



RELIANCE

# Results for the year ended March 31, 2014

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*Investor Presentation*

*May 2, 2014*

RELIANCE

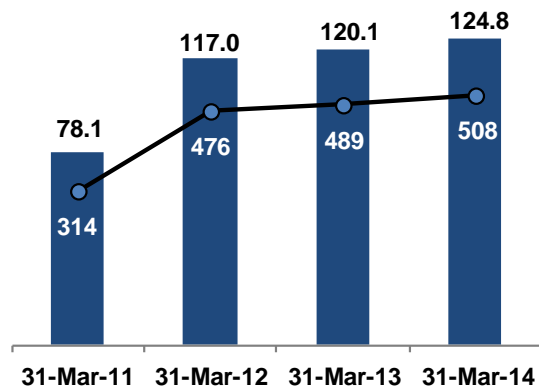


# *Overview - Strong Fundamentals*

## Networth and Book value Per Share

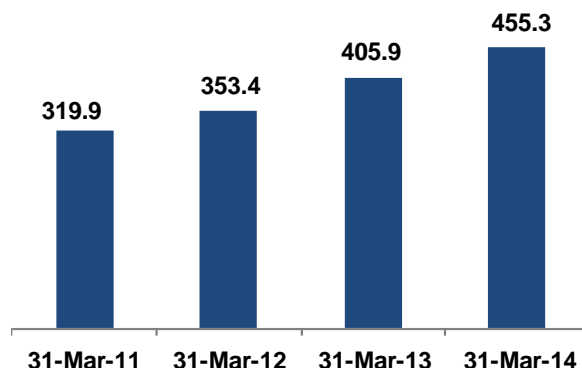
(Rs. Billion)

(Rs.)



## Total Assets

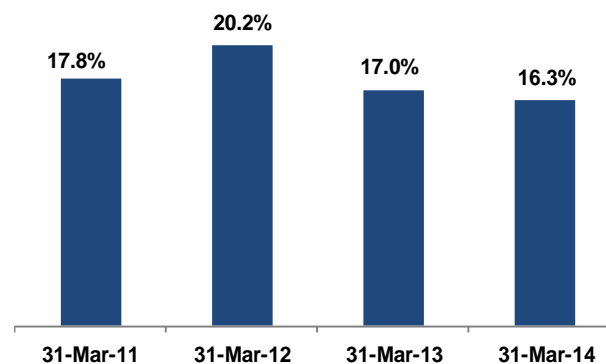
(Rs. Billion)



## Capital Adequacy

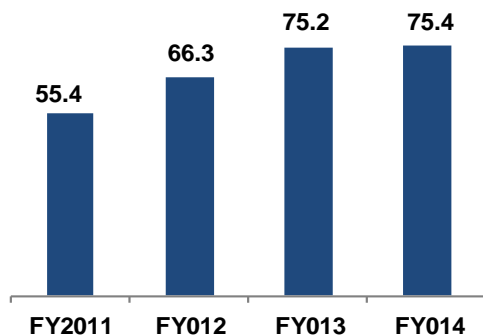
(%)

*\* Based on standalone financials*



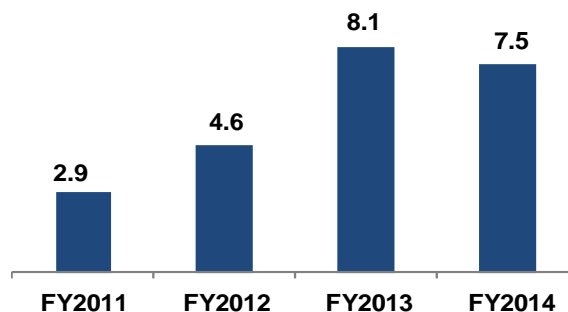
## Total Income

(Rs. Billion)



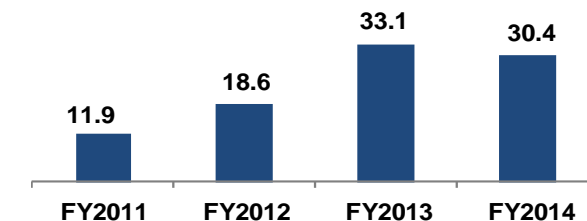
## Profit After Tax

(Rs. Billion)



## Earnings Per Share

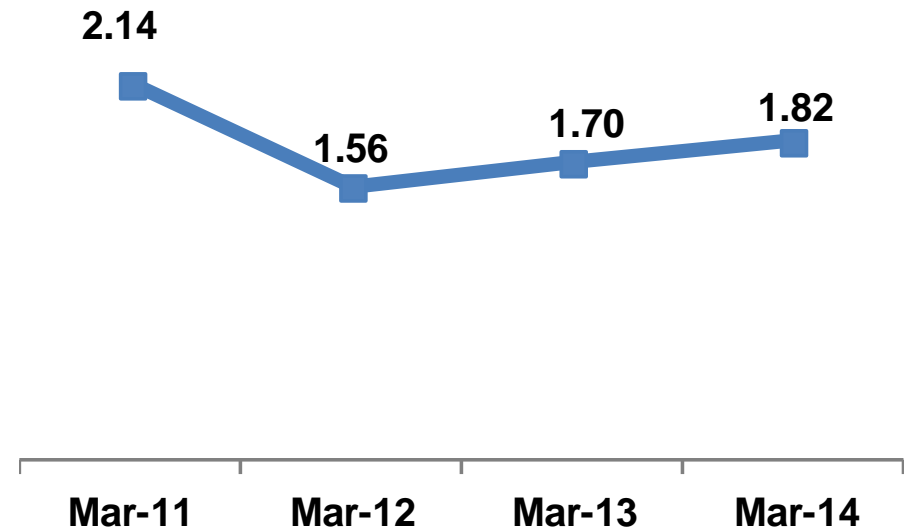
(Rs.)



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

### Net debt - equity ratio: 1.82

- **CRISIL 'A1+'**
  - *Highest credit rating for short term borrowing program*
- **ICRA 'A1+'**
  - *Highest credit rating for short term borrowing program*
- **CARE 'AAA'**
  - *Highest credit rating for long term borrowing program*



Well capitalized to address future growth opportunities





***Reliance Life Insurance***

- As on Mar 31, 2014, Reliance Life maintained its position amongst Top 5 private sector insurers (as per Ind. WRP)
- New Business Premium grew by 40% in FY14
  - *Achieved highest market share gain in the industry (from 4% in FY13 to 7% in FY14)*
  - *Average ticket size was over Rs. 20,000 (+37%)*
- Solvency margin rose to 442% (FY13: 429%)
- Reduction in surrender profit; increase in business profit
- Favourable business mix (non-par: 46% of Ind. NB)
- FY14 Return on equity was 26.4%
- Increased emphasis on agency and proprietary channels
- Nationwide distribution network with over 900 offices

FY14 NBAP margin rose to 23.8% (20.2% in FY13)

**RELIANCE**  
Life Insurance

**Reliance Life Insurance eTerm Plan**

For a Life Cover of ₹ 1 crore  
my premium is only ₹ 8400 p.a.\*  
Premium that is easy on my pocket!

