

Reliance Capital Limited

Investor Presentation

January 2015



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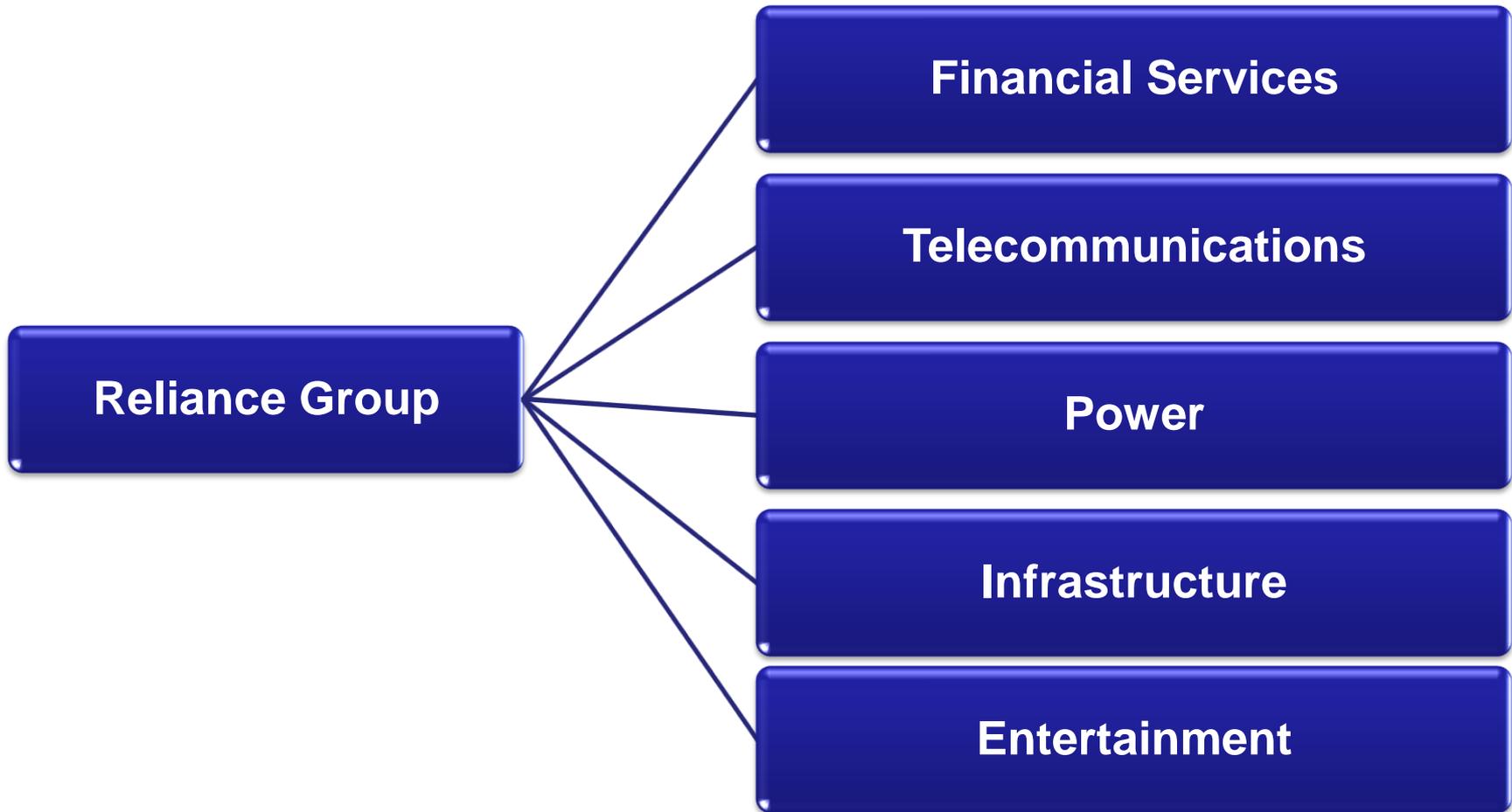
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Overview - Strong Fundamentals



Amongst India's leading business groups





An MBA from the Wharton School of the University of Pennsylvania. Shri Ambani has been associated with a number of prestigious academic institutions in India and abroad. The Prime Minister has nominated Shri Ambani as the Co-Chair from the Indian side of the India-China CEO Forum

