

20 January 2021

To Corporate Relations Department. BSE Limited 1 st Floor, New Trading Ring, Rotunda Building, P J Tower, Dalal Street, Mumbai 400 001	To Corporate Listing Department. National Stock Exchange of India Ltd Exchange Plaza, 5 th Floor Plot No.C-1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
BSE Code: 532978	NSE Code: BAJAJFINSV

Subject: Investor Presentation for the financial results of the third quarter ended 31 December 2020- Regulation 30

Dear Sir/Madam,

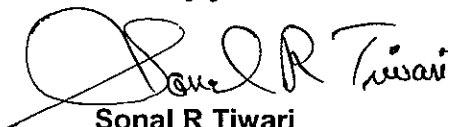
Further to our letter dated 11 January 2021, please find enclosed Investor Presentation for the financial results of the third quarter ended 31 December 2020 under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule III thereto.

The aforesaid Investor Presentation includes additional relevant disclosures of material impact of COVID-19 on the Company and its material subsidiaries as required under the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20 May 2020.

This is for your information please.

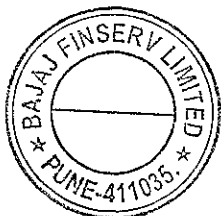
Thanking you,

Yours faithfully,
For Bajaj Finserv Limited



Sonal R Tiwari
Company Secretary

Encl: as above



Bajaj Finserv Limited



BAJAJ FINSERV LIMITED

Investor Presentation – Q3 FY21*

Bajaj Group Structure

Bajaj Holdings & Investment Limited (BHIL)

Maharashtra Scooters Limited

51%

Bajaj Auto Limited

33.43%[@]

Bajaj Finserv Limited

39.16%[@]



52.74%[@]

Bajaj Finance Limited

- Set up in 1987: BFL is a 33 year old company. Diversified across lending (consumer, rural, SME, commercial & mortgage space) and payments
- Included in NIFTY 50 Index
- Credit rating - AAA/Stable by CRISIL, India Ratings, CARE Ratings and ICRA
- Credit rating for short term debt program is A1+ by CRISIL, ICRA & India Ratings
- Investment grade long term issuer credit rating of BB+/Stable and short term rating of B by S&P Global Ratings

74%

Bajaj Allianz General Insurance Company Limited[#]

- Established in 2001 post opening of market for private players
- 2nd largest private General insurer in India in terms of Gross Premium
- Consistently most profitable amongst the private players. ROE of 18.5% in FY20
- Combined ratio of 100.8% for FY20 and 96.1% for Q3 FY21
- Offers a wide range of products across retail & corporate segments
- Recognized in the market for claims servicing

74%

Bajaj Allianz Life Insurance Company Limited[#]

- Established in 2001 post opening of market for private players
- Among the top private sector Life insurers in India on new business
- Deep, pan India distribution reach
- Diversified distribution mix – agency, bancassurance, BALIC direct, alternate channels, etc
- AUM of ₹ 703 BN as on 31 December 2020
- Net worth of ₹ 107 BN as on 31 December 2020
- Solvency ratio of 708%

100%

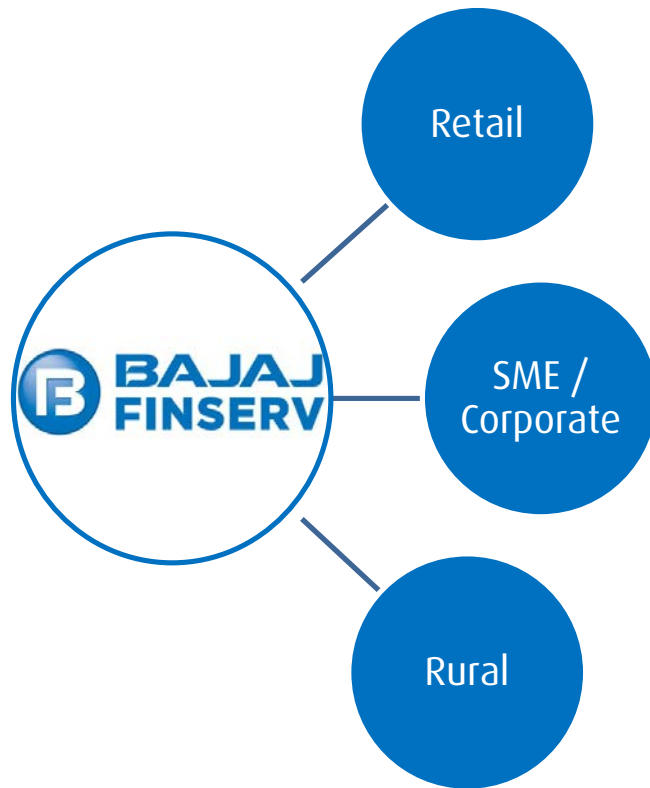
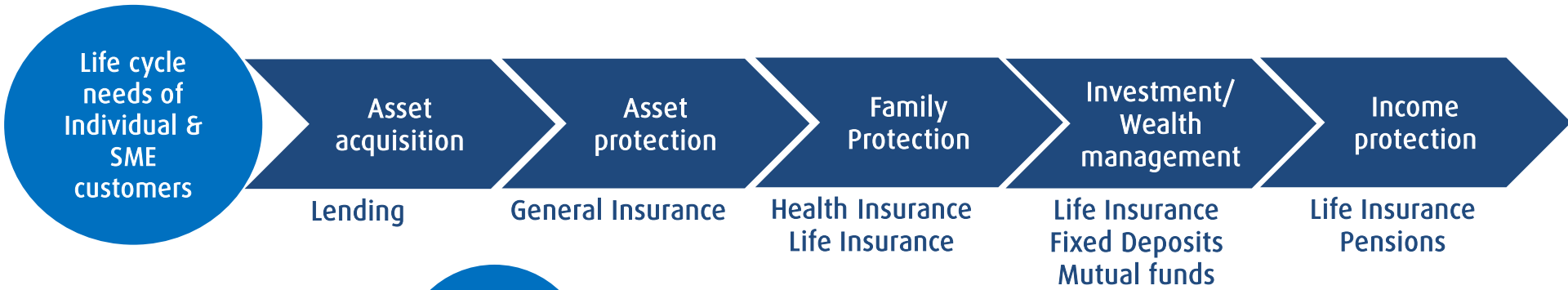
Bajaj Housing Finance Limited[#]

100%

Bajaj Financial Securities Limited[#]

BFS shareholding in BFL was 52.82% as on 31 Mar 2020 . BHIL is a 100% subsidiary of BFL which became fully operational in Feb 2018. Bajaj Financial Securities Limited is 100% subsidiary of BFL which became fully operational in Aug 2019

Note: Shareholding is as of 31 Dec 2020. Only major subsidiaries shown in this chart | # - Not Listed, @ - Represents direct holding



Diversified across products and markets, with a strong retail core

Retail Consumer:

All Bajaj Finserv's businesses have a strong emphasis on the retail segment with a pan-India brand presence. Retail consumer is served through D2C (Direct to Customer) at Point of Sale, online, dealers for consumer lending, bancassurance and insurance agents.

SME and Corporate:

Bajaj Finance provides working & growth capital in the high net worth SME space. The insurance companies serve these segments through a suite of corporate and group insurance products

Rural Focus:

Bajaj Allianz Life is a leading player among private insurers in this space through its branches and business partners. Bajaj Finance has a highly diversified portfolio in the rural locations offering a wide range of products in consumer and RSME business categories under a unique hub and spoke business model. Bajaj Allianz General has penetrated rural markets through its virtual points of presence.

Bajaj Finserv – A resilient diversified financial services business

Bajaj Finance
Limited



BFL's robust liquidity management framework has ensured that it has liquidity to meet its debt service obligations, despite it having to offer repayment moratoriums to its customers. BFL's excellent risk management, strategy of maintaining a longer duration for liabilities than assets, and optimal mix of borrowings positions it well to come out on top through the crisis.

Bajaj Allianz
General Insurance



BAGIC's robust solvency, large AUM in relation to its premium, prudent underwriting, stable management team and strong brand positions it quite strongly among the peers and should help it withstand the crisis and take advantage of opportunities once the crisis has passed.

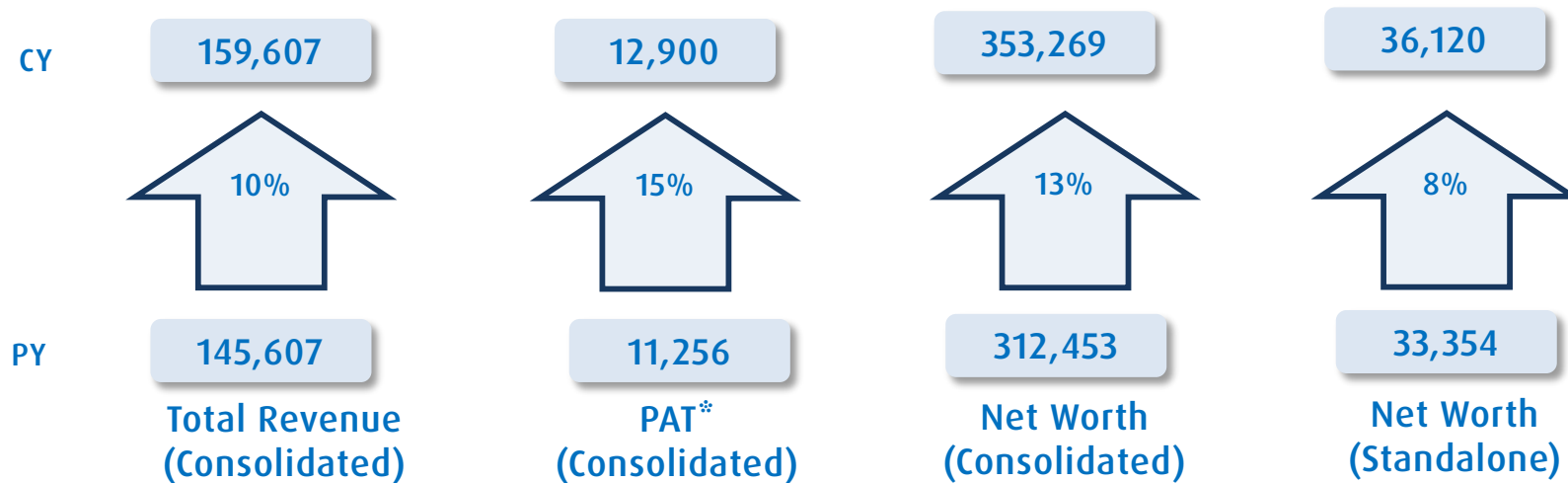
Bajaj Allianz Life
Insurance



An excellent solvency margin, a strong multi-channel distribution covering proprietary and partnership business models with extensive geographical reach and strong brand should help BALIC overcome the effects of the pandemic and emerge as a stronger player

All Figures in Rs Million

Performance Highlights of Q3 FY21 over Q3 FY20 (Ind AS)



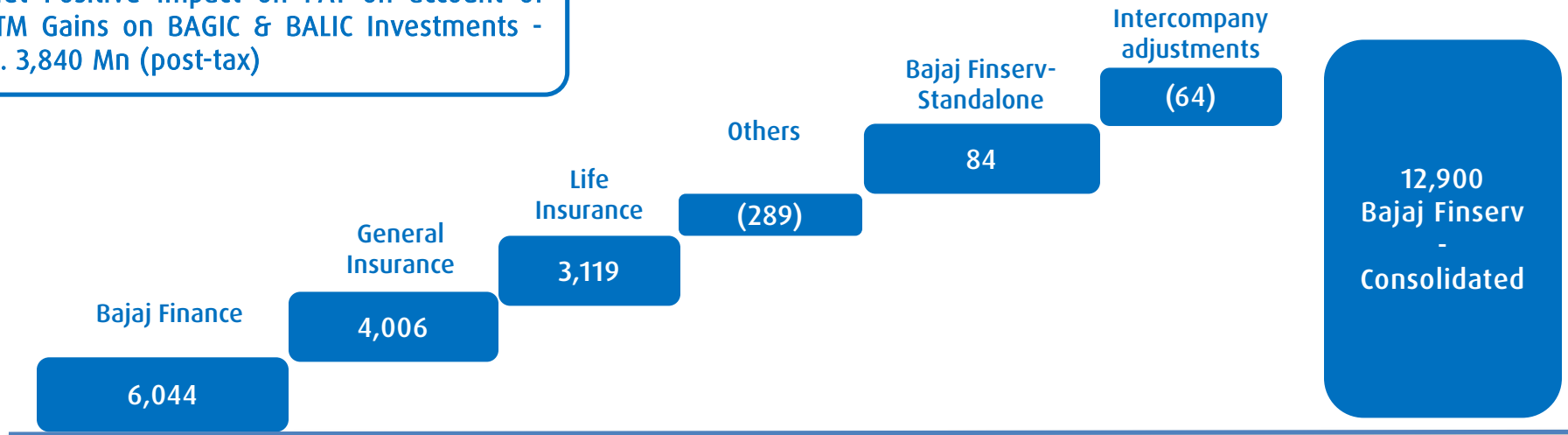
- Bajaj Finserv remains a debt free company. Bajaj Finserv's surplus funds (Excluding Group Investments) stood at Rs. 10.3 Bn as on 31 Dec 2020 (Rs. 9.2 Bn. as on 31 Dec 2019)
- Consolidated Book Value Per Share stands at Rs. 2,220 as on 31 Dec 2020 (Rs. 1,963 as on 31 Dec 2019)

