



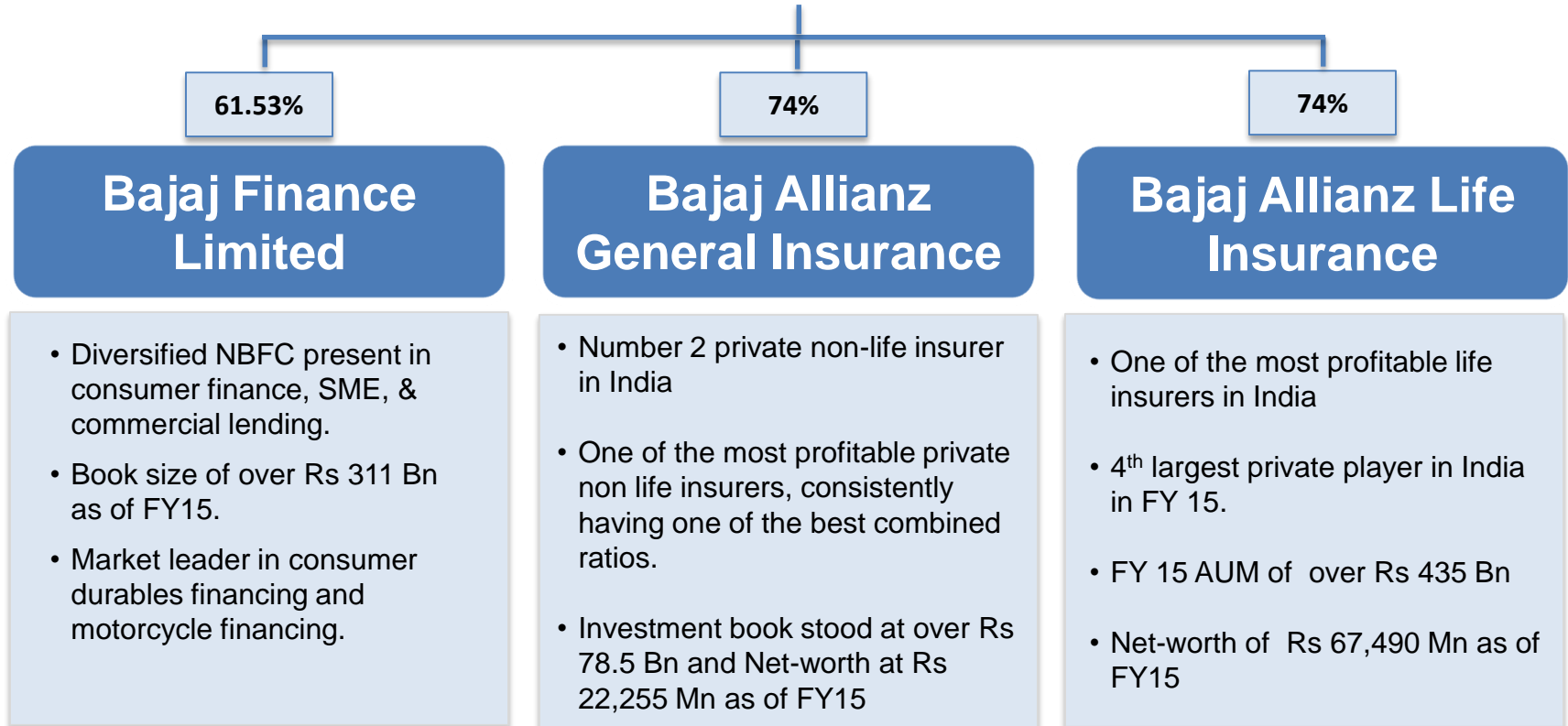
Bajaj Finserv Limited

Investor Presentation Q4 FY15

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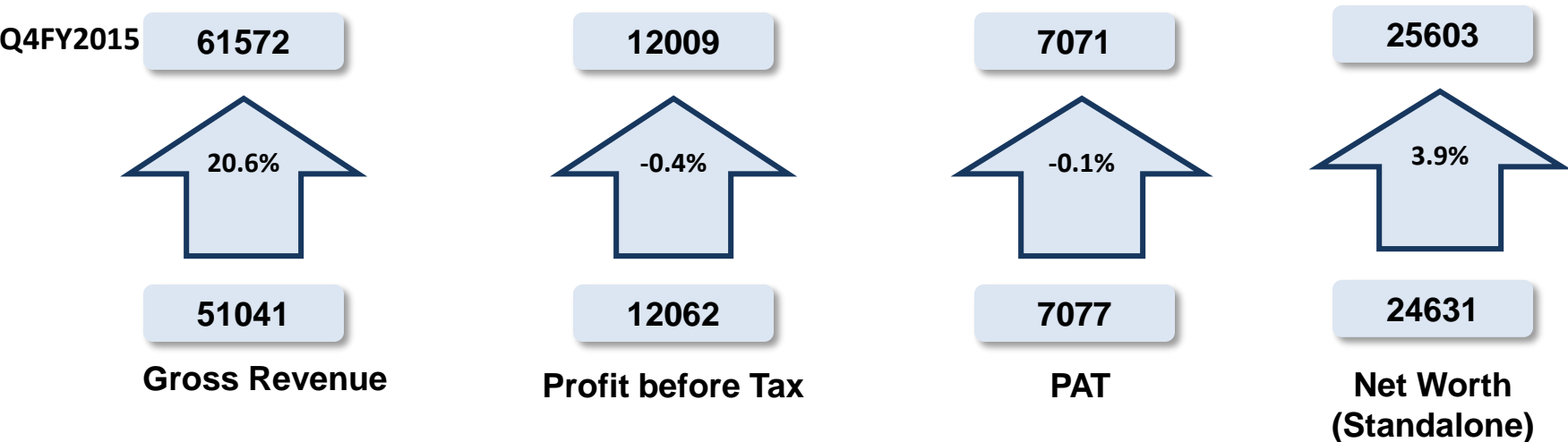
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- Bajaj group has a long track record of building large scale, profitable businesses
- Bajaj Finserv is a diversified group spanning life insurance, general insurance, and lending, with a pan India presence
- Bajaj Finserv is also a listed opportunity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

All Figures in Rs Million

Performance Highlights of Q4 FY 2015 over Q4 FY2014

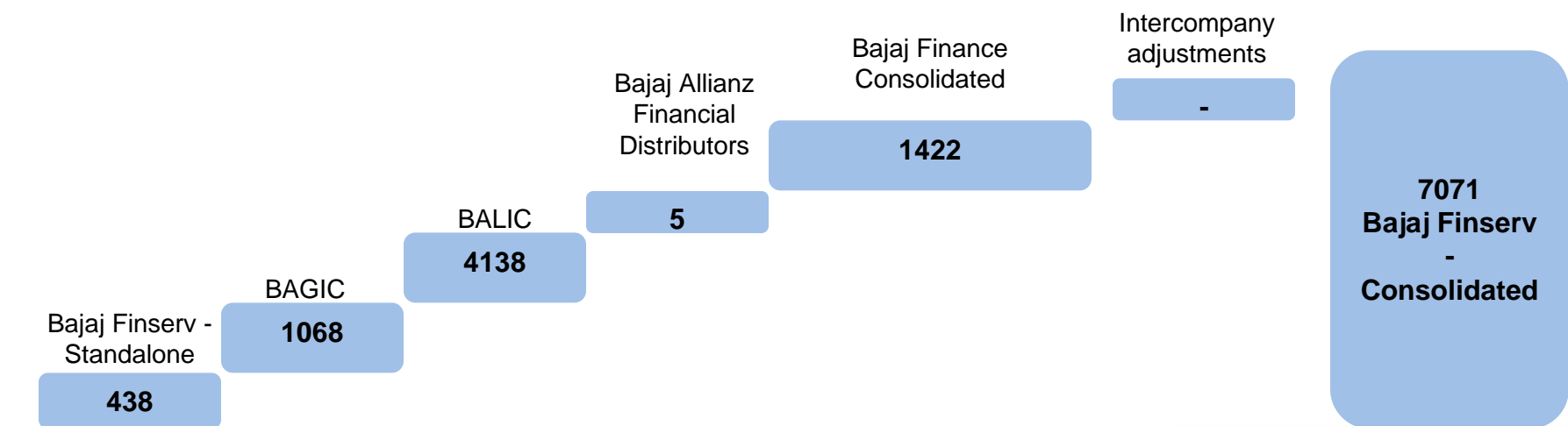


- Bajaj Finserv remains a debt free company
- Bajaj Finserv's surplus funds stood at Rs. 8142 million as on Mar 31, 2015.
- Consolidated Net Worth stood at Rs. 109,646 million and Consolidated Book Value Per Share at Rs. 689.