**RELIANCE**  
Life Insurance

**Reliance Life Insurance Super Endowment Plan**

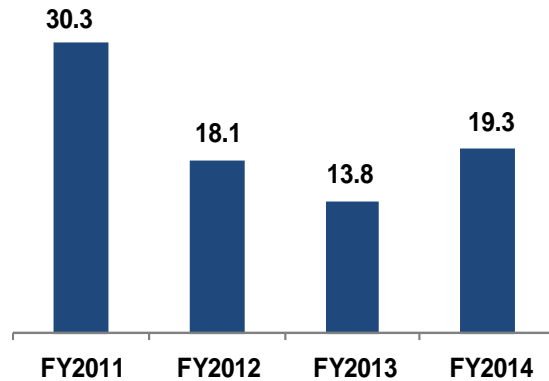
Always **more**  
than you can ask for!

Just pay for half the term and  
enjoy benefits for full policy term plus  
get high return on your investments

₹ ₹

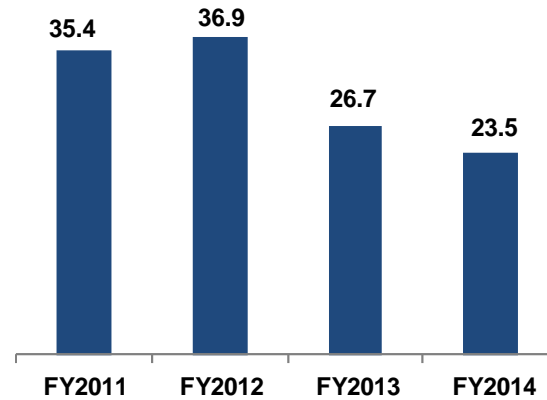
## New Business Premium

(Rs. Billion)



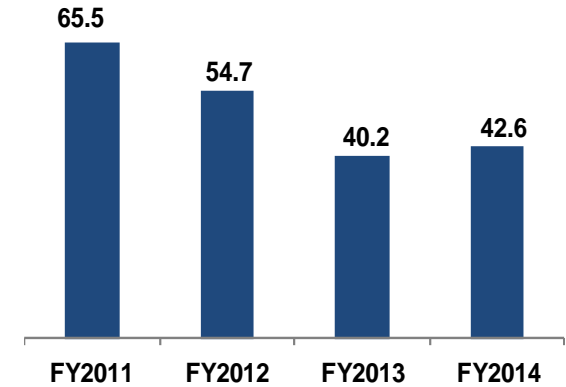
## Renewal Premium

(Rs. Billion)



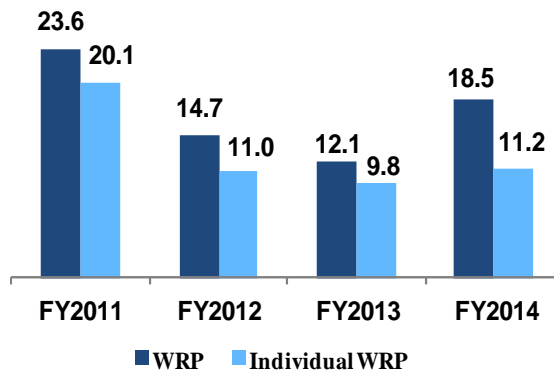
## Total Premium (net of reinsurance)

(Rs. Billion)



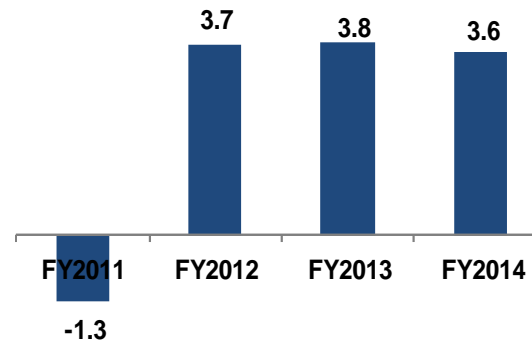
## Weighted Received Premium

(Rs. Billion)



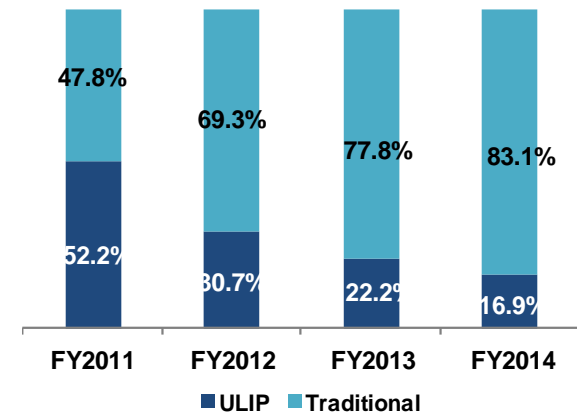
## Profit Before Tax

(Rs. Billion)



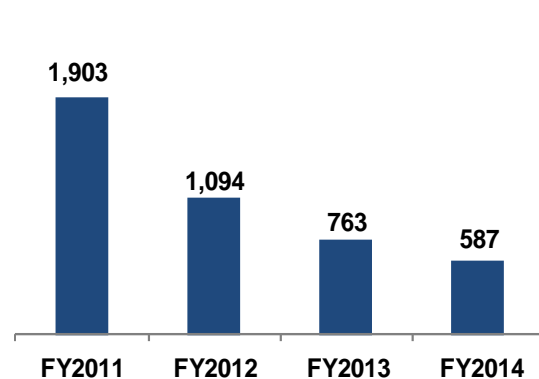
## Business Mix

(%)



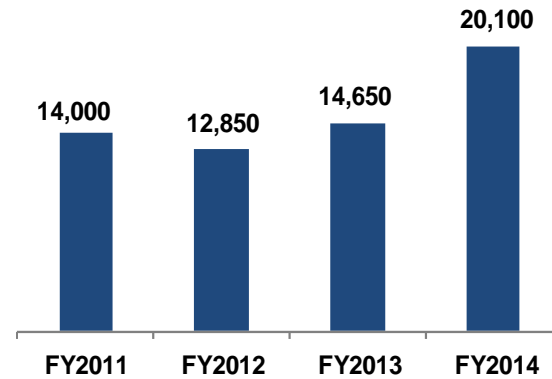
## No. of individual policies sold

(in '000s)



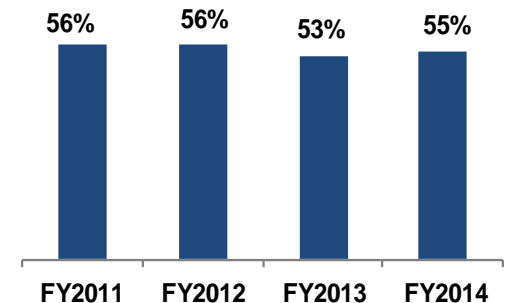
## Average Ticket size

(Rs.)