Shri Anil D. Ambani
Chairman



Shri Amitabh Jhunjunwala, is a fellow chartered accountant. He has wide exposure in developing, strategising and overseeing businesses in financial services, power, telecommunications and entertainment sectors. He has experience in the areas of finance, commercial, banking, accounts and general management. He is a Vice Chairman of Reliance Capital Limited & also a director on the board of Reliance Equity Advisors (India) Limited

Shri Amitabh Jhunjunwala
Vice-Chairman



Shri Rajendra P. Chitale, law graduate and a chartered accountant, is the managing partner of Chitale & Associates and M. P. Chitale & Co. He has served as a member of the advisory committee on regulations of the Competition Commission of India and the Maharashtra Board for Restructuring of State Enterprises, Government of Maharashtra

Shri Rajendra Chitale



Dr. Bidhubhusan Samal is a master in science & agriculture, from Orissa University of Agriculture and doctorate in Philosophy (Arts) in Economics from Kalyani University, West Bengal. He is having experience in the field of banking, securities market and industrial finance and served as Chairman and Managing Director of Allahabad Bank, Industrial Investment Bank of India and as a member of Securities Appellate Tribunal

Dr. Bidhubhusan Samal



Smt. Chhaya Virani graduated from Mumbai University with a bachelors' degree in Arts. She also acquired a bachelors' degree in law from the Government Law College in 1976. She is a partner in M/s. ALMT Legal, Advocates and Solicitors