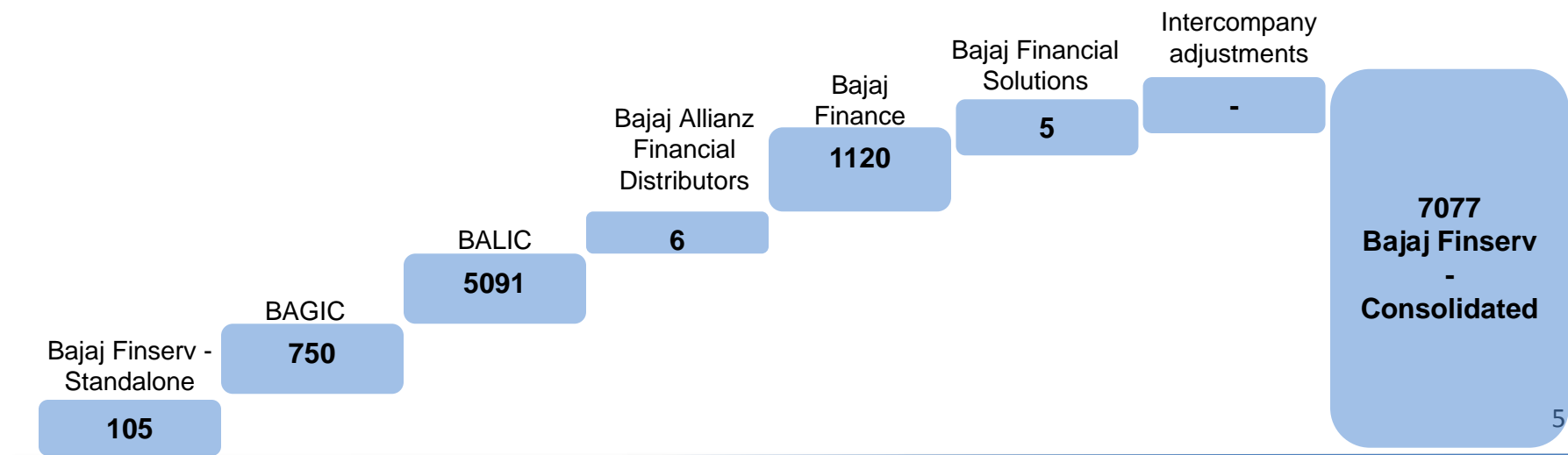
Bajaj Finance & BAGIC have become an important contributor to group profits. Life insurance profits remain significant.

All Figures in Rs Million

Consolidated profit components for Q4 FY2015



Consolidated profit components for Q4 FY2014



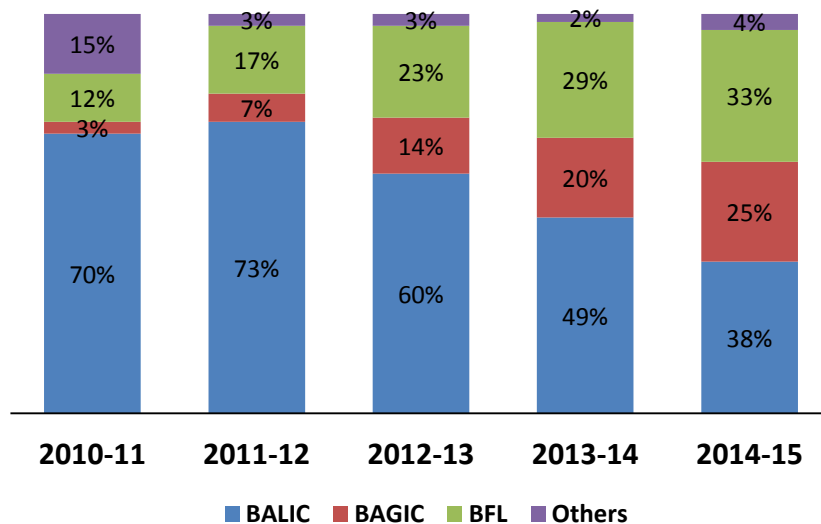
Full Year Highlights

All Figures in Rs Million



BAJAJ FINSERV	FY15	FY14	Growth
Gross Revenue	195,893	167,131	17%
Net worth (Cons)	109,646	93,112	18%
PAT	16,898	15,441	9%

Consolidated Profit Components*



Group Company Highlights

BALIC	FY15	FY14	Growth
GWP	60,173	58,431	3%
Total Investments	435,538	387,798	12%
PAT	8,762	10,246	-14%

BAGIC	FY15	FY14	Growth
GWP #	53,007	45,802	16%
Investments	78,588	69,669	13%
PAT	5,623	4,090	37%

BAJAJ FINANCE	FY15	FY14	Growth
Book Size	311,994	229,710	36%
Total Income	54,182	40,744	33%
PAT	8,979	7,190	25%

- * Others includes Bajaj Finserv Standalone, and all remaining components.
- # FY14 GWP excludes inward premiums from erstwhile IMTPIP, & IMTPDRIP



Bajaj Allianz Life Insurance

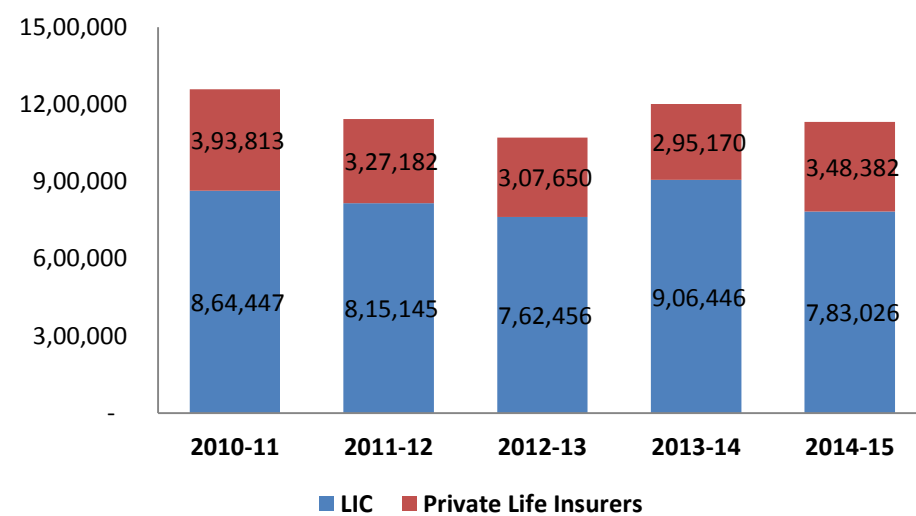
Strategy	<p>The strategy is to balance growth with profitability, and steadily increase market share. This will be done through an efficient operating cost model, diversified distribution channels and a balanced product mix.</p>
Key Focus Areas	<ul style="list-style-type: none"> • Build a balanced portfolio with higher contribution from non-Par • Improve agency productivity • Improve persistency (As of 9MFY15, 13th month persistency was at 65.7% vs 58.6% as of 9MFY14)* • Manage operating costs – acquisition & management • Focus on investment performance in UL as well as traditional funds
Industry & Regulatory Perspective	<ul style="list-style-type: none"> • Industry had de-growth of 6% in FY15. However, private players grew by 18%. • Growth rates from 2008 to 2014 have been muted due to <ul style="list-style-type: none"> • Indian household preference for physical assets over financial assets in recent years • Lackluster equity market performance following the financial crisis • Cap on ULIP charges in 2010 • New product guidelines came into force in FY14

* Persistency figures as reported in Public Disclosures and based on IRDA definition

