Their health-tech platform, Bajaj Finserv Health, connects over 100,000 doctors with millions of users, integrating healthcare with finance.

Strategic Insurance Distribution: The distribution strategy for Bajaj Allianz General Insurance is notably diverse, incorporating agents, bancassurance, and digital channels. This multi-channel approach helps penetrate various market segments, including small towns and the retail sector, emphasizing the company's focus on accessibility and reach.

Life Insurance Growth and Coverage: Bajaj Allianz Life Insurance stands out as a rapidly growing entity within the private sector. With the industry's highest solvency ratio and a wide distribution network, it underscores its market strength and commitment to providing extensive life insurance coverage across India.

Innovative Financial Products Marketplace: Bajaj MARKETS, a BFSI marketplace, offers an expansive range of financial products in collaboration with numerous industry leaders. This platform facilitates a broad selection of loans, insurance policies, and investment options, showcasing Bajaj Finserv's commitment to providing comprehensive financial solutions through innovative technology.

Significant Acquisitions and Partnerships: The strategic acquisition of Vidal Health Care Services highlights Bajaj Finserv's expansion into health services management. This move, along with robust partnerships across banking and financial sectors, reinforces its market position and diversification strategy, poised to enhance service delivery and customer satisfaction.

Stock Data	
CMP (06-05-2024)	1,611
52 Week High/Low	1742/1362
Face Value	1.00
Market Cap (In Crs)	2,60,272
Enterprise Value (In Crs)	5,36,818
NSE	BAJAJFINSV
BSE	532978
Bloomberg	BJFIN:IN
Sector	FINANCE & INVESTMENTS

Shareholding Pattern (in %)		
	MAR 24	DEC 23
Promoter	60.69%	60.69%
FII	8.42%	7.91%
DII	7.33%	7.48%
Public	23.38%	23.70%

Price Performance (in%)			
(%)	1M	6M	1Yr
Nifty 50	-0.99	15.64	22.88
BAJFINSERV	-4.47	2.80	14.87

Key Ratios	
P/E	31.6
P/S	2.33
P/B	4.26
Debt To Equity	4.79
ROE	15.3%
ROCE	11.6%
Dividend Yield	0.06%

Q4 FY 24 Result Update

Q4 FY24 Result Comparison (In Rs Cr)					
	Q4 FY24	Q3 FY24	Q4 FY23	QOQ	YOY
Revenue and Other Income	32,045	29,040	23,627	10.35%	35.63%
EBITDA	10,938	10,440	8,157	4.77%	34.09%
EBIT	5,527	5,431	4,540	1.77%	21.74%
Net Profit	4,085	4,045	3,335	0.99%	22.49%
EPS	13.28	13.52	11.11	-1.78%	19.53%

Result Highlights

Bajaj Finserv's Impressive Fiscal Performance: A Detailed Analysis

Impressive Revenue and Income Growth: In Q4 FY24, Bajaj Finserv showcased remarkable financial growth, with revenue and other income reaching ₹32,045 crore, a significant 35.63% increase year-over-year (YOY). This jump from ₹23,627 crore in Q4 FY23 underlines the company's robust business model and effective market strategies. Quarter-over-quarter (QOQ), the revenue rose by 10.35% from ₹29,040 crore in Q3 FY24, indicating strong sequential growth and reinforcing the company's ability to adapt and thrive in dynamic market conditions.

Strong EBITDA Performance: The Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) for Q4 FY24 stood at ₹10,938 crore, marking a substantial 34.09% YOY growth from ₹8,157 crore in Q4 FY23. This improvement highlights enhanced operational efficiency and profitability. The modest 4.77% QOQ growth from Q3 FY24's ₹10,440 crore also points to Bajaj Finserv's continuous focus on optimizing operations and maximizing earnings.

Sustained Earnings Before Interest and Taxes: The Earnings Before Interest and Taxes (EBIT) for Q4 FY24 were ₹5,527 crore, up 21.74% YOY from ₹4,540 crore in Q4 FY23. This growth indicates not only an increase in profitability but also an effective control over operating expenses. The QOQ growth rate of 1.77% from ₹5,431 crore in Q3 FY24 suggests a steady operational performance despite varying economic conditions.

