



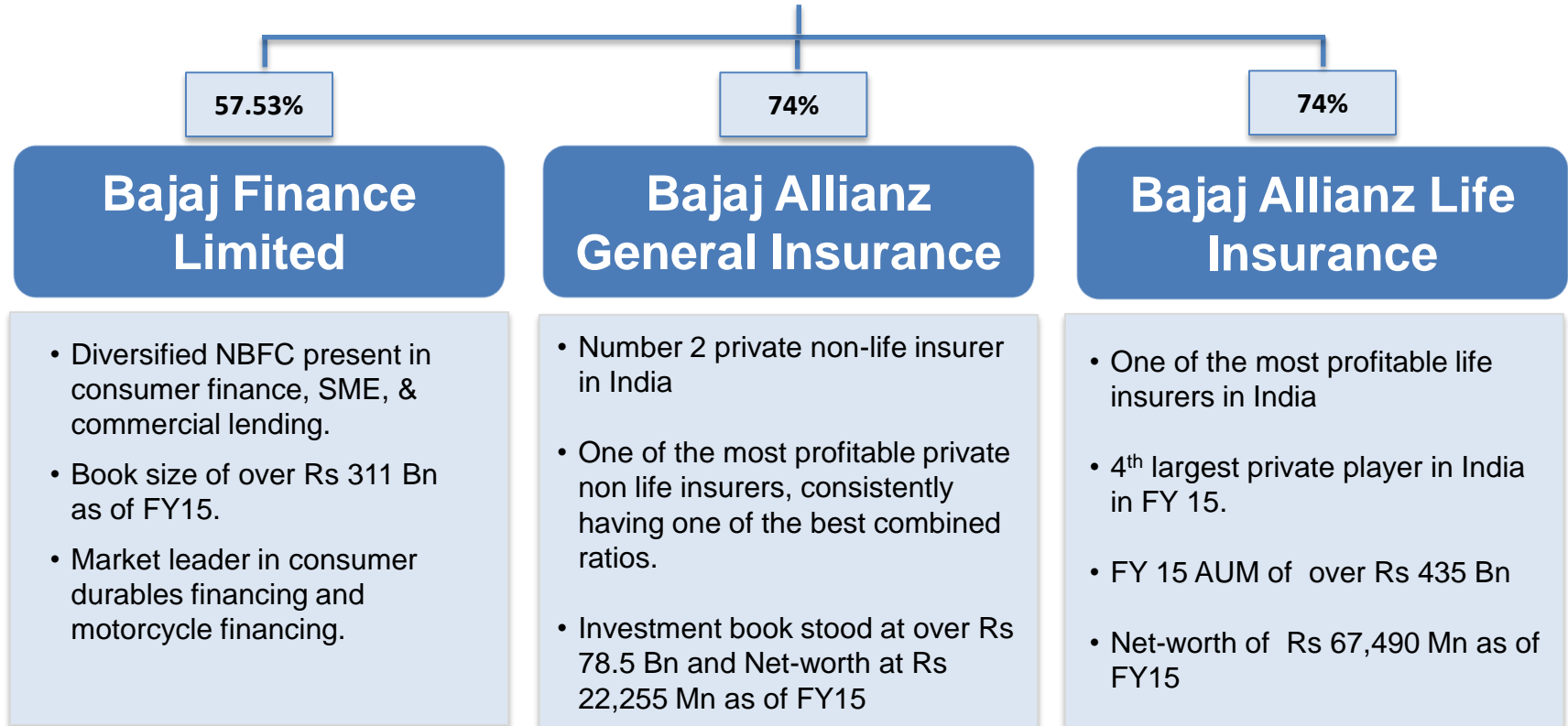
Bajaj Finserv Limited

Investor Presentation Q1 FY16

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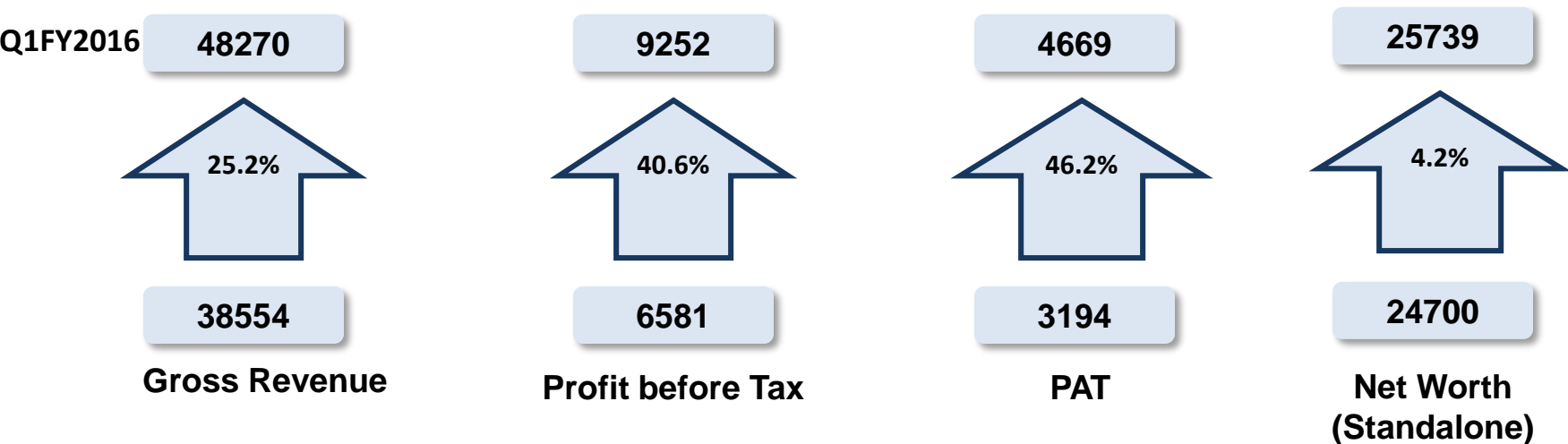
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- Bajaj group has a long track record of building large scale, profitable businesses
- Bajaj Finserv is a diversified group spanning life insurance, general insurance, and lending, with a pan India presence
- Bajaj Finserv is also a listed opportunity to participate in India's insurance sector

All Figures in Rs Million

Performance Highlights of Q1 FY 2016 over Q1 FY2015

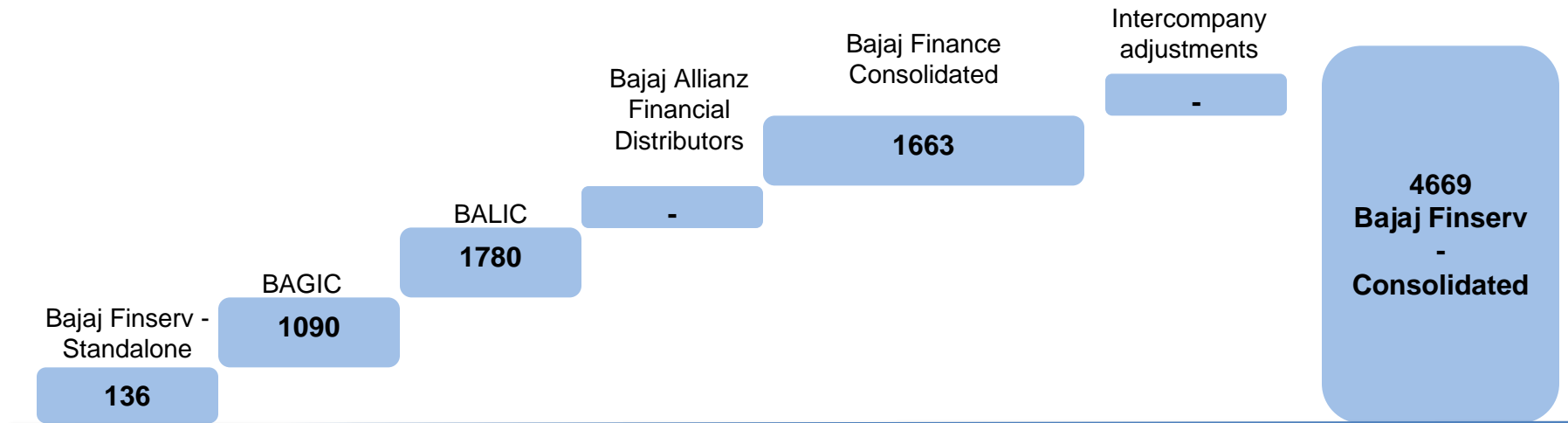


- Bajaj Finserv remains a debt free company
- Bajaj Finserv's surplus funds stood at Rs. 7251 million as on June 30, 2015.
- Consolidated Net Worth stood at Rs. 120,397 million and Consolidated Book Value Per Share at Rs. 757