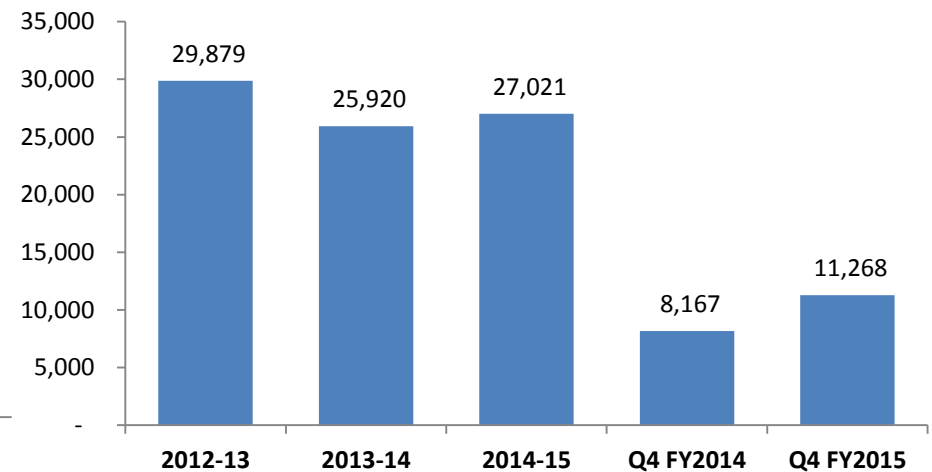
New business trend

All Figures in Rs Million

Industry New Business Premium



New Business - BALIC

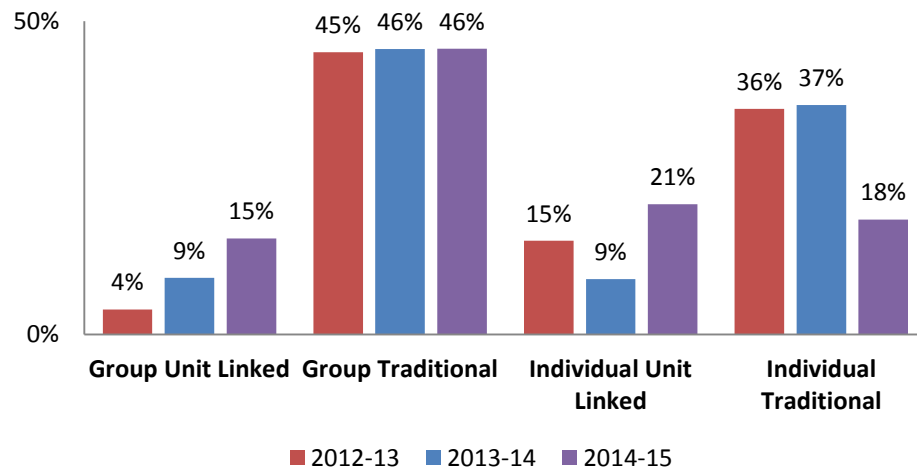


- BALIC grew 4% in FY15, and 38% in Q4FY15 versus comparable periods last year

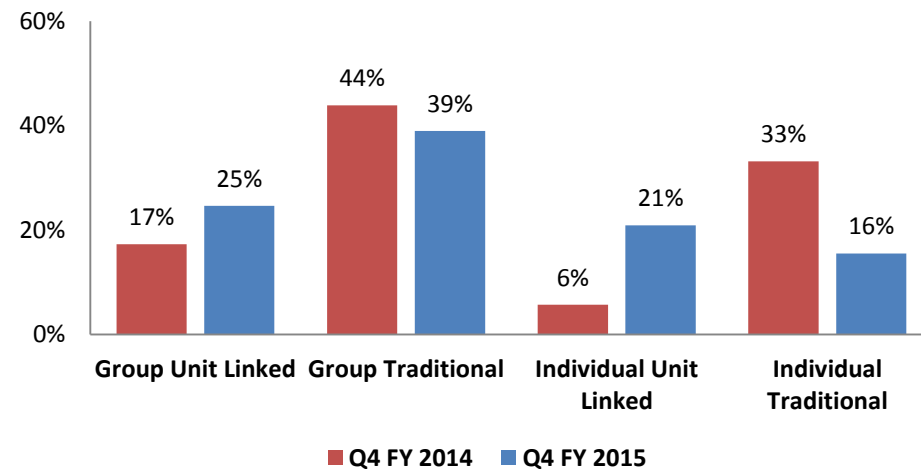
Currently, the product mix is predominantly traditional

All Figures in Rs Million

New Business Premium - Product Mix



New Business Premium - Product Mix

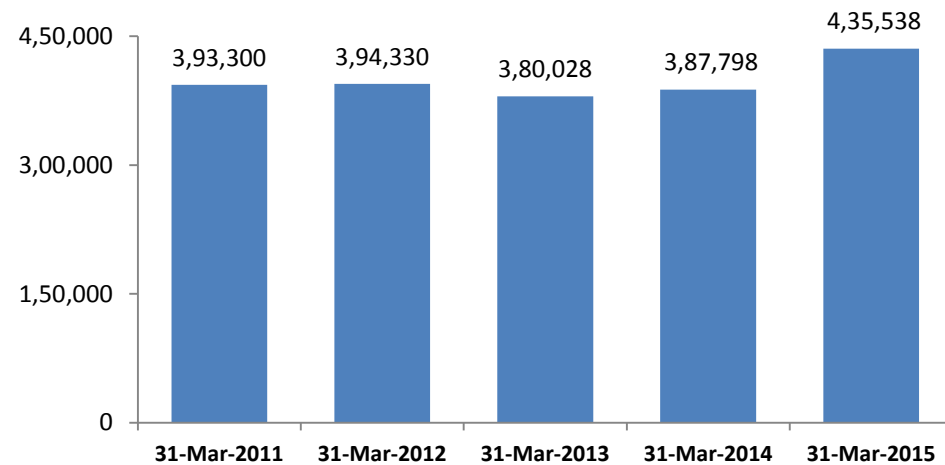


- UL stood at 46% of the product mix in Q4FY15
- Of the group business, non-fund based business stood at 30% in Q4 FY15

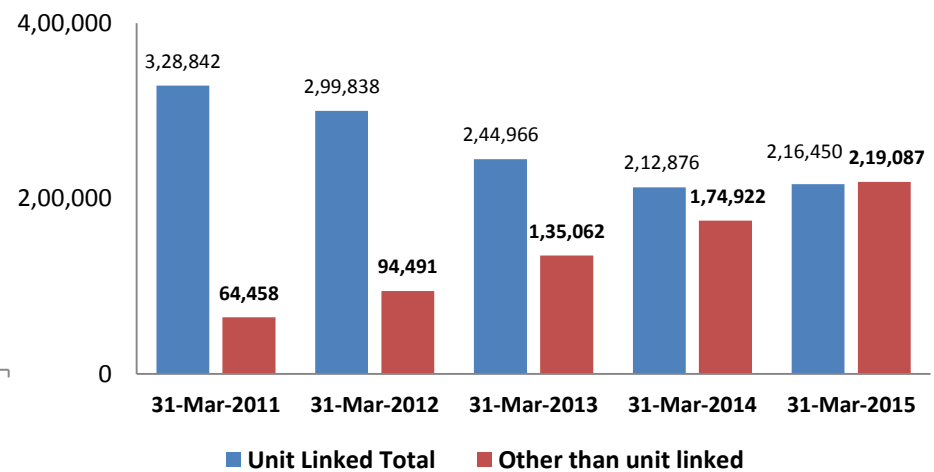
Assets under management are significant

All Figures in Rs Million

Investments Growth



Assets Under Management

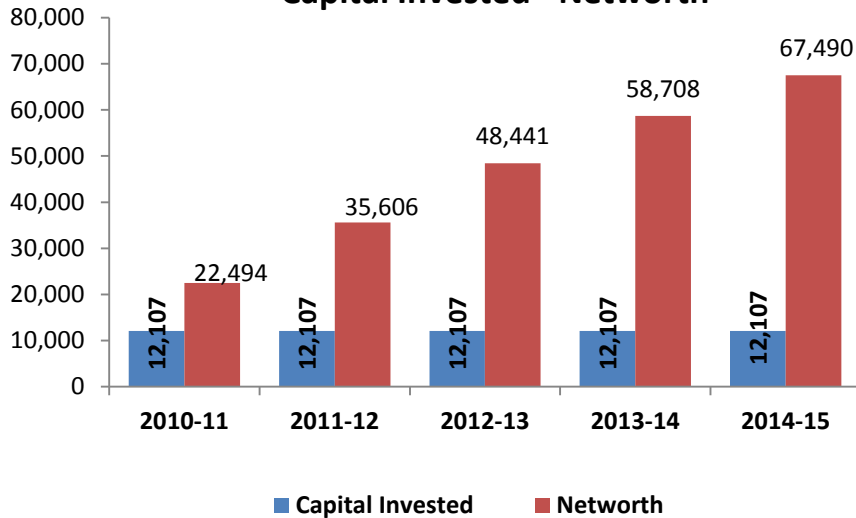


- Assets are a mix of linked and non-linked funds.
- Equity funds represent over Rs 164,266 Mn of the linked funds as of 31st March 2015

