

10 December 2024

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

Dear Sir/Madam,

**Sub: Intimation under Reg. 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Submission of investor / analyst Group Meet presentation**

With reference to our letter dated 2 December 2024 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule III thereto, please find enclosed herewith presentation made to analysts/investors at today's Group meet held in Mumbai, Maharashtra, India, including the presentations made by subsidiaries.

We request you to kindly take the same on record.

Thanking you,  
**Yours faithfully**  
**FOR BAJAJ FINSERV LIMITED**

**UMA SHENDE**  
**COMPANY SECRETARY**  
Email id: [investors@bajajfinserv.in](mailto:investors@bajajfinserv.in)  
Encl.: As above



2024

# INVESTOR DAY PRESENTATION

Bajaj Finserv Limited

Sanjiv Bajaj  
CMD, Bajaj Finserv

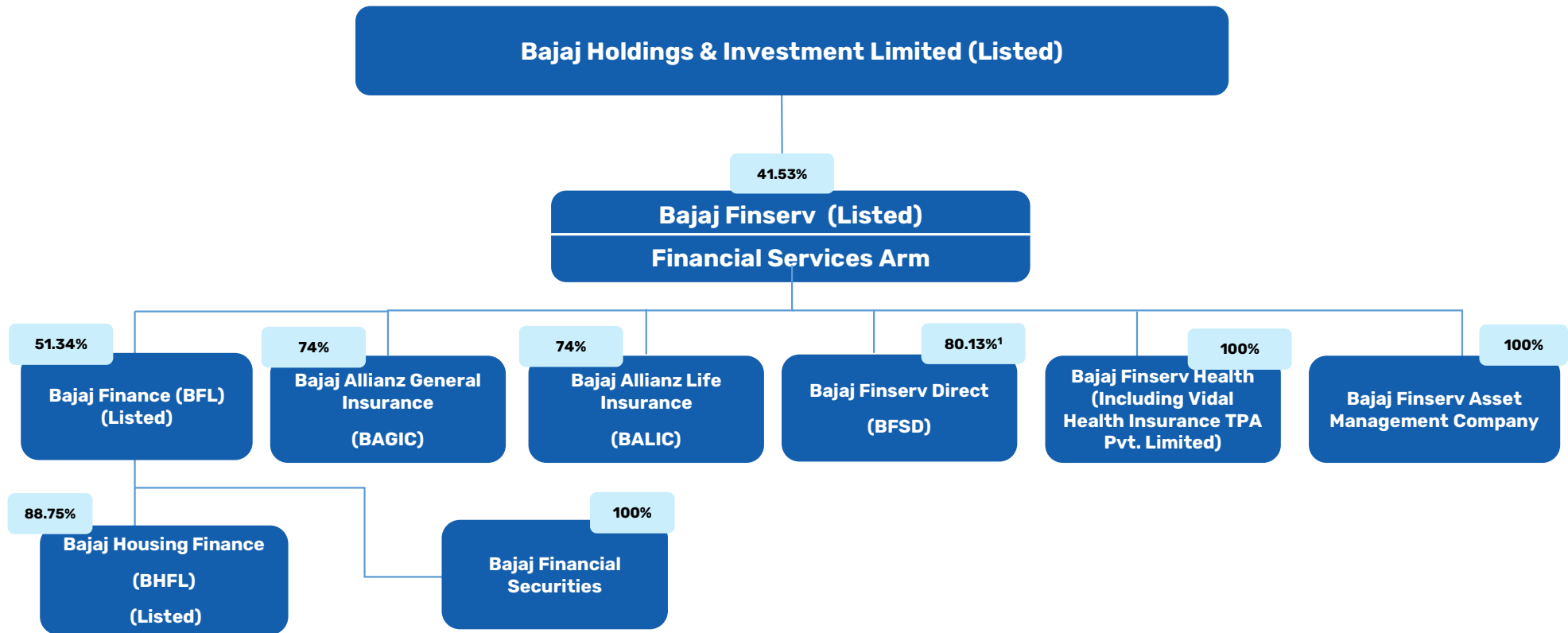
| 10<sup>th</sup> December 2024  
00:45:00

# BAJAJ FINSERV

To be the financial services lifecycle partner to every Indian

Our Journey...