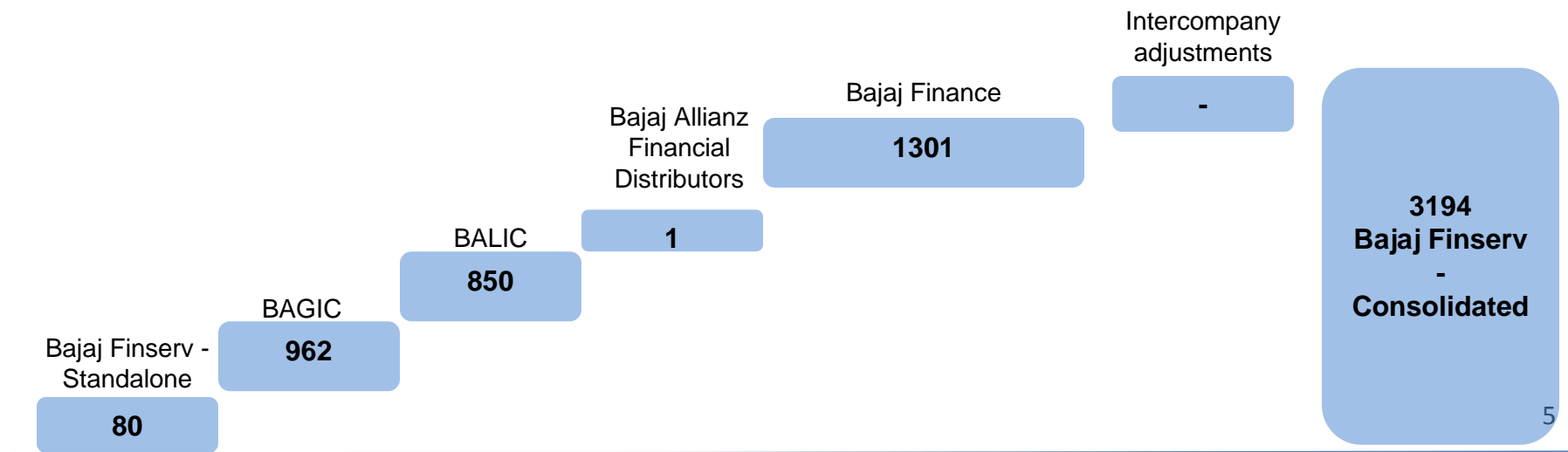
Bajaj Finance & BAGIC have become an important contributor to group profits. Life insurance profits remain significant.

All Figures in Rs Million

Consolidated profit components for Q1 FY2016



Consolidated profit components for Q1 FY2015





Bajaj Allianz Life Insurance

STRATEGY

The strategy is to balance growth with sustainability, and steadily increase market share. This will be backed by diversified distribution channels, an efficient operating model and a balanced product mix.

DIFFERENTIATORS

Large Proprietary Agency Force

- Large pan India proprietary agency force, managed by sales managers. Lean support structure.

Capital Efficiency

- BALIC is a highly capital efficient player

Sustainable model

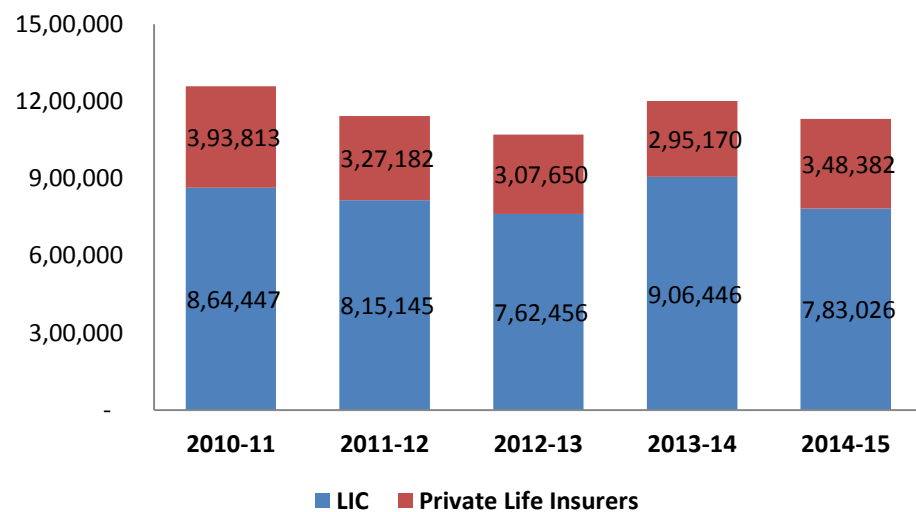
- Product mix is not skewed towards any one product line
- Focus on persistency. FY15 13th month persistency at 67.6%*
- Customer complaints down significantly in FY15.

* Basis IRDA definition, and as disclosed in public disclosures

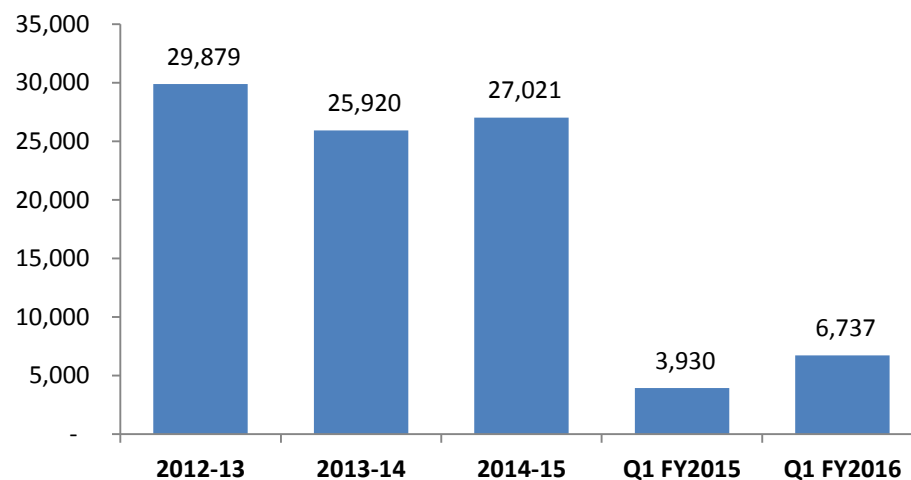
New business trend

All Figures in Rs Million

Industry New Business Premium



New Business - BALIC

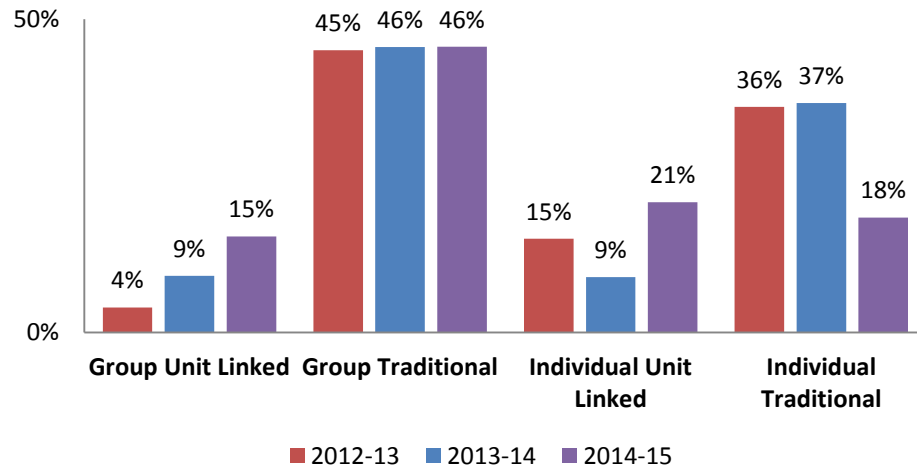


- BALIC grew 4% in FY15 over FY14
- New Business in Q1 FY16 is up 71% over Q1 FY15