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

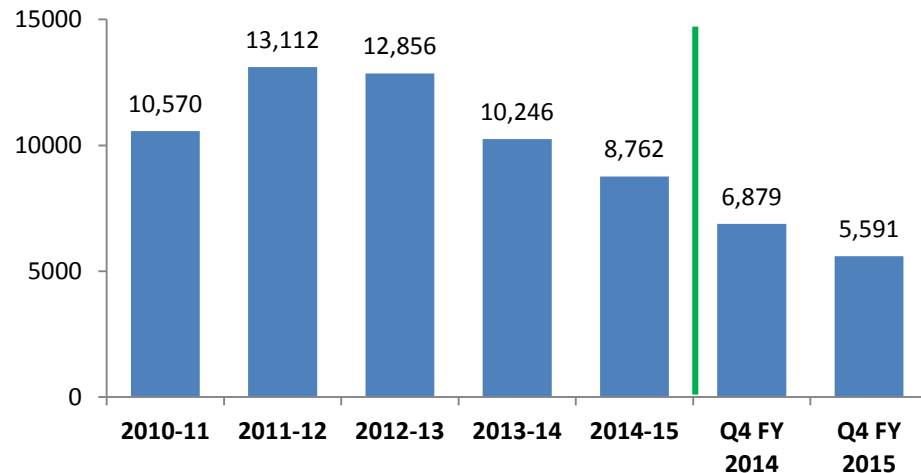
All Figures in Rs Million

Capital Invested - Networth



BALIC has been a very capital efficient insurer

Shareholders' profits

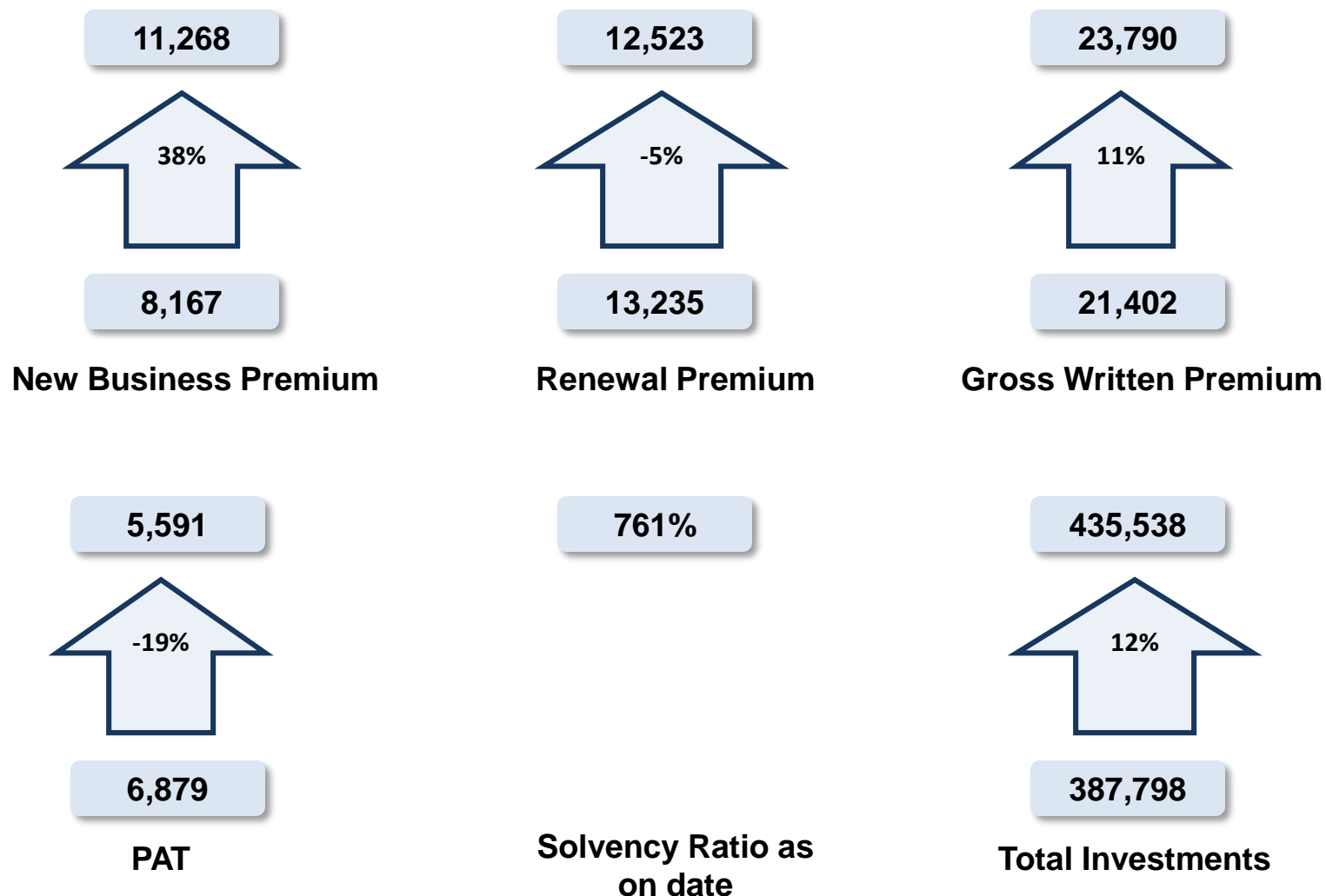


Policyholders surplus for FY15 stood at Rs 4,283 Mn vs Rs 6,490 in FY14

Note: Shareholders' share of policyholders' surplus are transferred at the end of the year, consistent with past practice.

All Figures in Rs Million

Performance Highlights of Q4 FY2015 over Q4 FY2014



* Total investments includes assets held to cover discontinued funds

All Figures in Rs Mn

Parameter	FY 14	FY 15
Annualized Premium** (ANP)	13,320	9,858
New Business Value* (NBV)	1,487	1,780
Implied Margins on ANP	11.2%	18.1%
Embedded Value++ (EV)	76,010	93,019

- One-year forward rates derived from the risk free yield curve are used for discounting cash flows. Allowance for risk is provided in computing cash flows for various risks and the cost of risk capital. Investment returns are derived from the risk free yield curve. Currently applicable tax rate of 14.16% is assumed.
- Results not audited or reviewed externally but methodology is in line with APS 10 of the Institute of Actuaries of India.

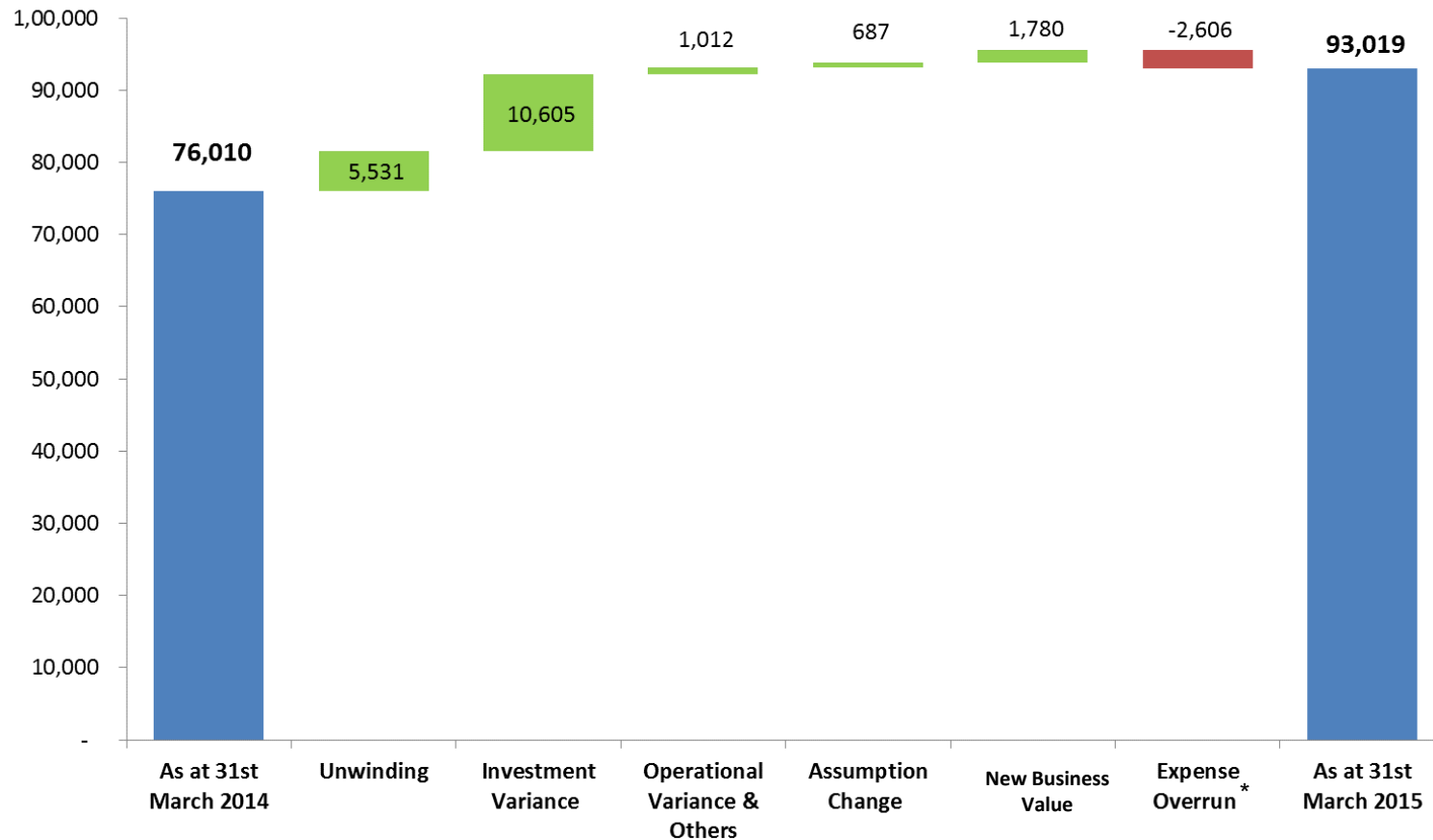
* **New Business Value** represents discounted present value of expected net cash flows from new business written during the year