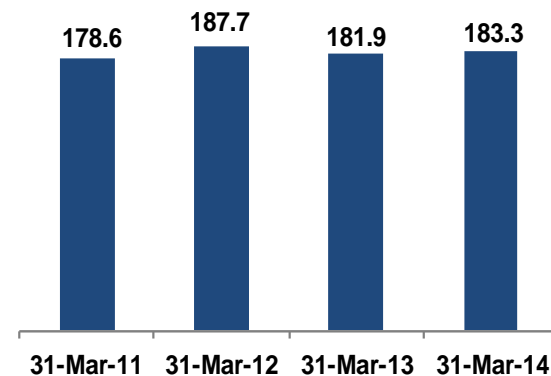
## Persistency

(%)



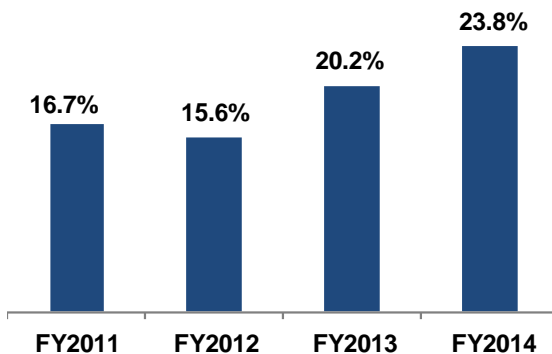
## Funds under Management

(Rs. Billion)



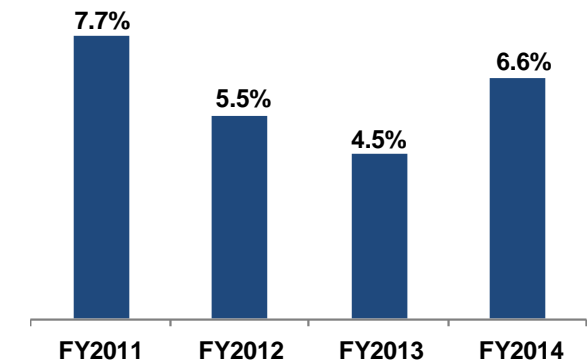
## NBAP Margin

(%)



## Private Sector Market Share

(%)







***Reliance General Insurance***

- As on Mar 31, 2014, Reliance General Insurance was ranked amongst the Top 5 private sector insurers
- No. of policies sold rose to 3.7 million in FY14 (+27%)
  - *Manual cover-notes reduced from 11% to 6%*
- Direct sales contributed 24% of total premium (16% in FY13)
- Combined ratio declined from 121% to 119%
  - *Provision due to 3<sup>rd</sup> party motor pool claims and exceptional provisioning for 'Motor Decline Risk' pool fully taken in FY14*
- Return on equity for the year was 7.9%
- Investment book grew to Rs. 38 billion (+18%)
- Intermediaries rose to over 15,500 intermediaries
  - *Highest no. of new agents added in FY14 amongst private sector insurers*

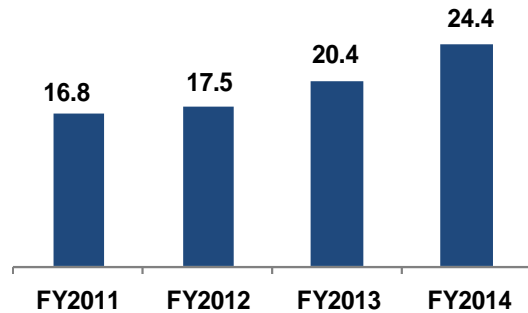


The collage features several Reliance General Insurance advertisements. At the top, a pink banner promotes 'Save Tax & Secure Health' with a 'Save upto Rs 4635 /- (section 80D)' offer. Below this, a blue banner encourages customers to 'Think of Insurance Think of us!' and 'Buy & Renew policies online at [www.reliancegeneral.co.in](http://www.reliancegeneral.co.in) and protect what you value'. The middle section displays four policy categories with icons: 'Health' (Reliance HealthWise Policy), 'Motor' (Reliance Private Car Package Policy), 'Travel' (Reliance Travel Care Insurance Policy), and 'Householder's' (Reliance Householder's Policy). The bottom section features a large orange banner for the 'Reliance Travel Care Insurance Policy' with the tagline 'Making journeys safer'. This banner lists various coverages like 'Custom Made Plans', 'Comprehensive Coverage', and 'Automated extensions of policy'. It also includes contact information: 'To get and instant quote and the BEST DEAL, SMS "Travel" to 85494 or visit [www.reliancegeneral.co.in](http://www.reliancegeneral.co.in) or Call 1800 3002 8282 (toll free) or 022 3989 8282 (toll free)'. The bottom-most part of the collage shows a family (a man, a woman, and a child) sitting in a car, smiling, with a red suitcase in the foreground.

Achieved 1<sup>st</sup> full year of profitability

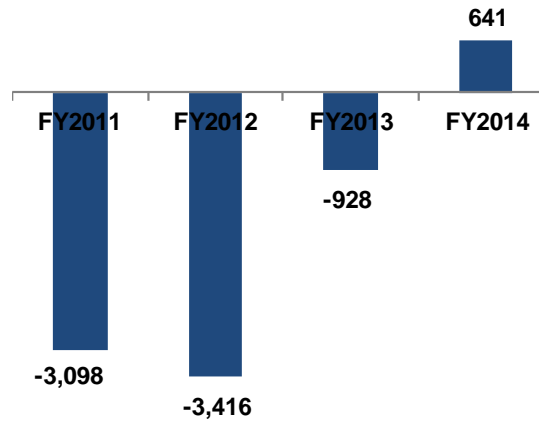
## Gross Written Premium

(Rs. Billion)



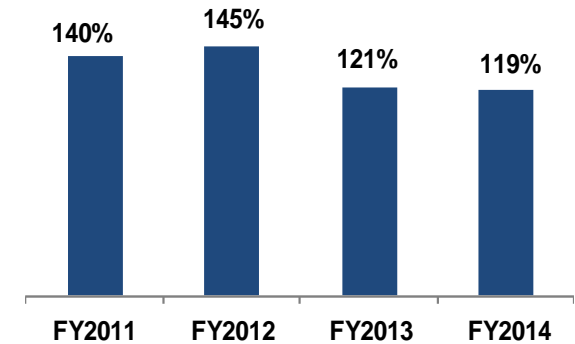
## Profit Before Tax

(Rs. Million)

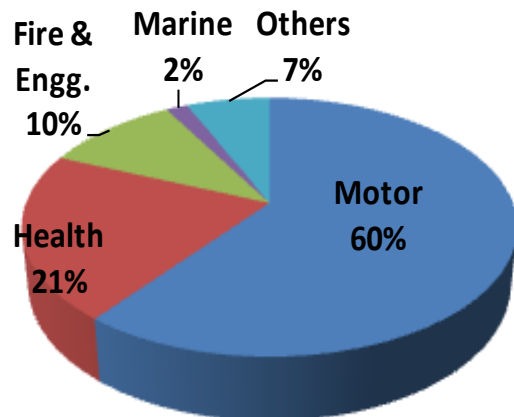


## Combined Ratio

(%)