Note : *PAT attributable to owners of the company

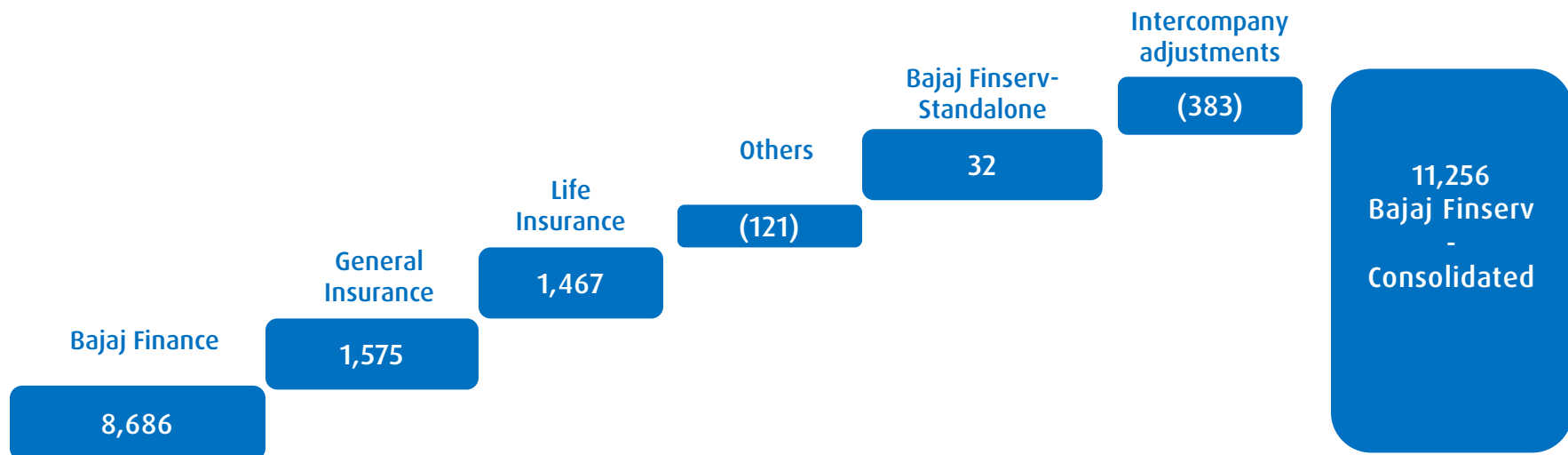
Consolidated profit components – Q3 FY21

Consolidated profit components for Q3 FY21 (Ind AS)

#Net Positive impact on PAT on account of MTM Gains on BAGIC & BALIC Investments - Rs. 3,840 Mn (post-tax)



Consolidated profit components for Q3 FY20 (Ind AS)





All Figures in Rs Million

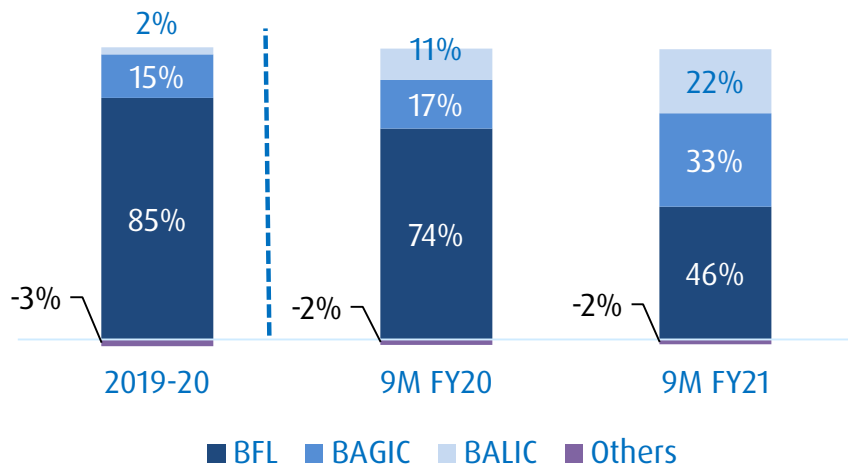
Highlights of Group Companies

BAJAJ FINSERV#	9M FY21	9M FY20	Growth
Total Revenue	452,043	410,572	10%
Net worth	353,269	312,453	13%
PAT	34,914	31,747	10%

BAJAJ FINANCE#	9M FY21	9M FY20	Growth
AUM	1,435,502	1,450,917	-1%
Total Income	198,281	191,548	4%
PAT	30,732	43,157	-29%

#Consolidated | Ind AS

Consolidated Profit Components*



BAGIC	9M FY21	9M FY20	Growth
GWP	98,370	101,776	-3%
Investments	218,731	186,039	18%
PAT	10,572	6,947	52%
Combined Ratio	96.8%	103.1%	6.3% abs

BALIC	9M FY21	9M FY20	Growth
GWP	75,235	66,242	14%
Investments	702,950	607,892	16%
PAT	3,463	4,118	-16%

*Others includes Bajaj Finserv Standalone, and all remaining components.

- Bajaj Finserv and Bajaj Finance figures are as per Indian Accounting Standard (Ind AS).
- BAGIC and BALIC figures are as per IRDAI Regulations (Indian GAAP) & the Indian Accounting Standard framework is used only for consolidated numbers



Bajaj Finance Limited

STRATEGY

- Diversified financial services strategy seeking to optimise risk and profit, to deliver a sustainable business model and deliver a superior ROE and ROA
- Focused on continuous innovation to transform customer experience to create growth opportunities.

DIFFERENTIATORS

Focus on mass affluent and above clients

Overall customer franchise of 46.31 Mn. and Cross sell client base of 25.25 Mn.

Strong focus on cross selling to existing customers

Centre of Excellence for each business vertical to bring efficiencies across businesses and improve cross sell opportunity. 64% of new loans in Q3 FY21 were to existing clients

Highly agile & highly innovative

Continuous improvement in features of products & timely transitions to maintain competitive edge

Deep investment in technology and analytics

Has helped establish a highly metricised company and manage risk & controllership effectively

Diversified asset mix supported by strong ALM and broad-based sources of borrowings

Consolidated lending AUM mix for Consumer : Rural : SME : Commercial : Mortgage stood at 36%: 9%: 13%: 9%: 33% as of 31st December 2020
Consolidated borrowing mix for Banks: Money Markets: Deposits: ECB stood at 35%: 42%: 19%:4%

BAJAJ FINANCE

Consumer

- Largest consumer electronics, digital products & furniture lender in India
- Presence in 1,210 locations with 75,100+ active points of sale
- Amongst the largest personal loan lenders
- EMI Card franchise of over 23.6 Mn. cards in force
- Among the largest new loans acquirers in India 6.04 Mn in Q3 FY21
- Bajaj Finserv – Mobikwik active wallet users stood at 18.3 Mn as on 31 Dec 2020 who have linked EMI card to wallet
- Bajaj Finserv – RBL Bank co-branded credit card stood at 1.95 Mn as of 31 December 2020

SME

- Focused on affluent SMEs with an average annual sales of around Rs. 15-17 Crores with established financials & demonstrated borrowing track records
- Offer a range of working capital & growth capital products to SME & self employed professionals
- Dedicated SME Relationship management approach to cross sell

Commercial

- Wholesale Lending products covering short, medium and long term financing needs of selected sectors viz.
 - ✓ Auto component and ancillary manufacturers
 - ✓ Light engineering
 - ✓ Financial institutions
- Structured products collateralized by marketable securities or mortgage
- Financing against shares, mutual funds, insurance policies and deposits

Rural

- Unique hub-and-spoke model in 1,604 locations and retail presence across 22,500+ points of sale
- Diversified rural lending model with 10 product lines across consumer and professional business categories

- ❑ Q3 was marked by **granular business recovery, significant improvement in risk metrics and tracking implementation on business transformation plan.**
- ❑ **AUM growth is back across all the businesses except auto-finance.** With incremental growth being seen every month, most businesses have started disbursing 85-100% of last years volume. In Q3,
 - ❑ Urban & rural consumption businesses (B2B) were at 85% & 100%
 - ❑ Loan disbursements i.e. B2C, SME, Rural B2C, Mortgages were at 86%;
 - ❑ Commercial business grew by 15%. LAS business de-grew by 22%
 - ❑ Barring unforeseen circumstances, company expects the **core AUM growth to resume to pre-COVID-19 levels by Q4 FY21**
- ❑ **Risk Metrics** of new volumes originated are **tracking significantly better** than pre-COVID-19 origination
- ❑ **Given stable market conditions,** company has started **dialing down on liquidity** – As of 31 December 2020, Company had a liquidity buffer of Rs. 14,347 crore vs Rs. 24,775 crore as of 20 October 2020
- ❑ Loan losses and provisions for Q3 FY21 was Rs. 1,352 crore vs Rs. 831 crore in Q3 FY20. During the quarter, company has done one time principal write-off of Rs. 1,970 crore on account of COVID-19 related stress, using available provision where needed.
- ❑ From FY22 onwards, company will strive to keep loan losses and provisions at pre-COVID-19 levels of 160 – 170 bps of average assets

Q3 2020-21

- ❑ **AUM experienced a de-growth by 1% YoY and stands at Rs. 143,550 crore.** Core AUM growth in Q3 FY21 was approx. Rs. 8,000 crore (adjusted for IPO receivable of Rs. 987 crore and higher ECL of Rs. 520 crore) as compared to Rs. 9,559 crore in Q3 FY20
- ❑ **New loans booked during Q3 FY21 declined by 21% from 7.67 Mn in Q3 FY20 to 6.04 Mn in Q3 FY21.** However, the company registered a **67% growth in new loans booked vs the previous quarter i.e. Q2 FY21.**
- ❑ **Deposits book stood at Rs. 23,777 crore, a growth of 18% YoY.**
- ❑ **Opex to NII improved to 32.3% in Q3 FY21 as against 33.8% in Q3 FY20.** Opex for Q3 FY21 was lower by 9% YoY.
- ❑ **Consolidated profit before tax for Q3 contracted by 28% to Rs. 1,555 crore** due to increase in loan provisions by Rs. 520 crore, interest reversals by Rs. 367 crore and cost of additional liquidity by Rs. 130 crore vs Q3 FY20. The company has strong pre-provision profitability.
- ❑ **The Company is well capitalised with Capital adequacy ratio (including Tier-II capital) of 28.18% as at 31 December 2020.** The Tier-I capital stood at 24.73%. **The Company remains one of the best capitalised large NBFCs in India.**

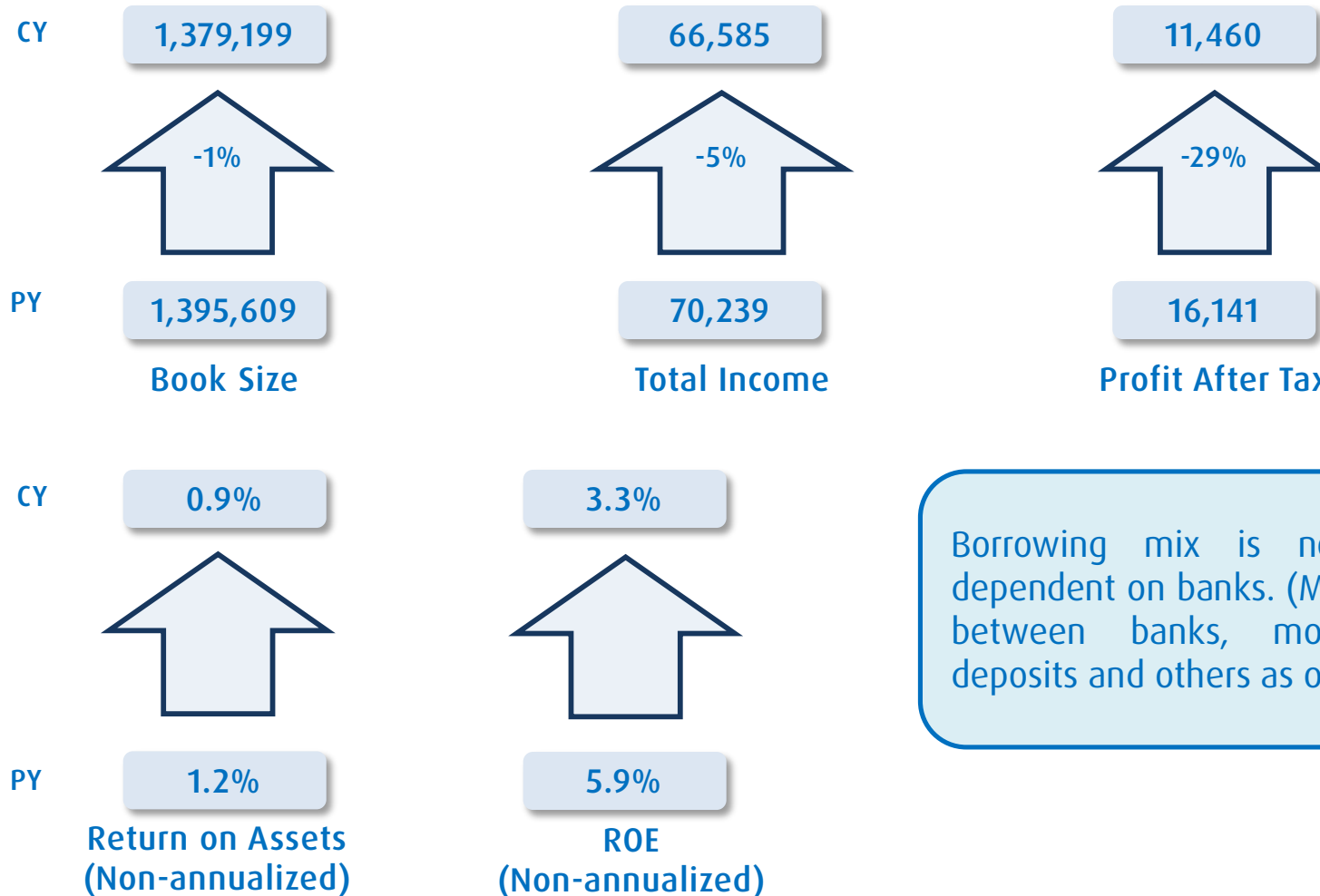
Q3 2020-21

Subsidiaries (included in BFL Consolidated Performance)

- ❑ Bajaj Housing Finance Ltd (BHFL) AUM grew by 18% to Rs. 35,492 crore as of 31 December 2020 from Rs. 30,035 crore as of 31 December 2019.
- ❑ BHFL's Net Interest Income for Q3 FY21 grew by 15% to Rs. 329 crore from Rs. 285 crore in Q3 FY20.
- ❑ BHFL's profit after tax contracted by 24% to Rs. 99 crore in Q3 FY21 vs Rs. 131 crore in Q3 FY20
 - ❑ BHFL Opex to NII improved to 26.4% in Q3 FY21 as against 33.7% in Q3 FY20.
 - ❑ During the quarter, the Company has increased its provision on stage 1 and stage 2 assets by Rs. 72 crore taking the overall contingency provision to Rs. 292 crore as of 31 December 2020.
- ❑ BHFL's Capital adequacy ratio (including Tier-II capital) as of 31 Dec 2020 stood at 24.94%.
- ❑ Bajaj Financial Securities Ltd, the stock broking arm, made a net profit of Rs. 0.7 crore in Q3 FY21.