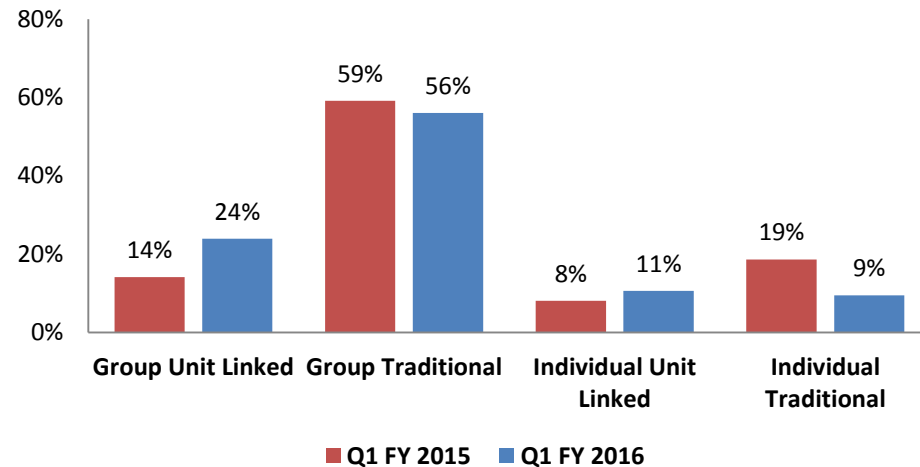
The product mix is diversified across traditional and unit linked

All Figures in Rs Million

New Business Premium - Product Mix



New Business Premium - Product Mix

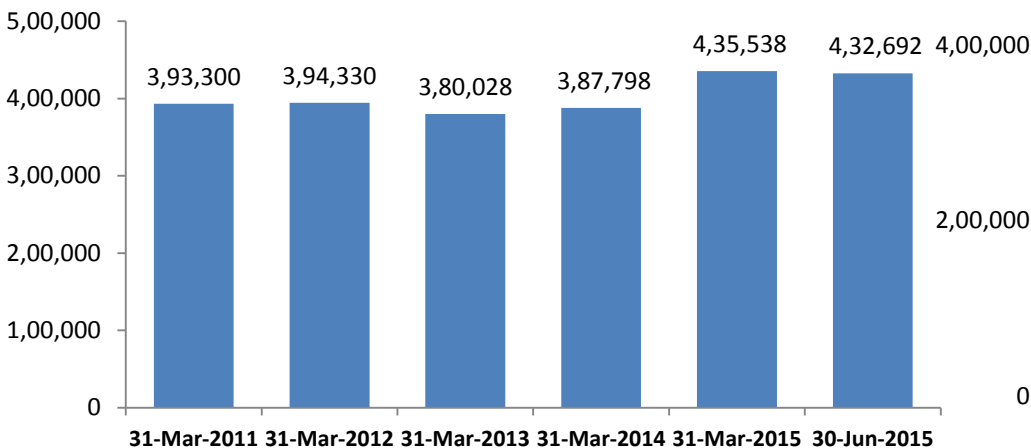


- UL stood at 35% of new business in Q1 FY16
- Of the group business, non-fund based business stood at 30% in Q1 FY16

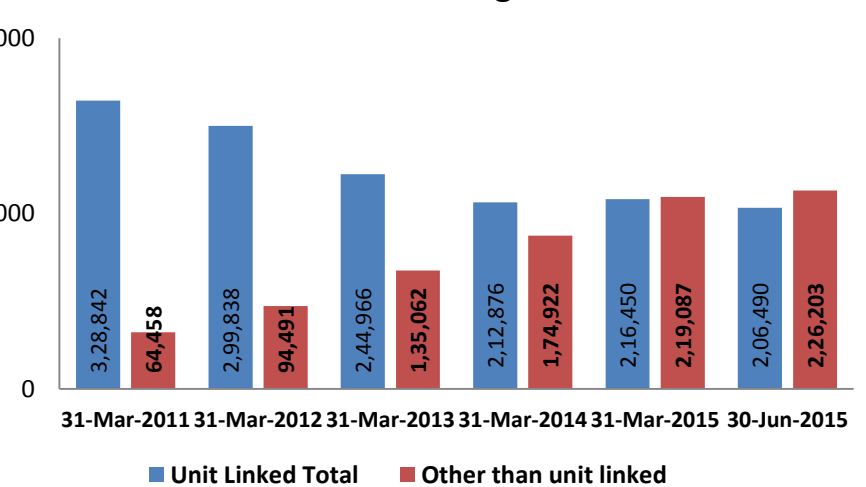
Assets under management are significant

All Figures in Rs Million

Investments Growth



Assets Under Management

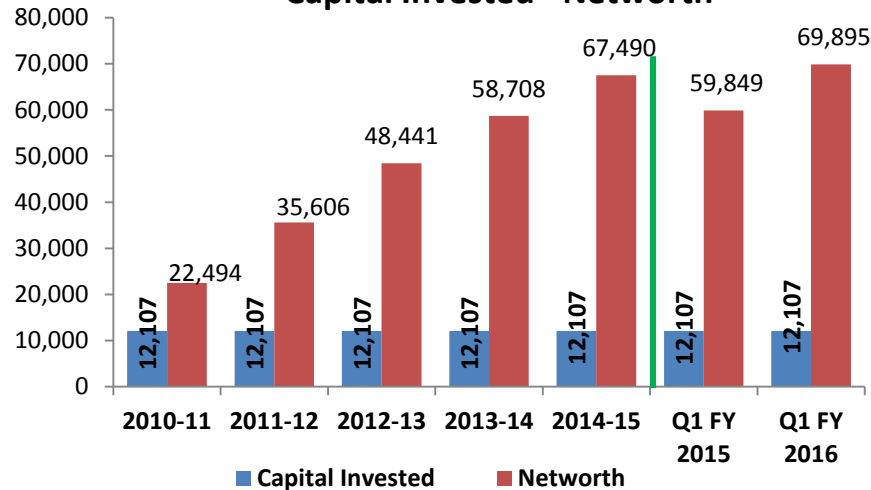


- Equity funds out of the unit linked funds stood at Rs 149,861 Mn as of 30th June 2015

Bajaj Allianz Life is one of the most profitable life insurers in the private sector