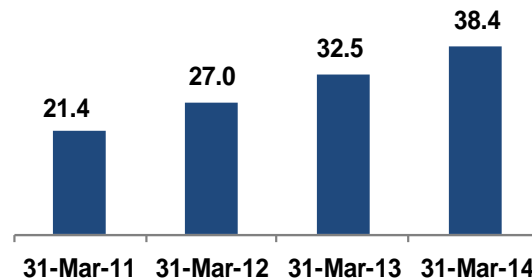


## Business mix



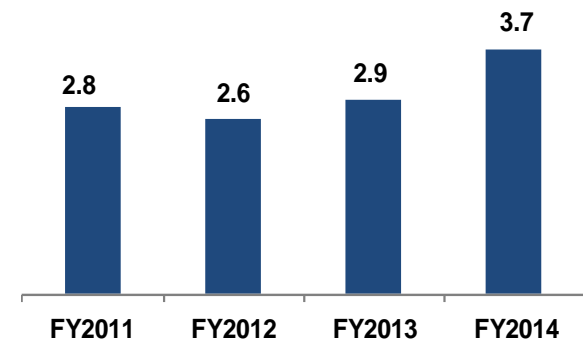
## Investment Book

(Rs. Billion)



## No. of policies issued

(in Million)





***Reliance Commercial Finance***



- Amongst the leading lenders in the Indian NBFC sector
- Continued focus on asset-backed lending and productive asset creation
- Key focus areas: Mortgage, SME and Commercial Vehicle finance
- NIM improved to 5.5% as against 4.3% in FY13
- Return on equity was 15.0% as against 11.8% in FY13
- Securitised loans of approx. Rs. 28 billion in FY14 (+28%)
- Caters to over 66,000 customers
- Geographical presence in 37 locations across the country

RELIANCE

Commercial Finance

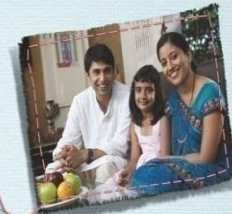
Unlock the full potential of your property with tailor-made  
**Reliance Loans Against Property.**

RELIANCE

Home Finance

Own your dream home with tailor-made  
**Reliance Home Loans.**

SMS HOME to 55454\*



RELIANCE

Commercial Finance

Take your business to greater heights with tailor-made  
**Reliance SME Loans.**



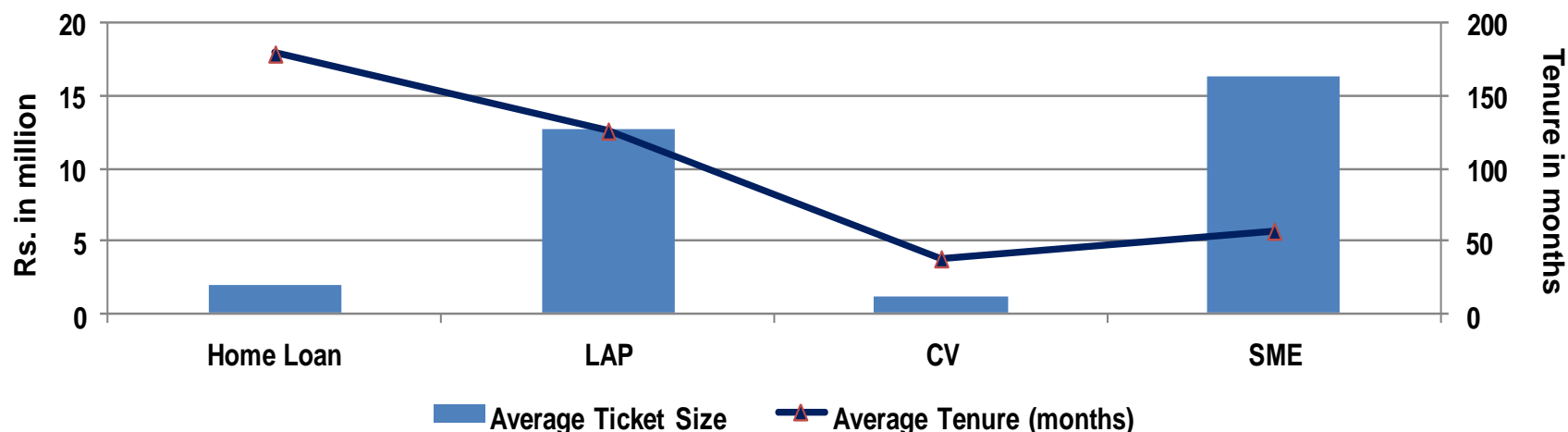
- Finance offerings tailored for the individual needs of various industries
- Instant loan processing at competitive rates
- Flexible loan tenure and easy repayment options
- Waiver of secondary collateral on loans up to ₹ 1 crore\*

SMS SMEF to 55454\*  
[www.reliancecf.com](http://www.reliancecf.com)

SMS charges as applicable.  
All loans will be at the sole discretion of Reliance Capital Ltd. \*Conditions apply.  
Reliance Commercial Finance is presented by Reliance Capital Ltd.

(As on Mar 2014)

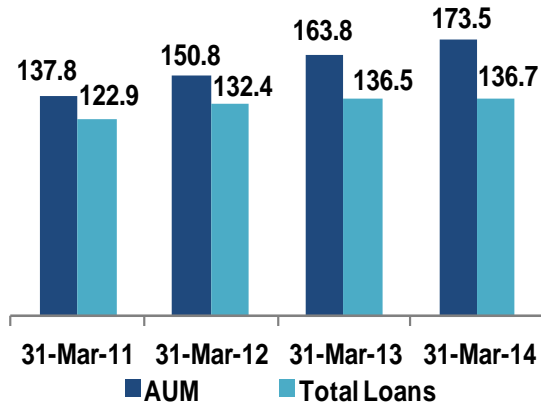
Segment	Focus Area for growth	LTV	Share in total	Avg. Yield
Home Loan	Self Employed / Affordable Housing in Tier I & II cities	57%	16%	13%
LAP	Self employed / SMEs	43%	33%	16%
Commercial Vehicles	Small operators / FTBs / Agriculturists	86%	13%	15%
SME	Cluster-based growth approach	68%	27%	15%





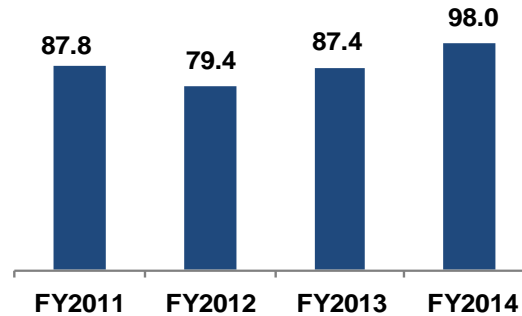
## AUM and Total Loan Portfolio

(Rs. Billion)