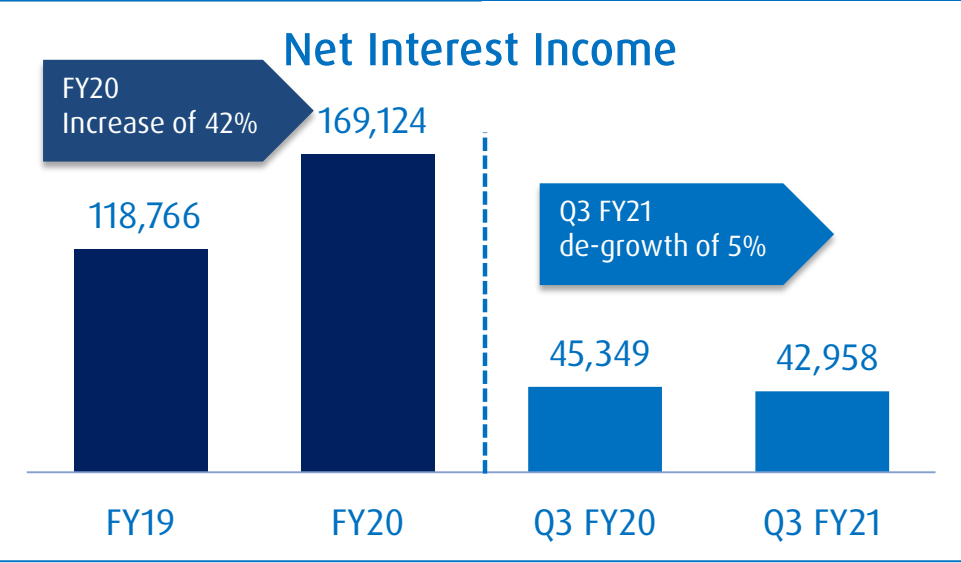
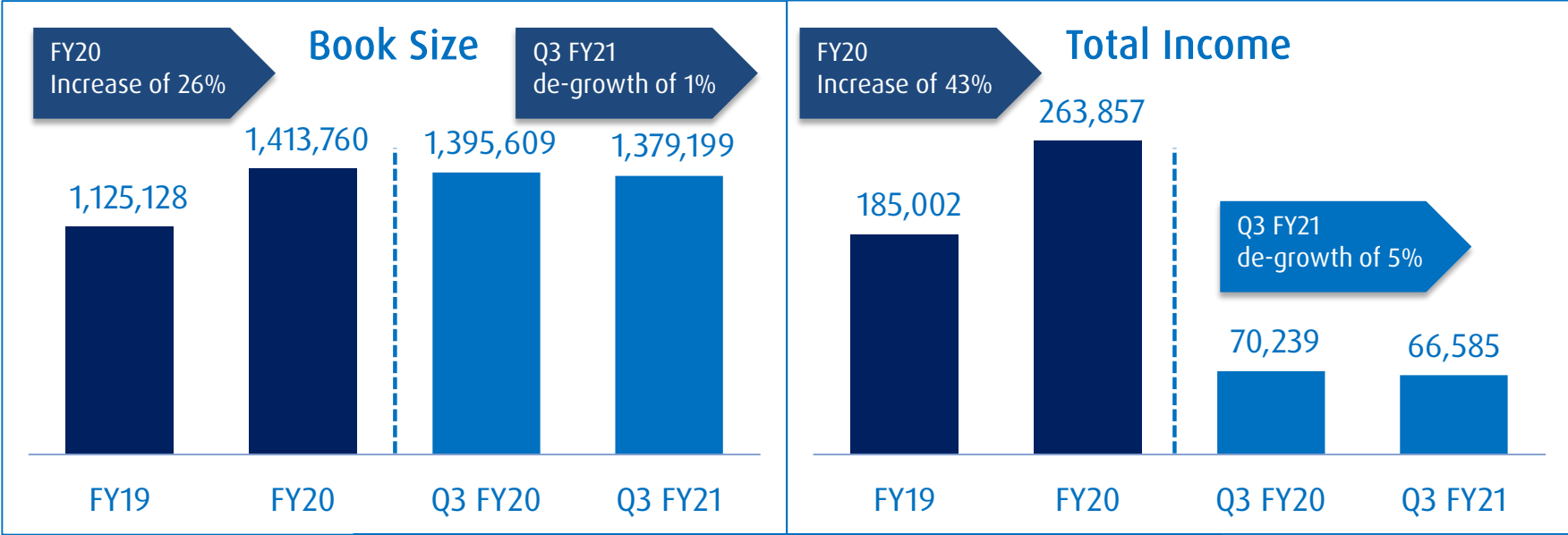
All Figures in Rs Million

Performance Highlights of Q3 FY21 over Q3 FY20 (Ind AS)



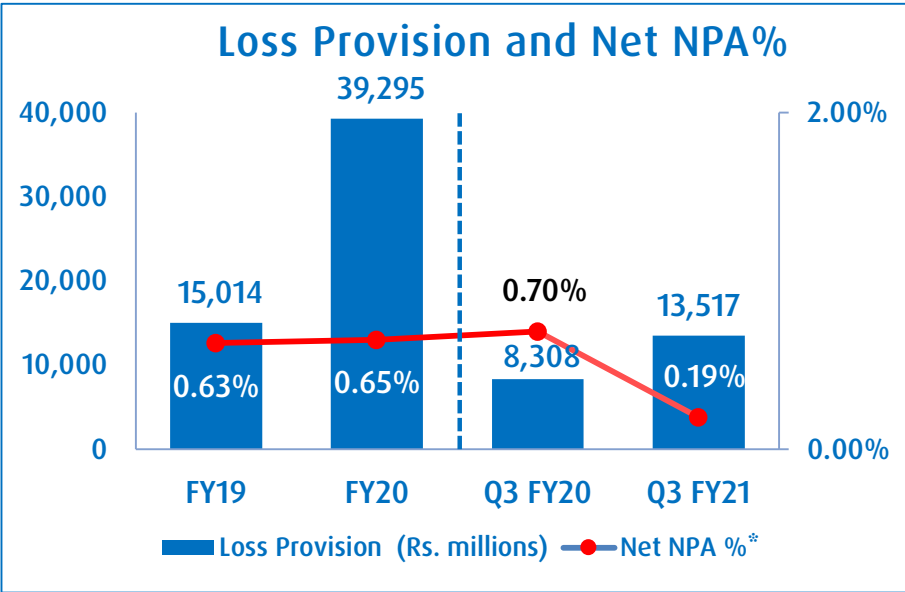
Borrowing mix is not excessively dependent on banks. (Mix of 35:42:19:4 between banks, money markets, deposits and others as of 31 Dec 2020)

All Figures in Rs Million

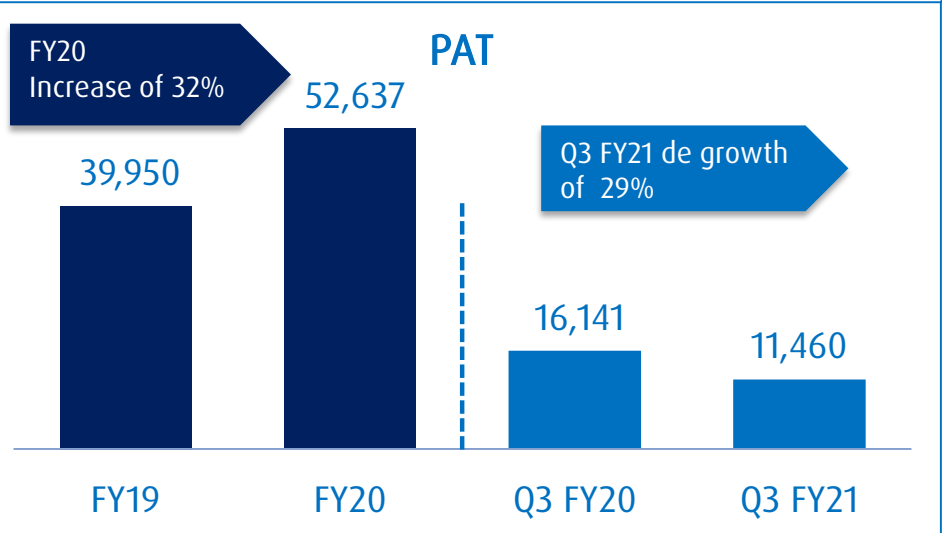
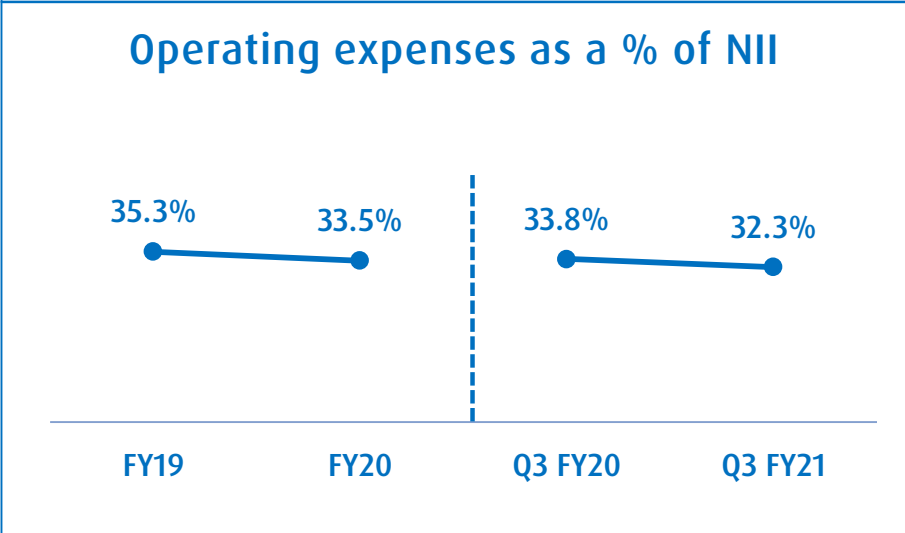


Bajaj Finance Consolidated results are as per Ind AS, previous years figures have been re-casted for comparability

All Figures in Rs Million



- ❑ Loan losses and provisions (expected credit loss) for Q3 FY21 was Rs. 1,352 Cr as against Rs. 831 Cr in Q3 FY20.
- ❑ Based on Hon'ble Supreme Court's interim order of not classifying customers as NPA after 31 August, GNPA and NNPA stood at 0.55% & 0.19% respectively. Adjusted GNPA and NNPA stood at 2.86% and 1.22% respectively.
- ❑ Standard assets provisioning (ECL stage 1 and 2) stood at 190 bps as of 31 December 2020 vs 369 bps as of 30 September 2020. This was 90-100 bps during pre-pandemic condition.



*Net NPA, recognized as per extant RBI prudential norms and provisioned as per Expected Credit Loss (ECL) method prescribed in Ind AS.

Bajaj Allianz General Insurance

STRATEGY

Strive for market share growth in chosen segments through a well-diversified product portfolio and multi-channel distribution supported by prudent underwriting

DIFFERENTIATORS

Strong selection of Risk & prudent underwriting

- Industry leading combined ratios consistently over time-BAGIC's Combined Ratio stood at 100.8% FY20
- Business construct is to deliver superior ROE

Balanced Product Mix

- Offers a wide range of general insurance products across retail and corporate segments
- Continuous improvements in product features & investments in digital technologies to maintain competitive edge

Deep and wide distribution

Multi channel distribution network encompassing broking, direct, multi-line agents, bancassurance network serving retail and corporate segments

Retail orientation

Focused on retail segments – mass, mass affluent and HNI while maintaining strong position in institutional business