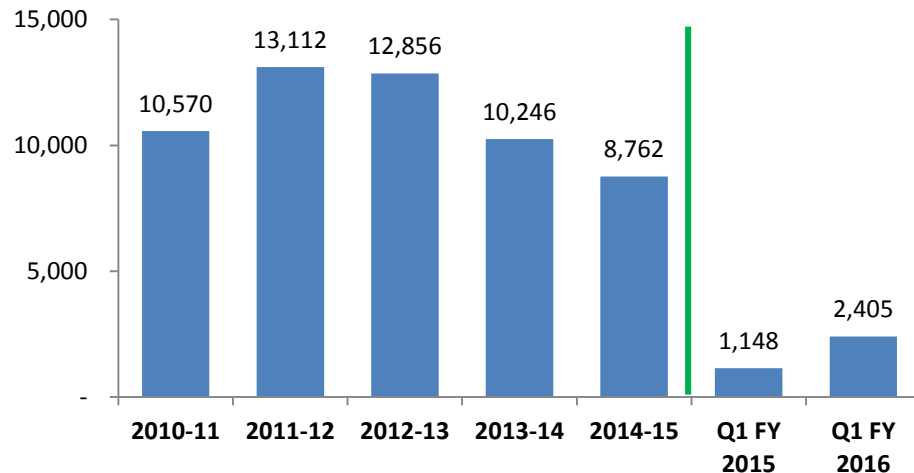
All Figures in Rs Million

Capital Invested - Network



BALIC is a very capital efficient insurer

PAT

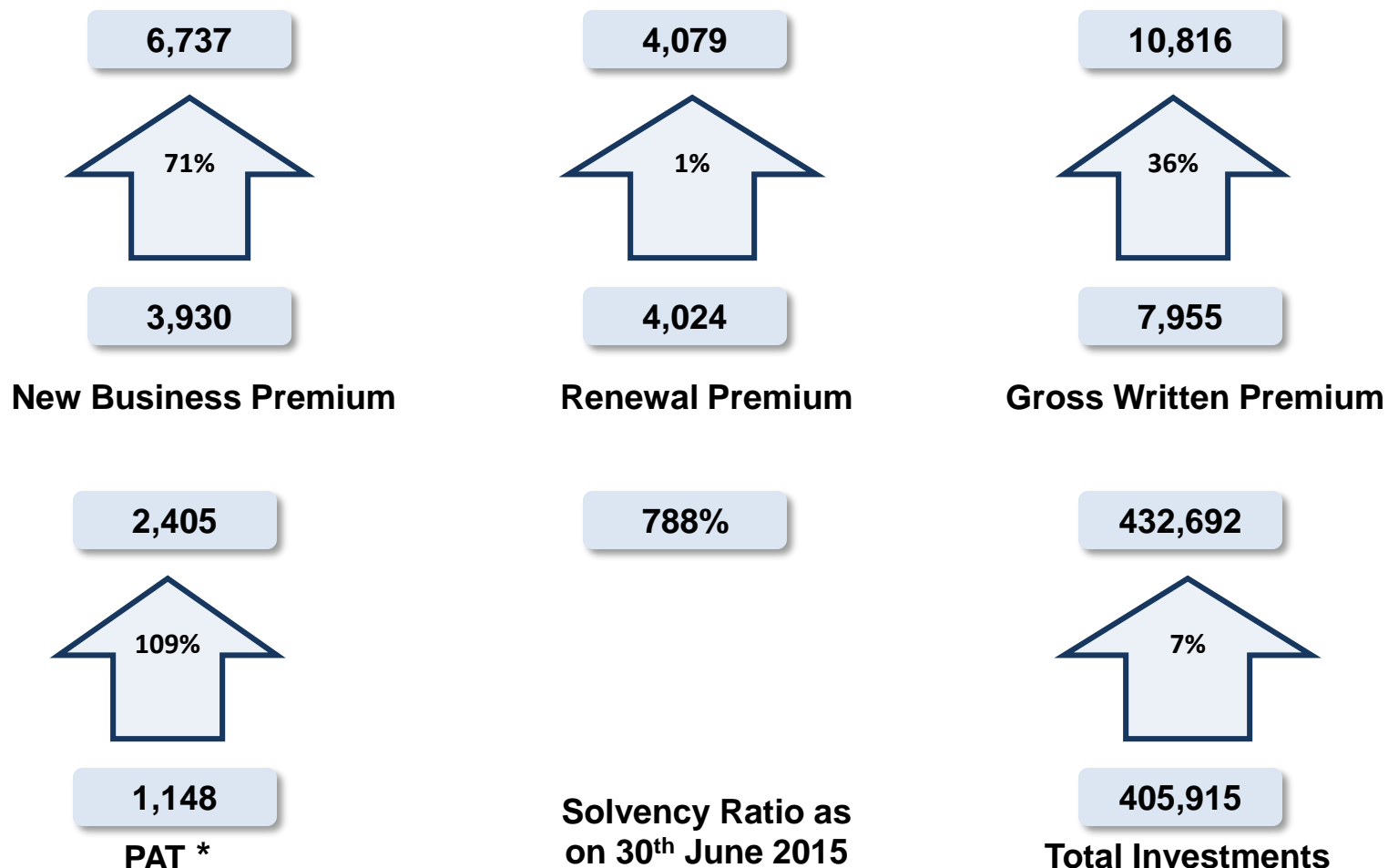


Policyholders surplus for Q1 FY16 stood at Rs 1,283 Mn vs Rs 1,709 Mn in Q1 FY15

Note on PAT: Shareholders' profits for Q1 of FY 16 include an amount of Rs 985 Mn, which represents the transfer of shareholders' share of policyholder surplus arising in the quarter. In the previous years, such profit was transferred only at the end of the year.

All Figures in Rs Million

Performance Highlights of Q1 FY2016 over Q1 FY2015



*Note on PAT: Shareholders' profits for Q1 of FY 16 include an amount of Rs 985 Mn, which represents the transfer of shareholders' share of policyholder surplus arising in the quarter. In the previous years, such profit was transferred only at the end of the year. Had the transfer not been made in Q1 FY16, profit growth would have been 24% over Q1 FY15.



Bajaj Allianz General Insurance

STRATEGY

Strategy is to focus predominantly on retail product lines, with diversified distribution channels, profitable underwriting and strong cash flow generation, while delivering excellence in customer service.

DIFFERENTIATORS

Underwriting Standards

- Deeply ingrained underwriting focus, which has reflected in industry leading combined ratios over time.
- FY15 Combined Ratio stood at 96.7%

Sustained Innovation

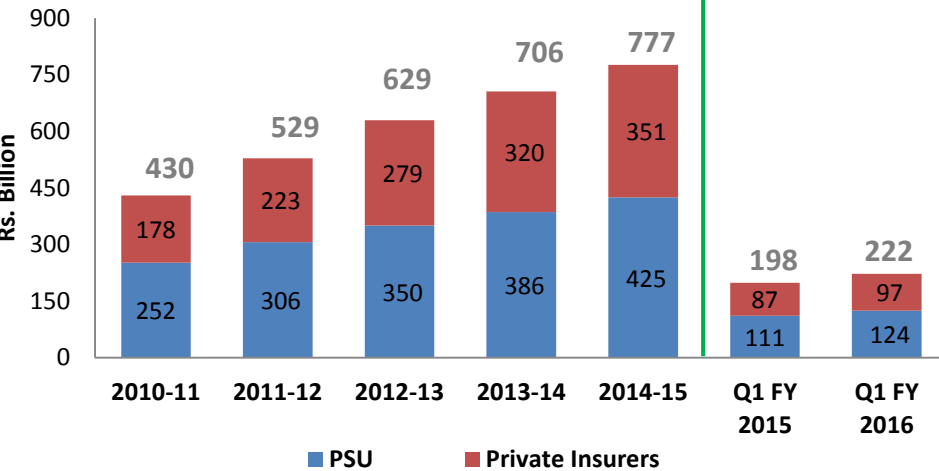
- Early adopter of cash less claims in the industry
- First to have an in house health administration team to handle health insurance claims

Distribution Depth & Servicing

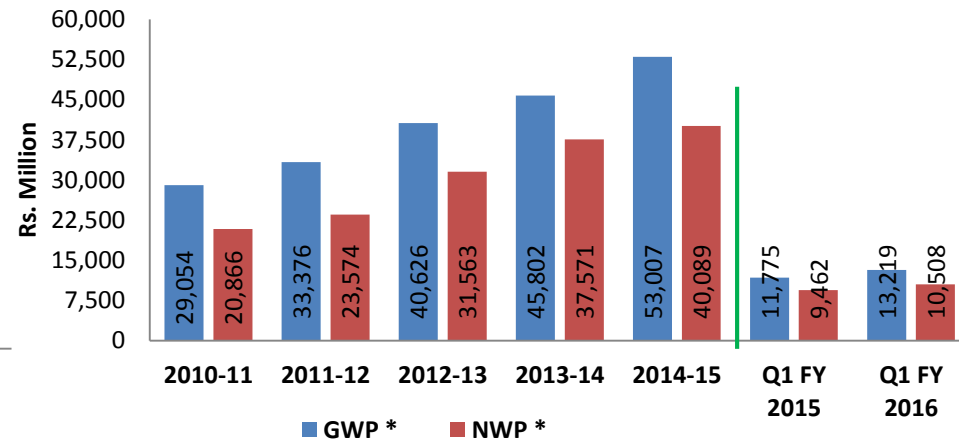
- Multi-channel distribution network consisting of motor dealers, manufacturer tie ups, agency, banca, direct etc. Has a track record of excellence in claims servicing