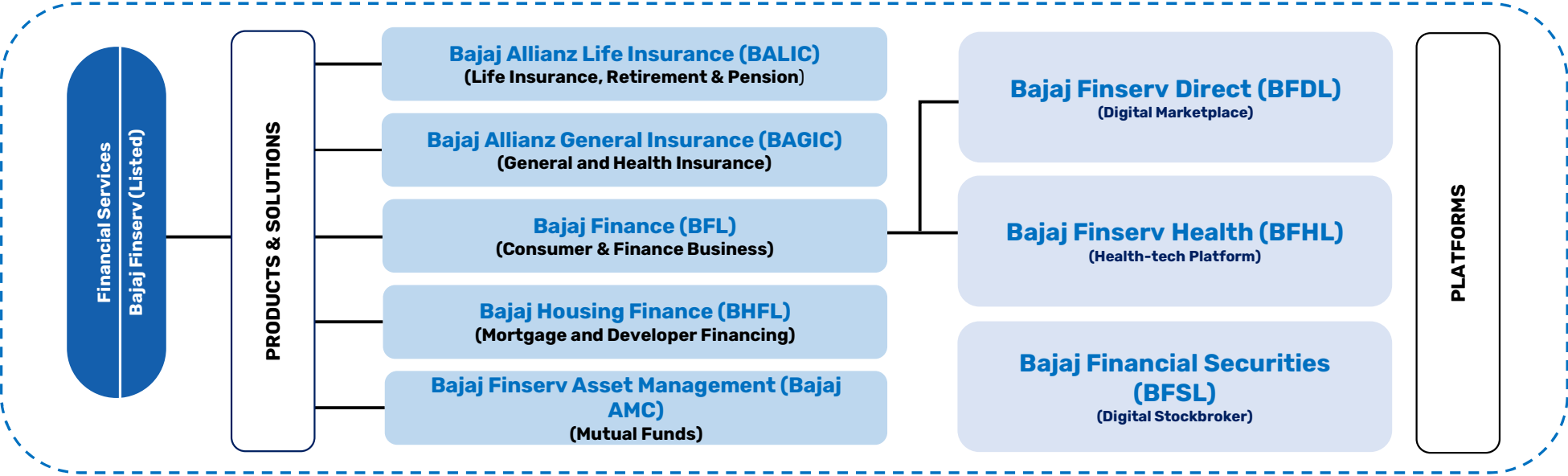
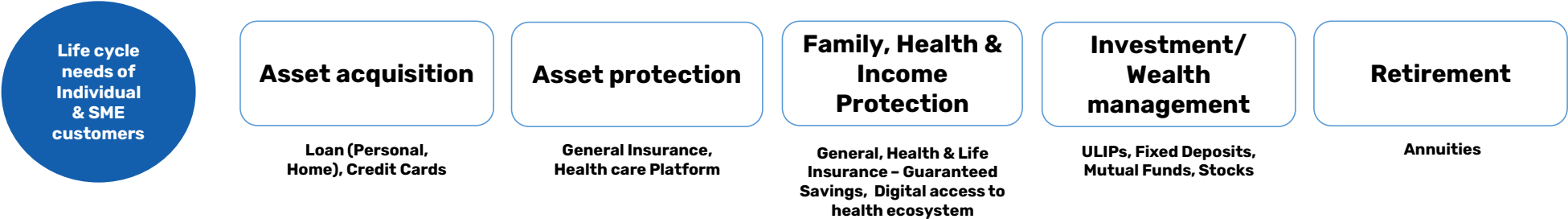
# Bajaj Group Structure



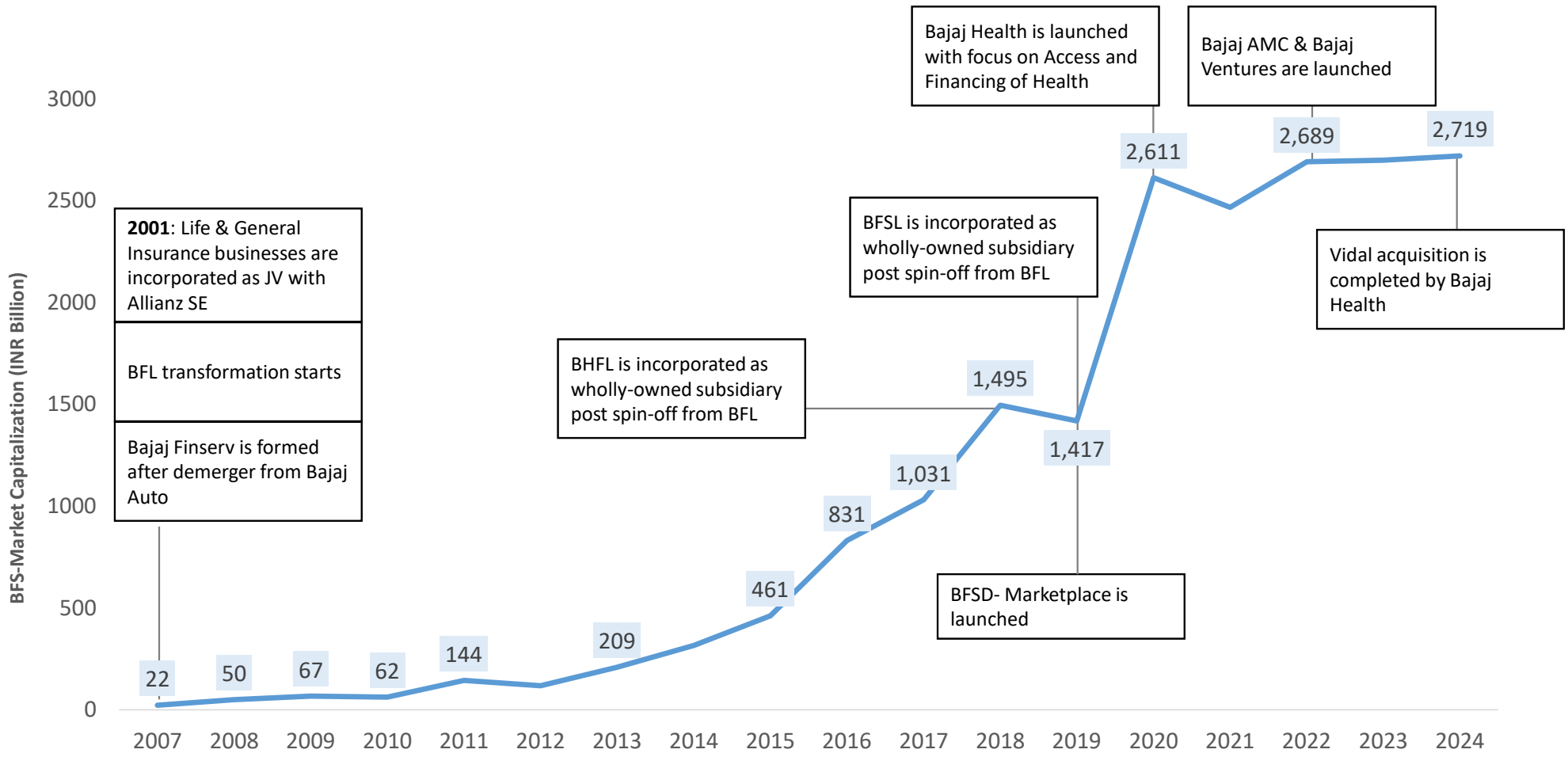
1. The remaining 19.87% shareholding is held by Bajaj Finance.  
2. Bajaj Finserv (BFS) also has BFS Ventures (BFSV) as fully-owned subsidiary