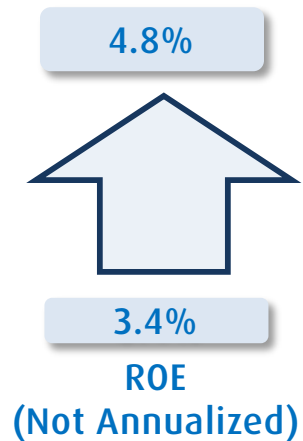
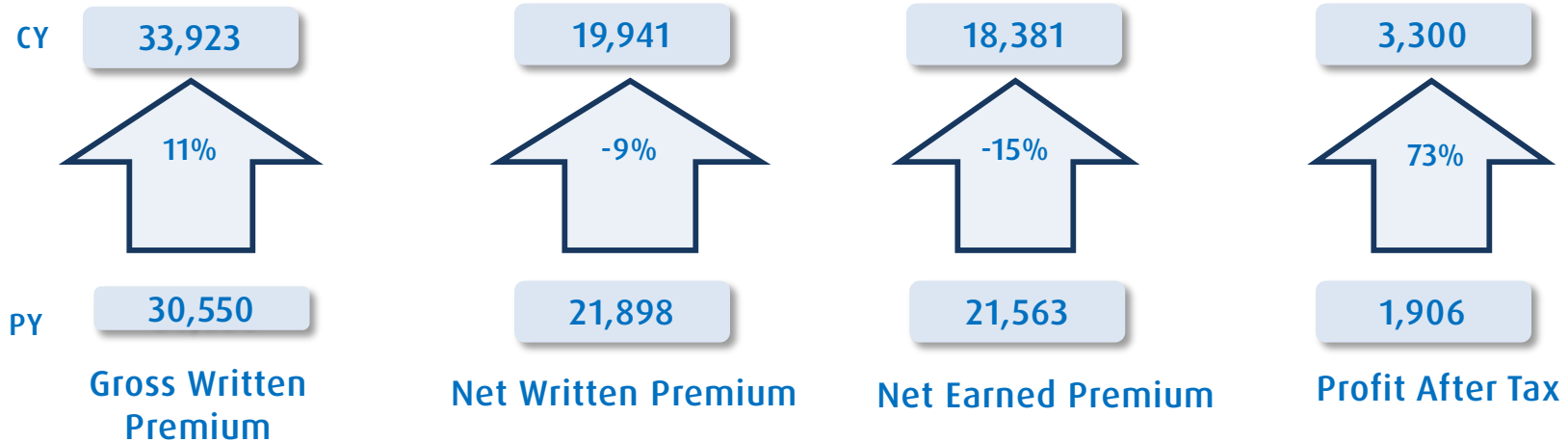
- ❑ Overall BAGIC growth has been slightly lower than industry but is back on track as seen from sequential recovery from 20% de-growth in Q1 FY20 (attributable to lockdowns) to 11% growth in Q3 FY21; 9M FY21 numbers still at a small de-growth in line with the industry
- ❑ COVID-19 health products were driving growth in retail health insurance. Availability of vaccine and recent price hikes for retail health policies by BAGIC and some peers has led to slowdown in demand for retail health insurance with 3.4% growth in Q3 FY21 as against 19.4% growth in 9M FY21.
- ❑ Given the company's cautious stance on Employer Employee Group Health due to high loss ratios, group health de-grew by 8.2% in 9M FY21.
- ❑ On the claims front, the experience is varied
 - ❑ Motor OD & retail health non-COVID claims are gradually coming back to pre-COVID levels
 - ❑ On the other hand, Motor TP claims are not being settled at the same pace as courts are still not operating at full capacity; this could lead to additional interest cost on such claims.
 - ❑ As expected, COVID-19 claims have declined significantly over the past few weeks
 - ❑ BAGIC's COVID-19 claims proportion is in line with its health market share i.e. around 4%.
- ❑ The Company is well capitalized with a Solvency at 330% as against minimum solvency of 150%

Q3 2020-21

- ❑ BAGIC's GWP grew by 11 % in Q3 FY21 vs Industry growth of 2% (Private players growth of 8.6%) & 3% de-growth in 9M FY21 vs flat industry growth (Private players growth of 1.7%)
- ❑ Q3 has seen a turnaround in 4W and 2W segments which grew by 9.6% & 13.1% respectively
- ❑ De-growth in CV which de-grew by 19% in Q3 is driven by the high exposure in the profitable Passenger carrying vehicle segment, which is still below pre-COVID levels
- ❑ Combined ratio (COR) improved and stood at 96.1% in Q3 FY21 v/s 103.6% in Q3 FY20 on account of lower claims (Loss ratio in Q3 FY21 stood at 66.6% as against 72.6% in Q3 FY20) & expense saves
- ❑ Profit after tax for Q3 FY21 increased by 73% YoY to Rs.3,300 Mn vs Rs. 1,906 Mn in Q3 FY20 – on account of higher capital gains (Rs. 871 Mn in Q3 FY21 vs Rs. 584 Mn in Q3 FY20), lower claims and lower costs.

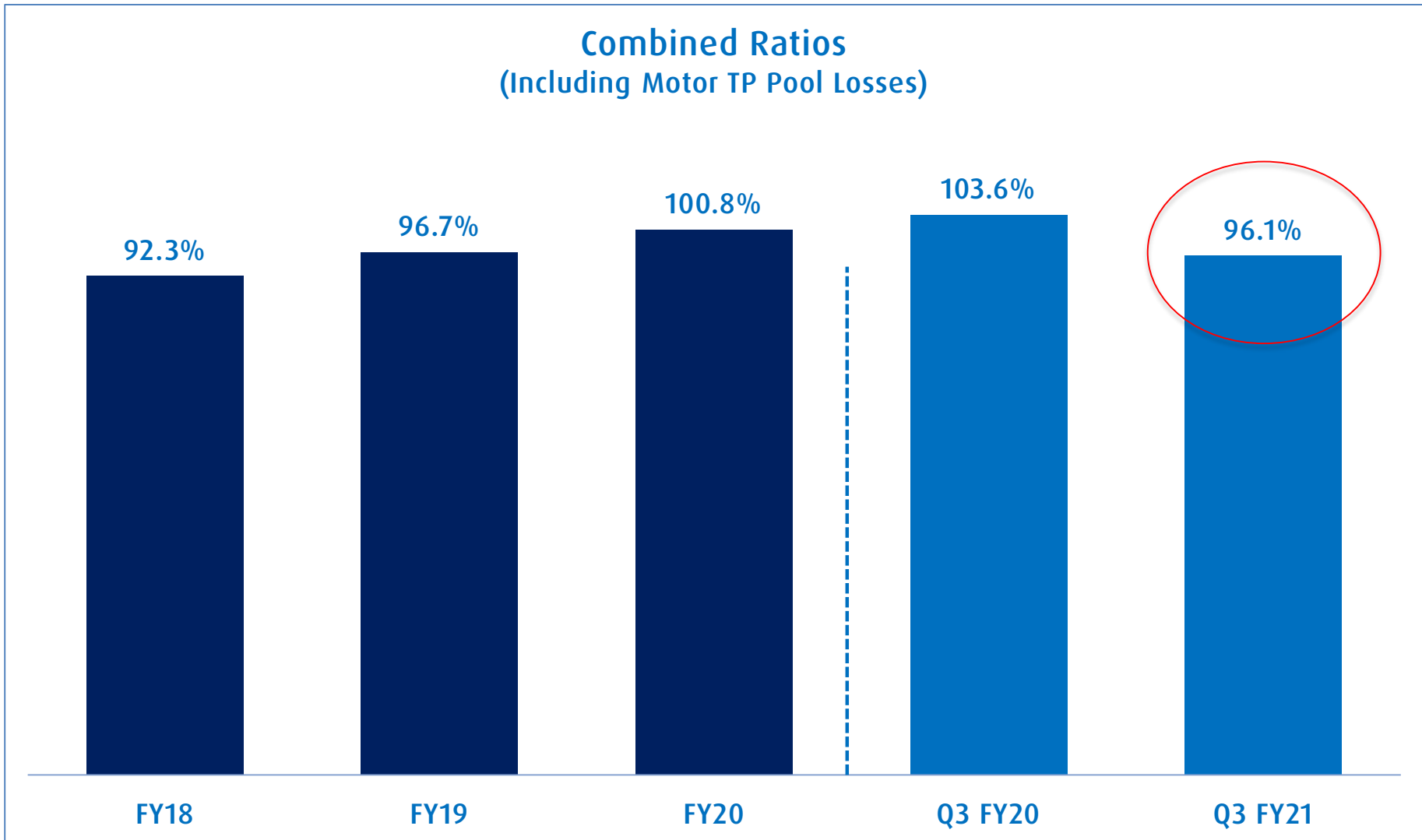
All Figures in Rs Million

Performance Highlights of Q3 FY21 over Q3 FY20



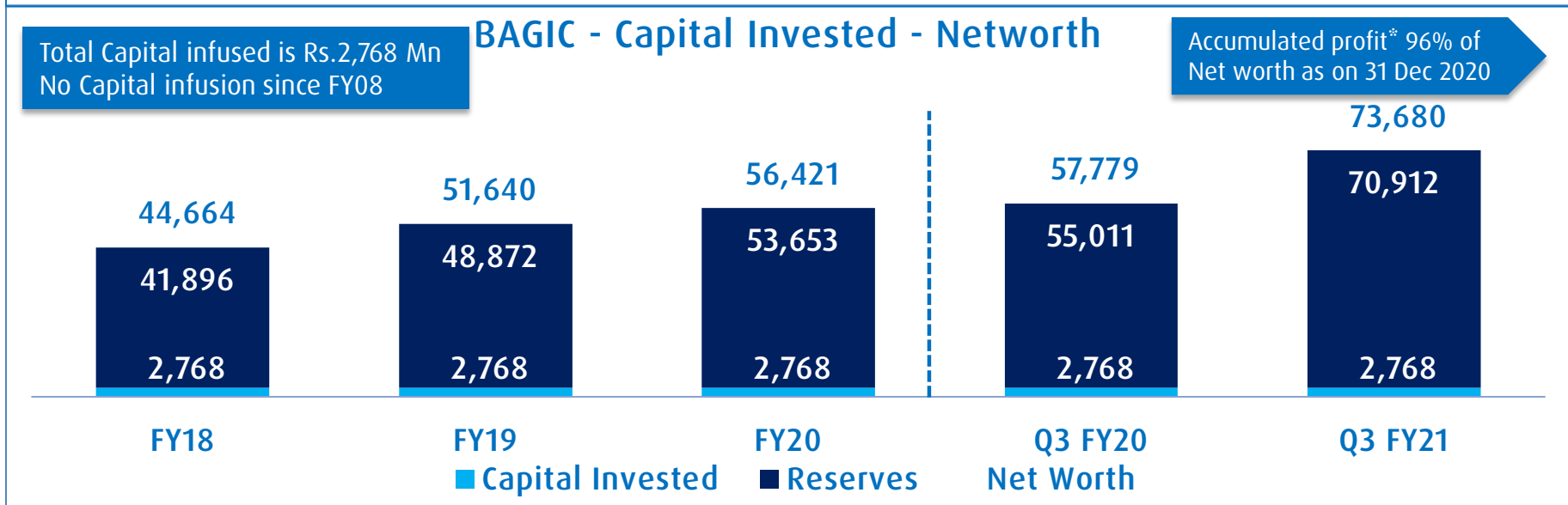
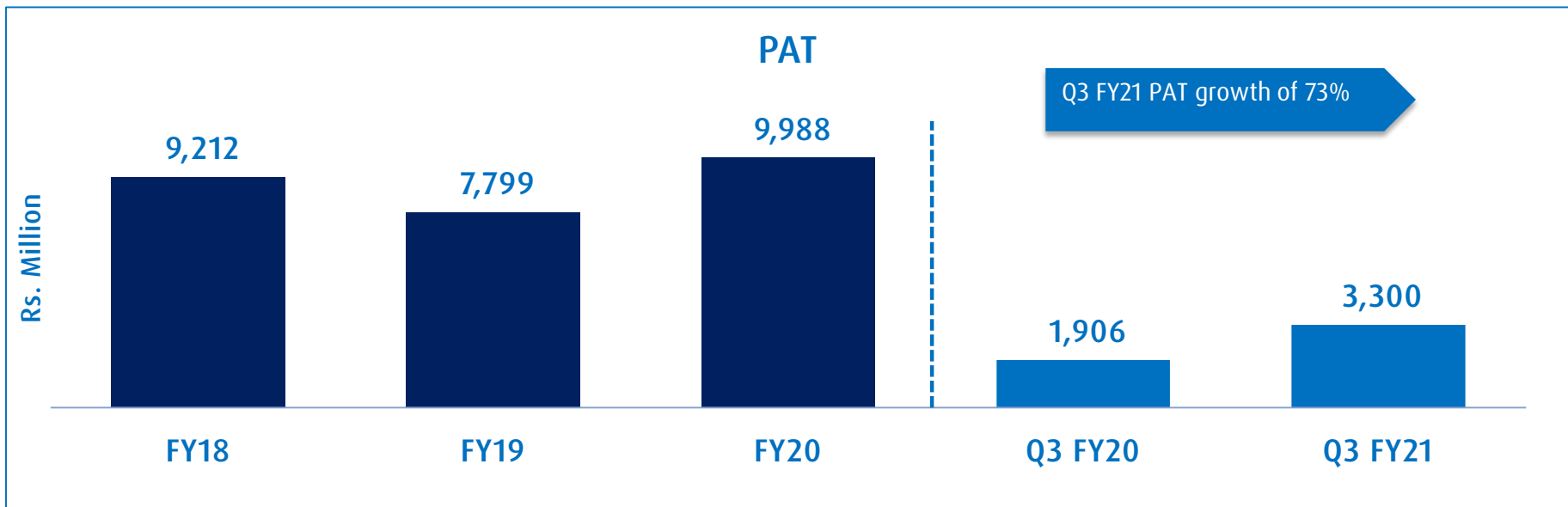
- Ex Crop GWP was Rs. 27,376 Mn in Q3 FY21 (Rs.26,632 Mn Q3 FY20) a growth of 3%
- Solvency Ratio was 330% as against regulatory requirement of 150% as of 31 Dec 2020

Combined Ratios (Including Motor TP Pool Losses)