****ANP** refers to annualised new business written during the year and is calculated by assigning a 10% weight to single premium and 100% weight to regular premium. Group Fund business is included in the definition of ANP. Un-modelled business in FY 15 was 0% of ANP (FY14, 1.18%)

++**On Market consistent basis**

MCEV Movement

Figures in Rs Million



* PAR business overruns are considered at 100% of overrun. As per regulation, the surplus from PAR business is to be shared between policyholders and shareholders in the ratio of 90:10.

Unwinding is the roll forward of opening figures at Best Estimate rate of interest. It also contains the Best Estimate expected profit transferred from the Value In Force to NAV over the year.

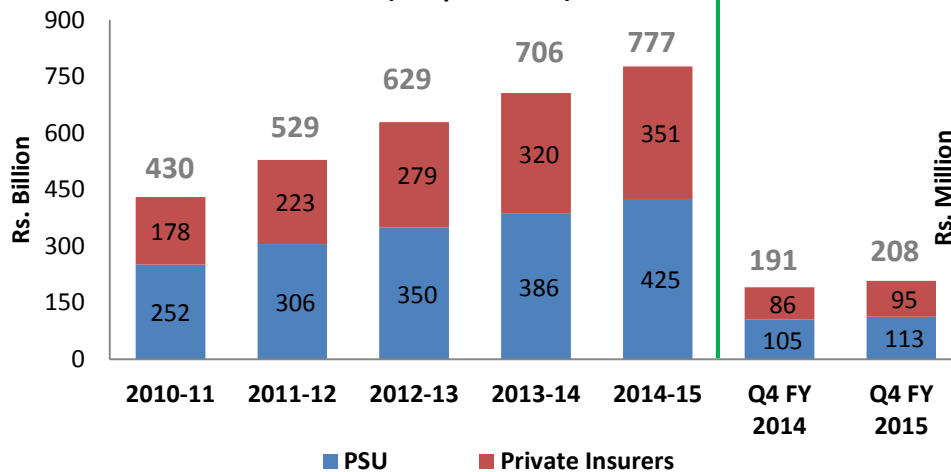


Bajaj Allianz General Insurance

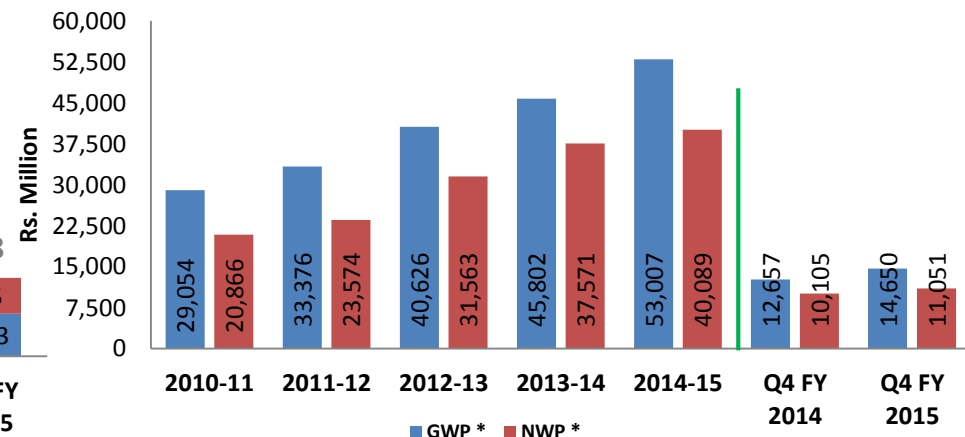
Strategy	Strategy is to focus predominantly on retail product lines, with diversified distribution channels, and profitable underwriting to deliver excellence in customer service, and steadily increase market share and profit.
Key Focus Areas	<ul style="list-style-type: none">• Prudent Underwriting: BAGIC has industry leading combined ratios• Continue to grow profitable segments: Grow retail, particularly health.• Develop Marine Cargo Business• Strengthen Direct channels
Industry & Regulatory Perspective	<ul style="list-style-type: none">• In FY15, industry (ex specialized players) grew GDPI by 10% compared to FY14• Private players grew 9.9% in this period• Public sector players grew 10.1%

BAGIC has retained its second position amongst private sector general insurers

**Industry Premium Trends
(Ex Specialized)**



BAGIC Premium Trend



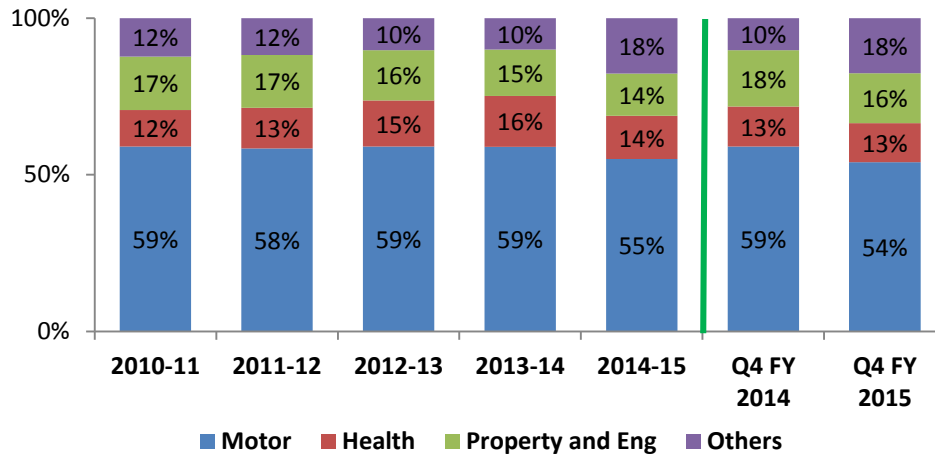
*Premiums for annual and quarterly periods up to FY14 excludes inward premiums from erstwhile IMTPIP, & IMTPDRIP

BAGIC grew GWP in Q4 by 16% 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