BAGIC is the second largest private sector general insurer

Industry Premium Trends
(Ex Specialized)



BAGIC Premium Trend



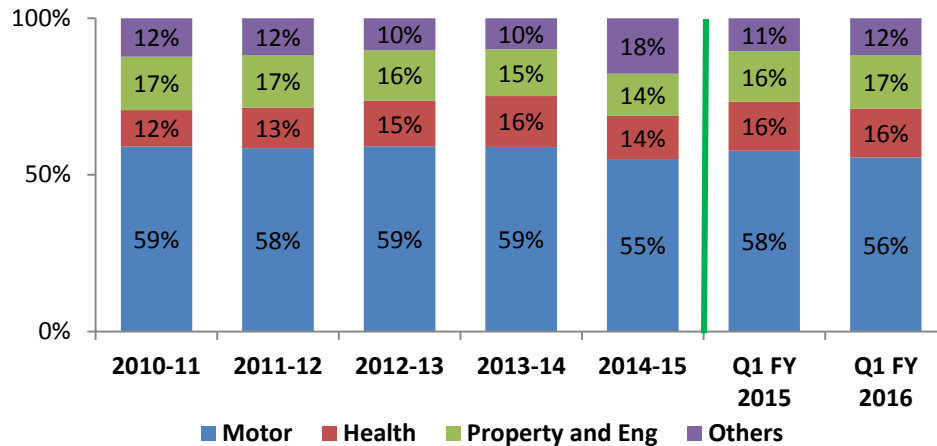
*Premiums up to FY14 exclude inward premiums from erstwhile IMTPIP, & IMTPDRIP as applicable

BAGIC grew GWP in Q1 by 12% compared to the corresponding period last year

BAGIC has a healthy and profitable business mix - leading to a steady growth in investments – has added stability to revenues

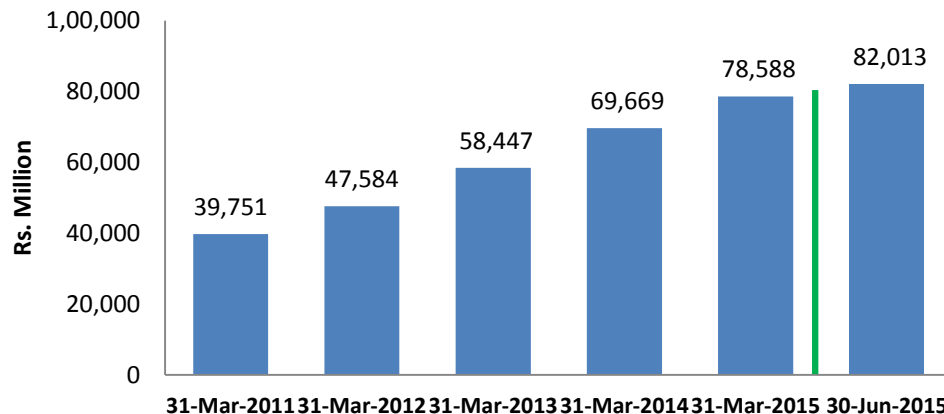
All Figures in Rs Million

Business Mix



Business mix is retail focused. Motor continues to lead the business mix.

Investment Growth

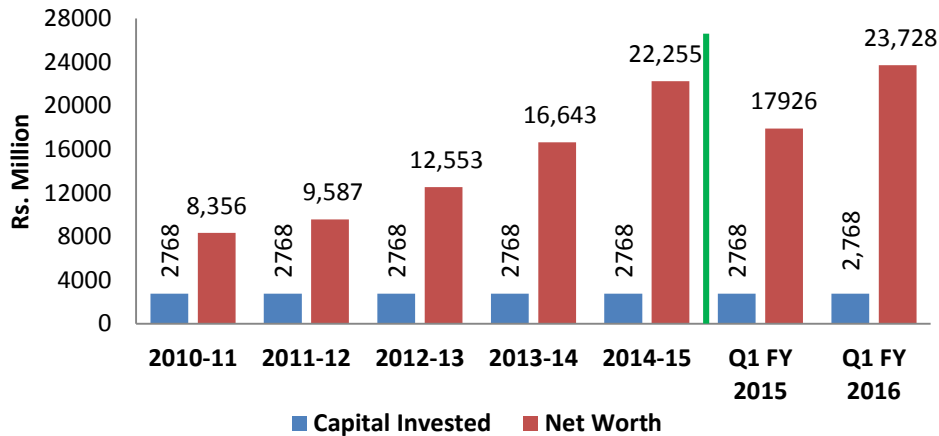


Investments are largely in fixed income securities

BAGIC has a high capital efficiency coupled with a very good combined ratio

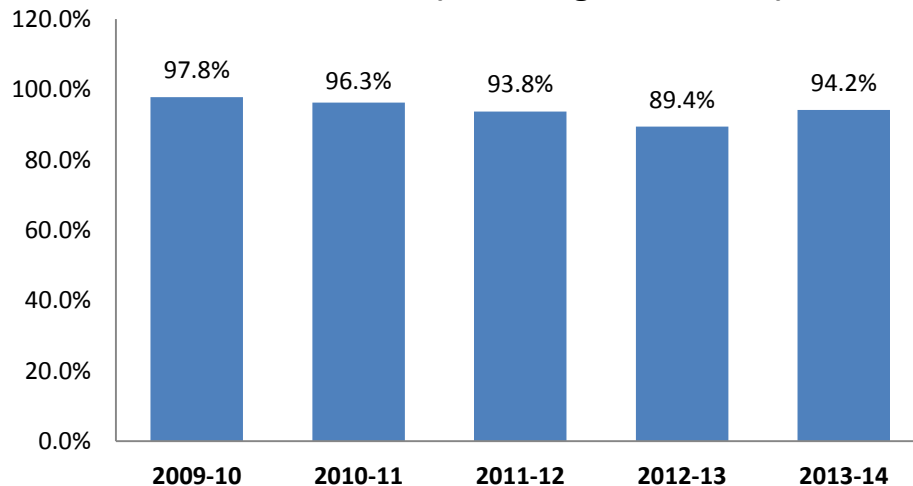
All Figures in Rs Million

BAGIC - Capital Invested - Networth

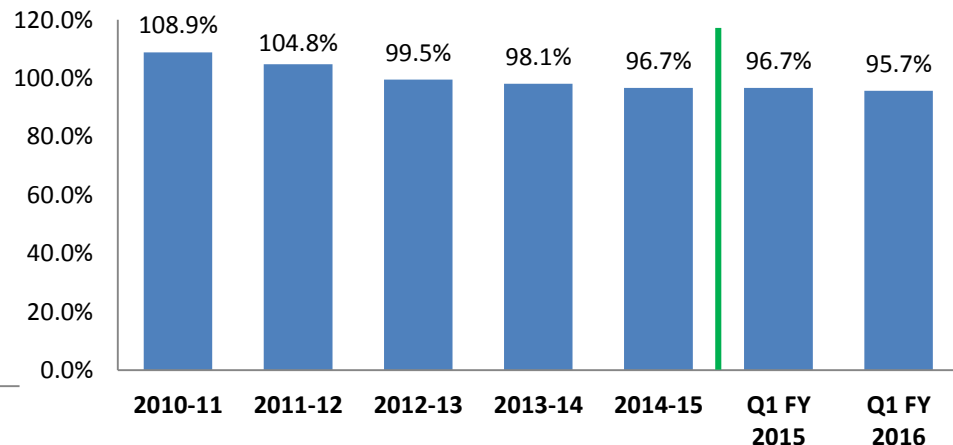


BAGIC has been a very capital efficient insurer

Combined Ratios (Excluding Motor Pool)