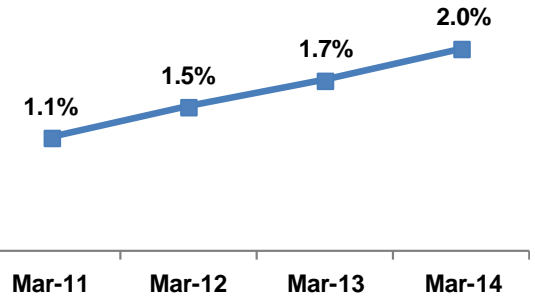
## Disbursements

(Rs. Billion)



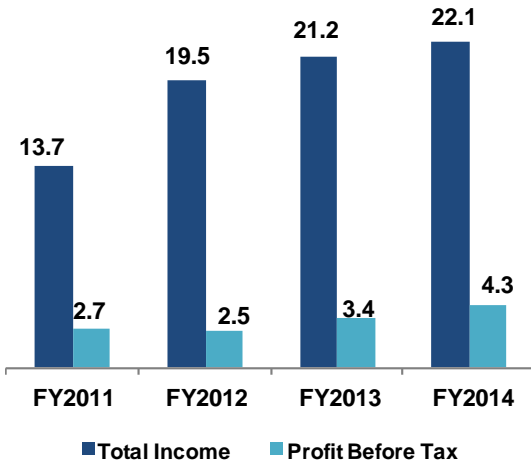
## Gross NPLs

(%)



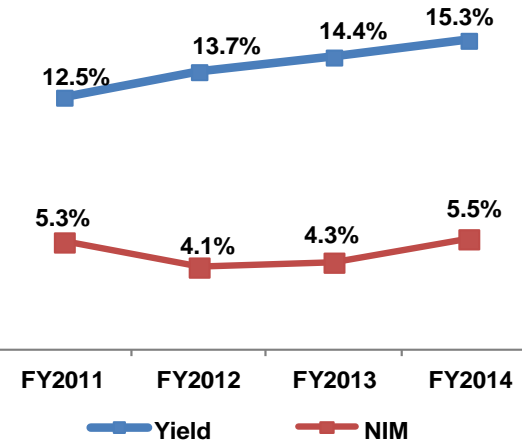
## Total Income and Profit Before Tax

(Rs. Billion)



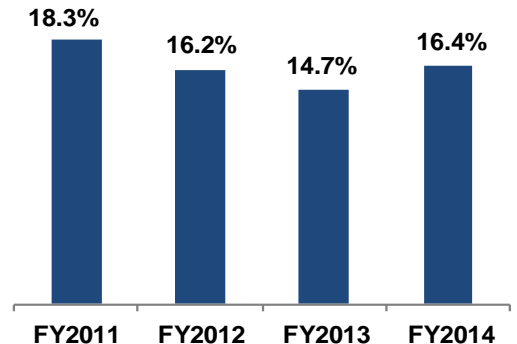
## Yield and Net Interest Margin

(%)



## Cost-to-income ratio

(%)






***Reliance Capital Asset Management***

- Amongst the Top 3 Mutual Funds in India
- Continues to focus on improving realisations in debt and equity segments
  - *Profit before tax rose by 22% in FY14*
  - *Return on equity at 20.9% (FY13 - 18.6%)*
- Leading AMC in garnering AUMs from 'beyond Top 15 cities' category (18% share in total AUMs)
- Retail debt forms 33% of overall debt AUMs
- Conducted more than 2,500 Investor Awareness Programs, covering over 50,000 participants (highest in the Industry)
- Wide distribution network - over 175 customer touch points and 42,500 empanelled distributors

enrich your investments with vision



Reliance  
Vision Fund  
An Open-ended Equity Growth Scheme

Invest  
Click here  
Online



Behind every dream of yours, is a special person who works hard to achieve it. Reliance Systematic Investment Plan (SIP) is a part of your family that helps fulfill your aspirations, thereby making every moment of your life worthwhile. With Reliance SIP, you can make small yet regular investments which go a long way in creating wealth over a period of time.

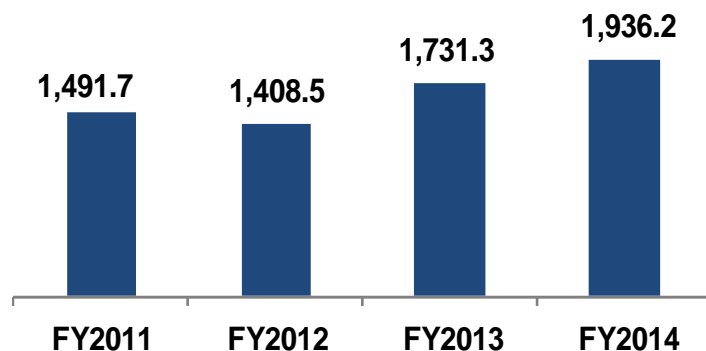
Reliance  
Systematic Investment  
Plan (SIP)

MY SIP  
MY FAMILY

Invest Online  
[www.reliancemutual.com](http://www.reliancemutual.com)

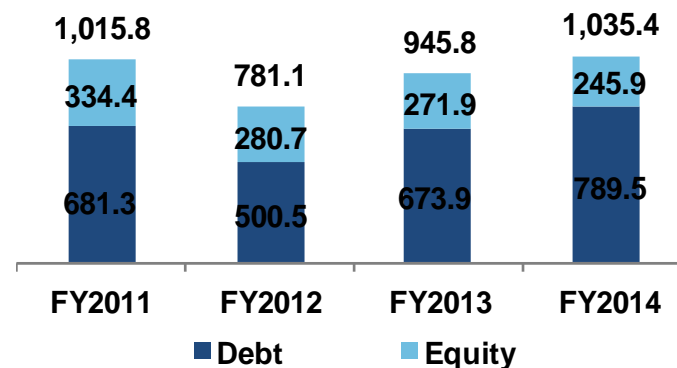
## Average Assets under Management

(Rs. Billion)



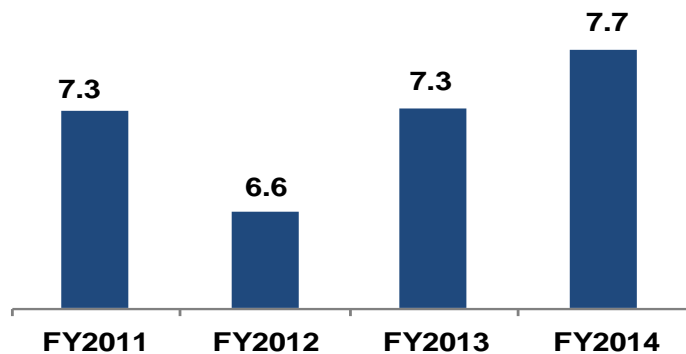
## Average Mutual Fund AUMs\*

(Rs. Billion)



