

# Results for the quarter ended September 30, 2015

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*Investor Presentation*

*November 2, 2015*

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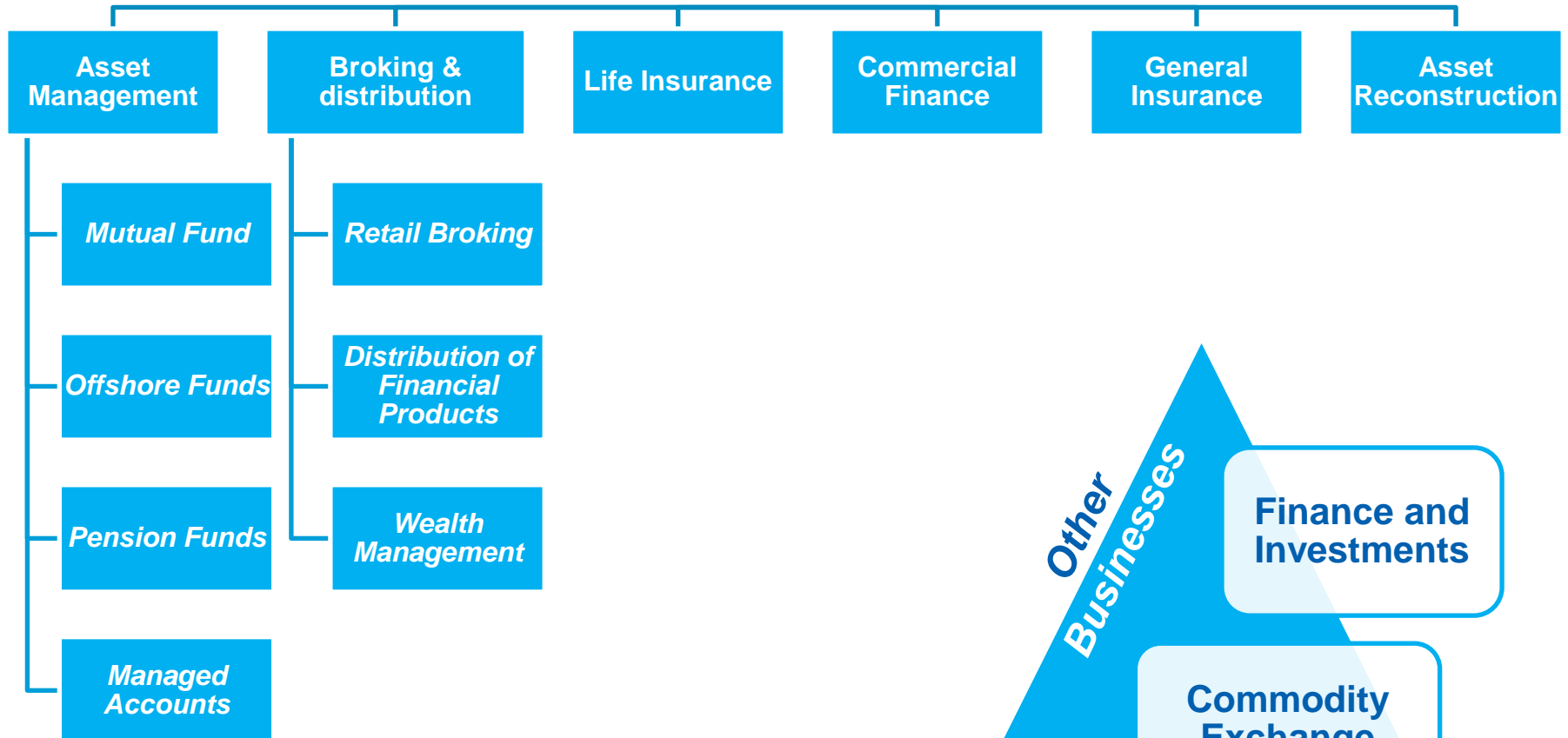
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# *Overview - Strong Fundamentals*



## Amongst India's Largest Non Banking Financial Companies

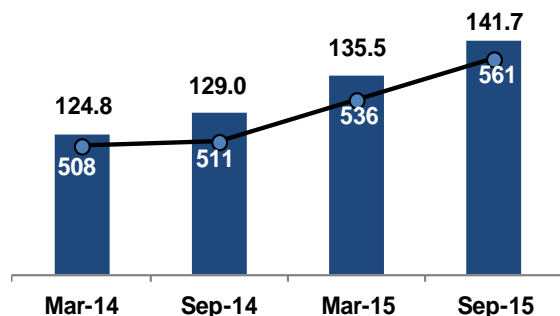
### Core Businesses



## Networth and Book value Per Share

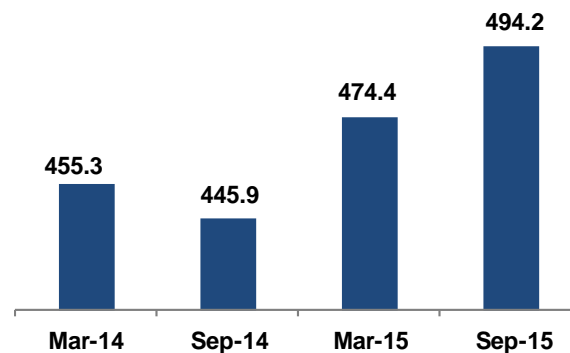
(Rs. Billion)

(Rs.)



## Total Assets

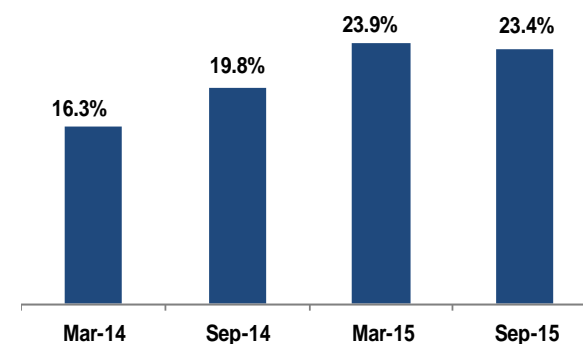
(Rs. Billion)



## Capital Adequacy

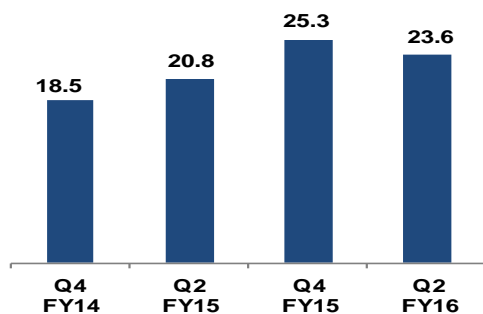
(%)

*\* Based on standalone financials*



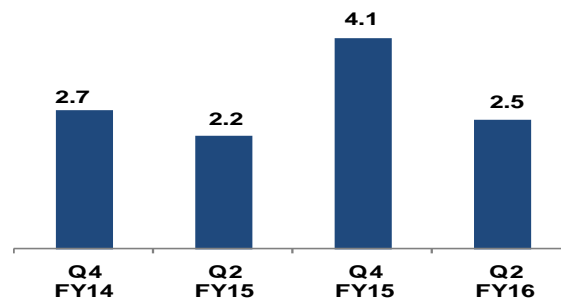
## Total Income

(Rs. Billion)



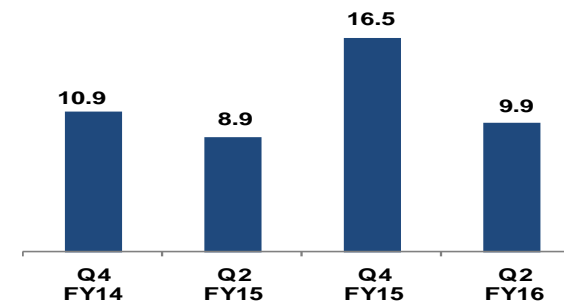
## Profit After Tax

(Rs. Billion)