Combined Ratios (Including Pool)

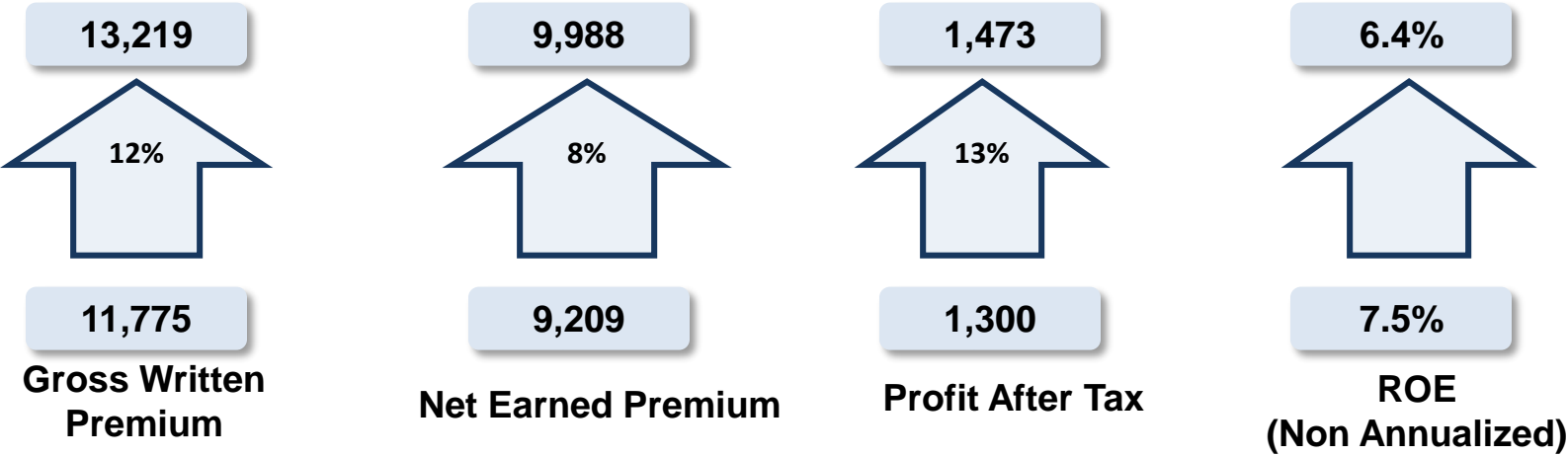


Note on Combined Ratio: Combined Ratios are re-stated in accordance with the Master Circular on 'Preparation of Financial statements of General Insurance Business' issued by IRDA effective from 1st April, 2013. $(\text{Net claims incurred divided by Net Earned Premium}) + (\text{Expenses of management including net Commission divided by Net Written Premium})$. Pool losses, wherever applicable, include the impact of the erstwhile IMTPIP and Declined Risk Pool.

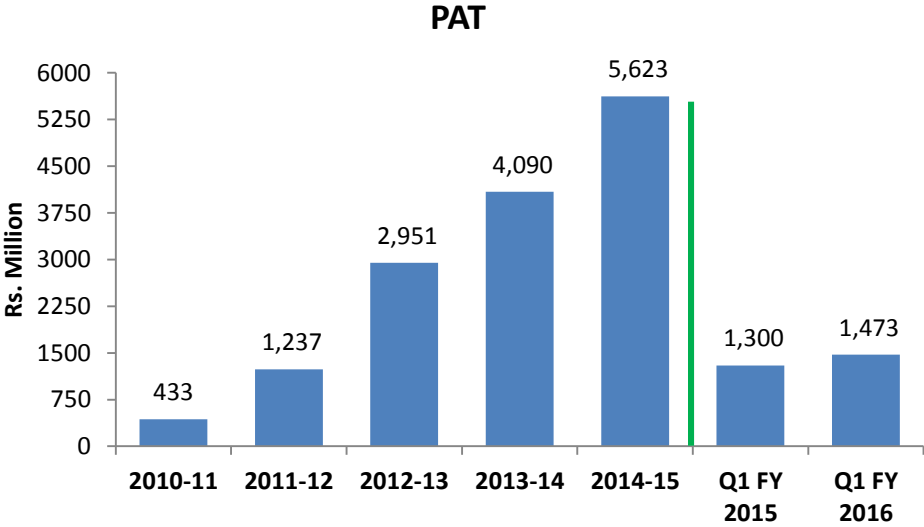
Bajaj Allianz General performance highlights

All Figures in Rs Million

Performance Highlights of Q1 FY2016 over Q1 FY2015



Solvency Ratio was 246% as against regulatory requirement of 150% as of 30th June 2015





Bajaj Finance Limited

STRATEGY

To be a diversified NBFC with a focus on cross sell, customer experience, and product & process innovations, resulting in a differentiated and profitable business model.

DIFFERENTIATORS

Consumer Durables Financing

- Market leader in consumer durables financing. Model has been extended to lifestyle and digital products financing.
- Technology enabled model with on the spot loan approval

Cross Sell Capability

- Sustained track record of doing more with existing customers through cross sell
- Strong capabilities in analytics