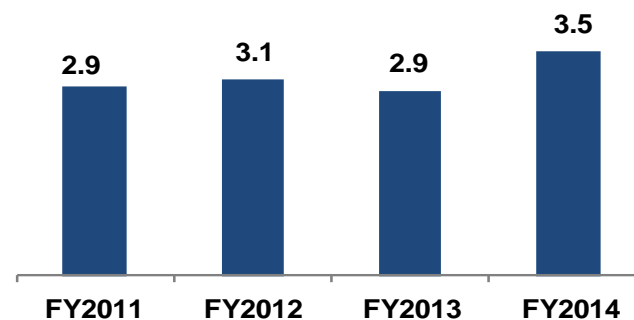
## Total Income

(Rs. Billion)



## Profit Before Tax

(Rs. Billion)



\* average assets under management for the quarter ended March 31





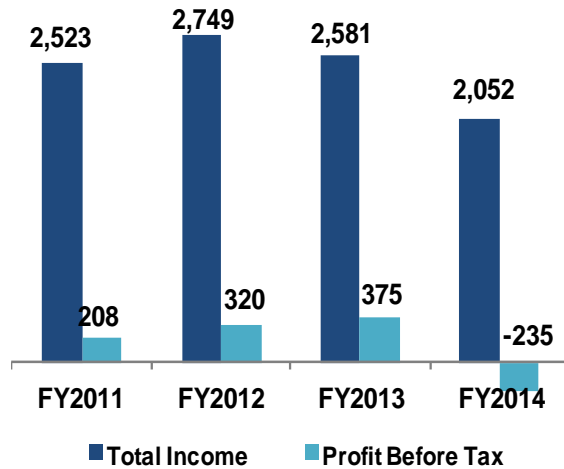
***Broking and Distribution businesses***

- Broking business consists of :
  - Reliance Securities (2<sup>nd</sup> largest broker in the retail segment), and Quant Securities that focuses on the wholesale clientele
- One of the largest private sector partners for Western Union Money Transfer in India
- Pan India presence with over 7,000 outlets
- Decline in profitability was due to fall in broking volumes, mainly in the commodities' segment, and loss of income from gold business

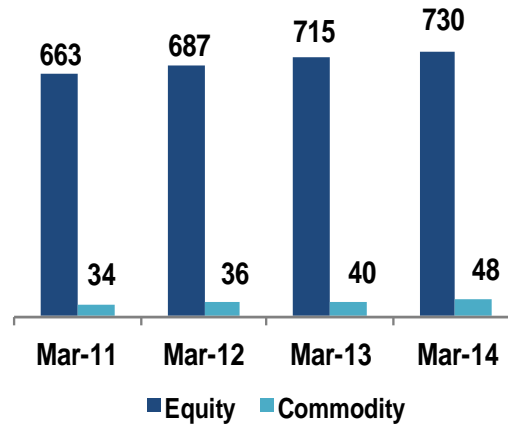




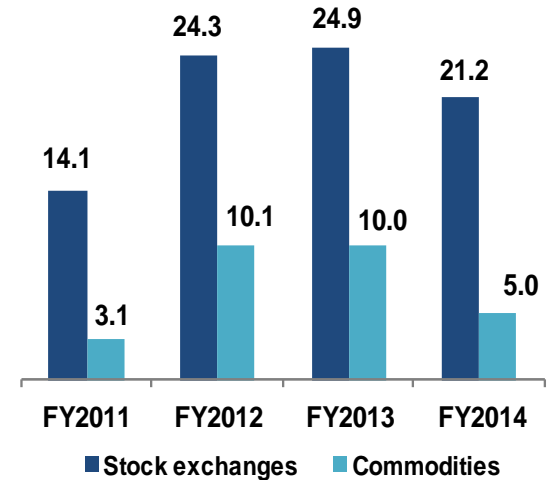
**Broking**  
**Total income & Profit Before Tax**  
(Rs. Million)



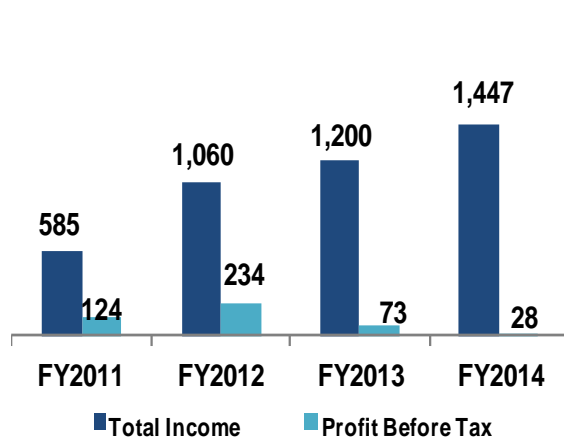
**Equity and Commodity**  
**Broking Accounts**  
(in '000s)



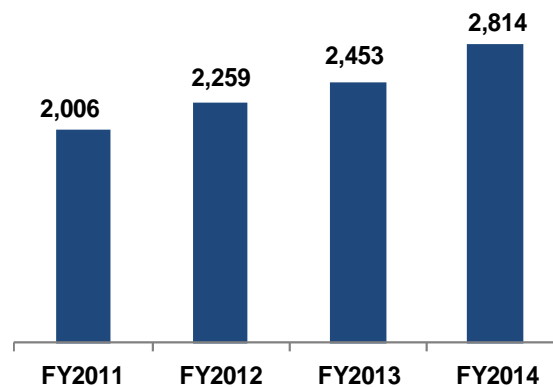
**Average Daily Turnover**  
**(Stock exchanges and Commodities)**  
(Rs. Billion)



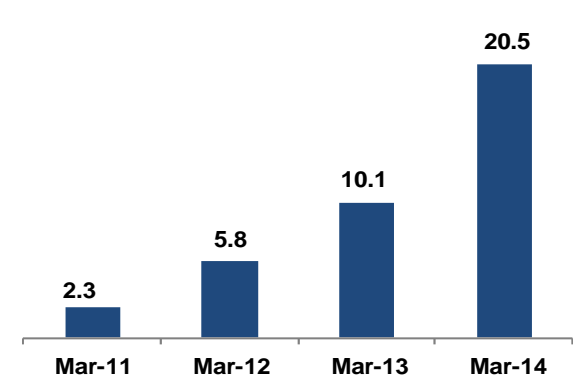
**Distribution**  
**Total Income & Profit Before Tax**  
(Rs. Million)