## Earnings Per Share

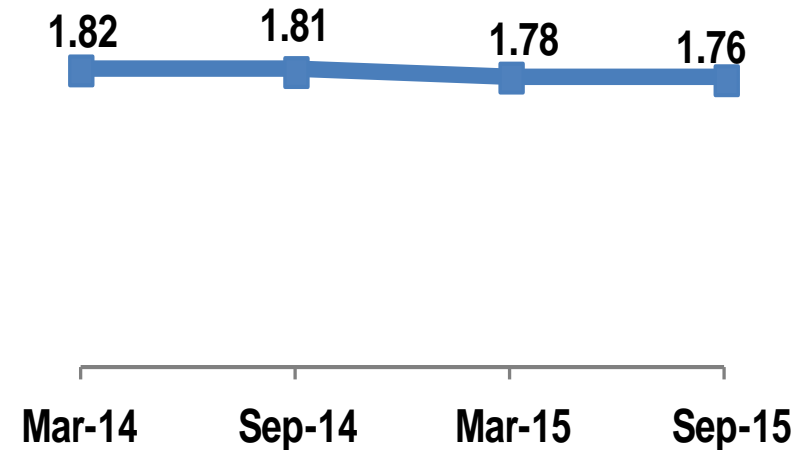
(Rs.)



*\* Q4 FY15 results include one-time capital gains on stake sale in RCAM*

## Net debt - equity ratio: 1.76

- **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*



Highest ratings for our borrowing programmes



***Reliance Life Insurance***



## Amongst the Top 5 Private Sector Life Insurers in India

### Sustained market leadership

- ✓ Ranked 5<sup>th</sup> in the private sector (in terms of Individual WRP)
  - Third largest private player in the non-bancassurance space
- ✓ 5% market share in the private sector (in terms of Individual WRP)
- ✓ Nationwide network with over 800 offices and approx. 110,000 distribution touch points

### Emphasis on higher margin business

- ✓ Traditional business contributed 85% of Individual NBP (Q2 FY15 - 74%)
  - Non-par focused product strategy (77% of individual new business)

### Improvement in business quality, though topline falls

- ✓ Persistency improved from 53% in Q2 FY15 to 56% in Q2 FY16
- ✓ Decline in ULIP sales continues to have a negative impact on the Individual WRP as well as overall Average ticket size
  - Average ticket size in the traditional segment continues to rise

### Key metrics - Q2 FY16

**NB Premium: Rs. 6.0 billion**

**Individual WRP: Rs. 2.4 billion**

**Persistency: 56%**

**AUM: Rs. 155.2 billion**

**Policies in force (individual):  
3 million**

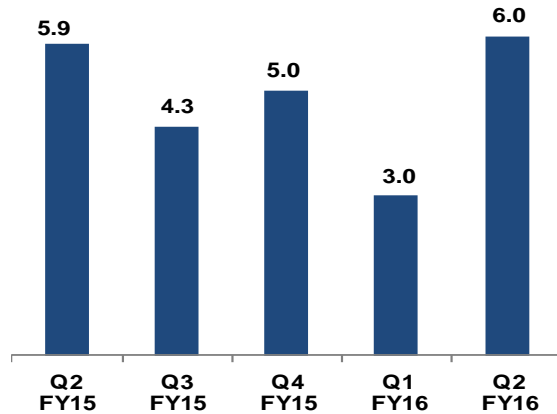
**Solvency margin: 368%**



**Revised Corporate Agency guidelines enabling open architecture in the bancassurance segment presents a tremendous opportunity**

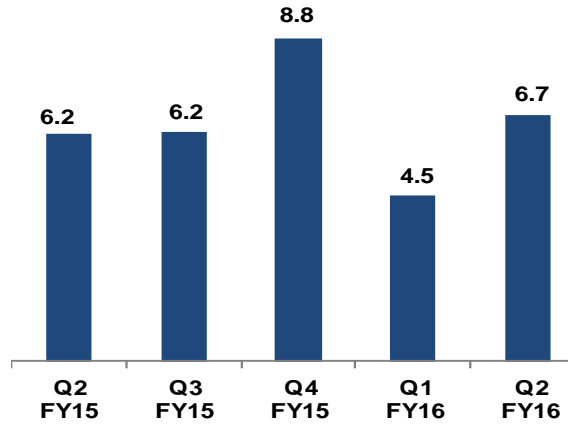
## New Business Premium

(Rs. Billion)



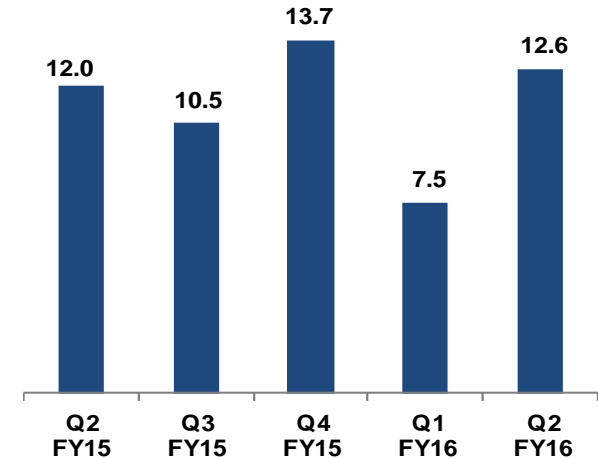
## Renewal Premium

(Rs. Billion)



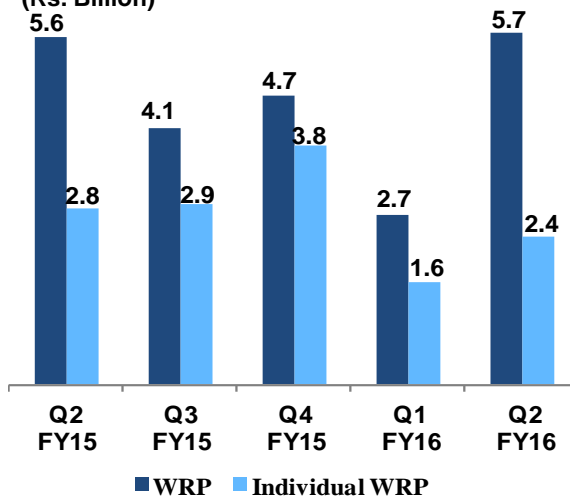
## Total Premium (net of reinsurance)

(Rs. Billion)



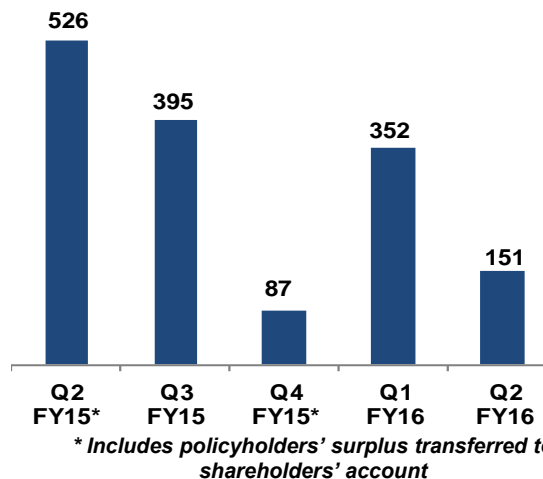
## Weighted Received Premium

(Rs. Billion)