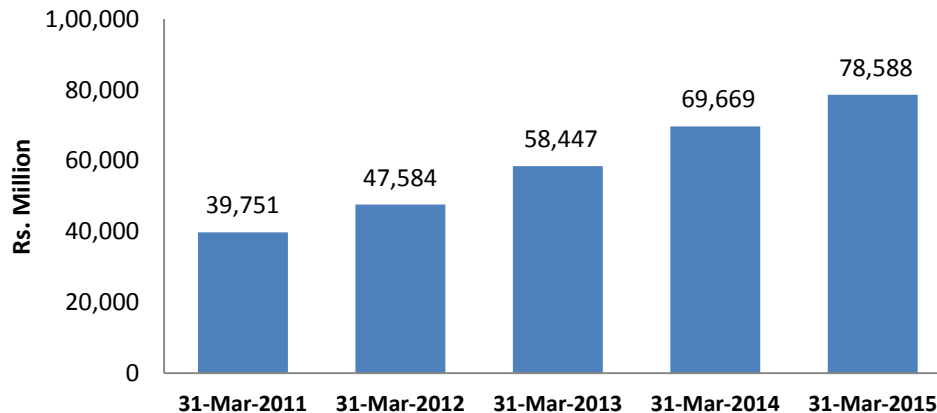
All Figures in Rs Million

Business Mix



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

Investment Growth

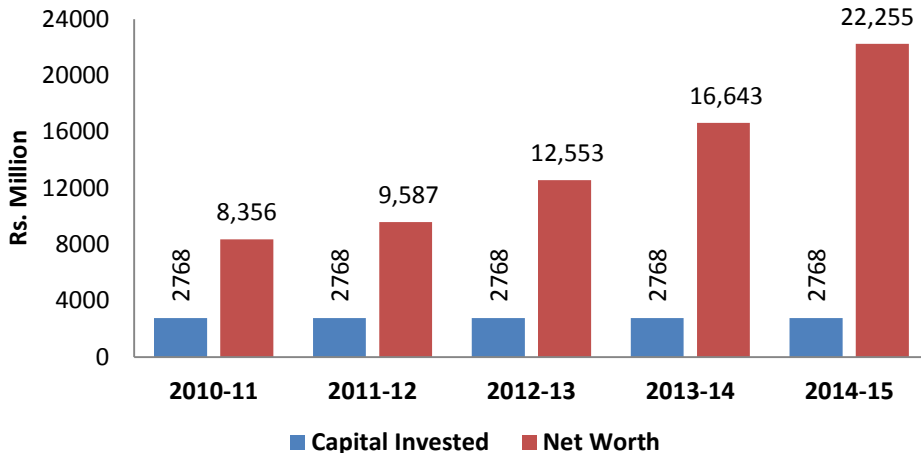


Investments are largely in fixed income securities

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

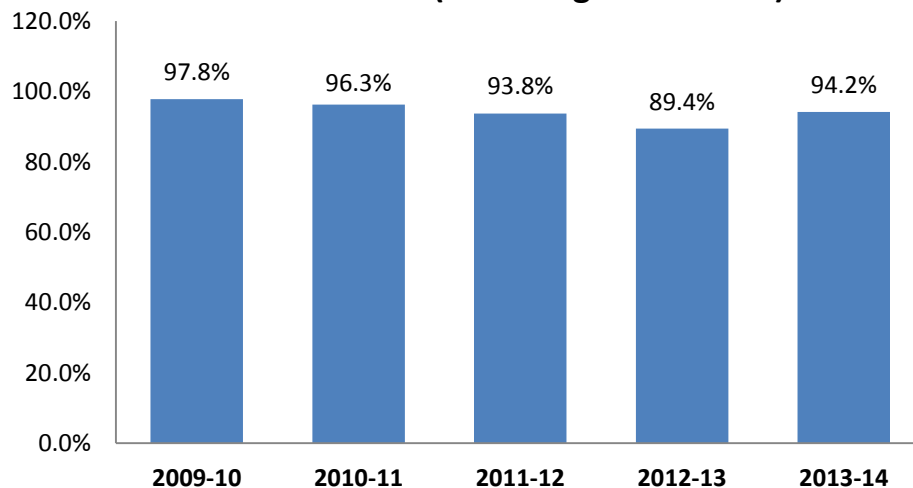
All Figures in Rs Million

BAGIC - Capital Invested - Networth

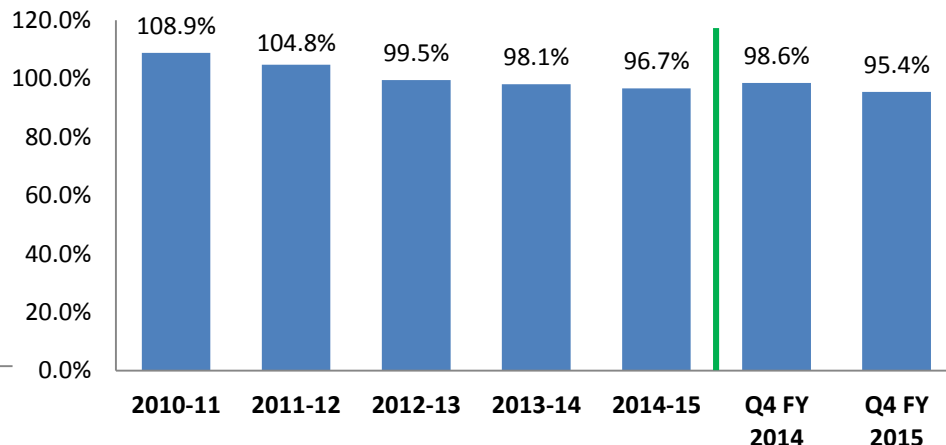


BAGIC has been a very capital efficient insurer

Combined Ratios (Excluding Motor Pool)



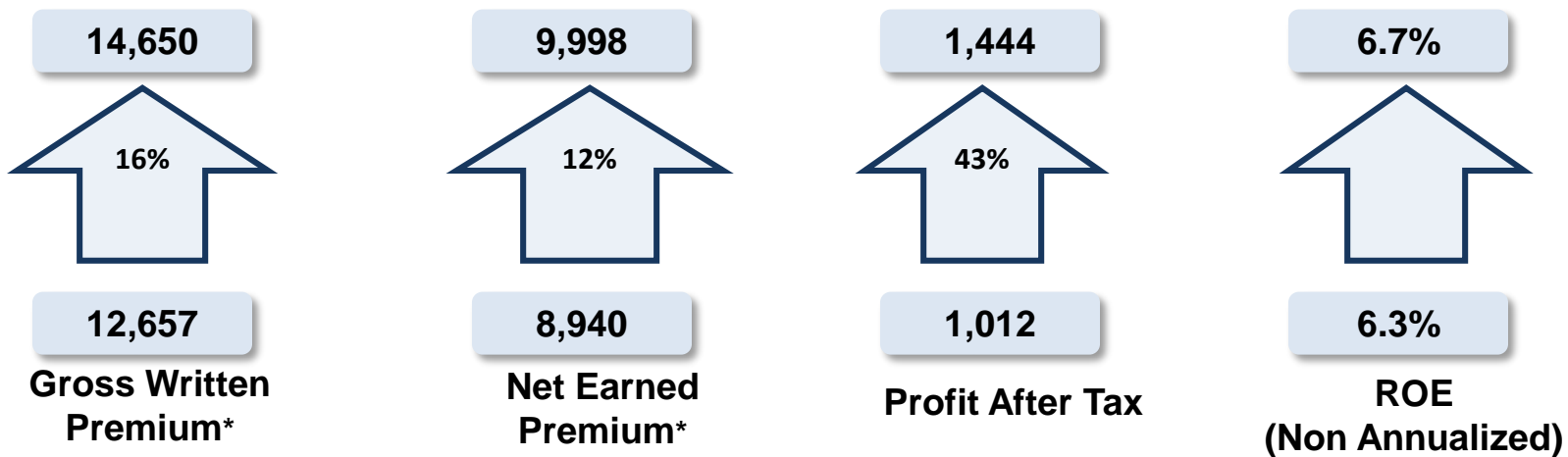
Combined Ratios (Including Pool)



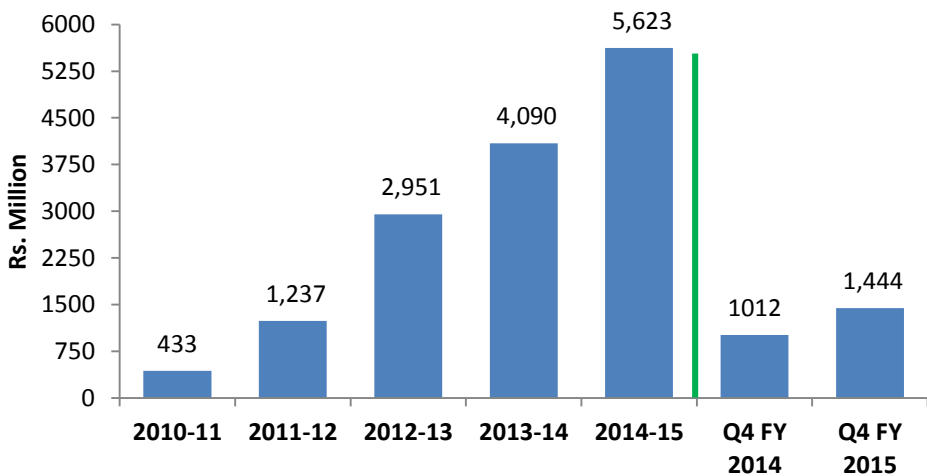
Note on Combined Ratio: Combined Ratios are re-stated in accordance with the Master Circular on 'Preparation of Financial statements of General Insurance Business' issued by IRDA effective from 1st April, 2013. $(\text{Net claims incurred divided by Net Earned Premium}) + (\text{Expenses of management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