# Bajaj Finserv Vision

A diversified financial services group with a pan-India presence

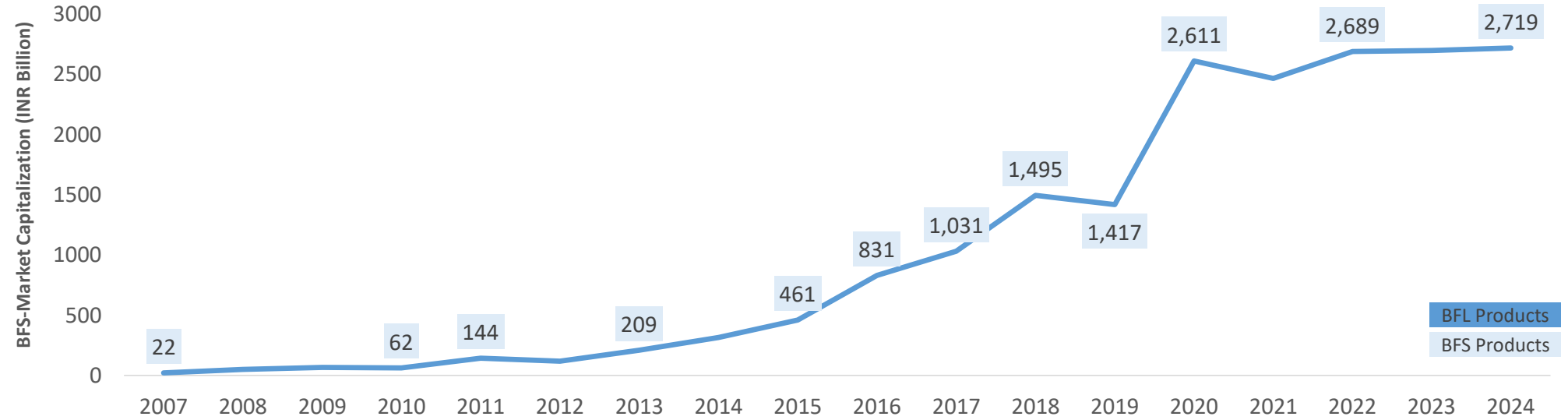


# Bajaj Finserv- Journey So Far



# Bajaj Finserv- Journey So Far

2007	2008-09	2010-11	2012-13	2014-15	2016-17	2018-19	2020-21	2022-23	2024
Consumer Durable Financing Expanded	Unsecured BL	Loan Against Securities	Gold Loan	Deposits	E-commerce	Developer Finance	Payments	Mutual Funds	Tractor
Personal Loans	Loan Against Property	Existing Member Identity Card	Lifestyle Finance	Lifecare Financing	Co-branded Credit Card	Broking App	Health EMI Card	BAGIC- Geo LoB	Microfinance
BALIC- Non-Par product Jan Vikas Yojana	BALIC- Group Annuity	Home Loan	BAGIC- Liability Insurance revamped	Crop Insurance	BALIC Bancassurance	Marketplace Platform		BAGIC- Surety Bond	Bharat Lending
	BAGIC- Travel Assist Card	Salaried Personal Loan			Rebranding of BALIC	Health: Cashless Outpatient		BALIC- Diabetic Term Plan	Health Services to Corporates & Govt