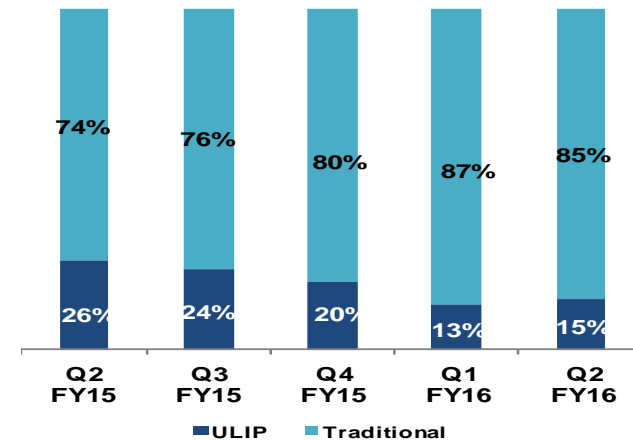
## Profit Before Tax

(Rs. Million)



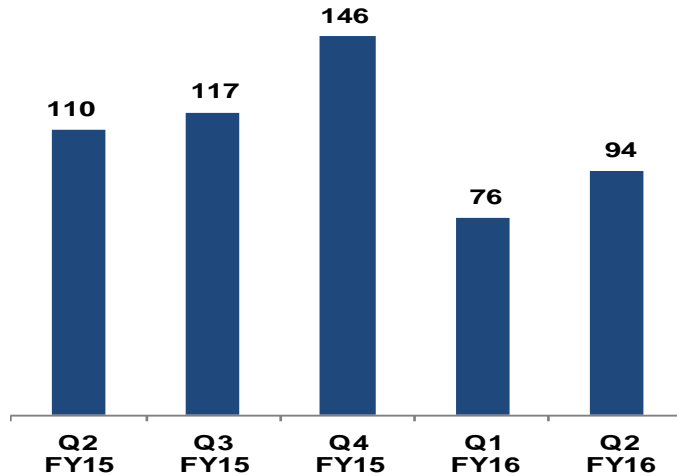
## Business Mix (Individual)

(%)



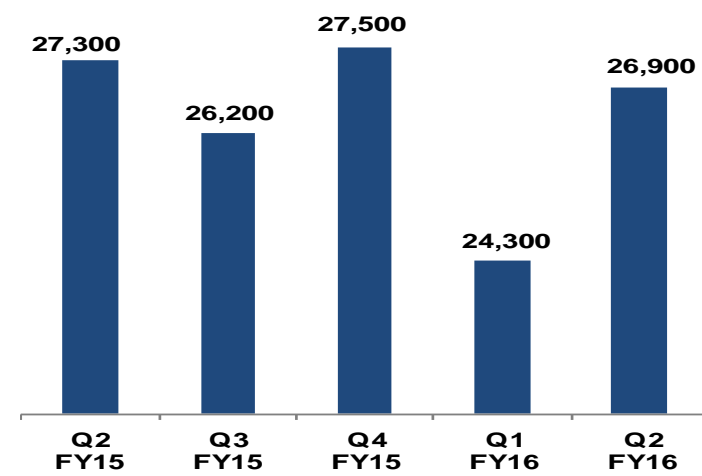
## No. of individual policies sold

(in '000s)



## Average Ticket Size (approx.)

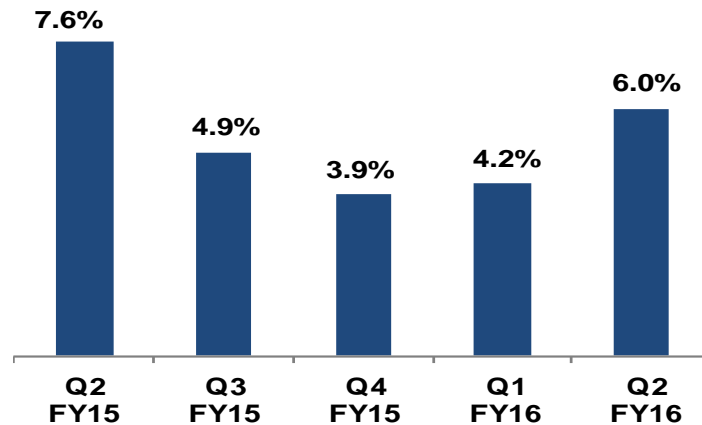
(Rs.)



## Private Sector Market Share

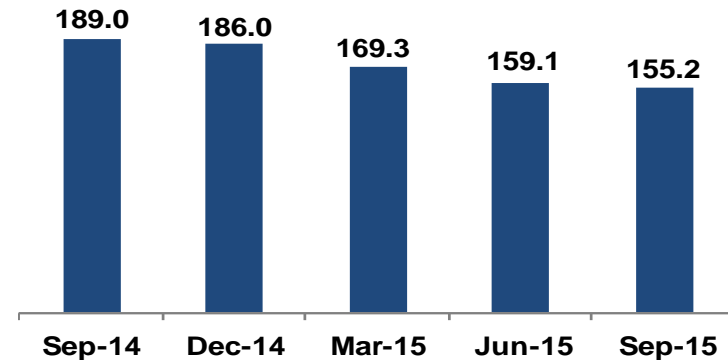
(%)

(in terms of New Business Premium)



## Funds under Management

(Rs. Billion)



A modern living room with a white sofa, a coffee table, and large windows. The room is bright and airy, with a white rug and a wooden floor. A large blue arrow points from the text to the right.

# ***Reliance General Insurance***

## Amongst the Top private Sector General Insurance Companies in India

### Market leadership

- ✓ Largest agency force in the private sector
- ✓ 7.8% market share in the private sector

### Continued emphasis on robust business model

- ✓ Premium from commercial lines of business rose by 36% in Q2 FY16
- ✓ Manual cover-notes reduced from 4% in Q2 FY15 to 3% in Q2 FY16

### Building efficient and nationwide distribution footprint

- ✓ Wide network of over 125 branches
- ✓ Agency force rose to over 18,000

### Focus on profitable business

- ✓ Emphasis on commercial lines and individual health segments
- ✓ PBT of Rs. 300 million (+21%); return on equity rose to 12% in Q2 FY16

### Key metrics - Q2 FY16

**GWP: Rs. 6.7 billion**

**Investments: Rs. 53.4 billion**

**PBT : Rs. 300 million**

**Combined ratio: 122%**

**RoE: 12%**

**Did you know?**  
Depreciation of your car is proportional to its age

Duration	Depreciation Rate
Less than 6 months	5%
6 months to 1 year	15%
1 to 2 year	20%
2 to 3 year	30%

**RELIANCE**  
General Insurance

**Now Get a Complete Claim with your Car Insurance**  
No Depreciation. No Deduction

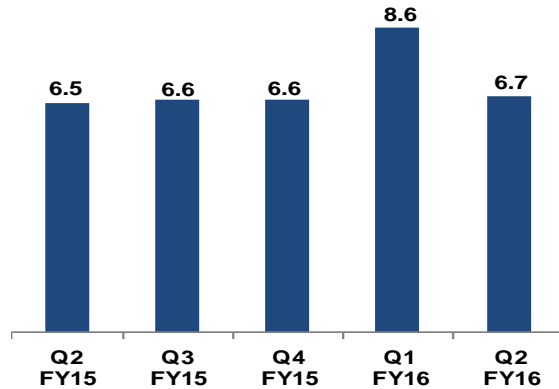
For More Details:

- SMS 'Motor NIL' to 55454
- Visit [www.reliancegeneral.co.in](http://www.reliancegeneral.co.in)
- Call 1800 3002 8282 (toll free) or 022 3989 8282 (charges apply)

For more details on risk factors, terms & conditions please refer sales brochure carefully before concluding sale. Insurance is the subject matter of solicitation. Reliance General Insurance Co. Ltd.