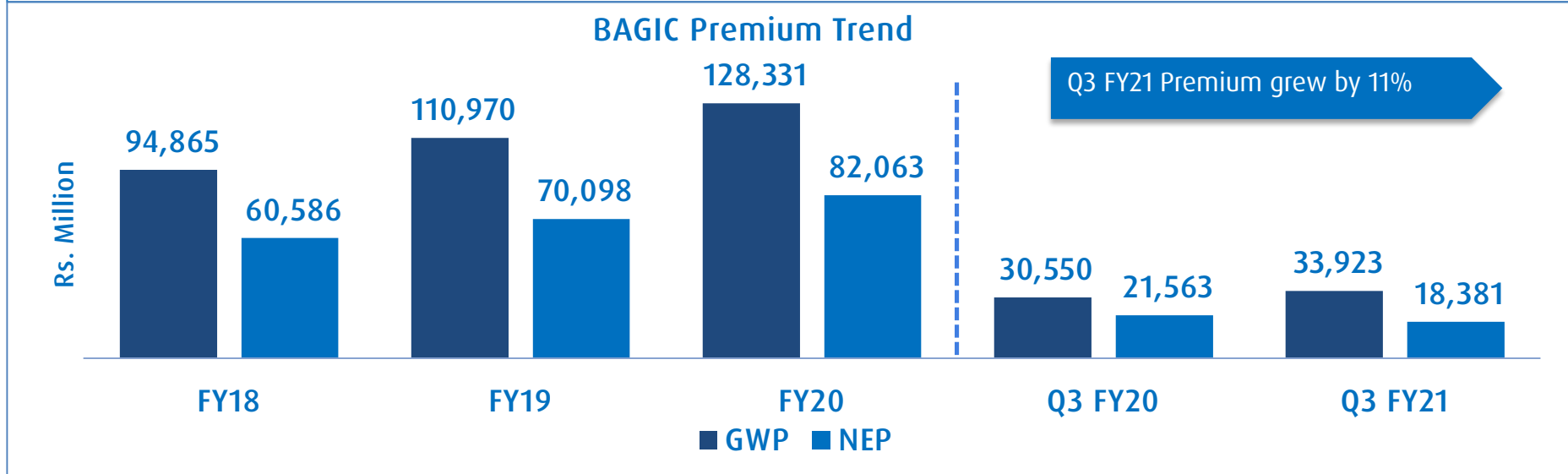
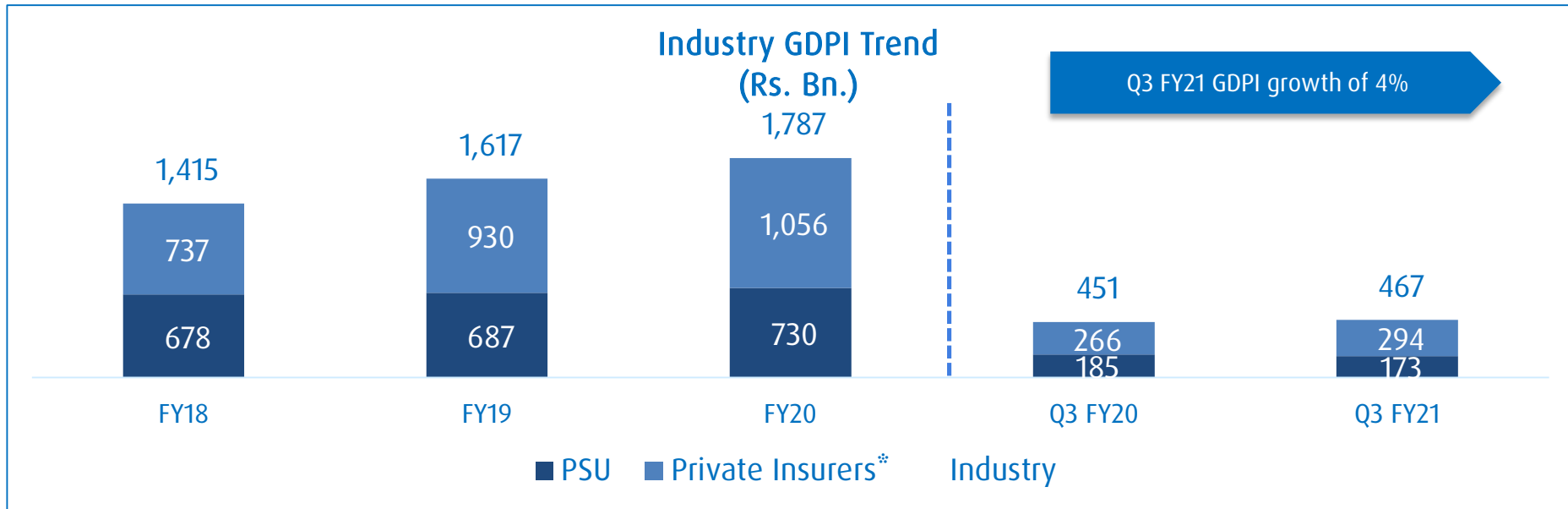
1. Combined Ratios are in accordance with the Master Circular on 'Preparation of Financial statements of General Insurance Business' issued by IRDA effective from 1st April, 2013. (Net claims incurred divided by Net Earned Premium) + (Expenses of management including net Commission divided by Net Written Premium).

All Figures in Rs Million



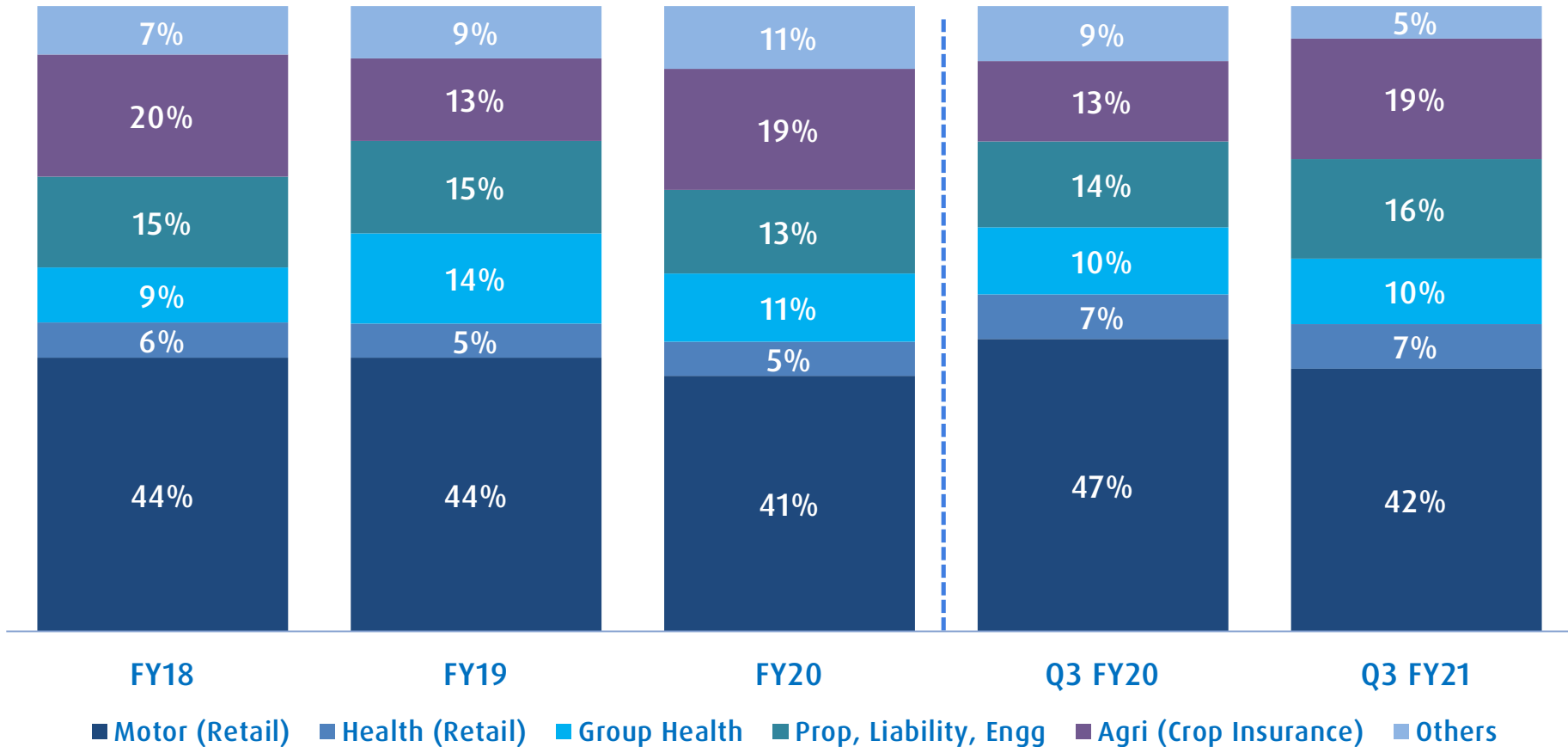
*Accumulated profit includes reserves and fair value change on equity investments

BAGIC : Consistently amongst top 2 private insurers in terms of Gross Premium



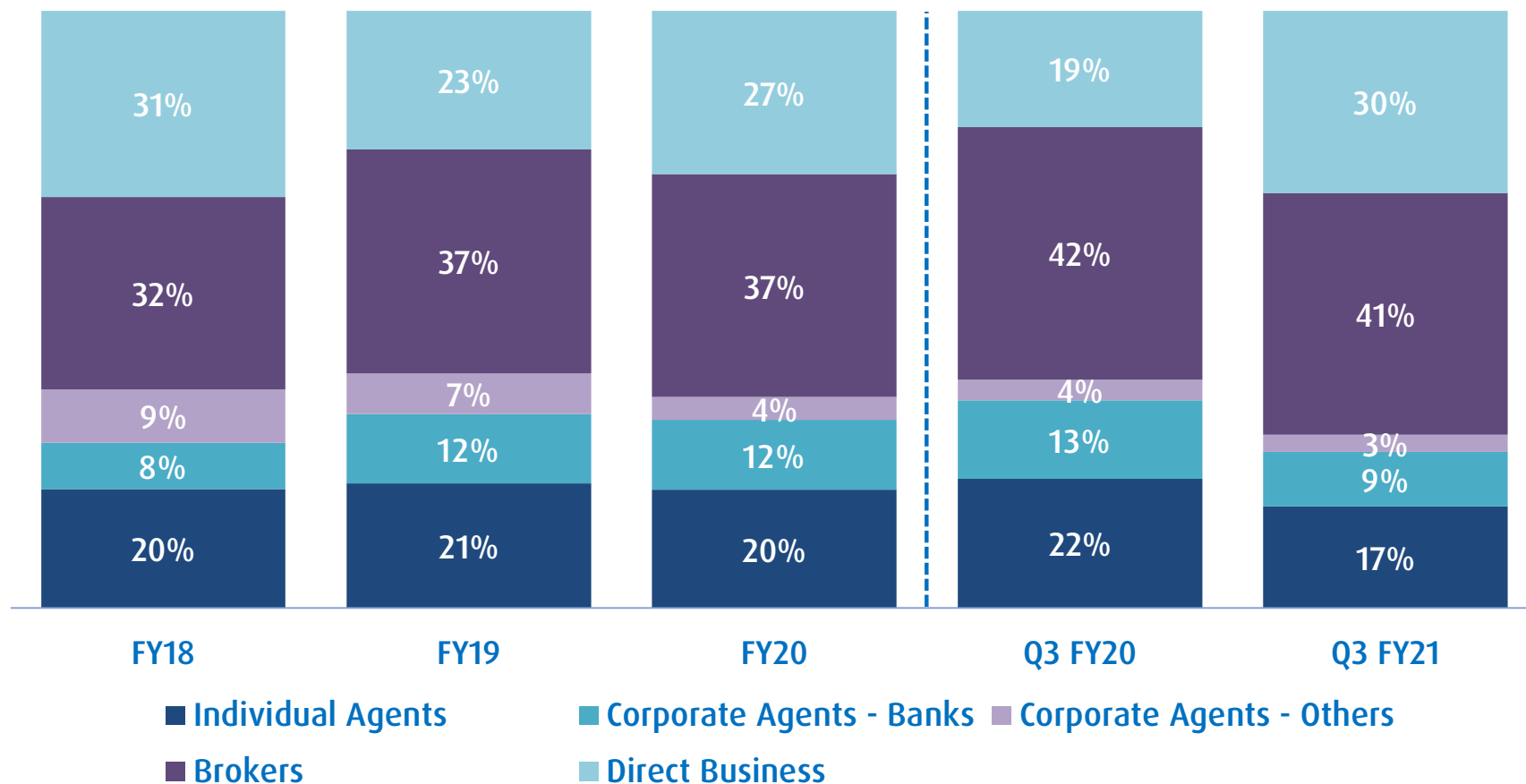
Source : IRDAI, GDPI : Gross Direct Premium Income | *Private Insurers : Includes Standalone Health Insurers, PSU excludes AIC of India, and ECGC

Business Mix



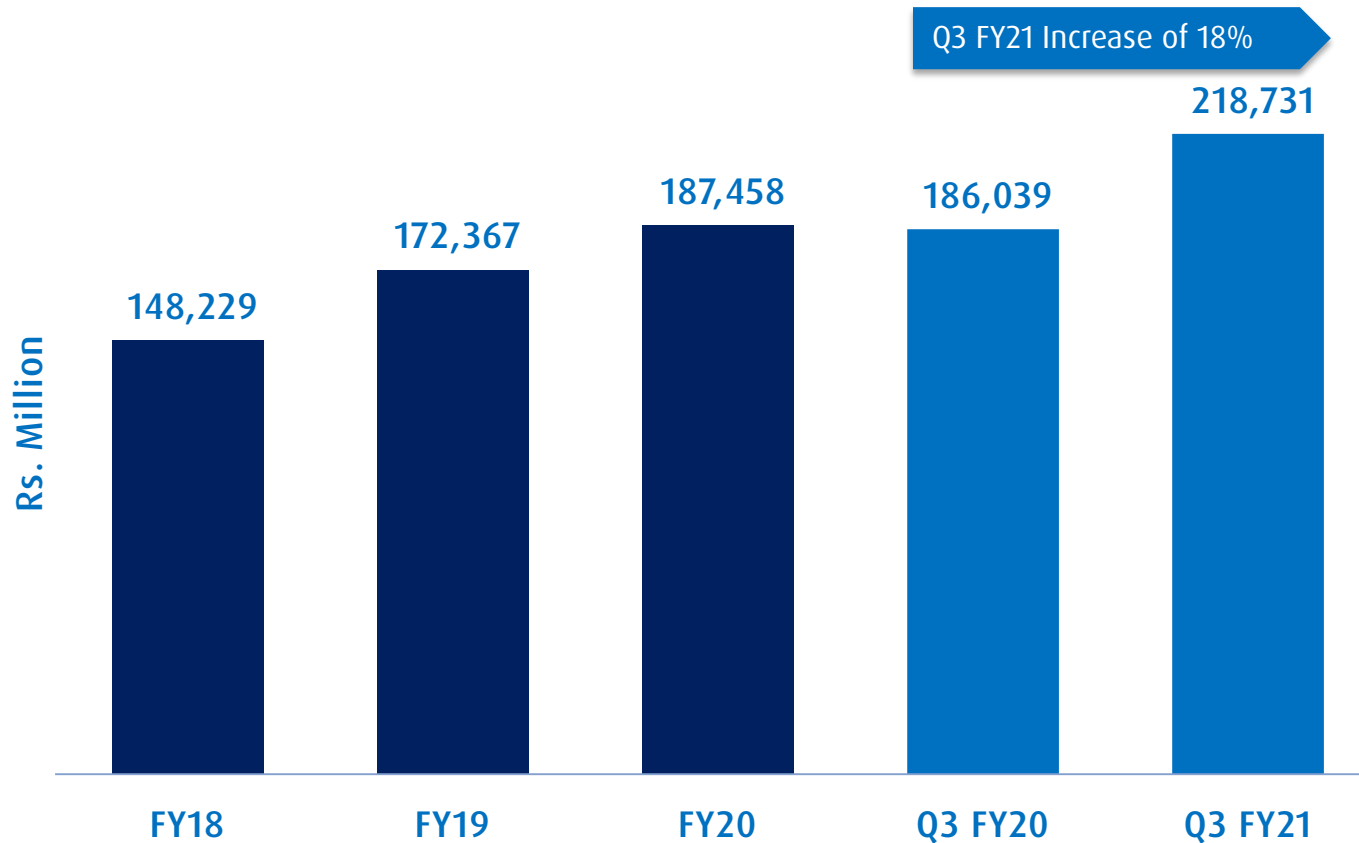
- BAGIC's ex-crop GWP growth for Q3 FY21 vs Q3 FY20 was 3%
- Contribution of Motor has dropped from 47% in Q3 FY20 to 42% in Q3 FY21 but it is 15% higher than the contribution of 27% in Q2 FY21 on the back of revival in the economy & motor sector since lifting of lockdown