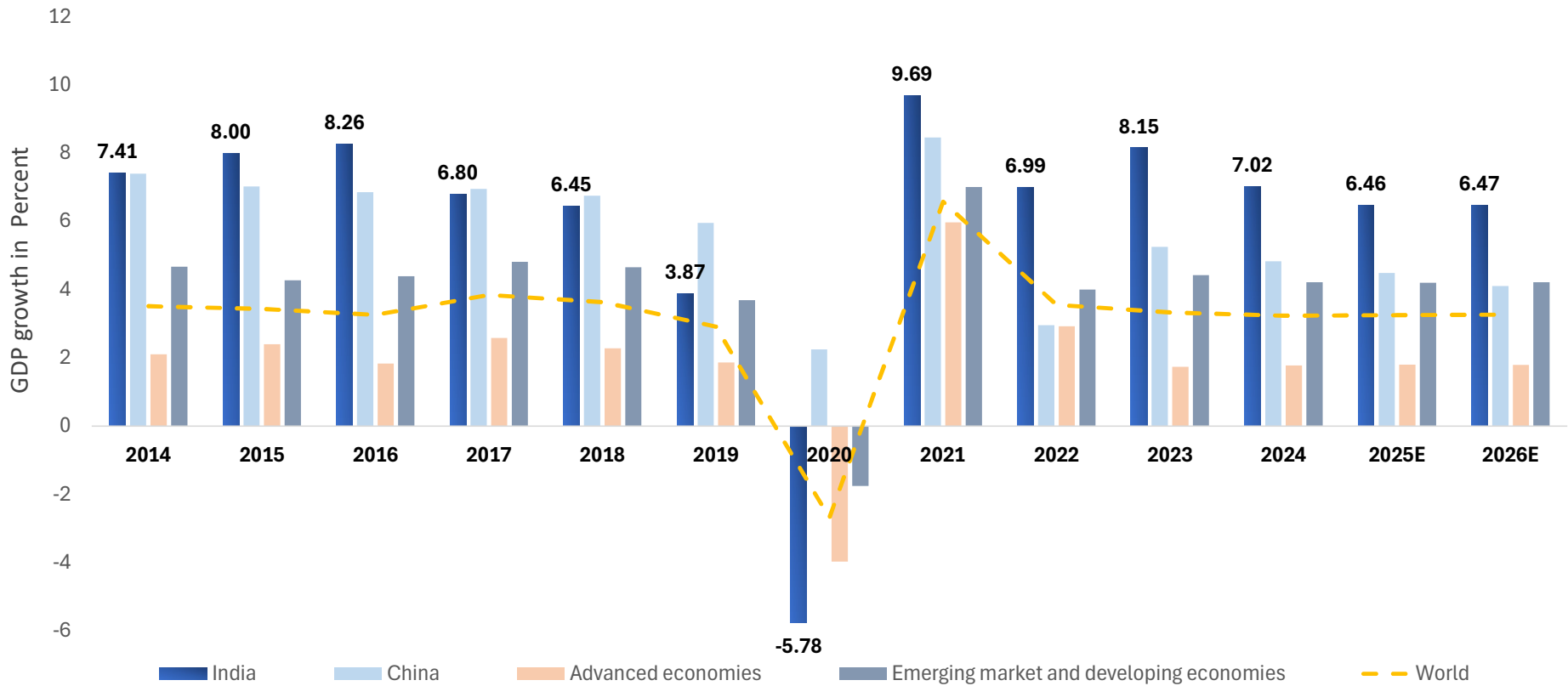


# India Opportunity



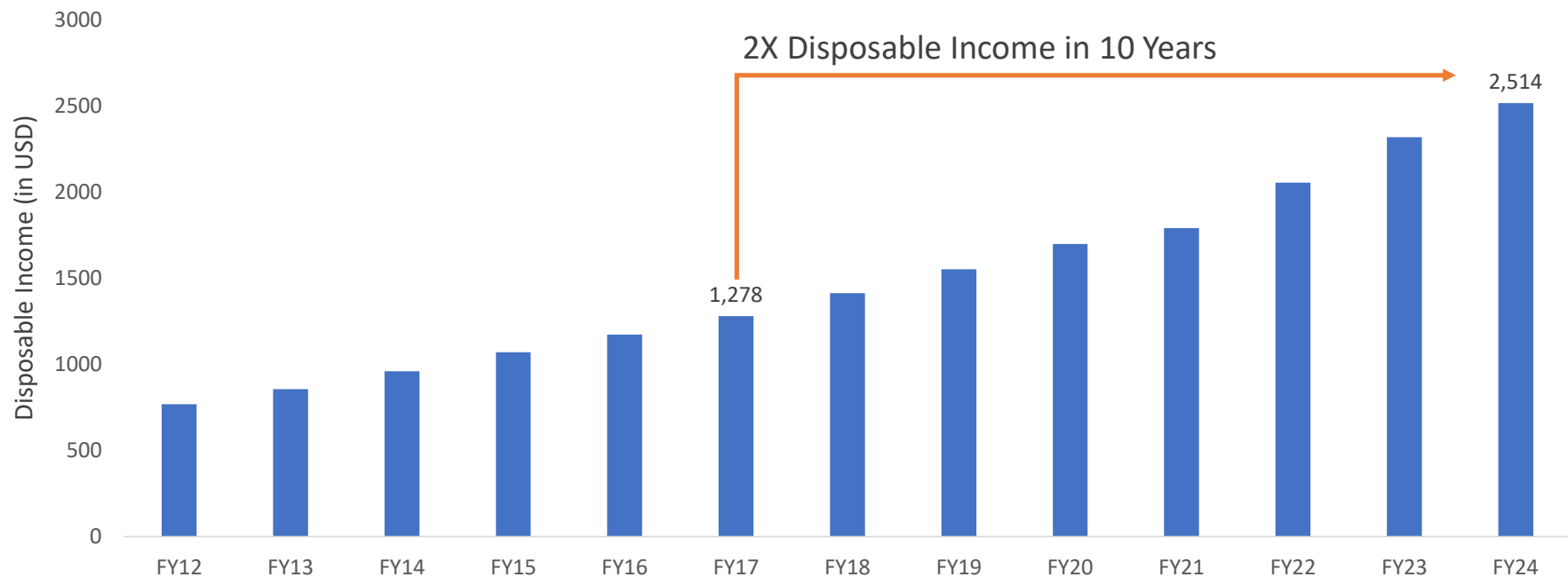
# India: Macro

India remains the fastest growing economy surpassing China in 2021



# India: Opportunity in Every Household

Per Capita GNI is rising, leading to higher disposable income

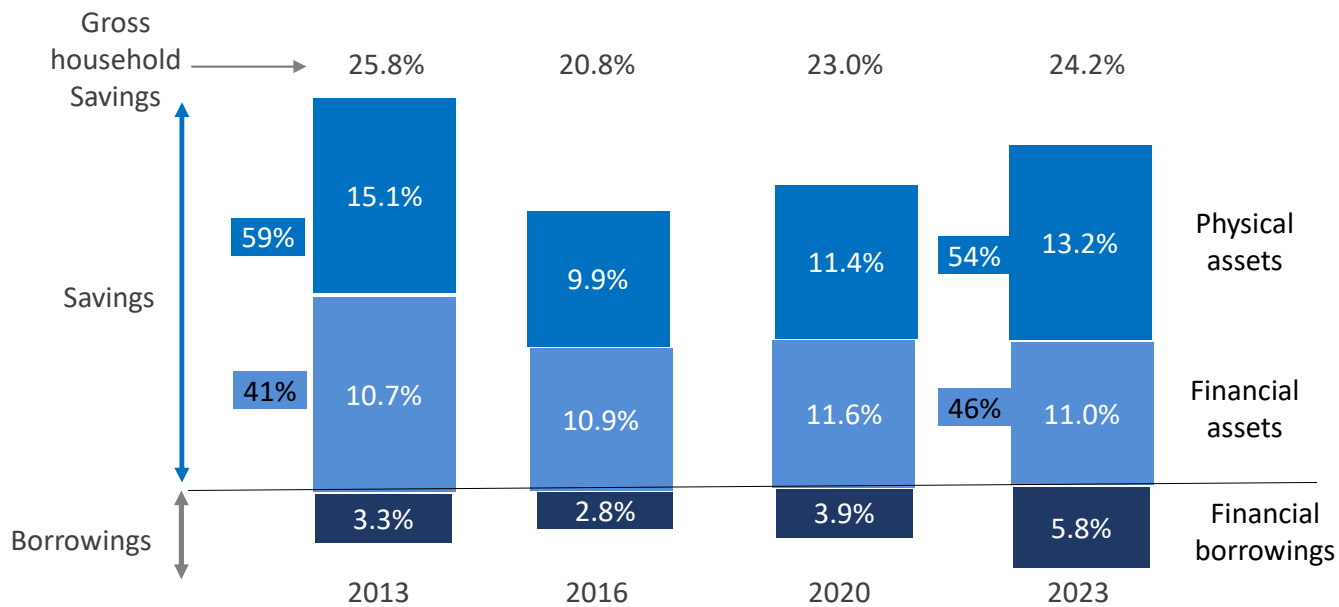


Per Capita GNI is estimated to reach \$18,000 by 2047