Consistent Net Profit Growth: Net profit for Q4 FY24 was reported at ₹4,085 crore, up 22.49% YOY from ₹3,335 crore in Q4 FY23. This indicates strong profitability and effective financial management. The slight 0.99% QOQ growth from ₹4,045 crore in Q3 FY24 highlights Bajaj Finserv's ability to maintain profit growth amidst fluctuating financial markets.

Earnings Per Share Insights: Earnings per share (EPS) saw a YOY increase of 19.53%, rising from ₹11.11 in Q4 FY23 to ₹13.28 in Q4 FY24. Despite a minor decrease of 1.78% from Q3 FY24's EPS of ₹13.52, the overall growth trajectory underscores the company's resilience and commitment to delivering shareholder value. This performance reflects the strong fundamentals and investor confidence in Bajaj Finserv.

Overall Financial Health and Outlook: Bajaj Finserv's Q4 FY24 results reflect a company in robust financial health, demonstrating impressive growth and stability. The significant improvements across all major financial indicators, from revenue to EPS, highlight the company's strategic initiatives and market adaptation capabilities. Moving forward, Bajaj Finserv appears well-positioned to leverage its strengths in an evolving financial landscape, continuing to deliver value to its customers and shareholders alike.

Concall Highlights

Bajaj Finserv: A Symphony of Growth and Innovation in Financial Services: Bajaj Finserv has meticulously carved a niche in the financial services sector with its diverse subsidiaries, each echoing a commitment to excellence and customer-centric innovation. Bajaj Allianz General Insurance focuses on building a profitable and diversified portfolio with a strong emphasis on multi-channel distribution and robust underwriting standards, driven by the customer-first approach of "Caringly Yours." Bajaj Allianz Life Insurance pushes boundaries through personalized, innovative solutions designed to meet life goals, using data analytics as a strategic edge. Bajaj Finance Limited operates with the strategic acumen of a bank, optimizing risk and profit through intelligent cross-selling and data-driven customer engagement strategies. Meanwhile, Bajaj Housing Finance Limited stands out with its comprehensive range of mortgage products, tailored to both affluent and everyday customers, ensuring growth through customer-focused innovation and strategic distribution channels. Together, these entities exemplify a dynamic approach to sustainable, profitable growth, setting industry benchmarks in providing tailored financial solutions.

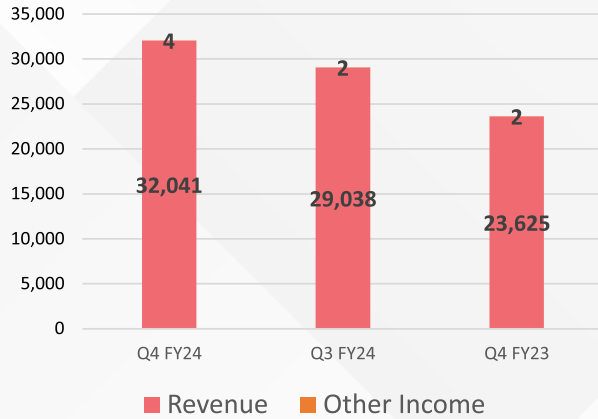
Unfolding the Future: Bajaj Finserv's Visionary Expansion into Emerging Markets: Bajaj Finserv is spearheading innovation with new ventures that promise to redefine the financial and healthcare landscapes in India. The newly established Bajaj Finserv Asset Management aims to strengthen the group's retail financial offerings through innovative, data-driven asset management solutions, ensuring a future-ready stance in a competitive market. Bajaj Finserv Health Limited is revolutionizing healthcare by integrating cutting-edge technology with financial services, making quality healthcare more accessible through its digital platform. This venture not only broadens consumer reach but also introduces specialized services like OPD care and telemedicine, tailored for both individuals and corporates. Bajaj Finserv Direct Limited, a BFSI B2C marketplace, is transforming financial product distribution across India by leveraging digital technologies to enhance service delivery and customer engagement. Lastly, Bajaj Financial Securities Limited is setting a new standard in personal finance by offering a comprehensive digital platform that combines brokerage services with innovative financing solutions, catering to the modern investor's diverse needs.