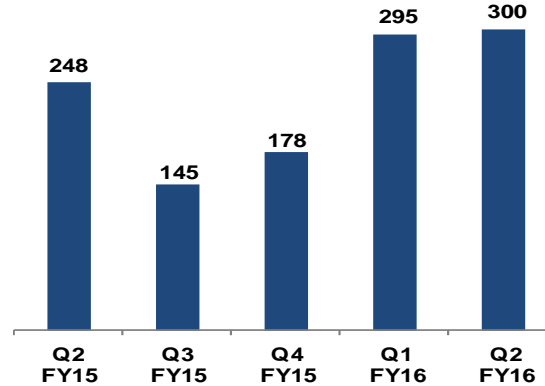
## Gross Written Premium

(Rs. Billion)



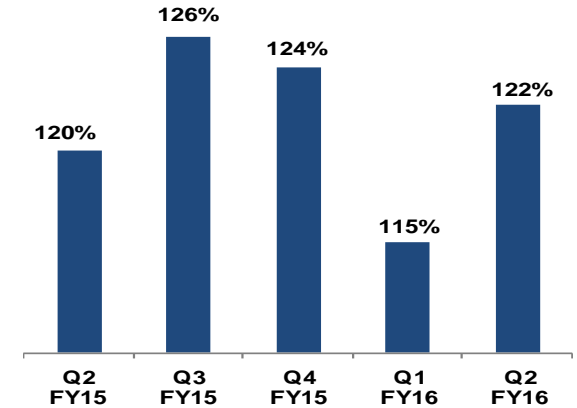
## Profit Before Tax

(Rs. Million)

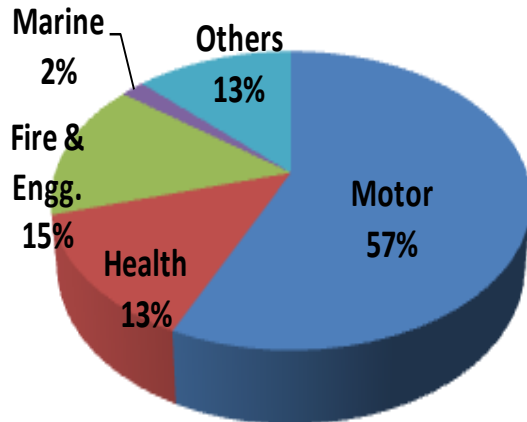


## Combined Ratio

(%)

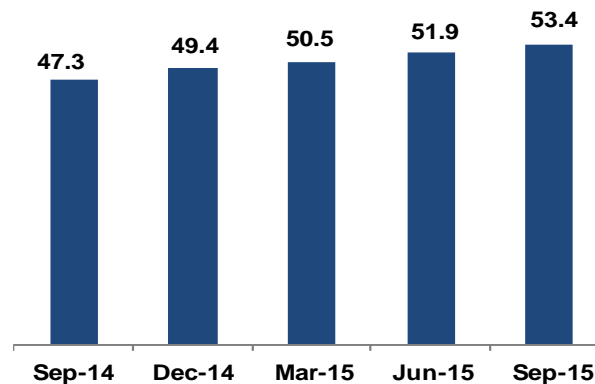


## Business mix



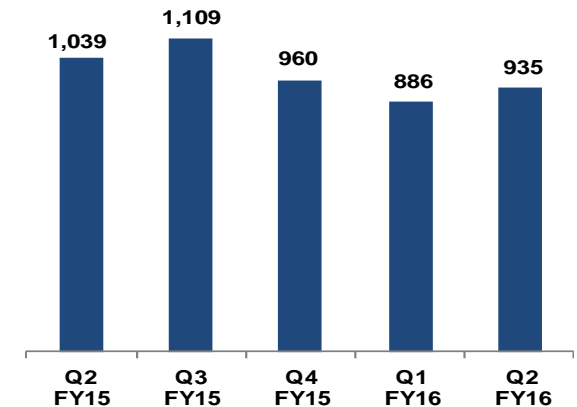
## Investment Book

(Rs. Billion)



## No. of policies issued

(in '000s)





***Reliance Commercial Finance***



## A leading financier in the SME segment

### Focus on profitable business

- ✓ NIM at 5.8%; return on equity at 15.9% (Q2 FY15 - 13.5%)
- ✓ Disbursements in the quarter were Rs. 28.9 billion (+10%)
- ✓ Gross NPAs declined from 2.8% in June 2015 to 2.6%

### Reliance Housing Finance Limited

- ✓ AUM increased to Rs. 65.0 billion (+65%)
- ✓ Disbursements rose to Rs. 7.6 billion (+73%) in Q2 FY16
- ✓ Profit before tax was Rs. 311 million (+54%) in Q2 FY16
- ✓ Return on equity at 16% (Q2 FY15 - 11%)

### Building efficient and nationwide distribution footprint

- ✓ Present in 44 cities
- ✓ Over 5,000 distribution partners across the country
- ✓ Caters to over 70,100 customers

### Key metrics - Q2 FY16

**Total income: Rs. 6.6 billion**


**PBT : Rs. 1.0 billion**

**AUM: Rs. 209.3 billion**

**Gross NPAs: 2.6%** (on 90 dpd basis)

**RELIANCE**  
Commercial Finance

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



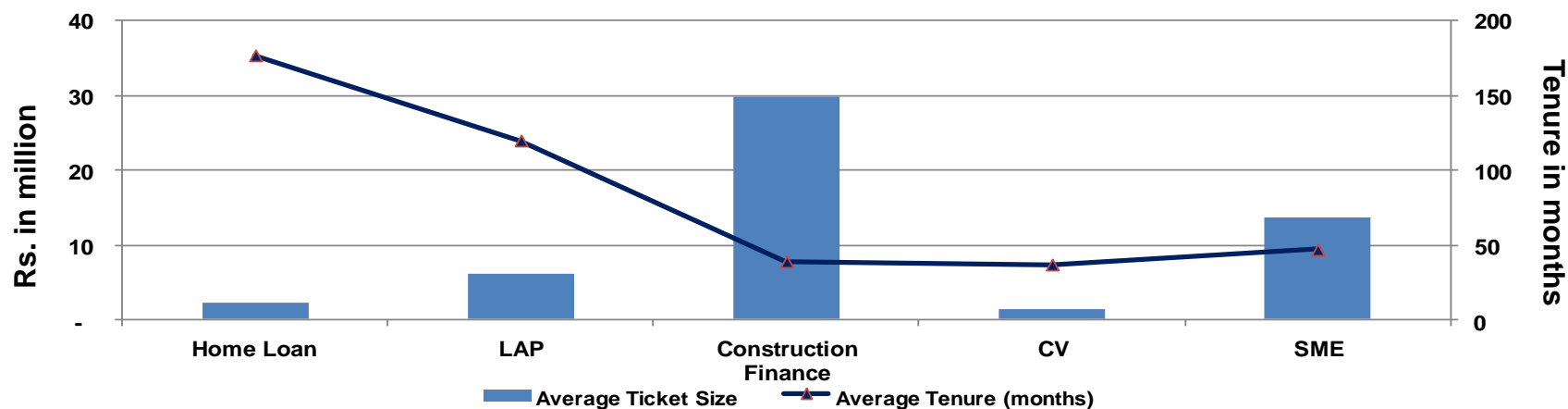
- Finance offerings tailored for the individual needs of various industries
- Instant loan processing at competitive rates
- Flexible loan tenure and easy repayment options
- Waiver of secondary collateral on loans up to ₹ 1 crore\*\*

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

SMEF charges are applicable.  
All terms will be at the sole discretion of Reliance Capital Ltd. \*Conditions apply.  
Reliance Commercial Finance is presented by Reliance Capital Ltd.