# India: Opportunity in Every Household

## Behavioral Shift in Savings Pattern

Household (HH) Savings (Deposits) & Borrowings: Annual Flows as a % of GDP

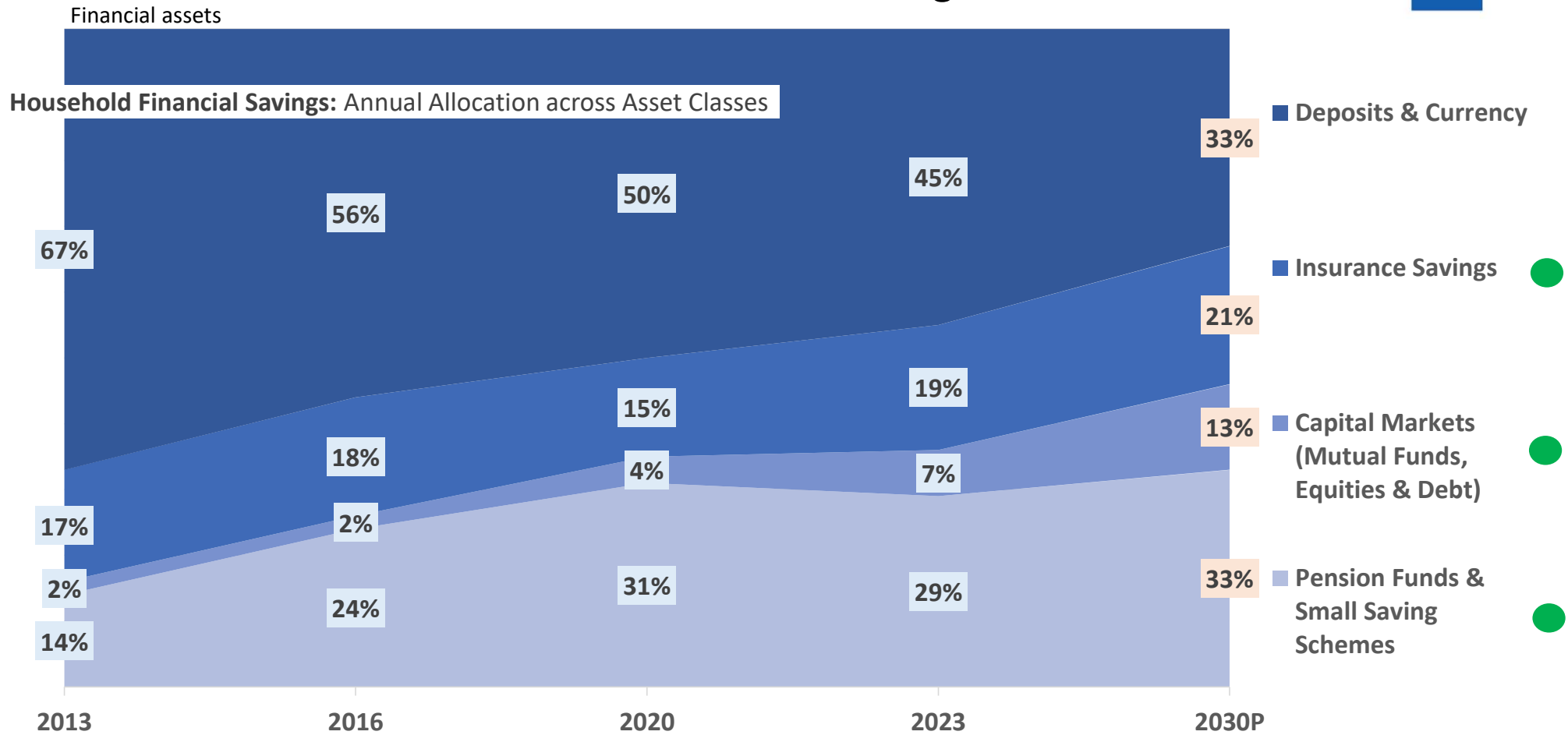


Physical assets (real estate, gold etc) continue to grow – **Opportunity for our gold loan, mortgage, asset insurance and asset leveraged businesses.**