Smt. Chhaya Virani

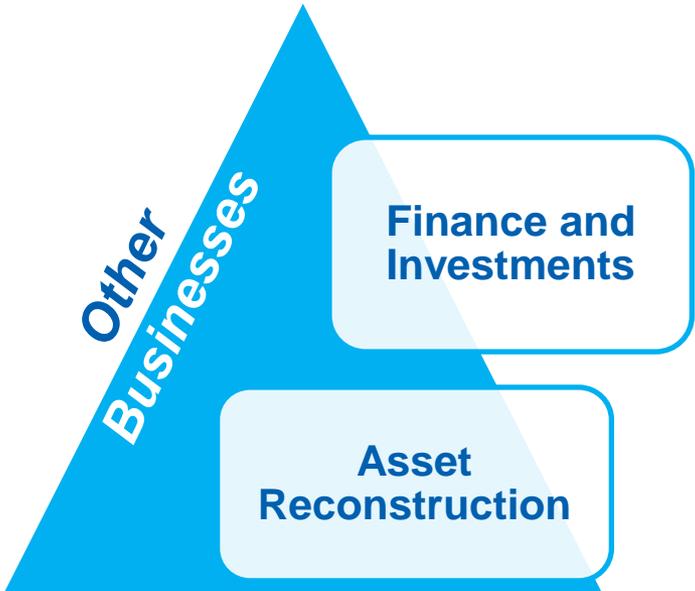
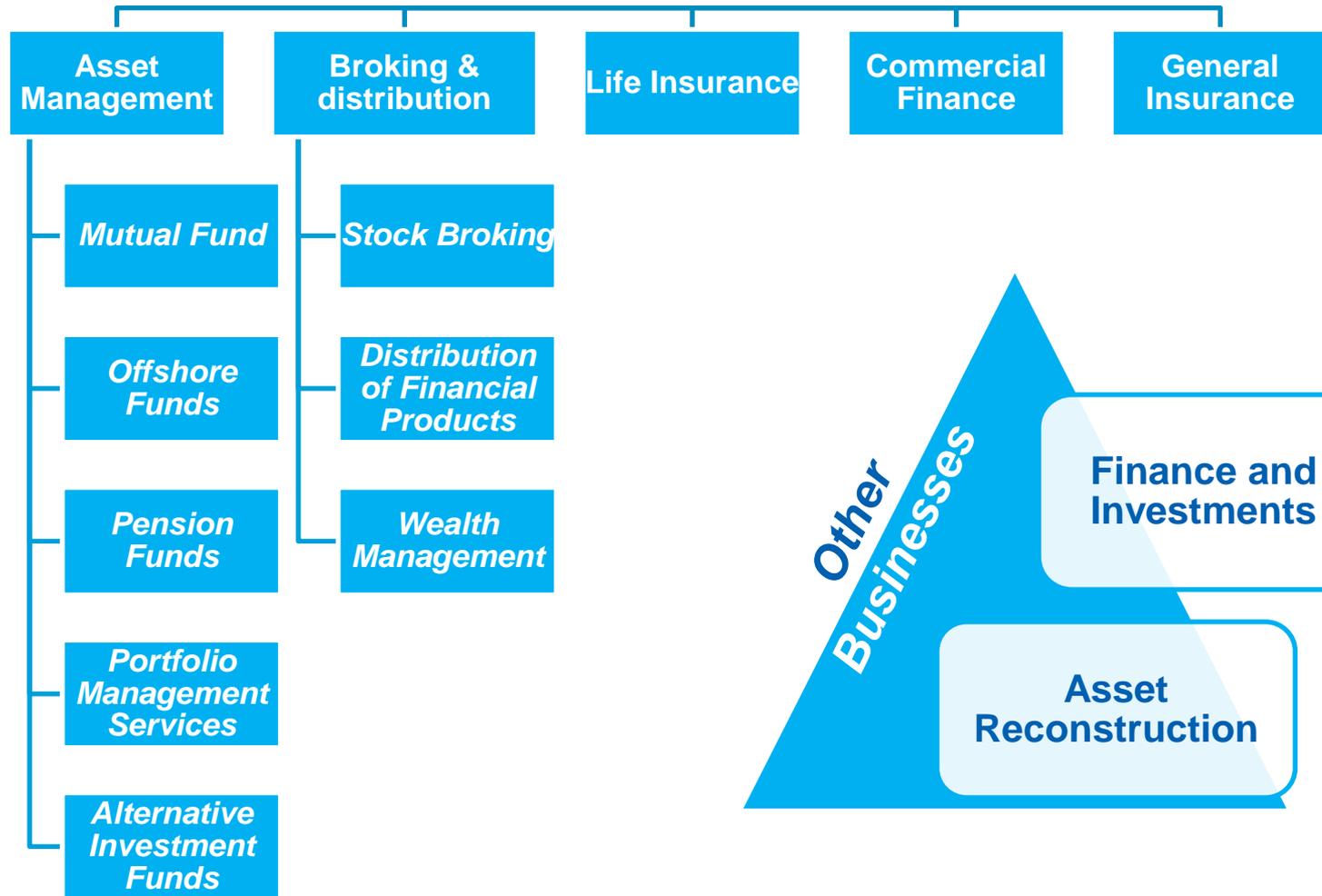


Shri V. N. Kaul, former Comptroller and Auditor General of India (2002 to 2008), is a recipient of Padma Bhushan. He was Vice Chairman of the United Nations Independent Audit Advisory Committee at UN Headquarters, New York, from 2008 to 2011

Shri V. N. Kaul

One of India's Leading Non-Banking Financial Services' Cos.

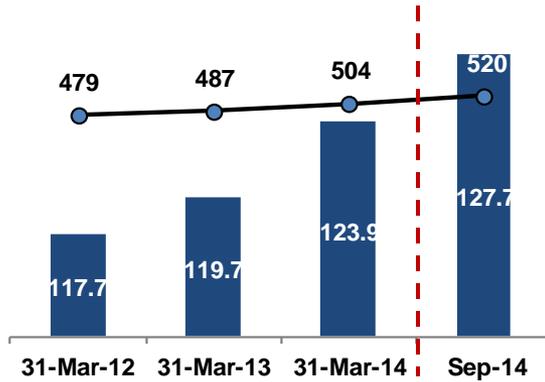
Core Businesses



Networth and Book value Per Share

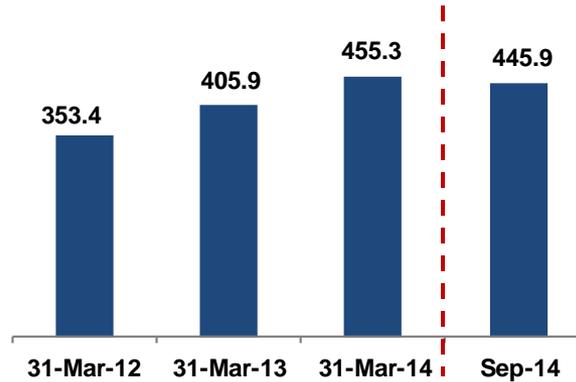
(Rs. Billion)

(Rs.)