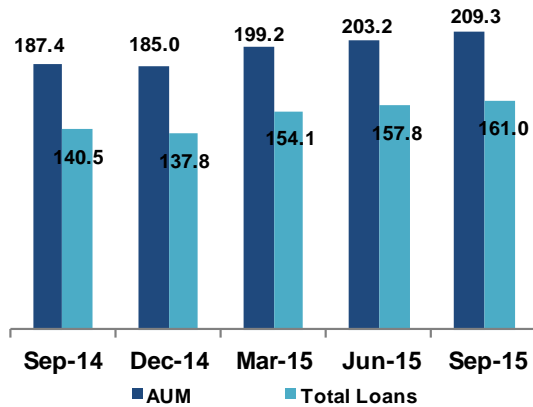
(As on Sept 2015)

Segment	Focus Area for growth	LTV	Share in total AUM	Avg. Yield
Home Loan	Self Employed / Affordable Housing in Tier I & II cities	56%	20%	12.3%
LAP	Self employed / SMEs	48%	23%	15.6%
Construction Finance	Developer Financing	28%	8%	17.1%
Commercial Vehicles	Small operators / FTBs / Agriculturists	85%	14%	15.9%
SME	Cluster-based growth approach	71%	23%	16.1%



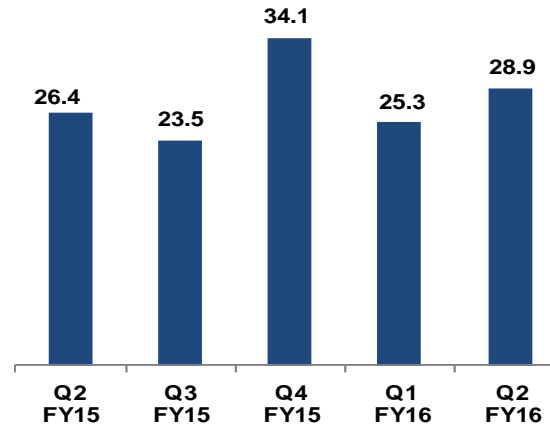
## AUM and Total Loan Portfolio

(Rs. Billion)



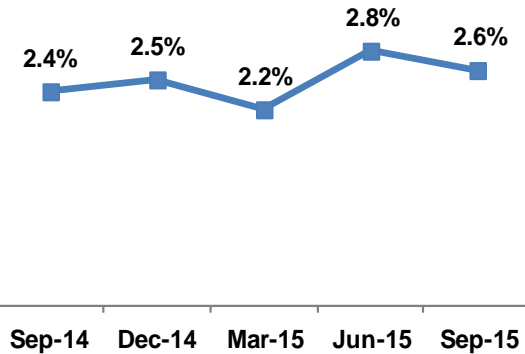
## Disbursements

(Rs. Billion)



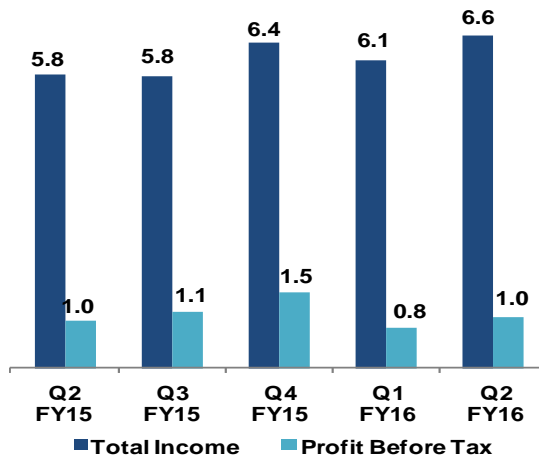
## Gross NPLs

(%)



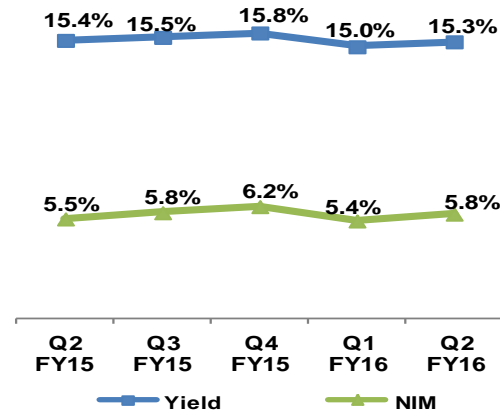
## Total Income and Profit Before Tax

(Rs. Billion)



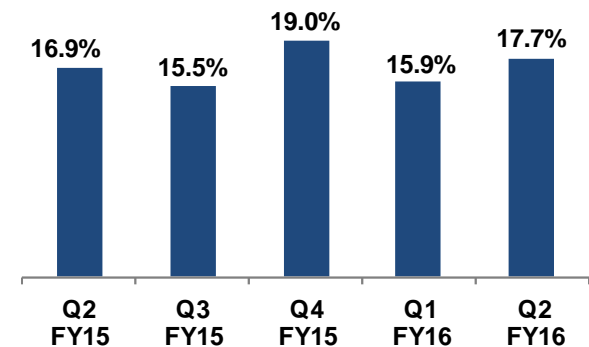
## Yield and Net Interest Margin

(%)



## Cost-to-income ratio

(%)





# ***Reliance Capital Asset Management***



## Amongst the Top 3 Mutual Funds in the country

### Sustained market leadership

- ✓ Mutual Fund industry - 12% market share
- ✓ Amongst the Top 3 players in the equity segment

### Continued focus on improving profitability

- ✓ Profit before tax rose by 7%; return on equity at 25% (Q2 FY15 - 23%)
- ✓ Equity AAUMs comprised of 34% of the overall AAUMs (Q2 FY15 - 27%)

### Diversified AUM base; continued retail focus

- ✓ Highest AUM in B15 category amongst private sector AMCs
- ✓ Nearly 1.4 million SIP and STP folios as on September 30, 2015
- ✓ Highest absolute growth in retail AUMs amongst top 5 AMCs in H1 FY16

### Building efficient and nationwide footprint

- ✓ 170 customer touch points and over 48,700 empanelled distributors

### Key metrics - Q2 FY16

**Average AUM: Rs. 2.5 trillion**

**Average MF AUM: Rs. 1.5 trillion**

**Total Income: Rs. 3.2 billion**

**Profit before tax: Rs. 1.2 billion**

enrich your investments with vision



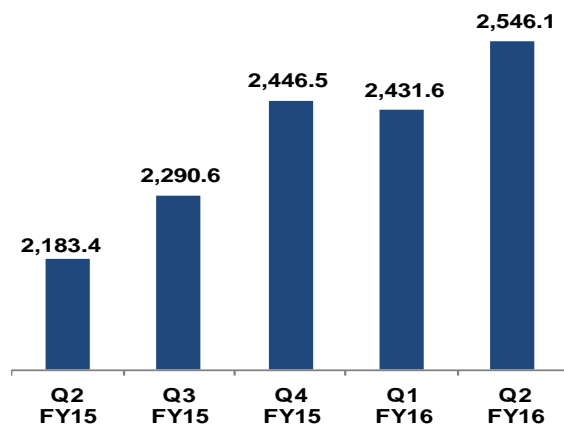
**Reliance  
Vision Fund**

An Open-ended Equity Growth Scheme



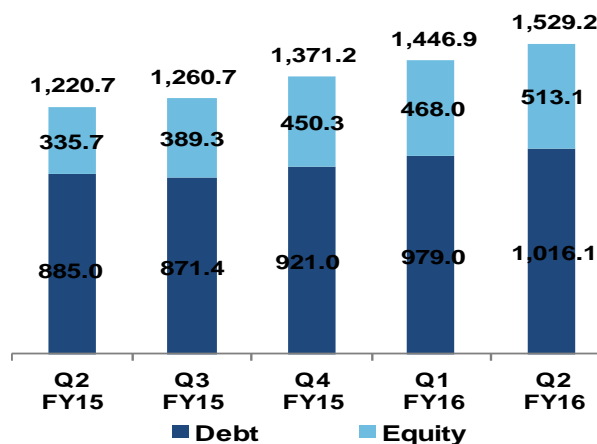
## Average Assets under Management

(Rs. Billion)