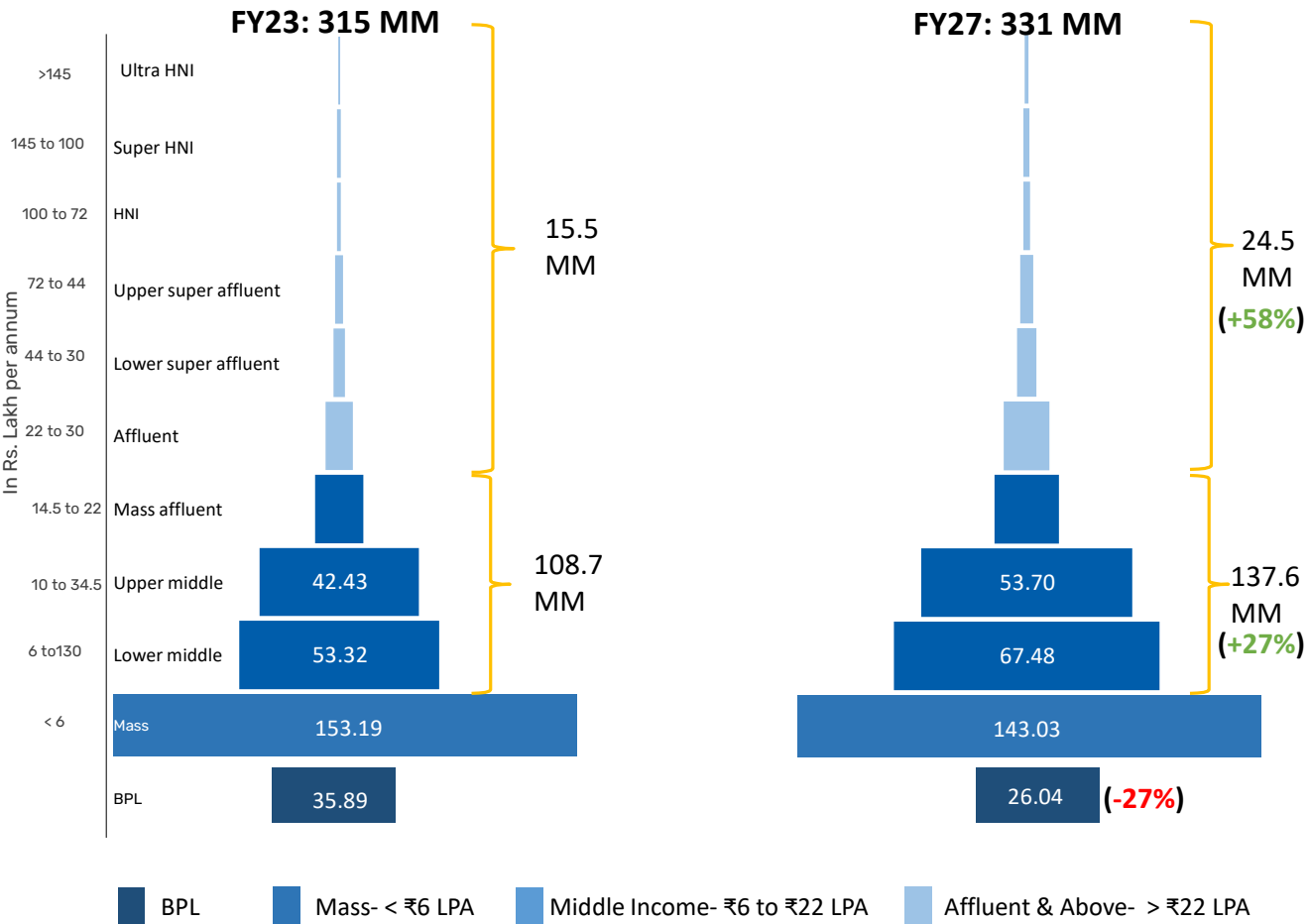
Formalized borrowings for households have doubled due to success of **retail loans** in the past decade

Sources: MoSPI; RBI; NSE; AMFI; NPS Trust; Tracxn; BCG analysis.

# Behavioral Shift in Financial Assets- Savings Pattern



# Income Pyramids: Unlocking Demographic Potential



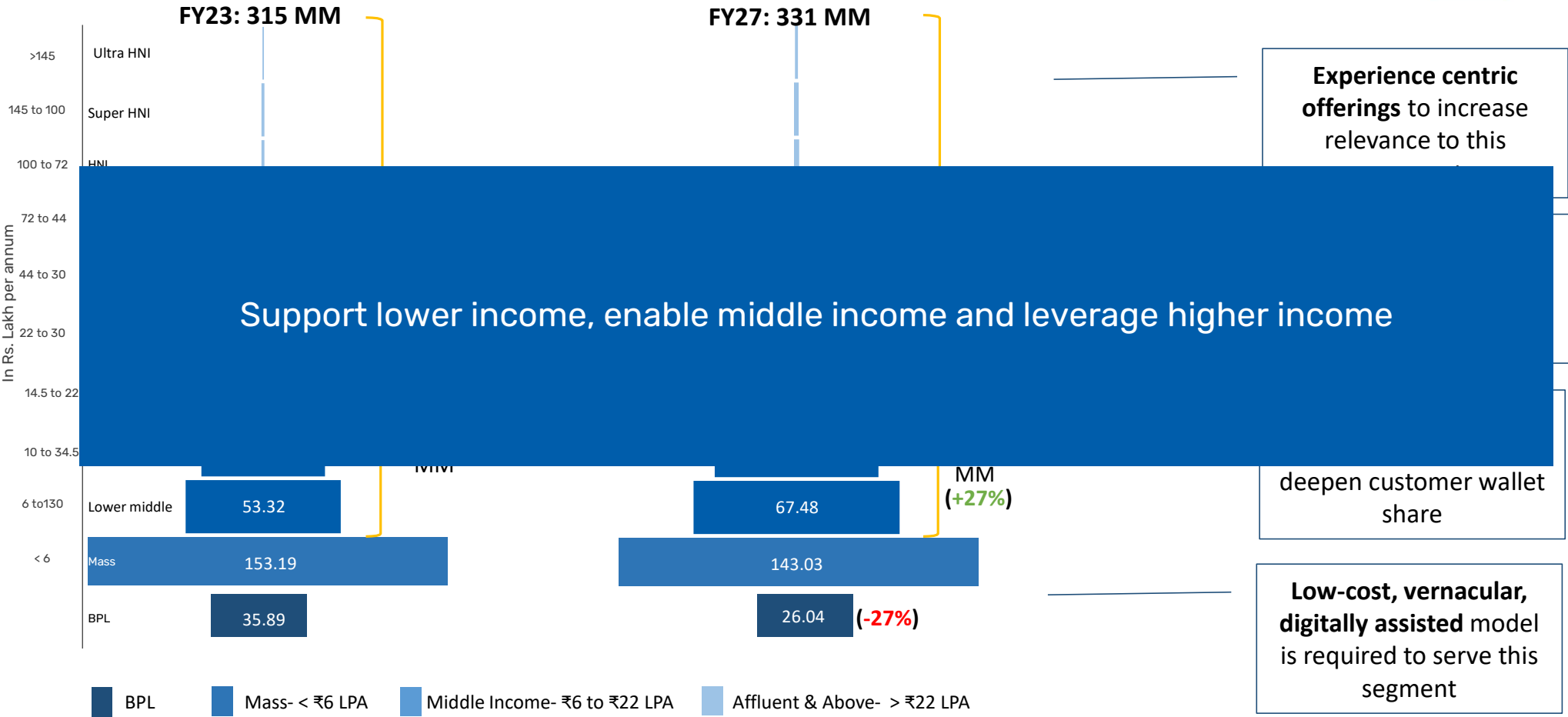
**Experience centric offerings** to increase relevance to this segment