Channel Mix



- BAGIC has the largest network of bancassurance partners in the industry
- Major relationships include : HDFC Bank, Canara Bank, PNB, Bajaj Finance Ltd., J & K Bank, Central Bank, Union Bank, KVB, Federal Bank, South Indian Bank, Karnataka Bank, RBL, Bandhan Bank, Punjab Sind Bank, Citi Bank and India Post Payments Bank
- Pioneers in setting up new distribution channels such as Virtual Sales Office (VSO) & Point of Sales (POS)

AUM (cash and investments)



98.3% of debt portfolio is in AAA or sovereign securities. 96.4% of Equity investment is in BSE 100 stocks

Investment Leverage : AUM as of date / Net worth as of date

BAGIC continues to grow its AUM strongly

Investments are largely in fixed income securities

Investment Leverage of 2.97 as on 31 Dec 2020

Purchase & Renewals
(1.6 Cr+ policies issued, 92% issued digitally)

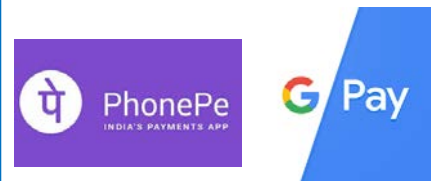
Digital Platforms

In addition to agent's app and platform, mediums used



Insta Pay Services

Apart from Google Pay and Phone - Pe, 48 other services providers being used



Campaigns

- ❑ New express bitly links with prepopulated details
- ❑ Voice Blasters, AI bot "BOING"
- ❑ Enhanced digital campaigns for Health, 5 min policy issuance

Claims Settlement

Digital Processing

- ❑ Health Claims: 43% reimbursement processed digitally
- ❑ Motor claims: 23% settled digitally (End to End)
- ❑ Commercial Claims, Non Health Claims: 87% settled digitally (scan-based processing)

Policy Servicing
(26.8 lac footprints)

- ❑ Digital Servicing (Increase from 25% pre lockdown to over 66%)
 - Instant care via Whatsapp + AI enabled Chat BOT "Boing";
 - Call Center (Reduced 75% to 28%): Converting Inbound to Outbound
 - Missed call & Short Code SMS
- ❑ "BAGICARE" (New CRM)

*- Data period: April 2020 to December 2020

#- Includes policies across all lines of businesses i.e. Motor, Health, Crop, etc.

Bajaj Allianz Life Insurance

STRATEGY

- Continued focus on sustainable and profitable growth by maintaining balanced product mix and investment in retail growth engines
- Business construct is to maximize customer benefits while gaining market share in retail space, maintaining shareholder returns and continued focus on increasing New Business Value (NBV)

DIFFERENTIATORS

Diversified Distribution

- Focus on all retail segments – mass and mass affluent customers. Deep pan India distribution reach with presence over 511 branches
- Diverse channels – Agency, Banca, BALIC Direct
- Leader in Online investments product sale & strong presence in credit protection segment

Strong proprietary channels

- Large pan-India agency force : 3rd highest agency premium amongst private players in FY20.
- Robust BALIC Direct channel to invest in up-selling and cross-selling

Innovative products and Sustainable product mix

- Balanced product mix; with an aspiration to provide our customers 'Best in class' product suite
- Our key product offering like Life Goal Assure with differentiated product proposition like ROMC*, GIG** & Goal Suraksha (Non Par Guaranteed Product), Flexi Income Goal (participating product) and Smart Protect goal (Retail protection product) have helped us cater to different segments and needs of customers

Efficient Operations

- Lean support structure
- Providing seamless end to end customer journey through digital enablement

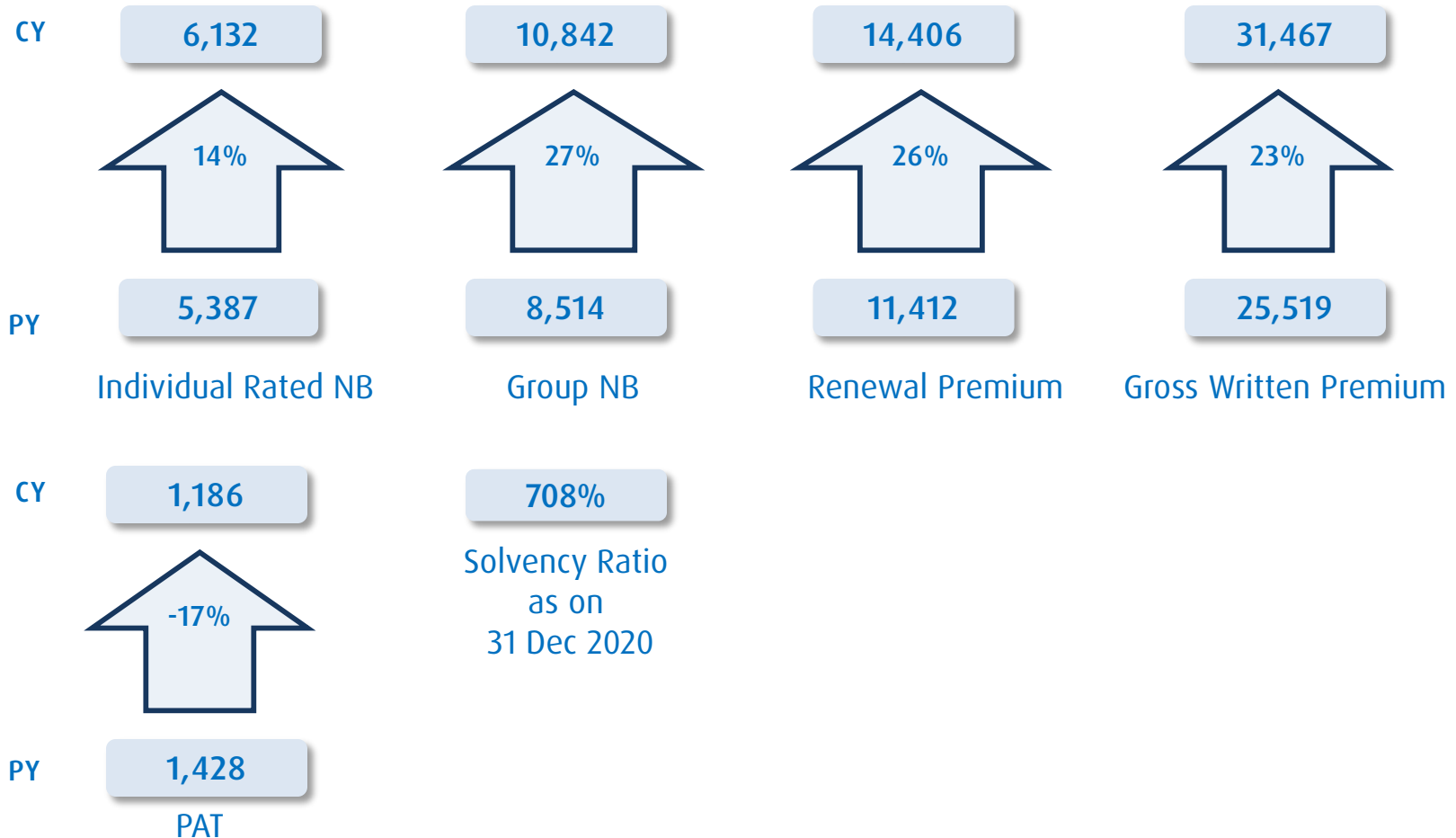
- ❑ Despite the challenges posed by COVID-19 and the lockdowns, **BALIC consistently reported industry beating individual rated new premium growth**
- ❑ **Consolidation in demand for protection but preference for guarantees continue:** With increased term rates and huge uptake in 1st quarter, demand for term remained muted during Q3.
 - ❑ **Term Protection & Non Par Savings in Q3 FY21** stand at 4% and 28% respectively
 - ❑ During Q3 FY21, Company continues to hedge the Interest rate risk pertaining to retail guaranteed and protection products
- ❑ While guaranteed products witnessed strong preference in H1 FY21 because of uncertainty due to COVID-19 & market volatility, **demand for ULIPs has improved in Q3 FY 21** with equity markets recovery
- ❑ **With resumption of IC exam centers, Agency recruited 64% more ICs in Q3 FY21 vs Q3 FY20.** Distribution build up has picked up in H2 but it still lags overall FY20 numbers
- ❑ **Institutional business is on growth mode** with momentum build up in new partnerships like Axis Bank, IDFC First Bank, RBL Bank and India Post Payments Bank (IPPB)
- ❑ There is an increase in adoption of self servicing tools by the customers. For instance, IVR usage was about 38% till last year, this went up to 55% this year
- ❑ Company is well capitalized with a Solvency at 708% as against minimum solvency requirement of 150%

Q3 2020-21

- ❑ Despite COVID-19, BALIC had a market beating Individual Rated New premium (IRNB) growth of 14% in Q3 FY21 vs Industry reporting a de-growth of 9% (Private sector grew by 3%)
 - ❑ Individual Rated New premium growth of 12% in 9M FY21 vs Industry degrowth of 8% (Private sector de-grew by 6%)
- ❑ Excluding fund business, **Group Protection business de – grew by 12% primarily on account of lower credit off-take** in by Banks, NBFCs, and MFIs although improving sequentially each quarter.
- ❑ **Renewals registered a strong growth of 26%** in Q3 FY21
- ❑ **Institutional Business** have been a **growth driver** with 75% growth in IRNB for Q3 FY21 as new partnership continue to deliver
- ❑ **Profit after tax for Q3 FY21 decreased by 17% to Rs. 1,186 Mn vs Rs. 1,428 Mn in Q3 FY20;** excluding one-off tax reversal in Q3 FY20, the PAT growth is flat
 - ❑ Higher new business strain and higher overruns were partly offset by higher capital gains (Rs. 857 Mn in Q3 FY21 vs 310 Mn in Q3 FY20)
- ❑ As on 31st December 2020, **BALIC’s Assets Under Management hit an all-time high crossing Rs. 70,000 Crore.**

All Figures in Rs. Million

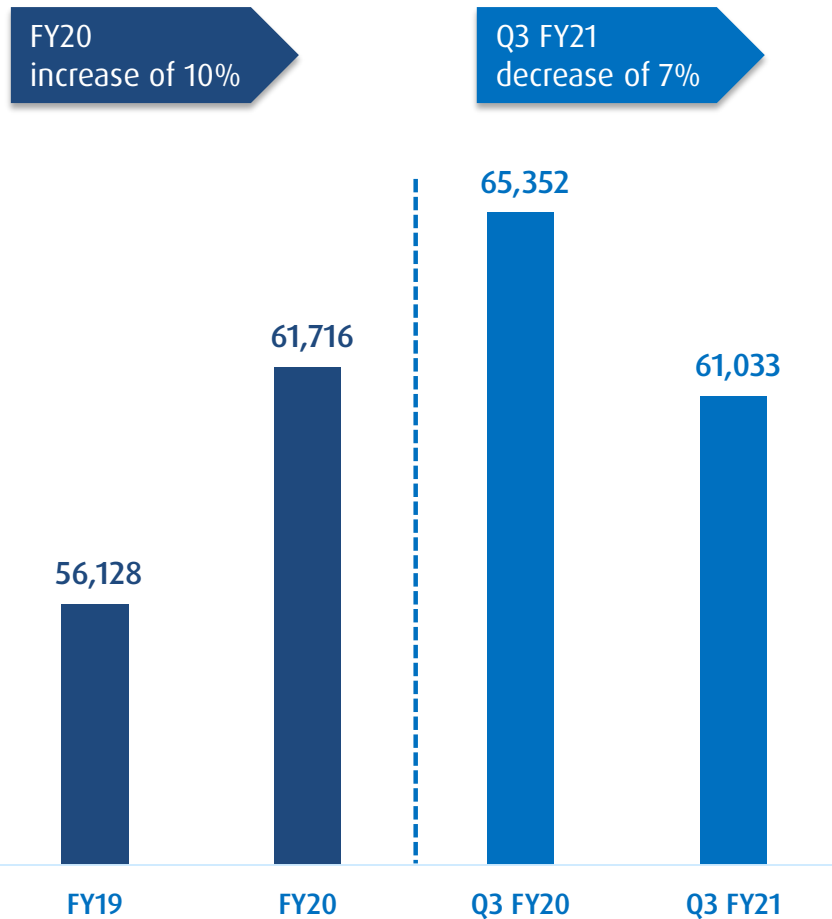
Performance Highlights of Q3 FY21 over Q3 FY20