Total Assets

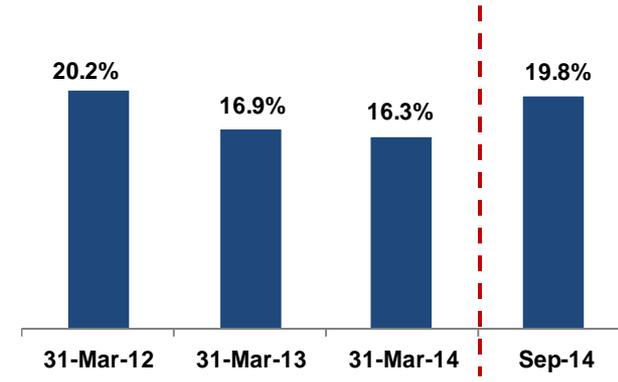
(Rs. Billion)



Capital Adequacy

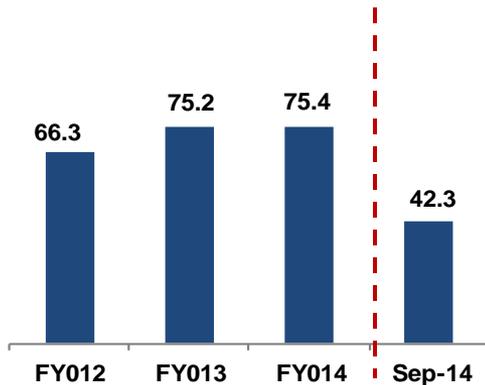
(%)

* Based on standalone financials



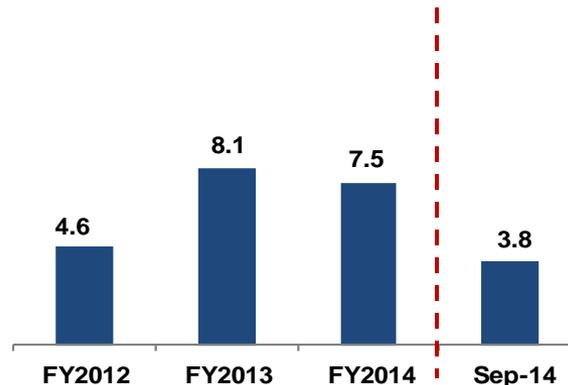
Total Income

(Rs. Billion)



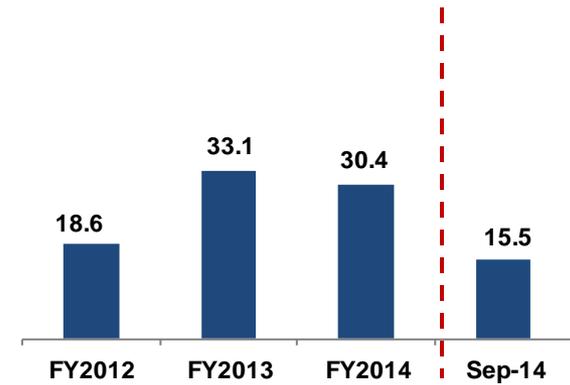
Profit After Tax

(Rs. Billion)



Earnings Per Share

(Rs.)



* FY2013 results include one-time capital gains on stake sale in RCAM

SMTB to take an initial 2.8% stake in Reliance Capital ⁽¹⁾ through preferential allotment route

- ✔ SMTB to invest Rs. 3.7 billion for an initial 2.77% stake in Reliance Capital (investment at Rs. 530 per share, represents premium of 11%)
- ✔ Sumitomo Mitsui Trust Group is the 4th largest Japanese bank and Japan's largest financial institution managing assets of US\$ 682 billion
- ✔ SMTB and Reliance Capital will collaborate on opportunities, such as:
 - ✔ *New Banking license (subject to applicable laws)*
 - ✔ *M&A solutions to the clients of both companies*
 - ✔ *RCAP to support SMTB's customers in their supply chain financing and advisory needs in India*
 - ✔ *SMTB to provide wide range of financial and other services to the Reliance Group companies in Japan and the Asia - Pacific region*