**Life Goal Planning, Savings & Protection** business have a large growth headroom

**Platforms, DIY journeys and loyalty programs** to deepen customer wallet share

**Low-cost, vernacular, digitally assisted** model is required to serve this segment

# Income Pyramids: Unlocking Demographic Potential



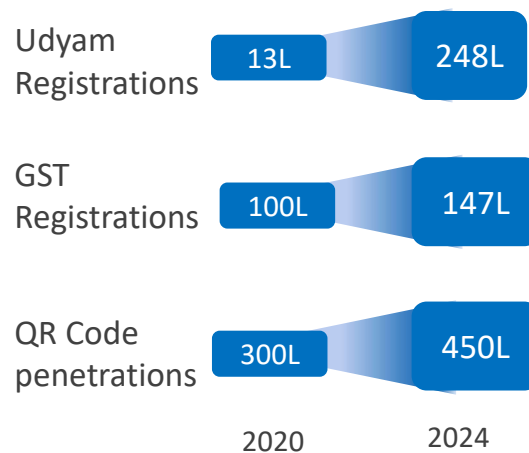
Source: Bain & Co, RBI

# India: MSME Boost

## Formalization of MSMEs & Credit Expansion at Scale

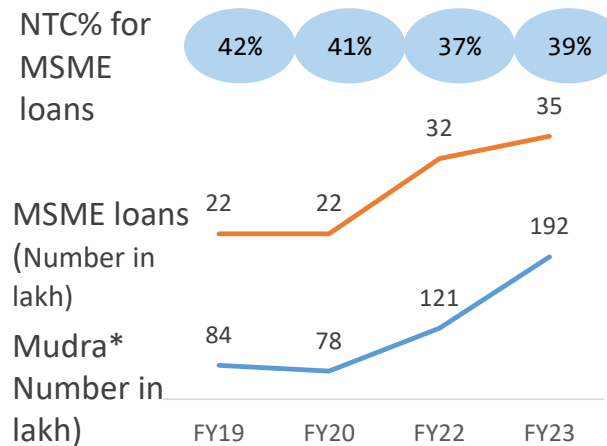
### MSME formalizations:

Ecosystem data footprint on the rise



### MSME Lending:

Annual originations expanding rapidly



- Several reforms have increased the **richness of the MSME data footprint**
- Guarantee schemes have facilitated several **MSMEs to move towards formal financing**

Mudra origination loans with ticket size >50K, FY21 is removed due to COVID impact  
Sources: TransUnion Cibil, RBI, GST Council, BCG analysis, Udyam Registrations

# India: MSME Boost

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Ecosystem data footprint on the rise

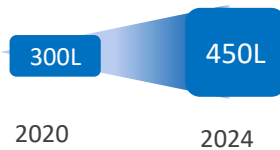
### MSME Lending:

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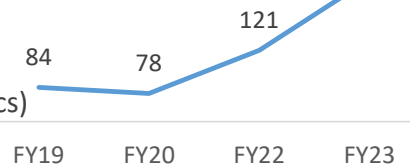
- MSMEs are expected to contribute to 50% of GDP by 2030, employ ~150 mn and account for 60% of Indian exports

## MSMEs emerge as a critical contributor to Indian economy

QR Code penetrations



Mudra\*  
Number in lacs)



- Guarantee schemes (CGTMSE, CGFMU etc.) have facilitated a large number of **MSMEs to move towards formal financing**

Mudra origination loans with ticket size >50K, FY21 is removed due to COVID impact