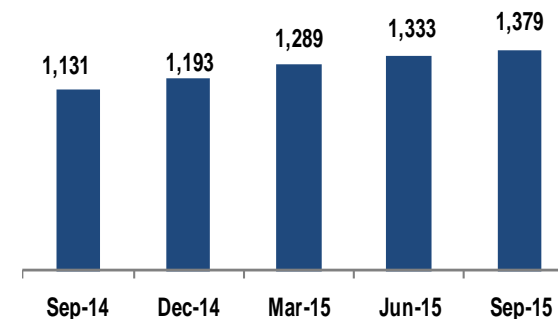
## Average Mutual Fund AUMs\*

(Rs. Billion)



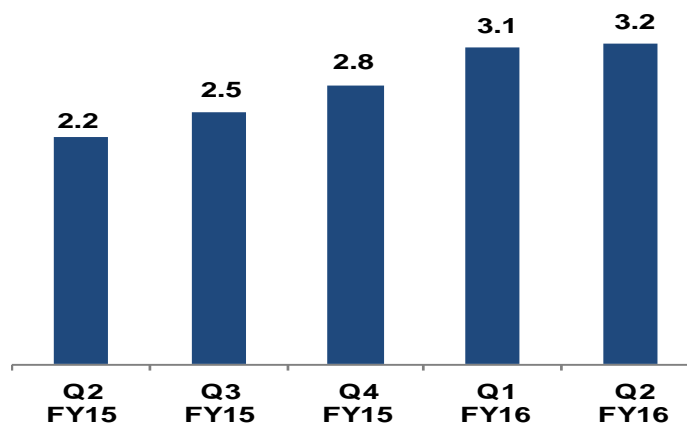
## No. of SIPs and STPs

(In '000s)



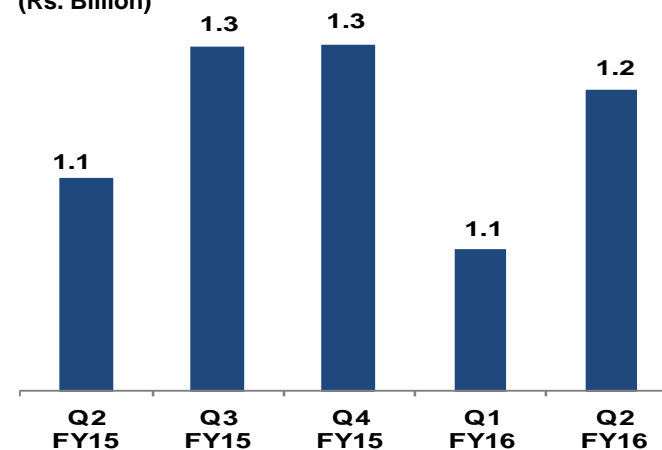
## Total Income

(Rs. Billion)



## Profit Before Tax

(Rs. Billion)



\* average assets under management for the quarter



***Broking and Distribution businesses***

## Retail Broking

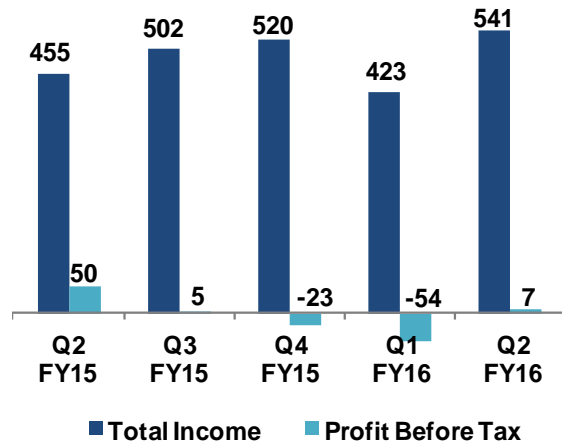
- ## Wealth Management

- ## Distribution

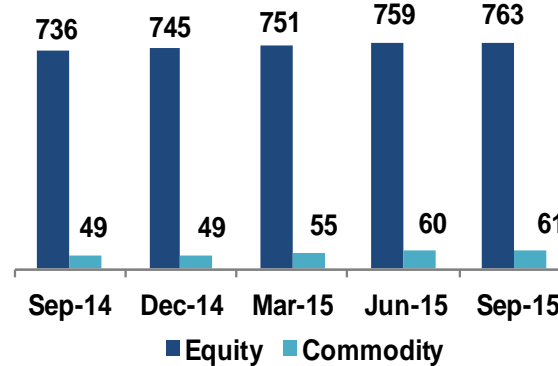
- Wealth Management AUM:**  
**Rs. 19.4 billion**



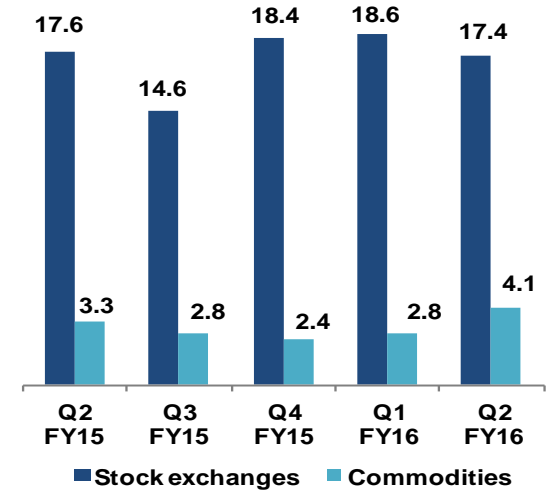
**Broking**  
**Total income & Profit Before Tax**  
(Rs. Million)



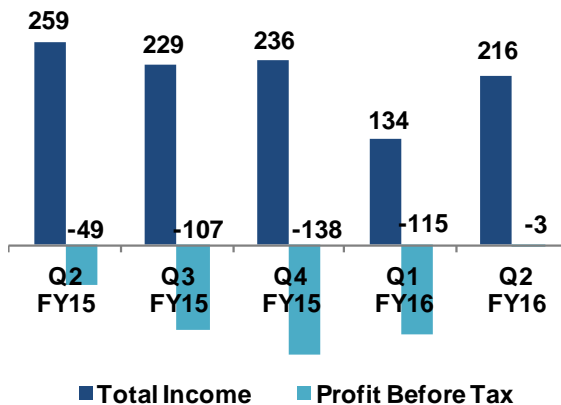
**Equity and Commodity**  
**Broking Accounts**  
(in '000s)



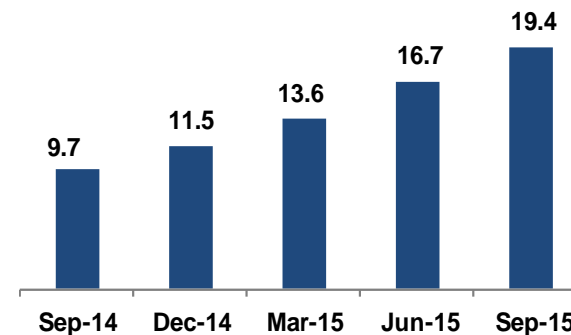
**Average Daily Turnover**  
**(Stock exchanges and Commodities)**  
(Rs. Billion)



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



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





***Reliance Asset Reconstruction***



## Amongst the largest ARCs in the non-corporate segment

### Business philosophy

- ✓ Reliance ARC is in the business of acquisition, management and resolution of distressed debt / assets
- ✓ Emphasis on bilateral deals with banks and works with the management of the NPA company for facilitating time-bound solutions

### Financial summary

- ✓ AUM increased to Rs. 12.5 billion (+19%); focus continues to be on SME and retail assets
- ✓ Operating profit at Rs. 39 million (+63%) in Q2 FY16
- ✓ Profit before tax rose to Rs. 42 million (+70%); return on equity rose from 5% in Q2 FY15 to 8% in Q2 FY16