All Figures in Rs Million

Performance Highlights of Q4 FY2015 over Q4 FY2014



PAT



Solvency Ratio was 182% as against regulatory requirement of 150% as of 31st Mar 2015

*Premiums for Q4FY14 excludes inward premiums from erstwhile IMTPIP, & IMTPDRIP



Bajaj Finance Limited

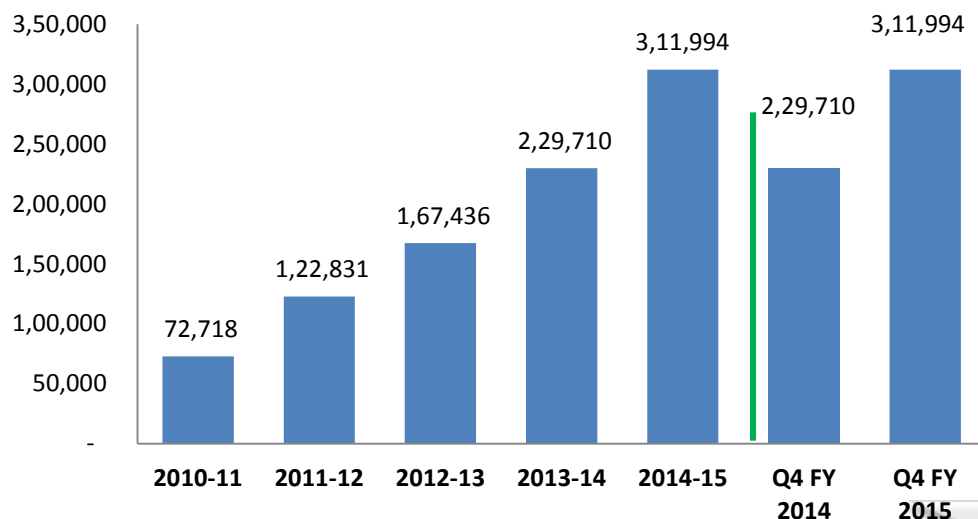
Bajaj Finance is a diversified NBFC present in consumer finance, SME, commercial and rural lending

	Consumer (41% of FY15 ⁽¹⁾ AUM)	SME (53% of FY15 ⁽¹⁾ AUM)	Commercial (5% of FY15 ⁽¹⁾ AUM)	Rural (1% of FY15 ⁽¹⁾ AUM)
Product	Consumer Durable Financing	Loan Against Property	Vendor Financing - Term Loans & Purchase Order Financing	Consumer Durable Financing
	Digital Product Financing	Home Loans - Self Employed	Large Value Lease Rental Discounting	Gold Loans
	Lifestyle Product Financing	Loan Against Securities (Retail and Promoter)	Infrastructure Financing ⁽²⁾	Refinance
	2 Wheeler & 3 Wheeler Financing	Unsecured Working Capital Loans		Personal Loan Cross sell
	Personal Loan Cross sell	Loans to Professionals		Loans to Professionals
	Salaried Personal Loans	SME Cross Sell (mortgage and unsecured working capital loans)		Working Capital Loans to MSME
	Salaried Home Loan			Loan Against Property to MSME
	EMI Card Business			
Competitive Advantage	<ul style="list-style-type: none">• Cross sell capabilities supported by data warehouse and analytics• Customer Lifecycle Management• Low ticket - high volume transaction domain specialization	<ul style="list-style-type: none">• Strong underwriting capabilities• Relationship management approach enabled by technology• Premium customer experience model• Cross sell for SMEs	<ul style="list-style-type: none">• Differentiated product offering• Bajaj Brand Name	
Fixed Deposits, Cross sell - EMI Card, Credit Rating Products, Life Insurance, General Insurance, Property & Financial Fitness Report, Mutual Fund Distribution				

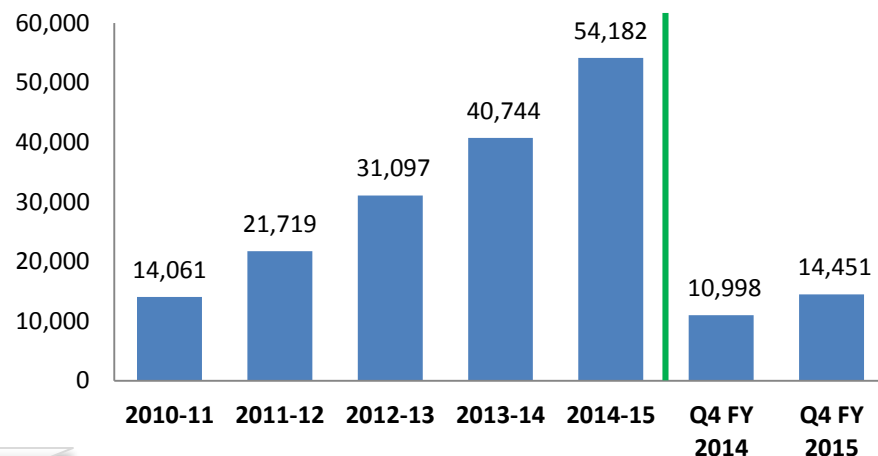
Bajaj Finance has clocked healthy growth in revenues

All Figures in Rs Million

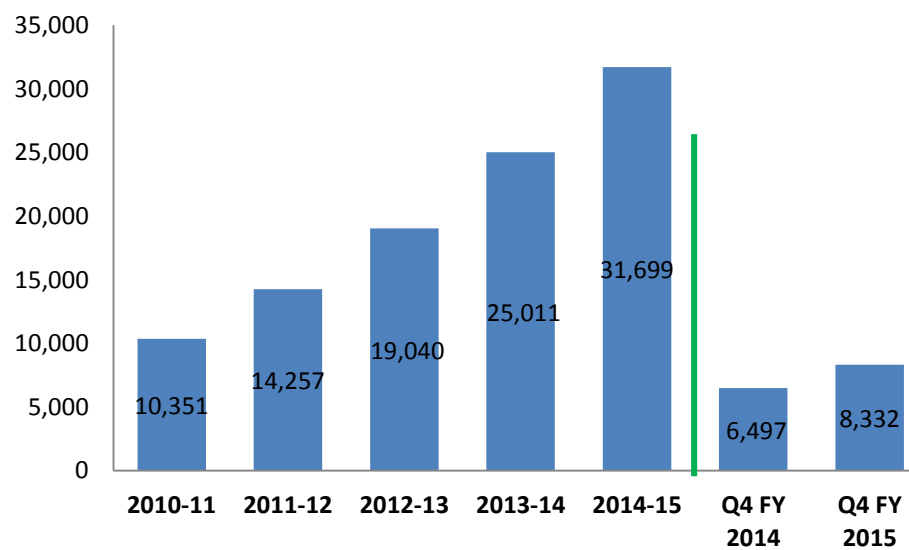
Book Size



Revenues



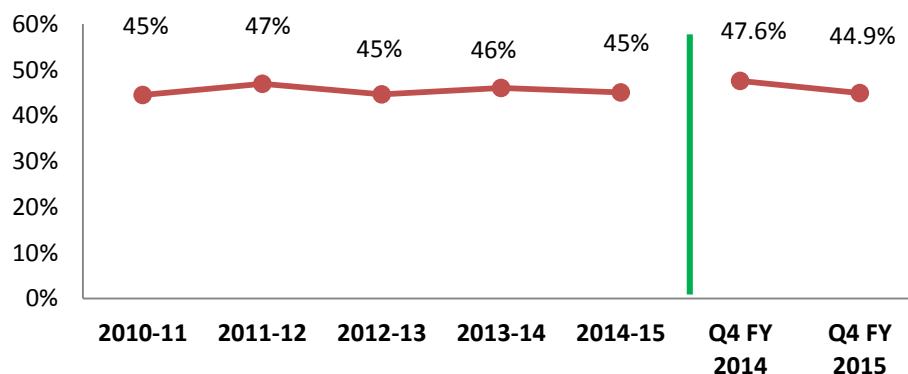
Net Interest Income



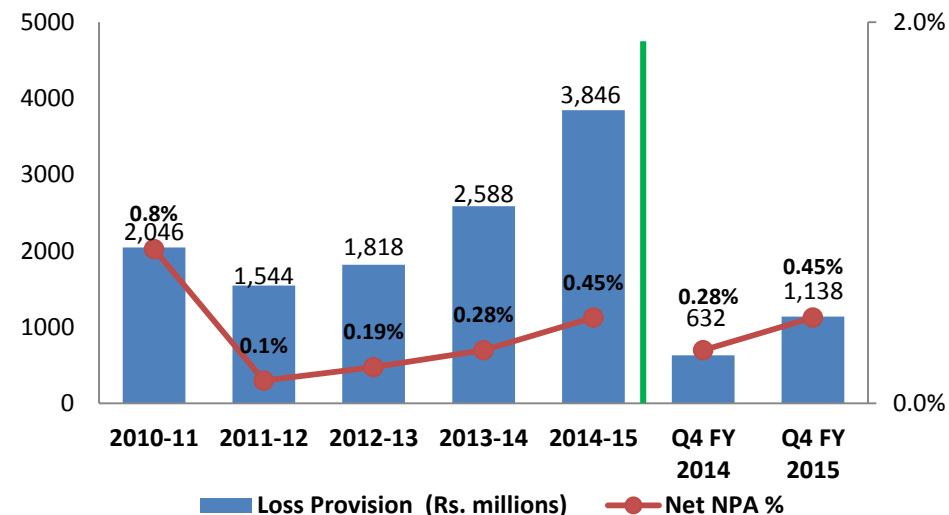
Quality of assets is good, and operating costs remain under control