Strategic Stewardship: Bajaj Finserv's Blueprint for Excellence: Bajaj Finserv, a titan in the financial services sector, excels in sculpting a sustainable and profitable future through strategic oversight and innovative engagement. The company's primary role is to monitor and enhance its subsidiaries, ensuring long-term sustainable profits and effective capital deployment to yield superior shareholder returns. This is achieved by instilling a culture of rigorous long-range planning and regular review of operations and strategic investments. Bajaj Finserv promotes harmonization of risk policies and frameworks across its ventures, ensuring that each adheres to high standards of risk management, which includes a systematic review of potential enterprise risks and proactive mitigation strategies. Furthermore, the firm fosters robust collaboration and best practices sharing through its Group Knowledge Forums and cross-functional projects, enhancing analytics, technology, and digital strategies. This integrative approach not only boosts operational efficiencies but also drives innovation, keeping Bajaj Finserv at the forefront of the financial industry.

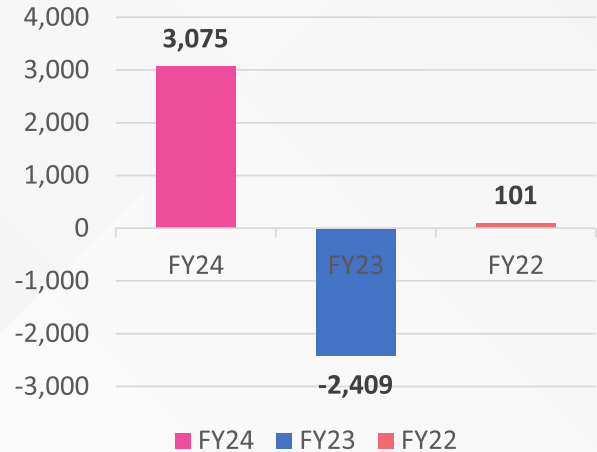
Bajaj Finserv's FY24: A Year of Exceptional Financial Growth: Bajaj Finserv's FY24 financial highlights reveal a remarkable year of growth, with significant increases across key financial metrics. The company reported a robust 34% year-over-year increase in total revenue, rising from ₹82,072 crore in FY23 to ₹110,383 crore in FY24. Profit After Tax (PAT) also saw a substantial uptick, with a 27% increase to ₹8,148 crore, underlining the company's enhanced profitability. Even when excluding Market-to-Market (MTM) gains or losses, PAT rose by 21%, indicating strong core financial performance. The net worth of the company showed impressive growth; consolidated net worth jumped by 30%, reaching ₹60,329 crore, and standalone net worth increased by 25% to ₹6,569 crore. This financial strength is further highlighted by Bajaj Finserv's status as a debt-free company, with a surplus of ₹2,198 crore, up from ₹2,284 crore in the previous quarter, demonstrating prudent financial management and strategic investment decisions.

Navigating Complexity: Bajaj Finserv's Robust FY24 Profit Dynamics: Bajaj Finserv's consolidated profit analysis for Q4 FY24 reveals a sophisticated financial structure adept at navigating market fluctuations. The company reported a substantial profit increase, with Bajaj Finance alone contributing a 21% increase, demonstrating its pivotal role in the group's profitability. The general insurance sector also showed impressive resilience, registering a 225% surge in contributions. Notably, the life insurance sector faced challenges, reflected in a decreased contribution. Adjustments for unrealized Market-to-Market (MTM) losses on investments in BAGIC and BALIC were effectively managed, showcasing the company's robust risk management practices. Intercompany adjustments, which stand at ₹109 crore, indicate strategic financial maneuvering to optimize overall profitability. This careful balance of portfolio adjustments and operational efficiencies underscores Bajaj Finserv's capacity to enhance shareholder value amidst diverse economic conditions, positioning it for sustained growth and market leadership.