**Money Transfer Transactions**  
(In '000s)



**Wealth Management AUM**  
(Rs. Billion)



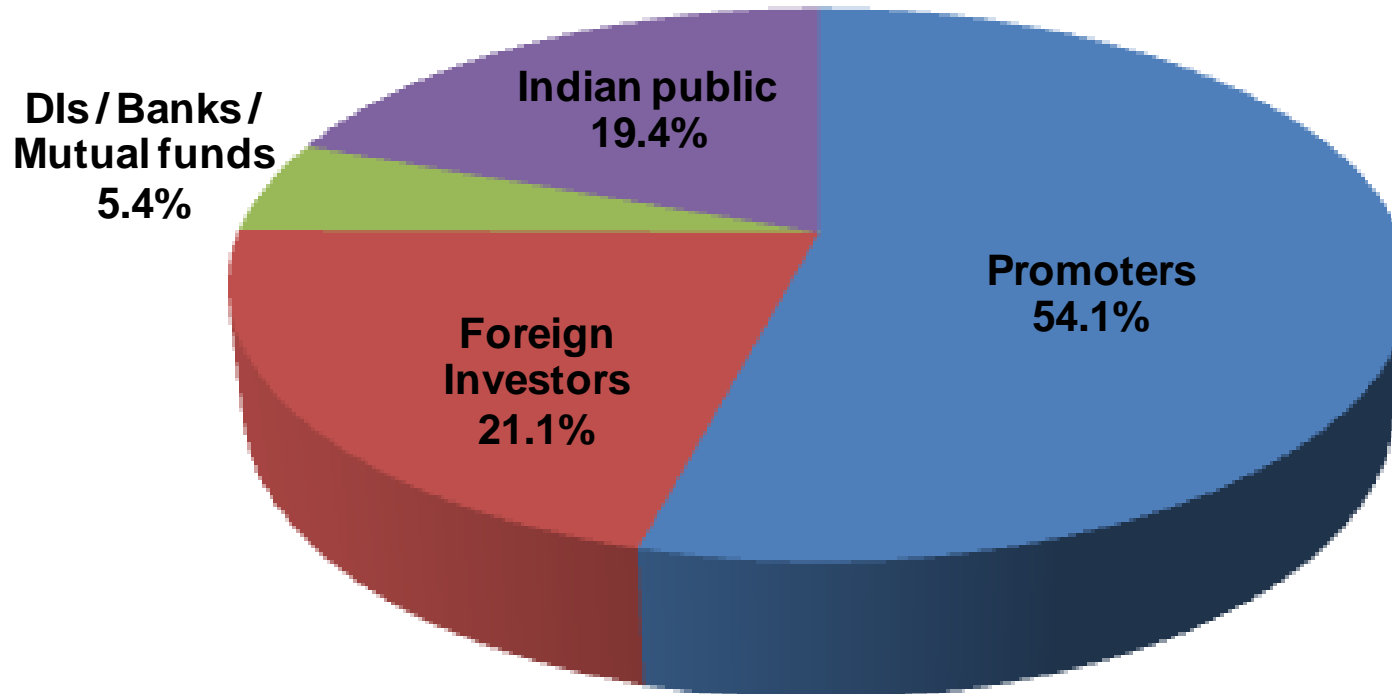
# *Other Businesses*



- **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**
- **As on March 31, 2014, the assets under management rose to Rs. 6.8 billion**
- **Company's own Investment in NPAs acquired rose from Rs. 136 million as on March 31, 2013 to Rs. 988 million**
- **The business made a profit of Rs. 68 million for the year**

- **Manages a private equity fund, the Reliance Alternative Investments Fund - Private Equity Scheme I - that makes late stage investments in mid-sized Indian companies**
- **The Fund is fully invested in 8 companies**
- **Fund's existing investments are closely monitored on an ongoing basis; portfolio remains on track and investments continue to perform to expectation**
- **The portfolio has been valued at 1.41 times cost as on March 31, 2013**
- **The Fund will start focusing on exits from 2014 onwards**

(As on March 31, 2014)



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

**25**  
YEARS  
OF TRUST

ReLIANCE

Thank you

ReLIANCE



# *Annexure*



## Balance Sheet

(Rs. Million)	Mar 31, 2014	Sept 30, 2013	Mar 31, 2013	Mar 31, 2012
Capital	2,445	2,462	2,462	2,462
Reserves	126,904	125,834	122,410	116,526
Borrowings	255,766	231,988	225,097	195,899
Other Liabilities	70,162	56,926	55,917	38,544
<b>Total</b>	<b>455,277</b>	<b>417,209</b>	<b>405,881</b>	<b>353,430</b>
Cash / bank balance	26,629	14,641	15,822	11,251
Investments	161,577	155,172	150,860	147,597
Loans	224,618	203,853	202,126	168,674
Fixed assets	4,831	4,559	4,378	2,811
Other Assets	37,621	38,984	32,695	23,097
<b>Total</b>	<b>455,277</b>	<b>417,209</b>	<b>405,881</b>	<b>353,430</b>
Tier I *	12.2%	13.2%	13.0%	18.0%
Tier II *	4.1%	3.9%	3.9%	2.2%
<b>Capital Adequacy *</b>	<b>16.3%</b>	<b>17.1%</b>	<b>17.0%</b>	<b>20.2%</b>

\* Based on standalone financials

## ***Funding Profile***

(Rs. Million)	Mar 31, 2014	Sept 30, 2013	Mar 31, 2013	Mar 31, 2012
Bank Loans	106,393	106,503	113,727	104,861
Commercial Papers	48,604	28,608	36,732	29,322
NCDs	100,278	95,770	74,534	61,167
Others	491	1,106	104	550
<b>Total</b>	<b>255,766</b>	<b>231,988</b>	<b>225,097</b>	<b>195,899</b>

## *Profit & Loss statement*

(Rs. Million)	Q4 FY14	Q4 FY13	Q3 FY14	FY 2014	FY 2013
Interest Income	9,468	8,567	9,551	36,814	32,067
Capital Gains / Dividend	(135)	504	350	1,521	11,588
Premium Earned	5,483	4,936	5,994	24,372	20,733
Mgmt. & Advisory Fee	1,659	1,672	1,702	6,991	6,416
Brokerage & Comm.	699	544	636	2,664	2,208
Other Income	1,301	685	658	3,079	2,174
<b>Total Income</b>	<b>18,475</b>	<b>16,907</b>	<b>18,892</b>	<b>75,441</b>	<b>75,186</b>
Interest & Fin. Charges	6,279	5,987	6,285	25,011	23,430
Other Expenses	8,986	10,209	10,495	41,960	43,453
<b>Total Expenses</b>	<b>15,265</b>	<b>16,196</b>	<b>16,780</b>	<b>66,971</b>	<b>66,883</b>
<b>Profit before tax</b>	<b>3,210</b>	<b>711</b>	<b>2,112</b>	<b>8,470</b>	<b>8,303</b>
<b>Net profit after tax</b>	<b>2,667</b>	<b>2,654</b>	<b>1,661</b>	<b>7,465</b>	<b>8,119</b>