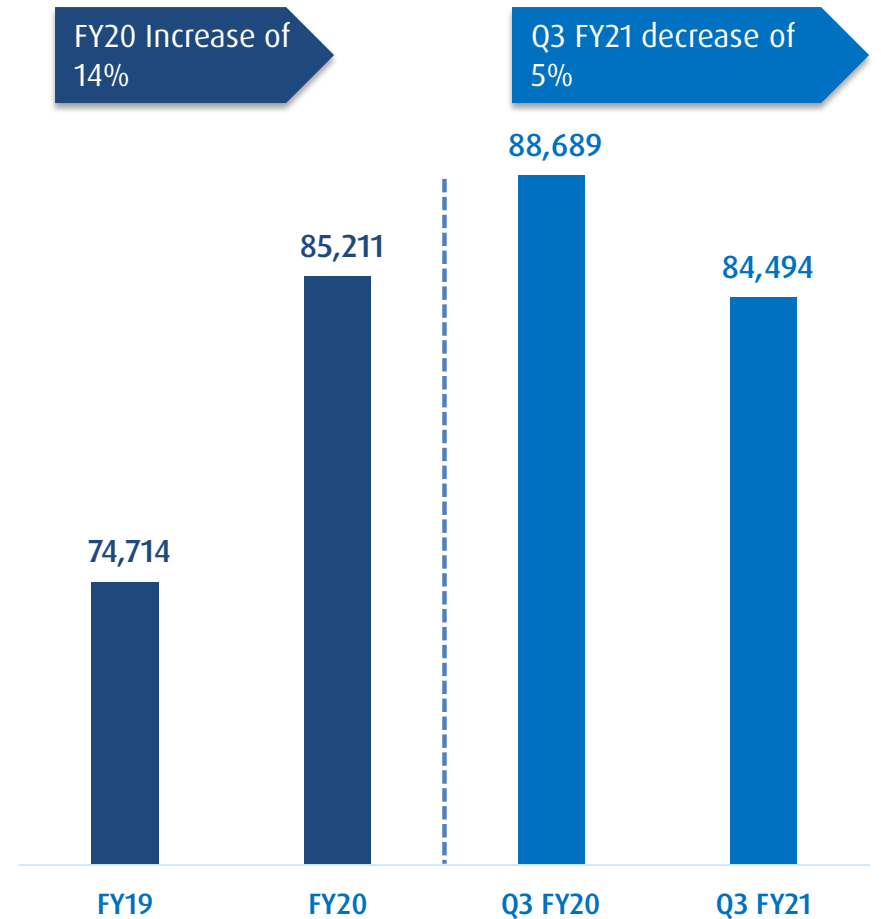
Individual Rated NB = (100% of first year premium & 10% of single premium excluding group products)

All Figures in Rs.

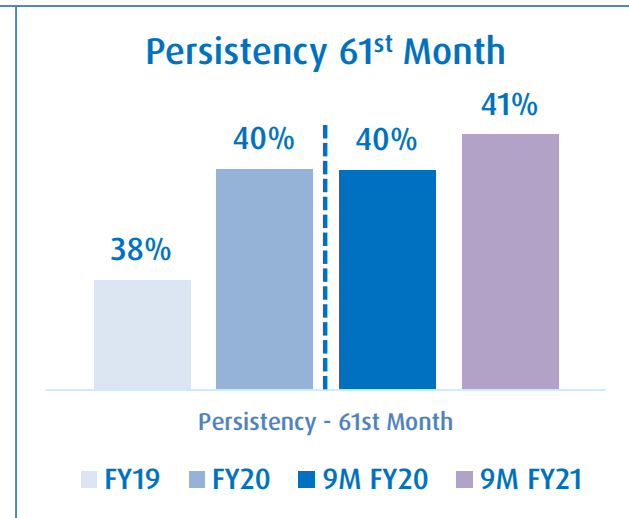
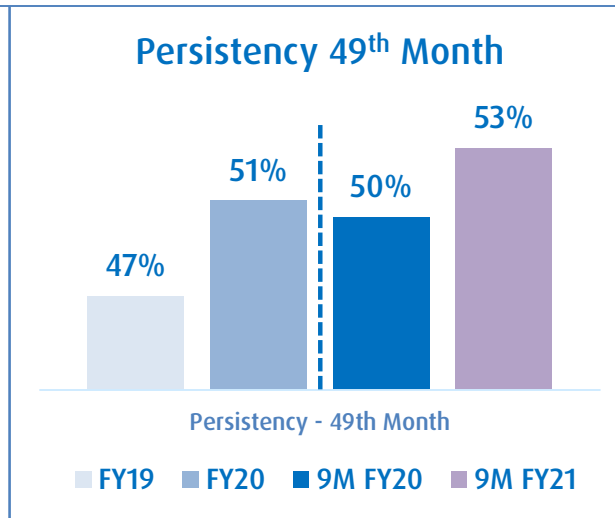
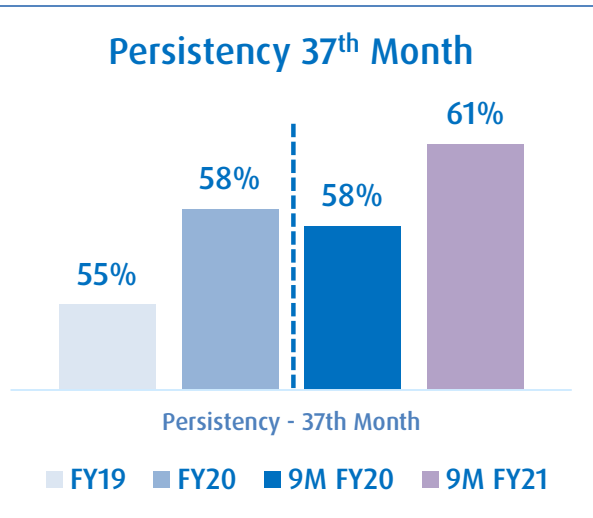
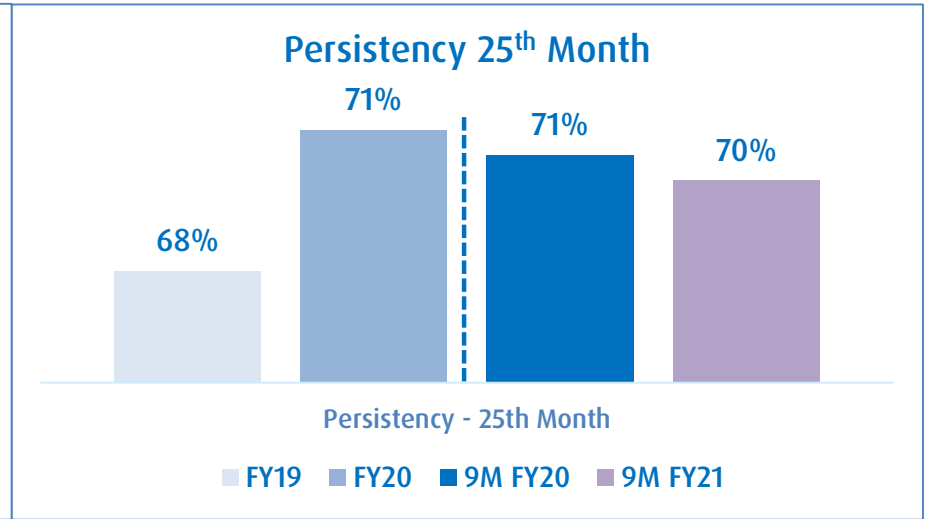
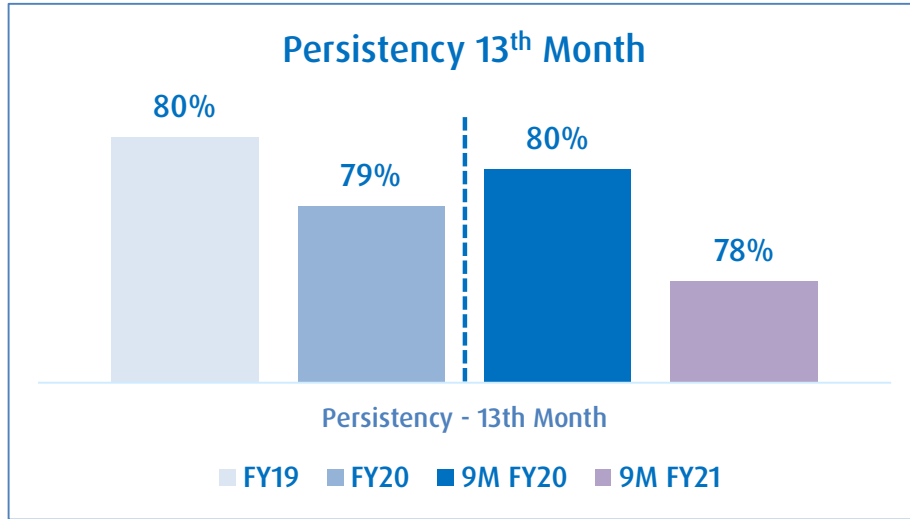
Regular Premium Ticket Size



Regular Premium Ticket Size (Agency)



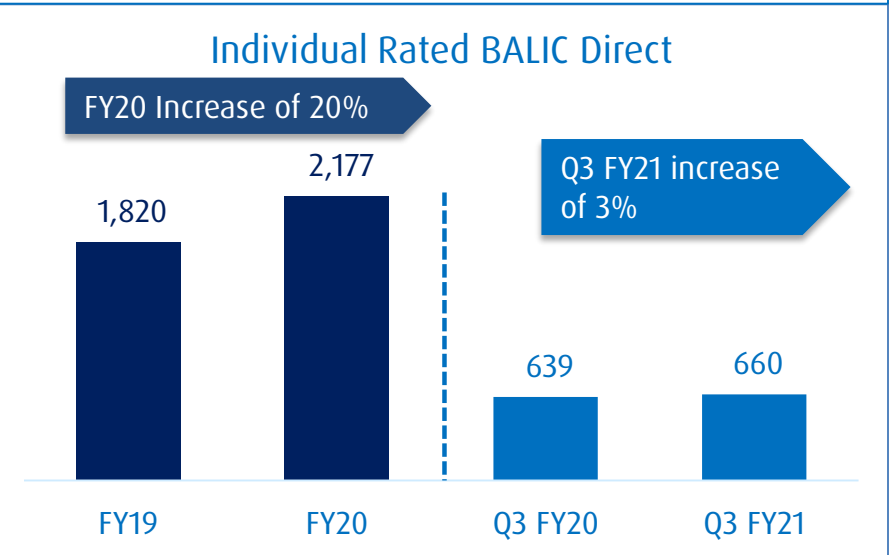
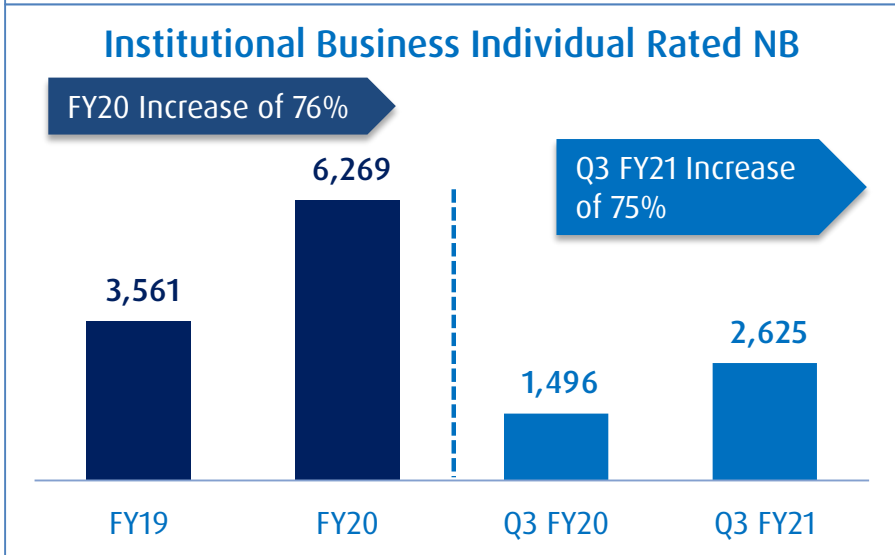
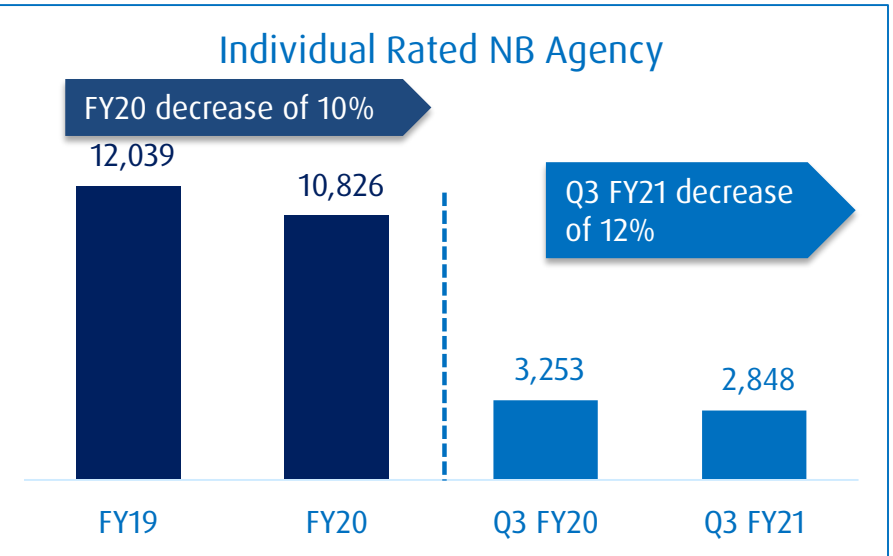
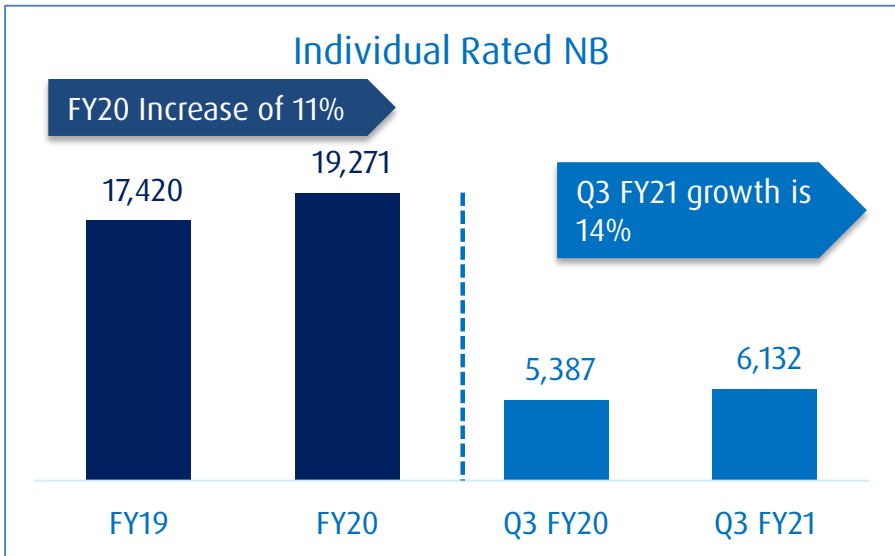
- With increasing share of retail protection and traditional savings in product mix, average ticket size has dropped vs Q3 FY20
- Excluding term, average ticket size for the company de-grew by 3% in Q3