(1) Subject to shareholders & CCI approval



Reliance Life Insurance

Amongst the Top 5 Private Sector Life Insurers in India

Sustained market leadership

- ✓ Largest non-bank supported private life insurer & the 5th largest life insurer in the Indian market
- ✓ 6.5% & 8.5% market share among private life insurance companies in terms of I-WRPAs & NB-WRP (Mar 31, 2014)

Strong growth momentum

- ✓ Despite adverse economic conditions, Reliance Life has successfully adjusted to the changing environment to achieve accounting break-even in its sixth year of operation

Focus on agency and proprietary channels

- ✓ Nationwide network with over 900 offices and 3,270 channel development associates (“CDAs”)
- ✓ Sales force of over 81,500 licensed agents

Focus on profitable business

- ✓ Decline in PBT due to reduction in surrender profit
- ✓ Favourable business mix (non-par: 65% of individual new business)

Key Metrics

NB Premium (H1FY15):
Rs. 11.4 billion

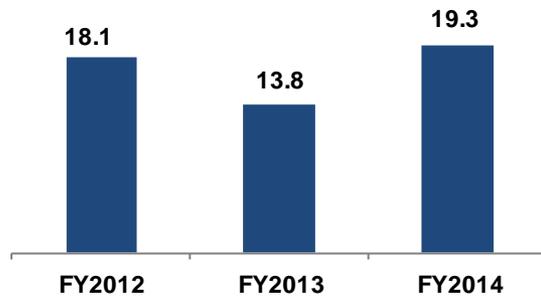
Individual WRP (H1FY15):
Rs. 5.3 billion

AUM (H1FY15):
Rs. 189.0 billion

Solvency margin (FY14):
442%

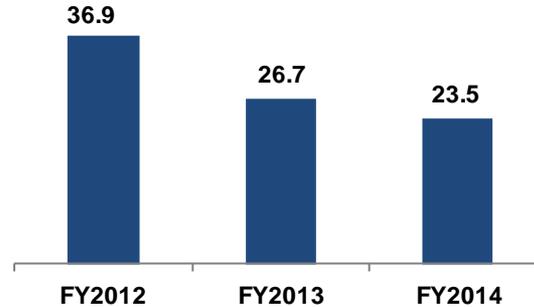
New Business Premium

(Rs. Billion)



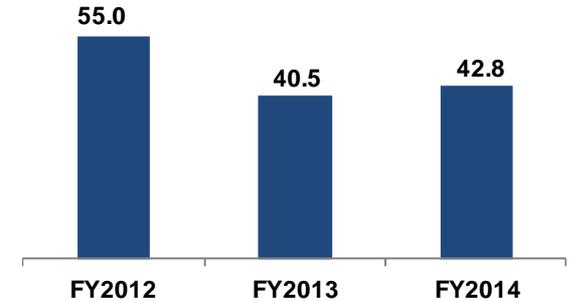
Renewal Premium

(Rs. Billion)



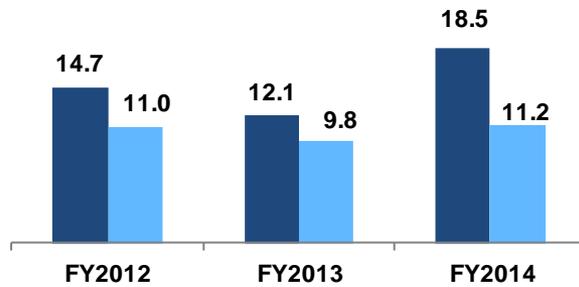
Total Premium (net of reinsurance)

(Rs. Billion)



Weighted Received Premium

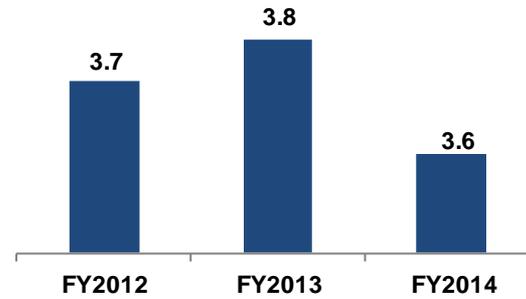
(Rs. Billion)