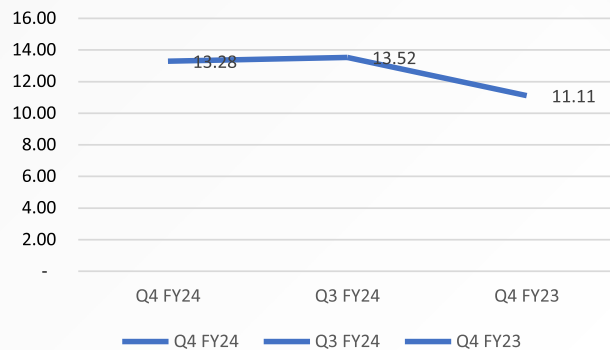
Revenue & Other Income (In Cr)



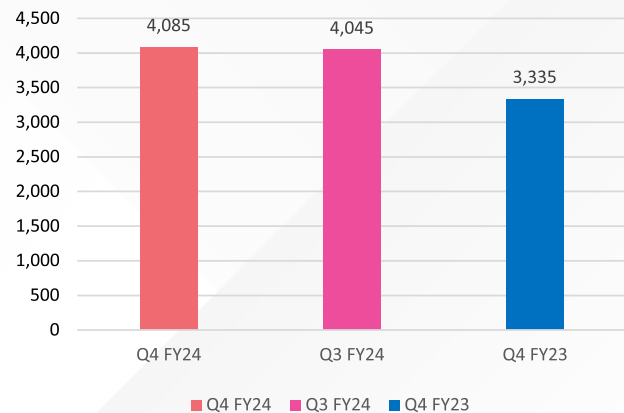
Cashflow (In Cr)



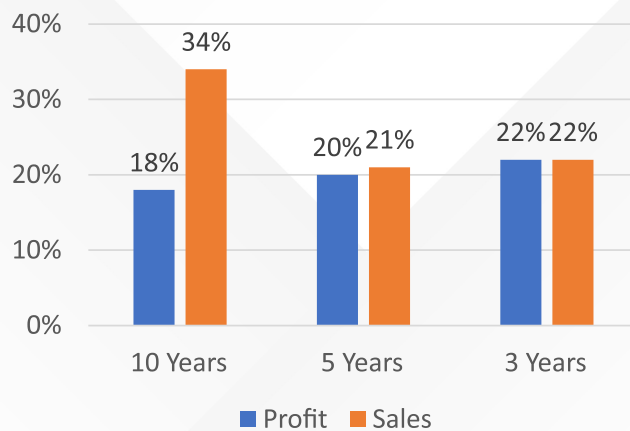
EPS



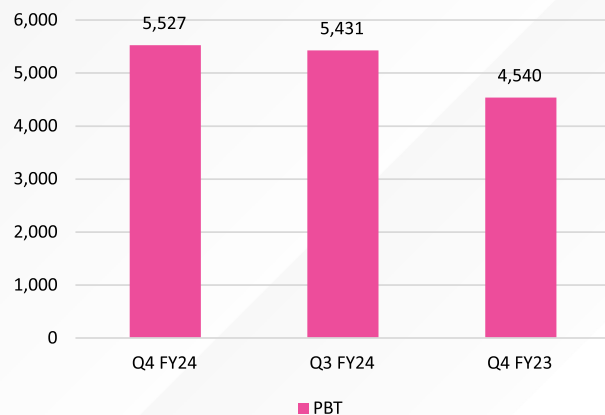
PAT (In Cr)