All Figures in Rs Million

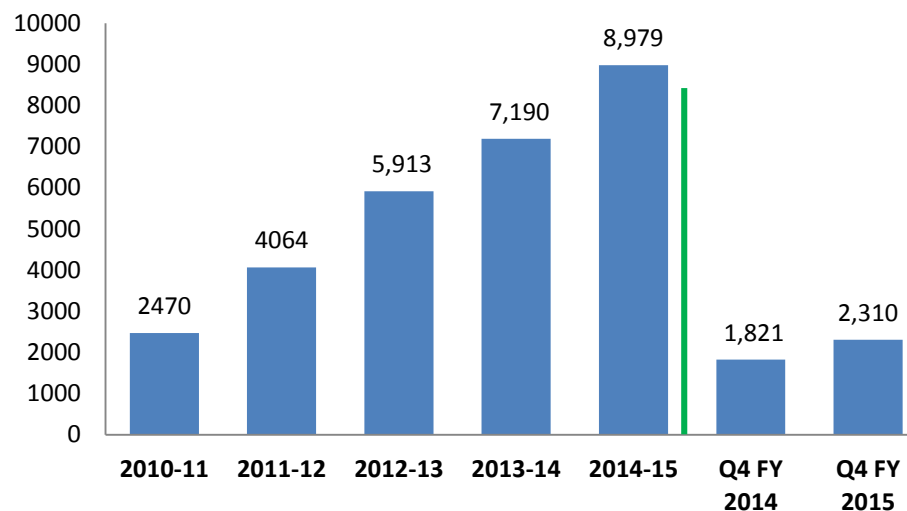
Operating expenses as a % of NII



Loss Provision and Net NPA%

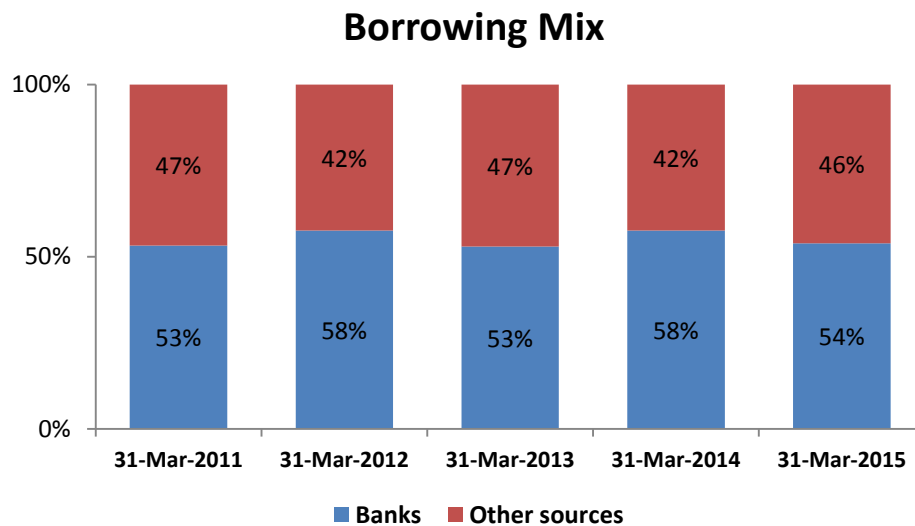


PAT



The company is not excessively dependent on bank lines

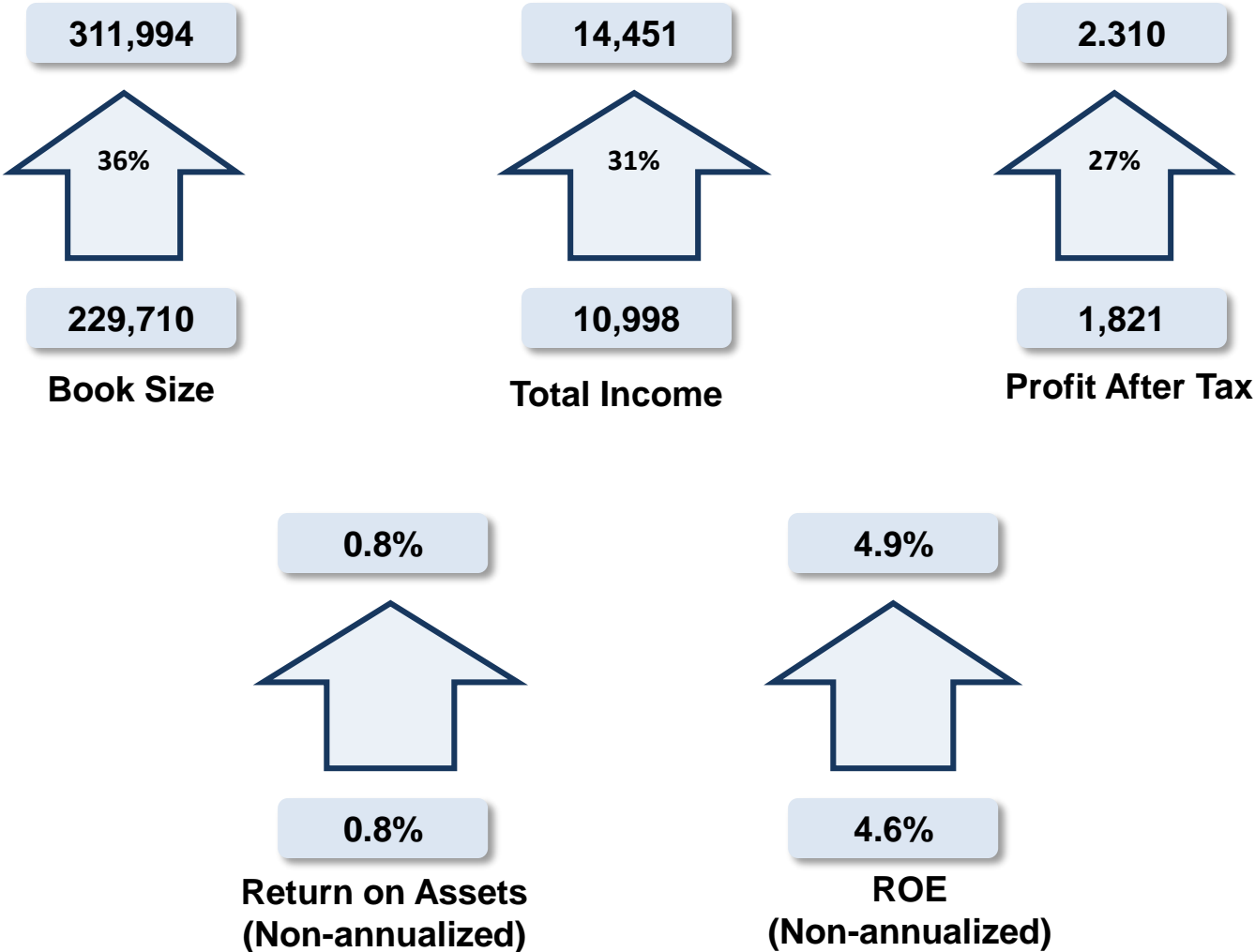
All Figures in Rs Million



- Capital Adequacy Ratio (including Tier-II capital) stood at 17.97% as of 31st March 2015

All Figures in Rs Million

Performance Highlights of Q4 FY2015 over Q4 FY2014



Thank You