■ NB - WRP ■ Individual WRP

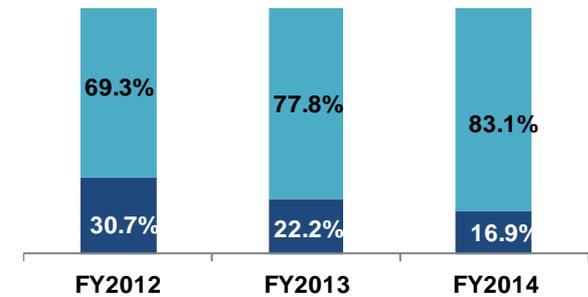
Profit Before Tax

(Rs. Billion)



Business Mix

(%)



■ ULIP ■ Traditional



Reliance General Insurance

Amongst the Top 5 private Sector General Insurance Companies in India

Market leadership

- ✓ One of the five leading player in private sector in terms of gross written premium
- ✓ 7.5% market share in private sector (in terms of Gross Premium (FY14))

Continued emphasis on robust business model

- ✓ No. of policies sold rose to 3.7 million in FY14 (+27%)

Building efficient and nationwide distribution footprint

- ✓ Wide network of 127 branches
- ✓ Intermediaries rose to over 15,000 (September 30, 2014)

Focus on profitable business

- ✓ Emphasis on commercial lines and individual health segments

Key Metrics

**GWP (H1FY15):
Rs. 14.4 billion**

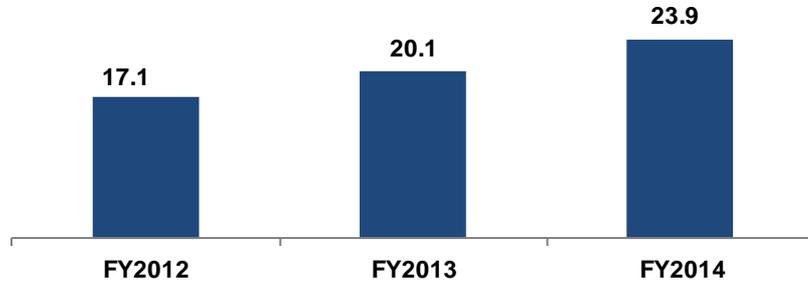
**Investments (FY14):
Rs. 38.4 billion**

**PBT (FY14):
Rs. 0.6 billion**

**Solvency (FY14):
151%**

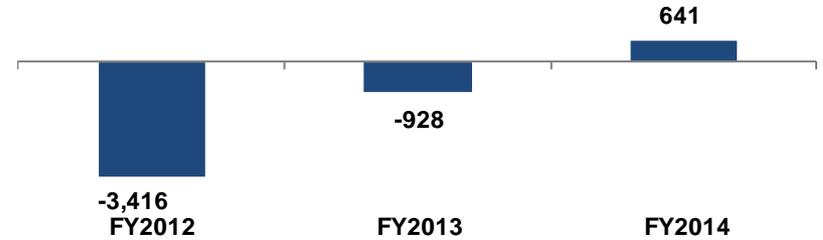
Gross Direct Premium

(Rs. Billion)

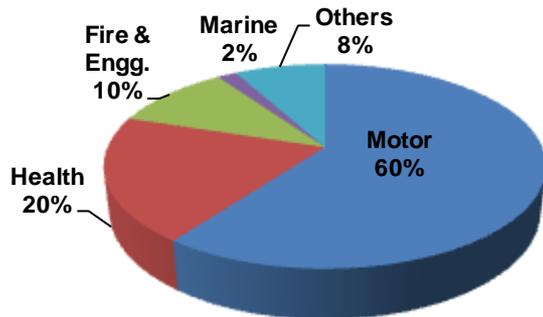


Profit Before Tax

(Rs. Million)