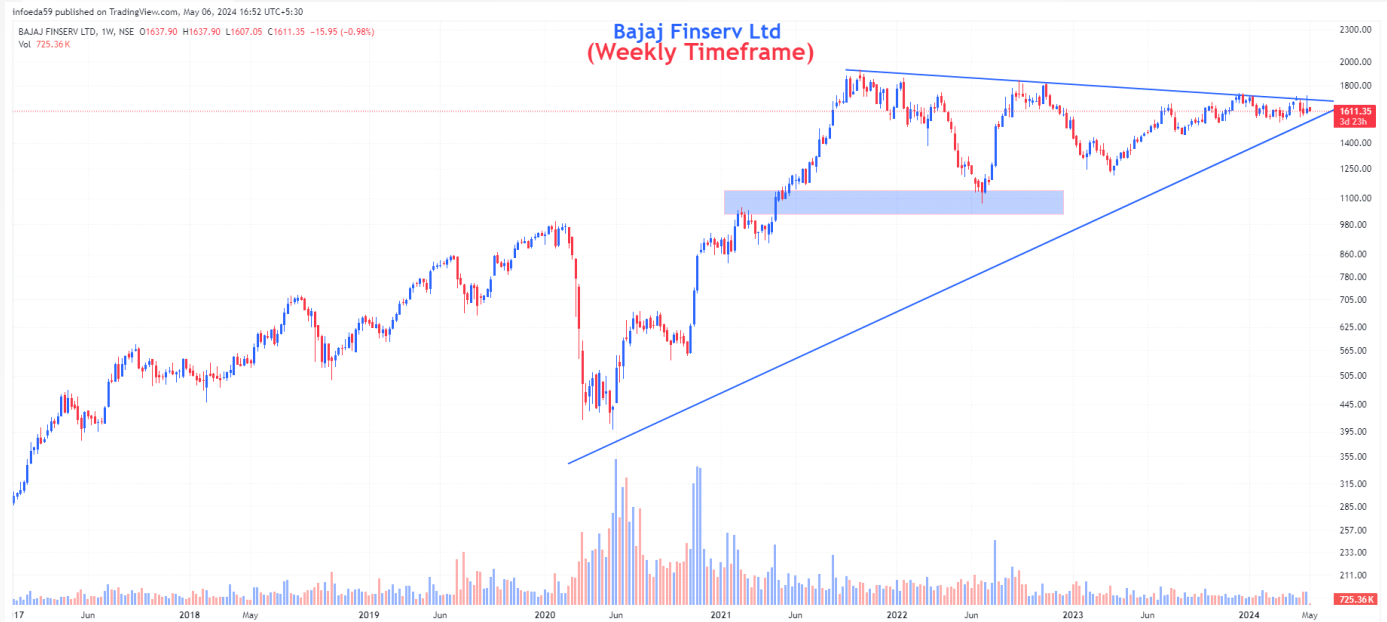
Compounded Growth (In %)



EBIT (In Cr)



Technical Outlook



The weekly chart for Bajaj Finserv Ltd shows a significant upward trend over the past several years, characterized by steady rises and occasional sharp corrections. Since early 2020, the stock has seen substantial growth with some periods of consolidation, especially notable around the 2021 and early 2022 marks. The current chart shows a recent test of resistance near its all-time highs, suggesting potential for either a breakout or retracement. The ascending support line beginning from mid-2020 indicates a strong upward momentum, but investors should watch for fluctuations that test this support as a pivotal point for future price movements.

The technical analysis for Bajaj Finserv, based on moving averages, suggests a mixed trend. The Exponential Moving Averages (EMAs) consistently show higher values compared to the Simple Moving Averages (SMAs) across shorter spans (5 to 50 days), indicating possible short-term bullish momentum. However, for longer durations (100 to 200 days), both SMA and EMA values decrease, suggesting potential bearish pressure or a cooling off in the longer term.

Based on the technical analysis of Bajaj Finserv, the Relative Strength Index (RSI) indicates a neutral momentum. With a daily RSI of 47.61 and a weekly RSI of 49.93, both figures suggest that the stock is neither overbought nor oversold. This positions Bajaj Finserv in a stable trading range, showing no strong indications for major bullish or bearish trends currently.

Moving Averages Days	Simple Moving Average	Exponential Moving Average
5	1610.2	1619.1
10	1620.6	1622.8
20	1642.6	1626.7
50	1615.0	1622.7
100	1630.5	1616.5
200	1602.1	1593.0

Pivot Levels : FIBONACCI			Daily	Weekly
R1 1695.5	Pivot 1656.77	S1 1588.5	Relative Strength Index (RSI) 47.61	49.93
R2 1763.8		S2 1549.8		
R3 1802.5		S3 1481.5		

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