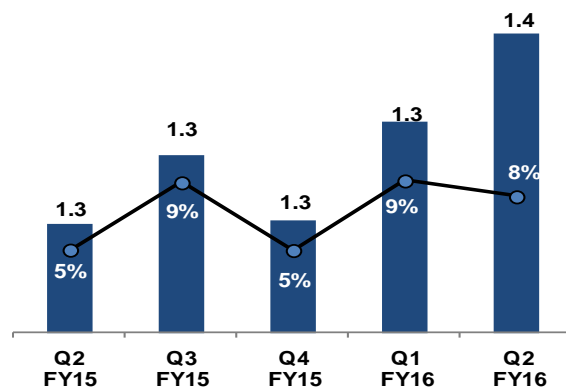
### Conservative pricing strategy and an efficient recovery mechanism

- ✓ Focus on distressed assets in the SME and retail segments
- ✓ Total resolutions for the quarter were at Rs. 180 million

## Networth \* and RoE

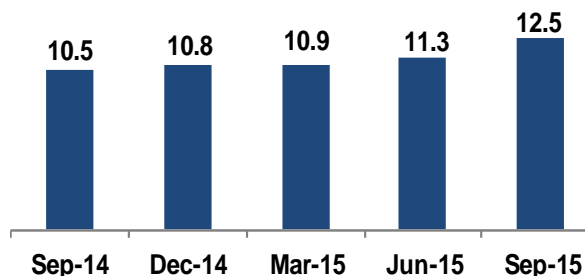
(Rs. Billion)

(%)



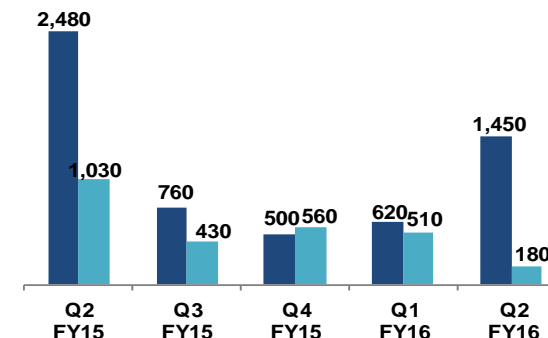
## Assets under Management

(Rs. Billion)



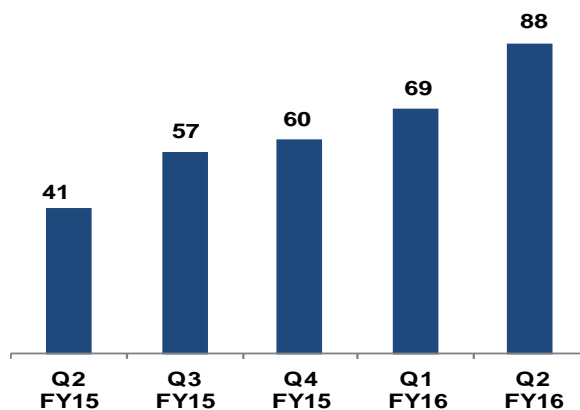
## Acquisitions and Resolutions

(Rs. Million)



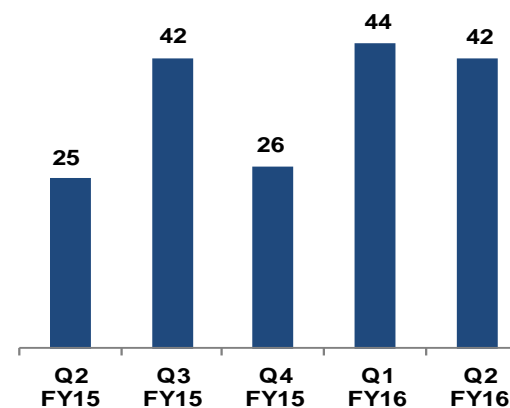
## Total Income

(Rs. Million)



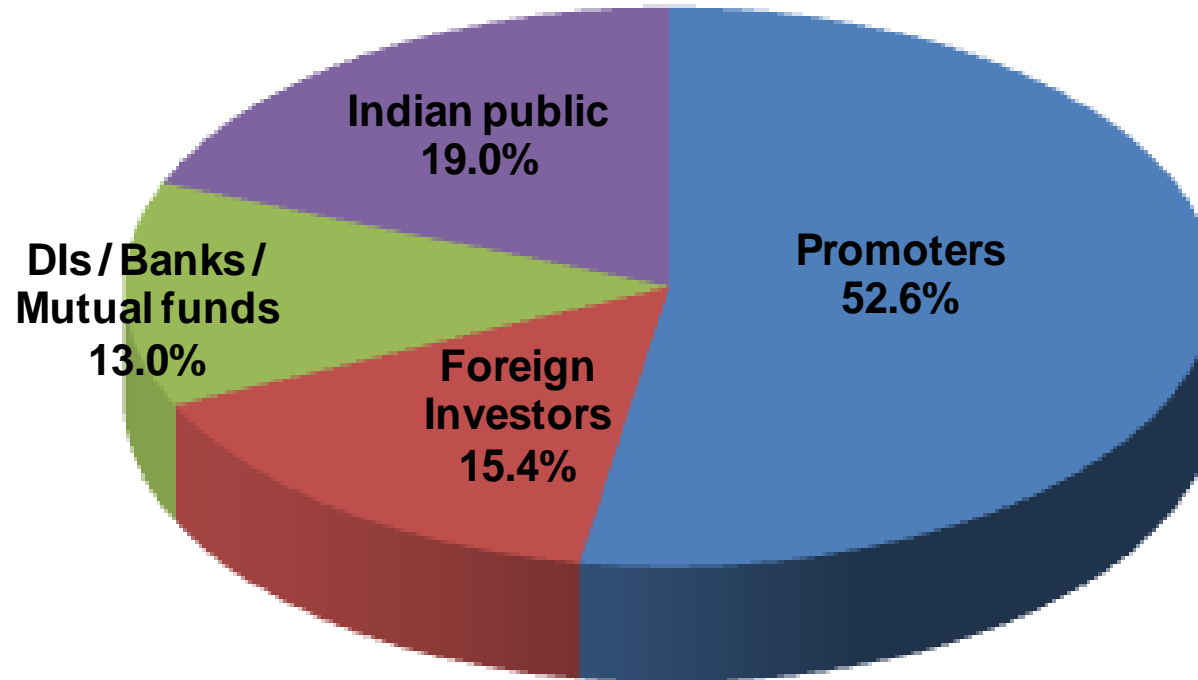
## Profit Before Tax

(Rs. Million)



\* Networth as at the end of the quarter

(As on September 30, 2015)



- Over 1 million shareholders
- Part of CNX Nifty Junior and MSCI Global Small Cap Index
- Traded in futures & options segment

Thank you



***Annexure***

## Balance Sheet

(Rs. Million)	Sept 30, 2015	Mar 31, 2015	Sept 30, 2014	Mar 31, 2014
Capital	2,532	2,532	2,445	2,445
Reserves	143,522	137,403	131,013	126,904
Borrowings	278,523	261,388	249,440	255,766
Other Liabilities	69,622	73,079	63,040	70,162
<b>Total</b>	<b>494,199</b>	<b>474,401</b>	<b>445,937</b>	<b>455,277</b>
Cash / bank balance	13,665	16,240	12,553	26,629
Investments	153,790	158,819	167,153	161,577
Loans	288,226	267,905	225,432	224,618
Fixed assets	6,059	5,316	5,125	4,831
Other Assets	32,459	26,121	35,674	37,621
<b>Total</b>	<b>494,199</b>	<b>474,401</b>	<b>445,937</b>	<b>455,277</b>
Tier I *	18.9%	19.1%	15.8%	12.2%
Tier II *	4.5%	4.8%	4.0%	4.1%
<b>Capital Adequacy *</b>	<b>23.4%</b>	<b>23.9%</b>	<b>19.8%</b>	<b>16.3%</b>