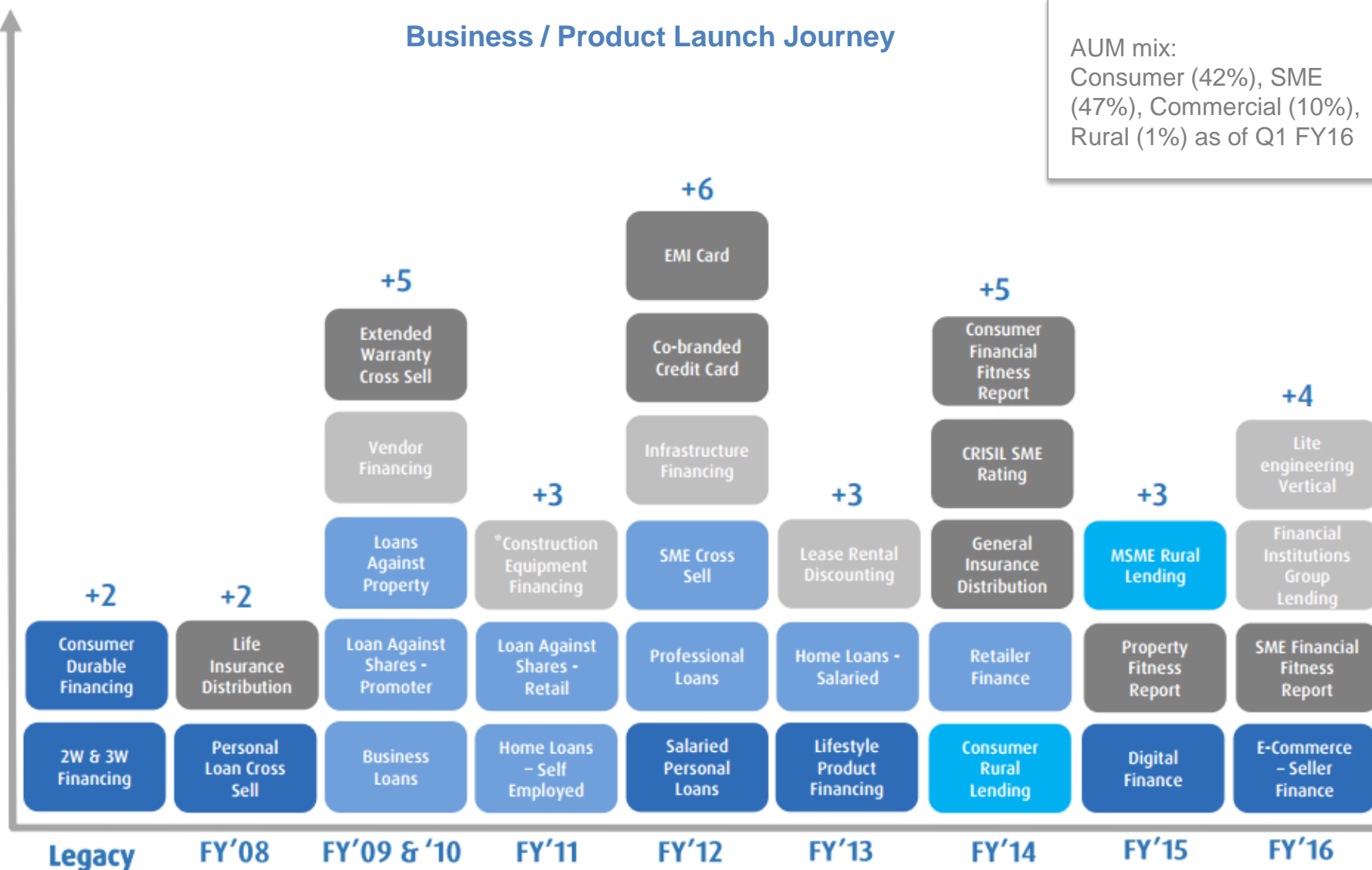
Technology Focus

- Contemporary loan origination system, strict monitoring framework and systems to ensure high standards of on boarding, credit quality, and portfolio performance

Bajaj Finance is a diversified NBFC present in consumer finance, SME, commercial and rural lending

Business / Product Launch Journey

AUM mix:
Consumer (42%), SME (47%), Commercial (10%), Rural (1%) as of Q1 FY16

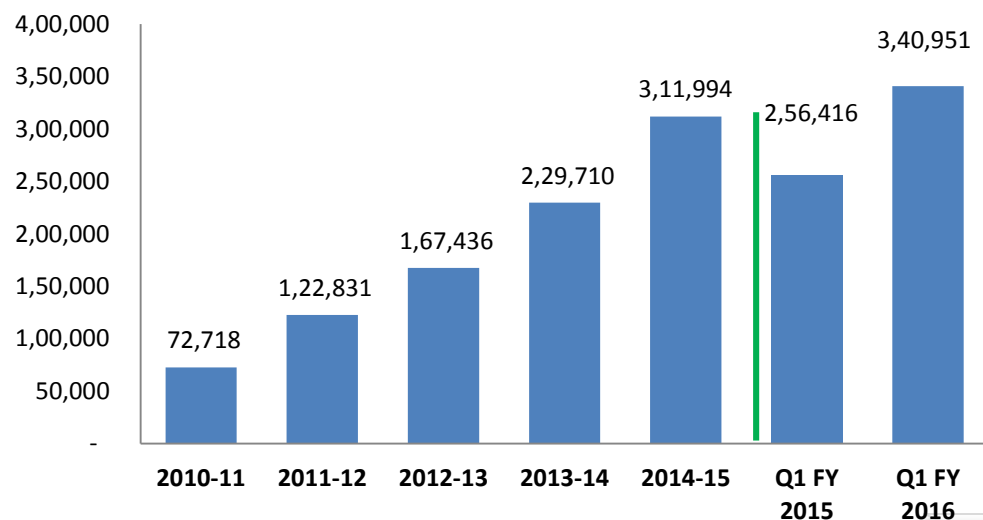


* Closed

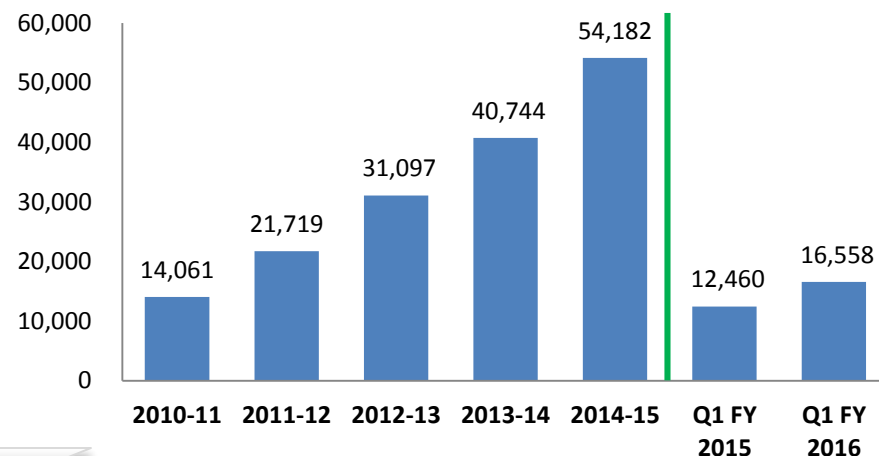
Bajaj Finance has clocked healthy growth in revenues