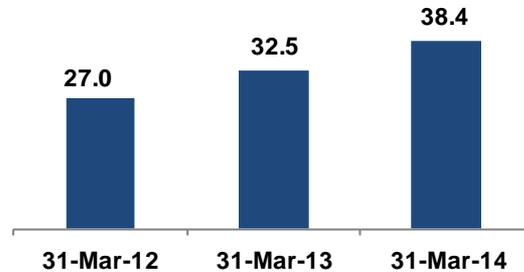


Business mix ⁽¹⁾



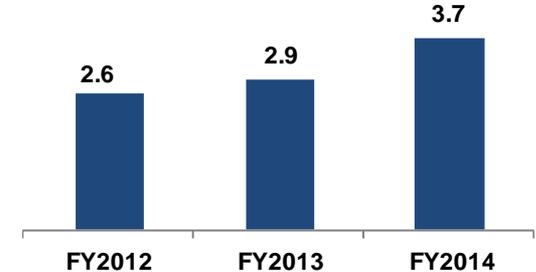
Investment Book

(Rs. Billion)



No. of policies issued

(in Million)



(1) Based on FY14 Gross Direct Premium



Reliance Commercial Finance



A leading financier in the SME segment

High quality portfolio through robust credit appraisal and risk management practices

- ✓ Strong underwriting processes - six levels of underwriting hierarchy
- ✓ Cash-flow based lending vs. Asset-backed lending
- ✓ Risk management through robust risk management framework, and use of technology and automation
- ✓ 99.95% of the outstanding loan book secured

Building efficient and nationwide distribution footprint

- ✓ Offices across 42 cities and covers 90 towns and cities through a hub and spoke model
- ✓ Caters to over 70,000 customers (September 2014)

Key Metrics

**Total income (FY14):
Rs. 22.1 billion**

**PBT (FY14):
Rs. 4.3 billion**

**Loan Portfolio (H1FY15):
Rs. 187.4 billion**

(As on Sept 2014)

Segment	Focus Area for growth	Share in total
Home Loan	Self Employed / Affordable Housing in Tier I & II cities	17%
LAP	Self employed / SMEs	29%
Commercial Vehicles	Small operators / FTBs / Agriculturists	12%
SME	Cluster-based growth approach	29%

A man in a dark suit and glasses is shown in a thoughtful pose, resting his chin on his hand. In the background, a white circular clock is visible on the wall. The overall scene is set in a professional office environment.

Reliance Capital Asset Management



Amongst the Top 3 Mutual Funds in the country

Sustained market leadership

- ✓ Mutual Fund industry – 11.5% market share
- ✓ One of India's leading Mutual Funds - all segments viz. liquid, debt and equity
- ✓ Has over 5 million investor folio accounts
- ✓ Serves even small customers, investing in amounts starting at Rs. 100

Building efficient and nationwide footprint

- ✓ Over 170 customer touch points (including offices in Dubai, Singapore and Mauritius) and 45,000 empanelled distributors

Key Metrics

Average AUM (H1FY15)*:
Rs. 2.2 trillion

Average MF AUM (H1FY15)*:
Rs. 1.2 trillion

Total Income (FY14):
Rs. 6.8 billion

Profit before tax (FY14):
Rs. 2.6 billion

** For the quarter ended Sep 30, 2014*

Nippon Life to increase its stake from 26% to 49% in Reliance Capital Asset Management Limited

- ✔ **Nippon Life to invest Rs. 6.6 billion for additional 9% stake in first tranche to reach 35%**
- ✔ **Option to increase its stake further by an additional 14% in tranches**
- ✔ **Boards of Directors of both companies have approved the transaction, subject to regulatory approvals**
- ✔ **Nippon Life Insurance is the 7th largest life insurer in the world and the largest private life insurer in Asia and Japan; manages assets of approx. US\$ 500 billion**



Broking and Distribution

Amongst the largest broking houses in the retail segment

- ✓ Comprehensive product suite across asset classes integrated with multi-asset class open architecture
- ✓ Pan India presence of 58 branches and 983 active franchisees
- ✓ Distribution network of 118 branches across India
- ✓ Income declined due to exit from insurance broking business and closure of gold coin business

Key Metrics
Retail Broking accounts: 727,000 (FY14)
Average Daily Turnover: Rs. 19.6 billion (FY14)