\* Based on standalone financials

## *Funding Profile*

(Rs. Million)	Sept 30, 2015	Mar 31, 2015	Sept 30, 2014	Mar 31, 2014
Bank Loans	116,378	107,329	104,736	106,393
Commercial Papers	41,843	36,499	41,294	48,604
NCDs	119,126	116,272	102,323	100,278
Others	1,176	1,288	1,087	491
<b>Total</b>	<b>278,523</b>	<b>261,388</b>	<b>249,440</b>	<b>255,766</b>

*Profit & Loss statement*

(Rs. Million)	Q2 FY16	Q2 FY15	Change (y-o-y)	Q1 FY16	Change (q-o-q)	FY 2015
Interest Income	10,986	9,896	11%	10,409	6%	38,847
Capital Gains / Dividend	791	1,007	(21)%	1,070	(26)%	7,053
Premium Earned	6,685	6,481	3%	8,622	(22)%	27,501
Mgmt. & Advisory Fee	3,057	1,967	55%	2,965	3%	8,687
Brokerage & Comm.	964	789	22%	751	28%	3,032
Other Income	1,126	705	60%	755	49%	3,487
<b>Total Income</b>	<b>23,609</b>	<b>20,845</b>	<b>13%</b>	<b>24,571</b>	<b>(4)%</b>	<b>88,608</b>
Interest & Fin. Charges	7,009	6,603	6%	6,851	2%	26,423
Other Expenses	12,991	11,610	12%	14,923	(13)%	49,875
<b>Total Expenses</b>	<b>20,000</b>	<b>18,213</b>	<b>10%</b>	<b>21,775</b>	<b>(8)%</b>	<b>76,298</b>
Profit before tax	3,610	2,632	37%	2,796	29%	12,310
<b>Net profit after tax</b>	<b>2,501</b>	<b>2,175</b>	<b>15%</b>	<b>2,006</b>	<b>25%</b>	<b>10,011</b>

## Profit & Loss statement

(Rs. Million)	Q2 FY16	Q2 FY15	Change (y-o-y)	Q1 FY16	Change (q-o-q)	FY 2015
First year premium	5,629	5,560	1%	2,711	108%	19,711
Single premium	378	303	25%	297	27%	986
Total New business premium	6,007	5,863	2%	3,008	100%	20,697
Renewal Premium	6,729	6,230	8%	4,515	49%	25,514
Total premium (net of reinsurance)	12,629	11,984	5%	7,465	69%	45,917
Profit before tax	151	526*	(71)%	352	(57)%	1,352*
Total funds under management	155,239	188,969	(18)%	159,061	(2)%	169,274

\* Includes policyholders' surplus transferred to shareholders' account

## *Profit & Loss statement*

(Rs. Million)	Q2 FY16	Q2 FY15	Change (y-o-y)	Q1 FY16	Change (q-o-q)	FY 2015
Gross Written Premium	6,707	6,481	3%	8,627	(22)%	27,530
Profit / (loss) before tax	300	248	21%	295	2%	814
Investment book	53,444	47,343	13%	51,940	3%	50,483
Combined ratio	122%	120%	-	115%	-	121%
No. of policies issued (in million)	0.9	1.0	(10)%	0.9	6%	4.2

## *Profit & Loss statement*

(Rs. Million)	Q2 FY16	Q2 FY15	Change (y-o-y)	Q1 FY16	Change (q-o-q)	FY 2015
Disbursements	28,923	26,386	10%	25,324	14%	104,422
Net Interest Income	2,201	1,849	19%	1,957	12%	8,044
Total Income	6,574	5,797	13%	6,082	8%	23,609
Interest expenses	3,929	3,571	10%	3,778	4%	13,909
Other expenses	1,165	978	19%	966	21%	4,047
Provisions	465	293	58%	541	(14)%	1,247
Profit before tax	1,015	954	6%	798	27%	4,406

## Profit & Loss statement

(Rs. Million)	Q2 FY16	Q2 FY15	Change (y-o-y)	Q1 FY16	Change (q-o-q)	FY 2015
Income	3,157	2,235	41%	3,125	1%	9,551
Expenses	1,936	1,093	77%	2,048	(5)%	5,002
Profit before tax	1,221	1,142	7%	1,077	13%	4,550

(Rs. Billion)	Sept 30, 2015	Mar 31, 2015	Sept 30, 2014	Mar 31, 2014
Debt	1,002.7	905.7	867.3	767.2
Equity	513.1	450.3	335.7	245.9
Gold	13.4	15.3	17.7	22.3
Managed Accounts	15.0	15.6	15.0	15.1
Pension Funds	944.1	993.9	898.6	836.0
Offshore Funds	50.6	60.4	47.4	49.7
Alternative Invst. Fund	7.2	5.3	1.6	-
Total AAUM	2,546.1	2,446.5	2,183.4	1,936.2

## *Profit & Loss - Broking*

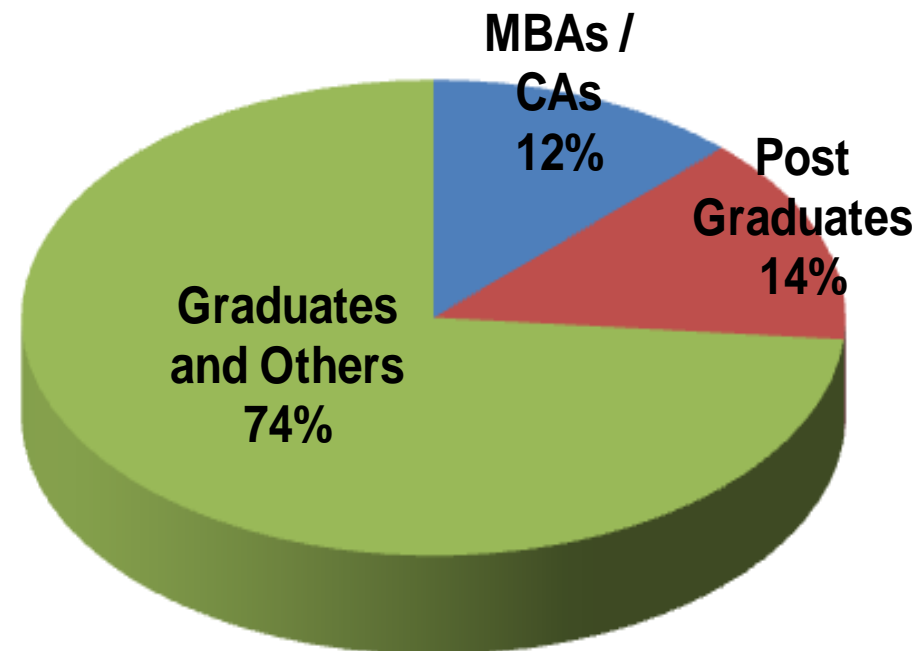
(Rs. Million)	Q2 FY16	Q2 FY15	Change (y-o-y)	Q1 FY16	Change (q-o-q)	FY 2015
Total Income	541	455	19%	423	28%	1,868
Total expenses	534	405	32%	476	12%	1,814
Profit before tax	7	50	(86)%	(54)	-	54

## *Profit & Loss - Distribution*

(Rs. Million)	Q2 FY16	Q2 FY15	Change (y-o-y)	Q1 FY16	Change (q-o-q)	FY 2015
Total Income	216	259	(17)%	134	61%	981
Total expenses	219	309	(29)%	249	(12)%	1,290
Profit before tax	(3)	(49)	-	(115)	-	(309)

- Over 18,300 employees
- 78% in Customer Facing roles
- Young workforce
- Post Graduates and Professionals form over 26% of the total workforce
- Over 2,000 women employees

### Qualification profile



**Young & vibrant workforce - average age of 34 years**