All Figures in Rs Million

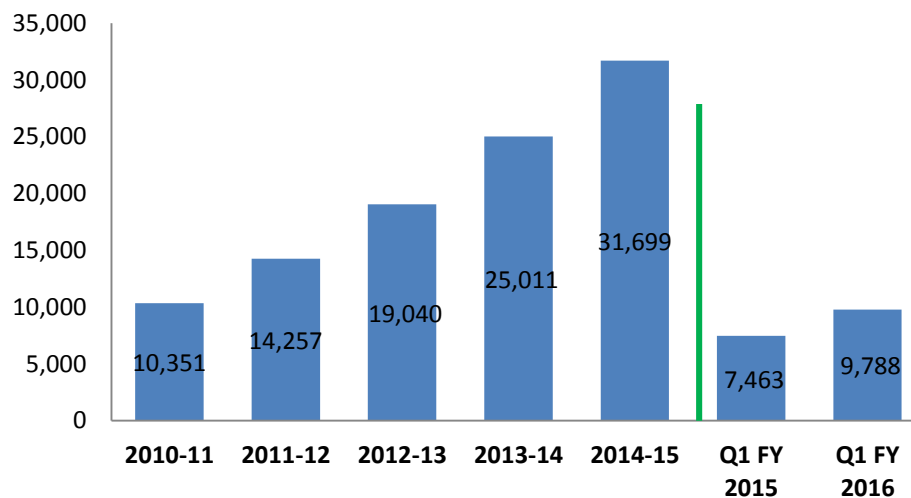
Book Size



Revenues



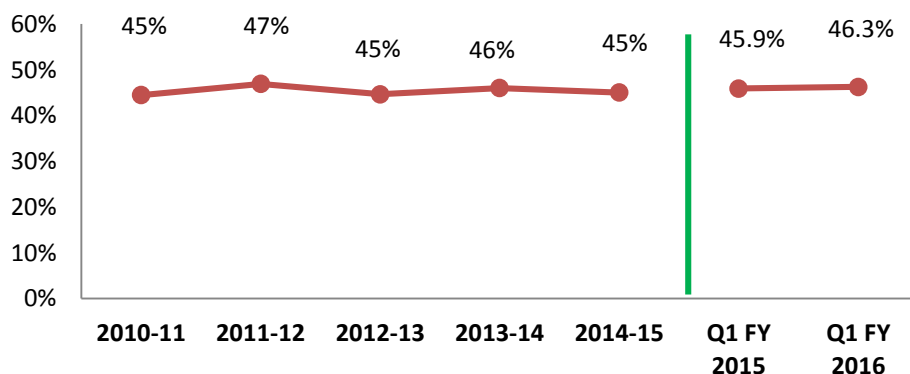
Net Interest Income



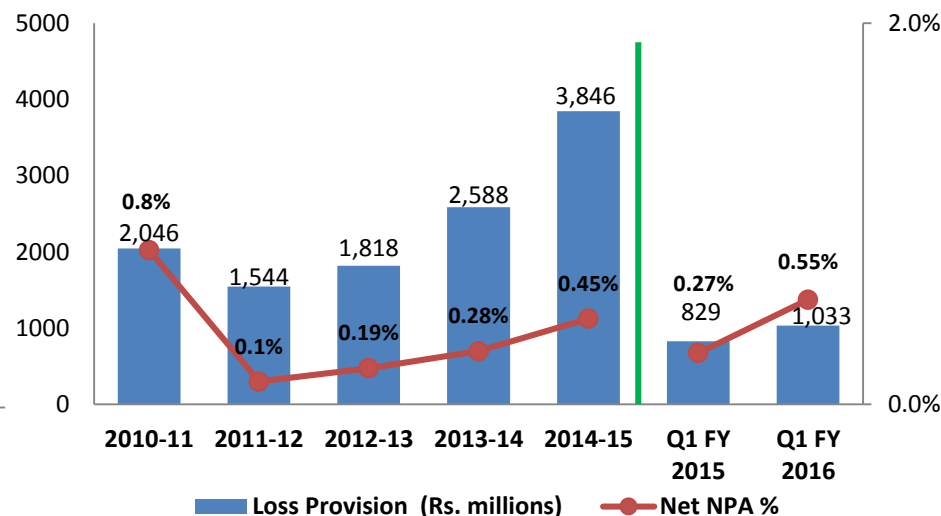
Quality of assets is good, and operating costs remain under control

All Figures in Rs Million

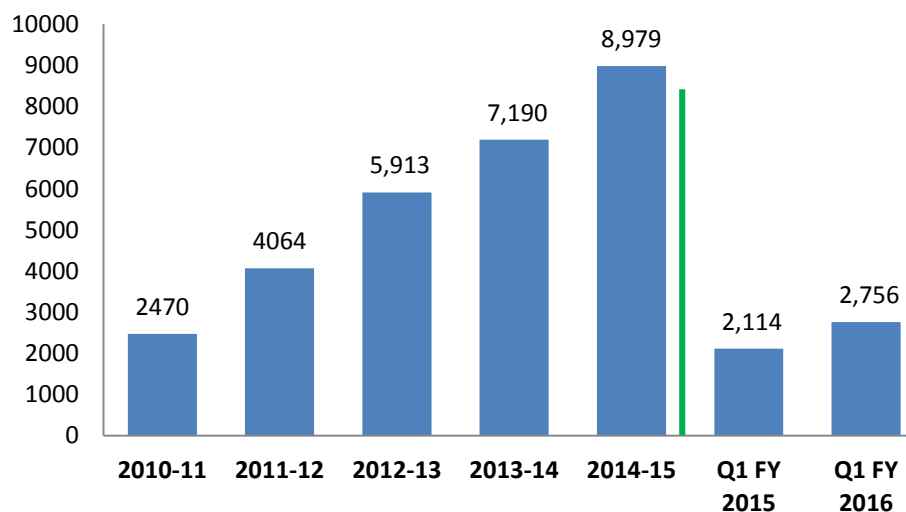
Operating expenses as a % of NII



Loss Provision and Net NPA%



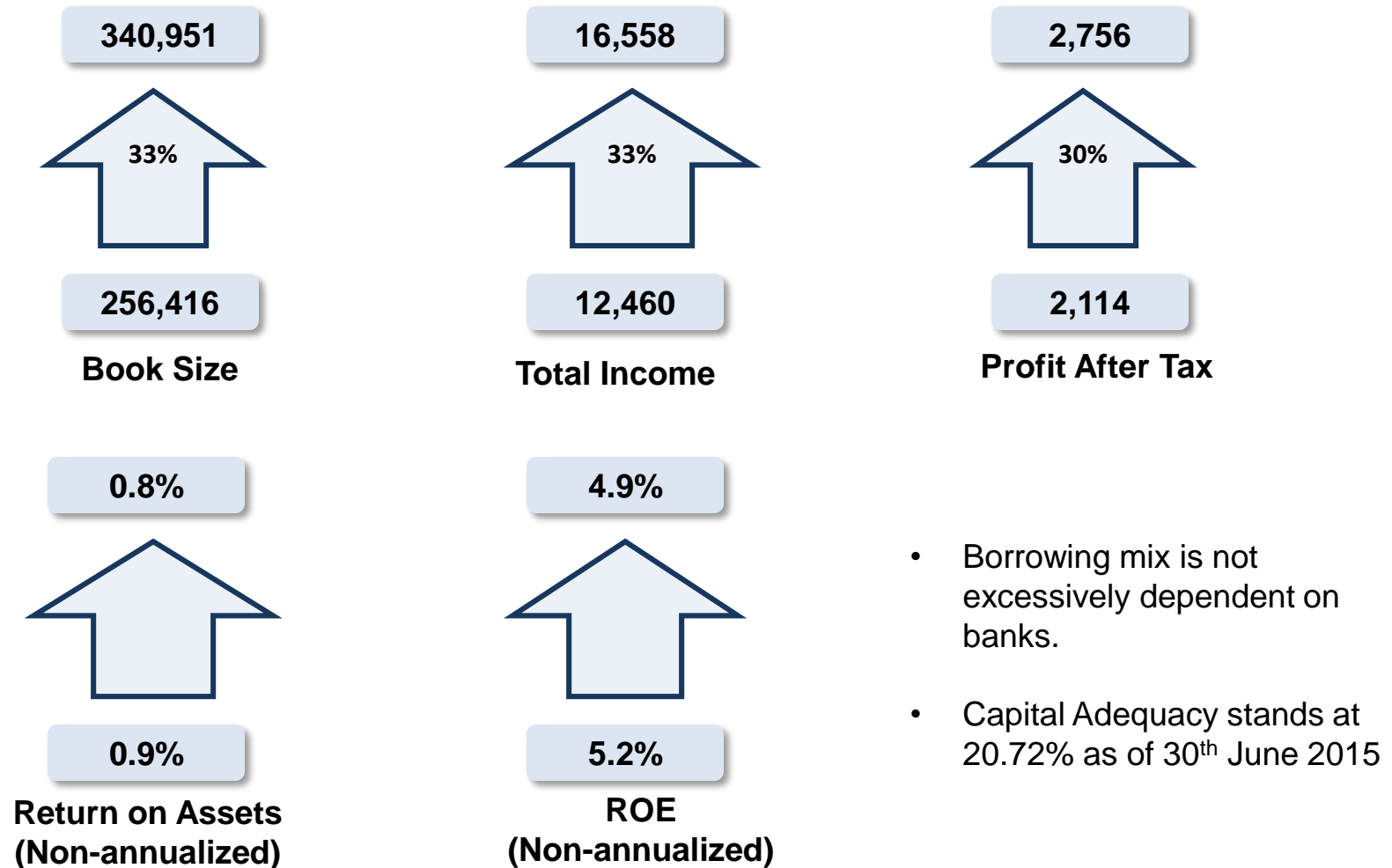
PAT



Bajaj Finance performance highlights

All Figures in Rs Million

Performance Highlights of Q1 FY2016 over Q1 FY2015



- On 2 June 2015, Bajaj Finance Limited issued and allotted 925,000 warrants convertible into equivalent number of equity shares of Rs 10/- each to Bajaj Finserv Limited (promoter) at a price of Rs 4,412 per equity share (Inclusive of premium of Rs 4,402/- per share). 25% of the issue price amounting to Rs 102.03 crore has been received in advance entitling the warrant holder to apply for an equivalent number of equity shares on payment of balance 75% of the issue price (Rs 306.08 crore) within 18 months from the date of allotment of warrants.
- On 11 June 2015, Bajaj Finance Limited allotted 32,74,853 equity shares to the eligible Qualified Institutional Buyers at a price of Rs 4,275/- per equity share of Rs 10/- face value (inclusive of premium Rs 4,265/- per share) aggregating to approx. Rs 1,400 crore, in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The subject shares were listed on NSE and BSE with effect from 15 June 2015.

Thank You