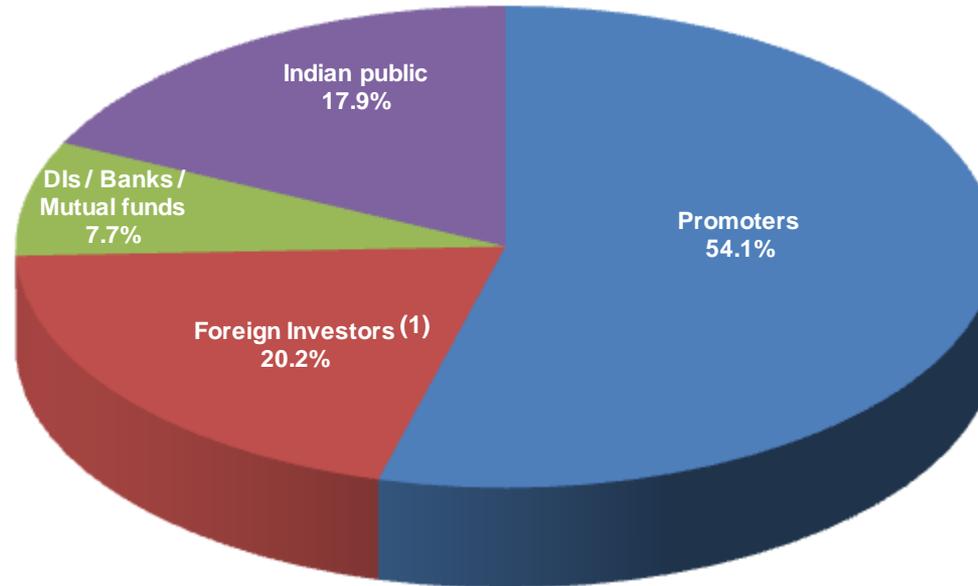
Reliance Asset Reconstruction

-  Reliance ARC is in the business of acquisition, management and resolution of distressed debt / assets
-  The business also focuses on bilateral deals with banks and works with the management of the NPA company for facilitating time bound solutions
-  Assets under management as on March 31, 2014 was Rs. 8.66 billion



Shareholding Pattern & Financials

(As on September 30, 2014)



- **1.1 million retail shareholders**
- **Constituent of CNX Nifty Junior and MSCI India**
- **Traded in futures & options segment**

(1) Foreign Investors includes Foreign Institutional Investors, Depository Receipts & NRI

Balance Sheet

(Rs. Million)	Sept 30, 2014	Mar 31, 2014	Mar 31, 2013	Mar 31, 2012
Capital	2,445	2,445	2,462	2,462
Reserves	131,013	126,904	122,410	116,526
Borrowings	249,440	255,766	225,097	195,899
Other Liabilities	63,040	70,162	55,917	38,544
Total	445,937	455,277	405,881	353,430
Cash / bank balance	12,553	26,629	15,822	11,251
Investments	167,153	161,577	150,860	147,597
Loans	225,432	224,618	202,126	168,674
Fixed assets	5,125	4,831	4,378	2,811
Other Assets	35,674	37,621	32,695	23,097
Total	445,937	455,277	405,881	353,460
Tier I *	15.8%	12.2%	13.0%	18.0%
Tier II *	4.0%	4.1%	3.9%	2.2%
Capital Adequacy *	19.8%	16.3%	17.0%	20.2%

* Based on standalone financials

Profit & Loss statement

(Rs. Million)	H1 FY2015	FY 2014	FY 2013	FY 2012
Interest Income	19,426	36,814	32,067	28,217
Capital Gains / Dividend	1,726	1,521	11,588	7,935
Premium Earned	14,311	24,372	20,733	19,343
Mgmt. & Advisory Fee	3,818	6,991	6,416	6,138
Brokerage & Comm.	1,681	2,664	2,208	2,093
Other Income	1,318	3,079	2,174	2,543
Total Income	42,281	75,441	75,186	66,269
Interest & Fin. Charges	13,441	25,011	23,430	22,501
Other Expenses	24,622	41,960	43,453	38,576
Total Expenses	38,063	66,971	66,883	61,076
Profit before tax	4,218	8,470	8,303	5,192
Net profit after tax	3,811	7,465	8,119	4,578

RELIANCE

Thank you

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