## ***Profit & Loss statement***

<b>(Rs. Million)</b>	<b>Q4 FY14</b>	<b>Q4 FY13</b>	<b>Q3 FY14</b>	<b>FY 2014</b>	<b>FY 2013</b>
<b>First year premium</b>	<b>4,886</b>	<b>3,932</b>	<b>3,862</b>	<b>18,363</b>	<b>11,884</b>
<b>Single premium</b>	<b>214</b>	<b>724</b>	<b>150</b>	<b>977</b>	<b>1,882</b>
<b>Total New business premium</b>	<b>5,100</b>	<b>4,655</b>	<b>4,012</b>	<b>19,340</b>	<b>13,766</b>
<b>Renewal Premium</b>	<b>7,968</b>	<b>8,147</b>	<b>5,747</b>	<b>23,494</b>	<b>26,688</b>
<b>Total premium (net of reinsurance)</b>	<b>12,988</b>	<b>12,719</b>	<b>9,713</b>	<b>42,567</b>	<b>40,153</b>
<b>Profit before tax</b>	<b>1,396*</b>	<b>2,902*</b>	<b>272</b>	<b>3,589</b>	<b>3,804</b>
<b>Total funds under management</b>	<b>183,278</b>	<b>181,894</b>	<b>180,727</b>	<b>183,278</b>	<b>181,894</b>

\* Q4 FY14 Profit includes only Q3 & Q4 policyholders' surplus instead of full year surplus as in Q4 FY13

## ***Profit & Loss statement***

<b>(Rs. Million)</b>	<b>Q4 FY14</b>	<b>Q4 FY13</b>	<b>Q3 FY14</b>	<b>FY 2014</b>	<b>FY 2013</b>
<b>Gross Written Premium</b>	<b>5,528</b>	<b>4,866</b>	<b>5,994</b>	<b>24,417</b>	<b>20,362</b>
<b>Profit / (loss) before tax</b>	<b>272</b>	<b>170</b>	<b>106</b>	<b>641</b>	<b>(928)</b>
<b>Investment book</b>	<b>38,427</b>	<b>32,525</b>	<b>37,318</b>	<b>38,427</b>	<b>32,525</b>
<b>Combined ratio</b>	<b>119%</b>	<b>115%</b>	<b>125%</b>	<b>119%</b>	<b>121%</b>
<b>No. of policies issued (in million)</b>	<b>1.0</b>	<b>0.8</b>	<b>0.9</b>	<b>3.7</b>	<b>2.9</b>



## ***Profit & Loss statement***

<b>(Rs. Million)</b>	<b>Q4 FY14</b>	<b>Q4 FY13</b>	<b>Q3 FY14</b>	<b>FY 2014</b>	<b>FY 2013</b>
<b>Disbursements</b>	<b>37,205</b>	<b>24,476</b>	<b>24,171</b>	<b>98,039</b>	<b>87,446</b>
<b>Net Interest Income</b>	<b>1,993</b>	<b>1,718</b>	<b>1,796</b>	<b>7,069</b>	<b>5,901</b>
<b>Total Income</b>	<b>5,705</b>	<b>5,546</b>	<b>5,625</b>	<b>22,100</b>	<b>21,168</b>
<b>Interest expenses</b>	<b>3,287</b>	<b>3,408</b>	<b>3,274</b>	<b>13,308</b>	<b>13,778</b>
<b>Other expenses</b>	<b>1,013</b>	<b>735</b>	<b>900</b>	<b>3,619</b>	<b>3,115</b>
<b>Provisions</b>	<b>(106)</b>	<b>200</b>	<b>405</b>	<b>877</b>	<b>855</b>
<b>Profit before tax</b>	<b>1,511</b>	<b>1,203</b>	<b>1,046</b>	<b>4,295</b>	<b>3,420</b>

## *Profit & Loss statement*

(Rs. Million)	Q4 FY14	Q4 FY13	Q3 FY14	FY 2014	FY 2013
Income	1,881	1,949	1,879	7,746	7,346
Expenses	641	798	1,036	4,225	4,450
Profit before tax	1,240	1,151	843	3,521	2,896

(Rs. Billion)	Mar 31, 2014	Sept 30, 2013	Mar 31, 2013	Mar 31, 2012
Debt	767.2	684.0	644.7	473.9
Equity	245.9	222.9	271.9	280.7
Gold	22.3	25.7	29.3	26.5
Managed Accounts	15.1	14.4	14.7	14.6
Pension Funds	836.0	761.3	707.6	594.6
Offshore Funds	49.7	52.7	63.2	18.3
Total AAUM	1,936.2	1,760.9	1,731.3	1,408.5

***Profit & Loss - Broking***

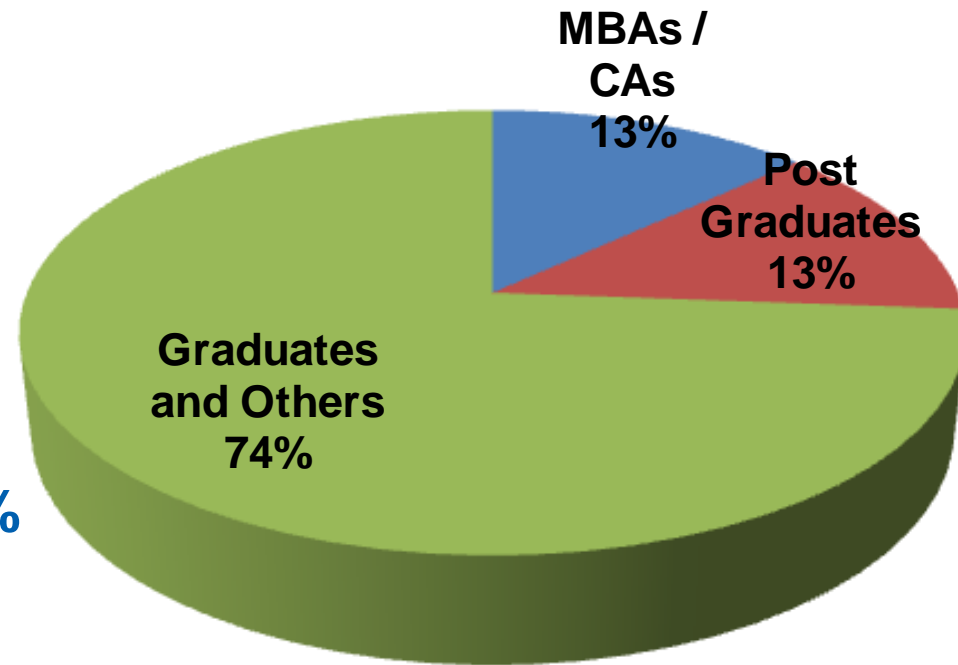
(Rs. Million)	Q4 FY14	Q4 FY13	Q3 FY14	FY 2014	FY 2013
Total Income	486	788	524	2,052	2,581
Total expenses	683	677	568	2,287	2,206
Profit before tax	(197)	111	(44)	(235)	375

***Profit & Loss - Distribution***

(Rs. Million)	Q4 FY14	Q4 FY13	Q3 FY14	FY 2014	FY 2013
Total Income	438	415	357	1,447	1,200
Total expenses	367	357	385	1,419	1,127
Profit before tax	71	58	(28)	28	73

- ~18,500 employees
- ~80% in Customer Facing roles
- Young workforce
- Post Graduates and Professionals form over 25% of the total workforce
- Over 2,000 women employees

### Qualification profile



**Young & vibrant workforce - average age of 33 years**