Due to COVID-19 & extreme market volatility, renewal collection for 9M FY21 was severely impacted, which has led to marginally lower 13th and 25th month persistency. Later vintages have improved persistency

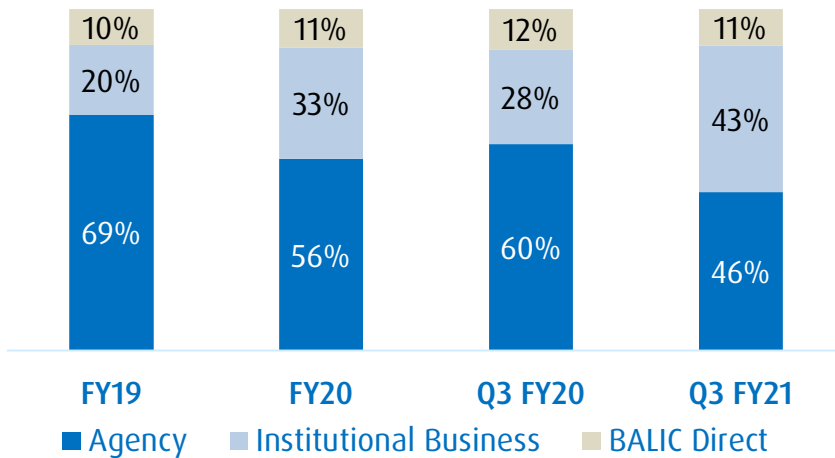
*Note : Persistency as per IRDAI framework | The persistency ratios for the period ended have been calculated for the policies issued in Dec to Nov period of the relevant years

All Figures in Rs Million



Individual Rated NB = (100% of first year premium & 10% of single premium excluding group products)

Individual Rated New Business Mix



- ❑ BALIC embarked on diversifying its distribution mix, scaling up alternate channels and enabling wider presence by exploring alternate partnerships
- ❑ Reduced over reliance on Agency channel with agency contribution reducing from 92% in FY 15 to 56% in FY20
- ❑ Within existing retail channels, focus is to drive profitable product mix; improve sales productivity; drive cost efficiencies through hierarchical synergies, improving span of control and variabilization

Agency:

Focus towards profitability and driving higher traditional Mix

- ❑ 3rd largest agency in private LI space; backed by 80K+ agents
- ❑ Traditional rated new business mix increased to 61% in 9M FY21 from 46% in 9M FY20
- ❑ Variabilization of Agency through low cost models

Institutional Business: Building sustainable business through strong integration with partners

- ❑ Diverse mix of large and small partner banks, NBFC, brokers and web aggregators
- ❑ All major Bancassurance and Third Party Partners contributing to channel growth
- ❑ Strengthen our group relations with various corporate distributors to focus on selling retail

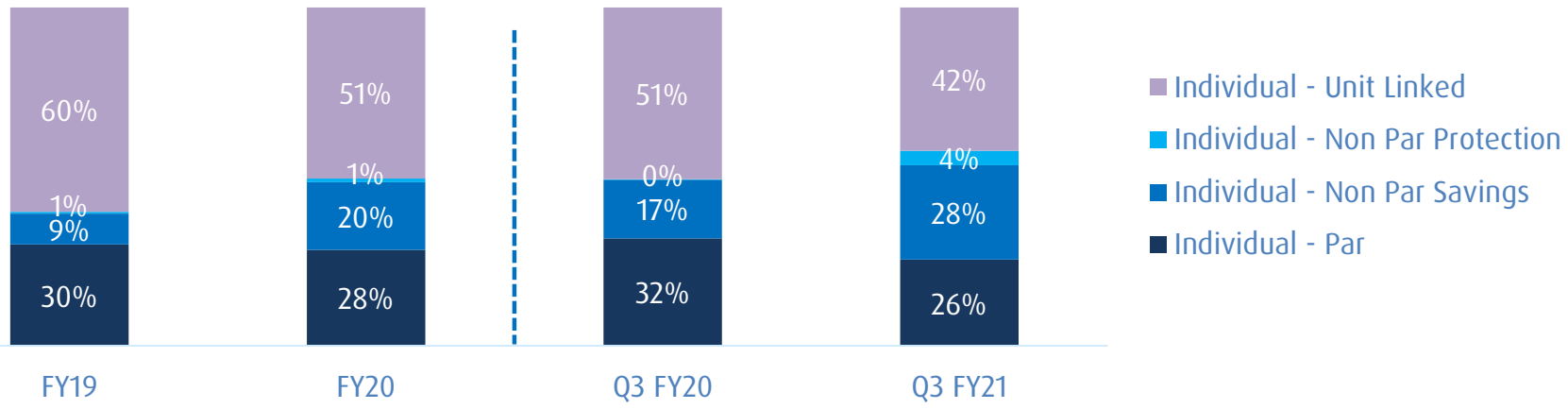
BALIC Direct :

Analytics backed, focused verticals for upsell and cross sell initiatives

- ❑ Presence in 54 cities, with Dedicated Verticals for various customer Segments
 - ✓ Maturity
 - ✓ Service to Sales
 - ✓ Elite Relationship force
- ❑ Data and Analytics as a key pillar for Direct business

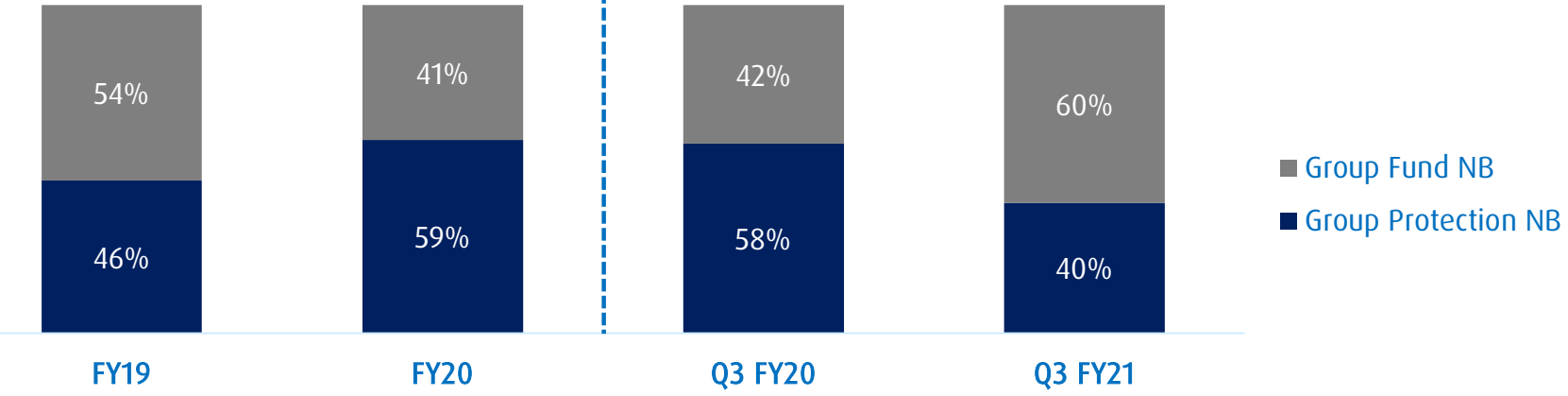
Individual Rated Mix

Share of Non-ULIP business in individual business increasing

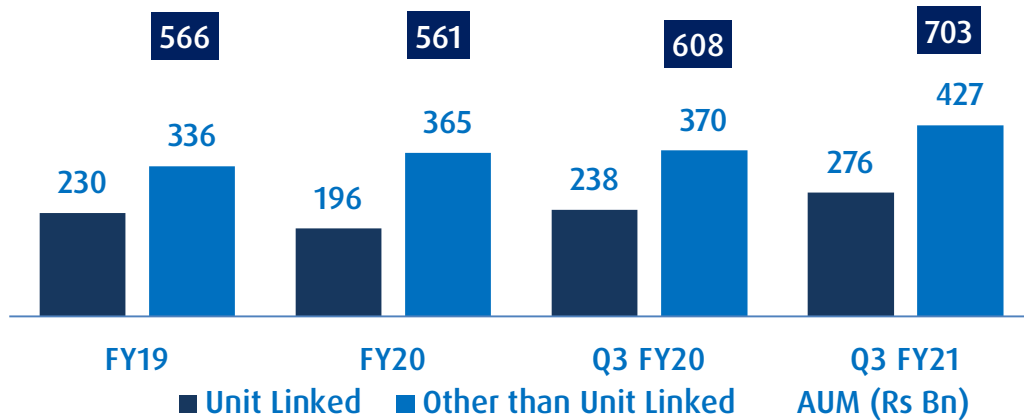


Group NB Mix

Protection (Group) new business in Q3 FY21 - Rs. 4,314 Mn (vs Rs. 4,918 Mn in Q3 FY20)



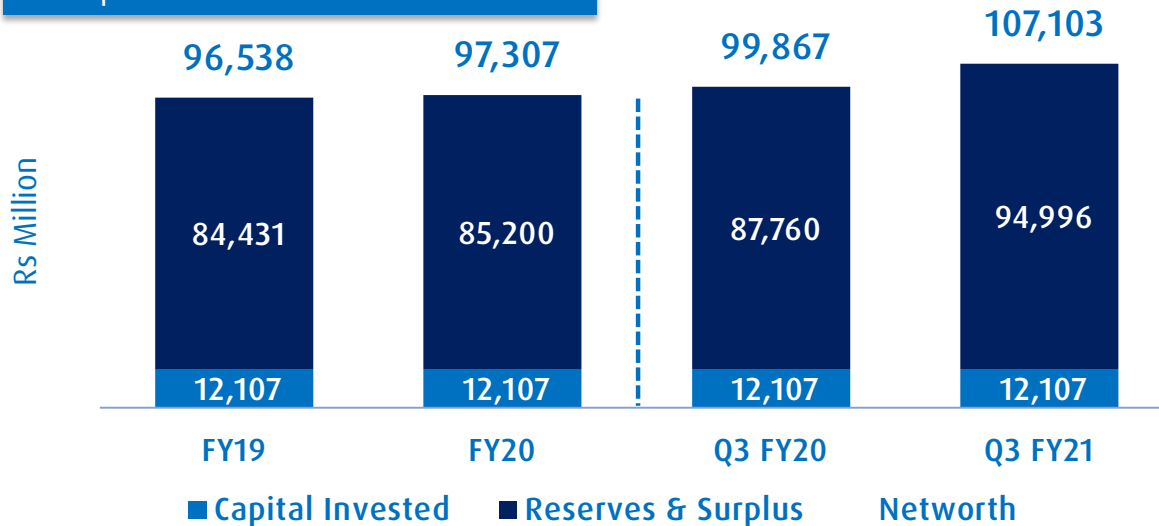
AUM (Mix)



- AUM as on 31 Dec 2020 grew by 16%; Growth in UL AUM stands at 16%; Traditional AUM grew by 15%
- Of the UL Funds of Rs.276 Bn., 65% is equity as on 31 Dec 2020 (59% as on 31 Dec 2019 out of the UL Funds of Rs.238 Bn.)

Total Capital infused is Rs.12,107 Mn
No Capital infusion since FY08

Net worth



- BALIC's accumulated profits are 89% of the Net worth as at 31 Dec 2020

*Accumulated profit includes reserves and fair value change on equity investments

Digital Initiatives to offer next in class customer experience



Smart Assist

Co-Browsing capabilities : First time in India

- Face-2-Face meetings NOW Screen-2-Screen (*device agnostic platform for customers*)
- New Business form filling via INSTAB screen sharing
- Secured platform for application processing & online payment collection



73,200+
Sessions done
since launch



WhatsApp

Real Time servicing Platform

- **6,50,000+** *Transactions Done in 9M FY21*



BOING Chat-Bot

For quick query resolution

- **131,600+** *Transactions done in 9M FY21*



i-Serve

Award winning - Video Based Policy Servicing tool

- **13,500+** *Call serviced in 9M FY21*
- *Available in 12 languages*

Additional Information – Claims

Line of Business	Net Claim Ratio			
	Q3 FY21	Q3 FY20	9M FY21	9M FY20
Fire	46.4%	13.4%	66.1%	74.5%
Marine Cargo	34.5%	42.1%	69.3%	70.2%
Motor OD	59.1%	72.9%	49.9%	68.2%
Motor TP	74.0%	67.1%	77.7%	66.3%
Motor Total	67.7%	69.5%	66.2%	67.1%
Engineering	35.7%	7.9%	45.2%	47.0%
Personal Accident	35.3%	65.5%	45.8%	55.3%
Health (retail + group)	83.7%	85.8%	84.3%	86.5%
Crop	51.1%	111.5%	82.9%	109.9%
Total	66.6%	72.6%	69.8%	73.5%
Total (Ex Crop)	67.8%	68.9%	68.8%	70.6%

*Health includes Retail , Group and Overseas | PA includes retail and group business | Net Claim Ratio = Net claims incurred divided by Net Earned Premium | LOB trend for major LOB

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