Sources: TransUnion Cibil, RBI, GST Council, BCG analysis, Udyam Registrations





# Bajaj Finserv – Our foundational blocks



Efficient capital utilization

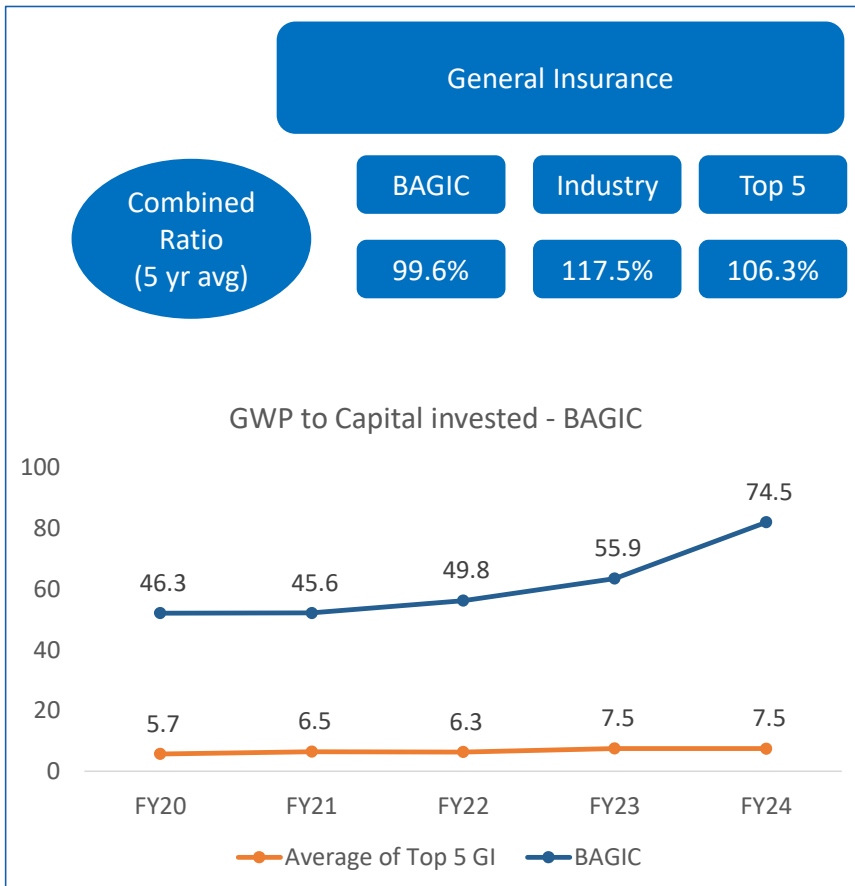
Lifecycle partner

Customer Obsession

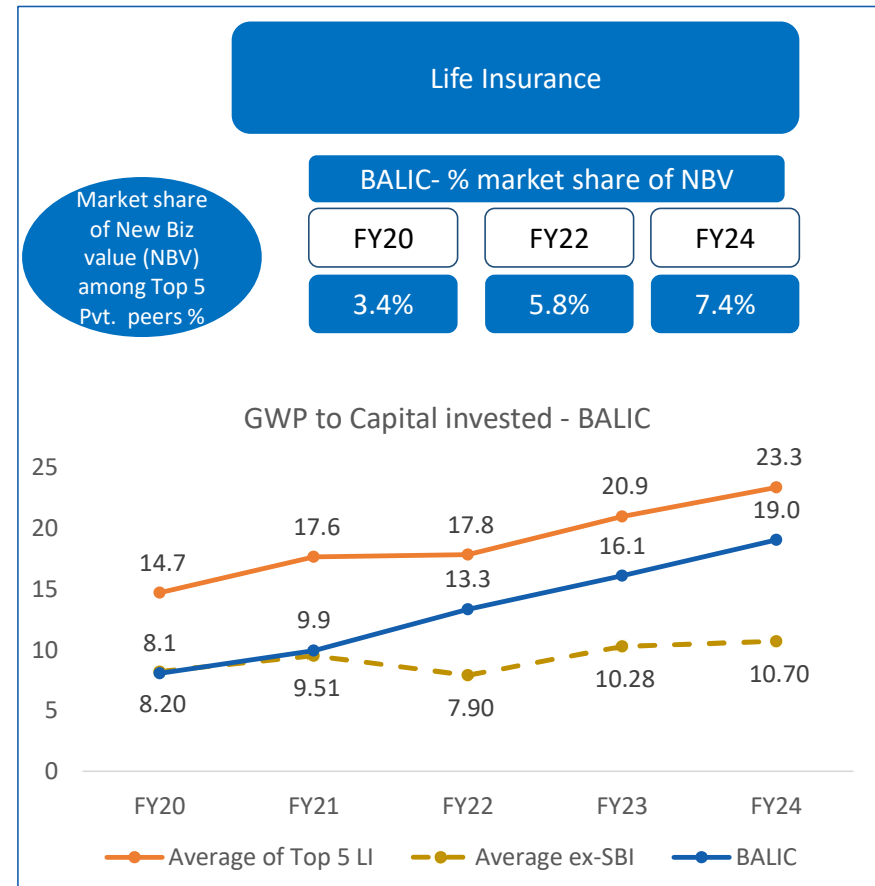
Culture & people



# Capital Efficiency: Our Insurance Companies



Capital invested = share capital + share premium



Efficient capital utilization

Lifecycle partner

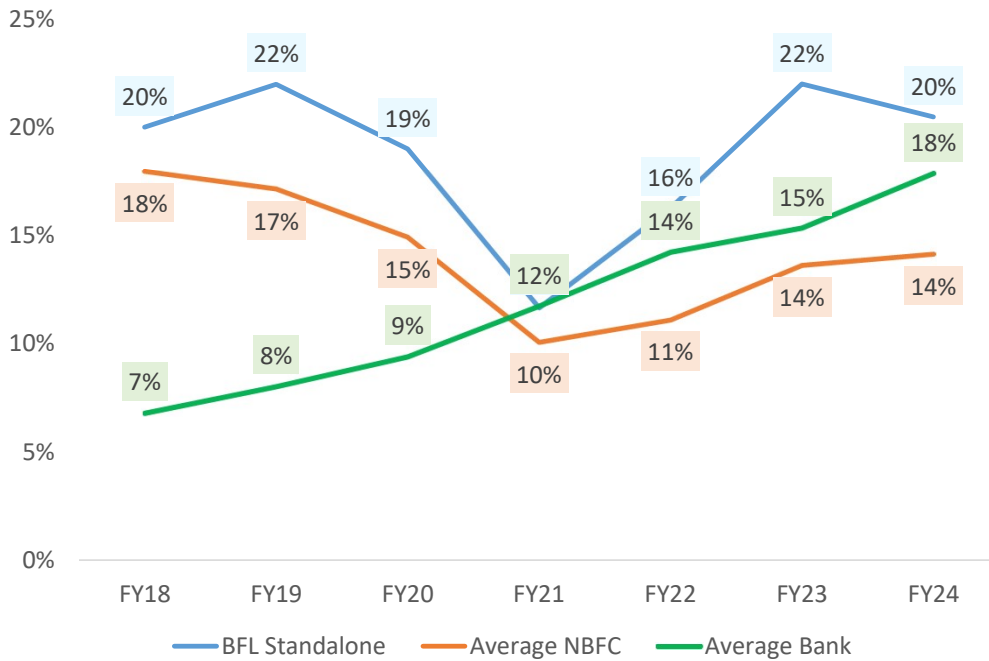
Customer Obsession

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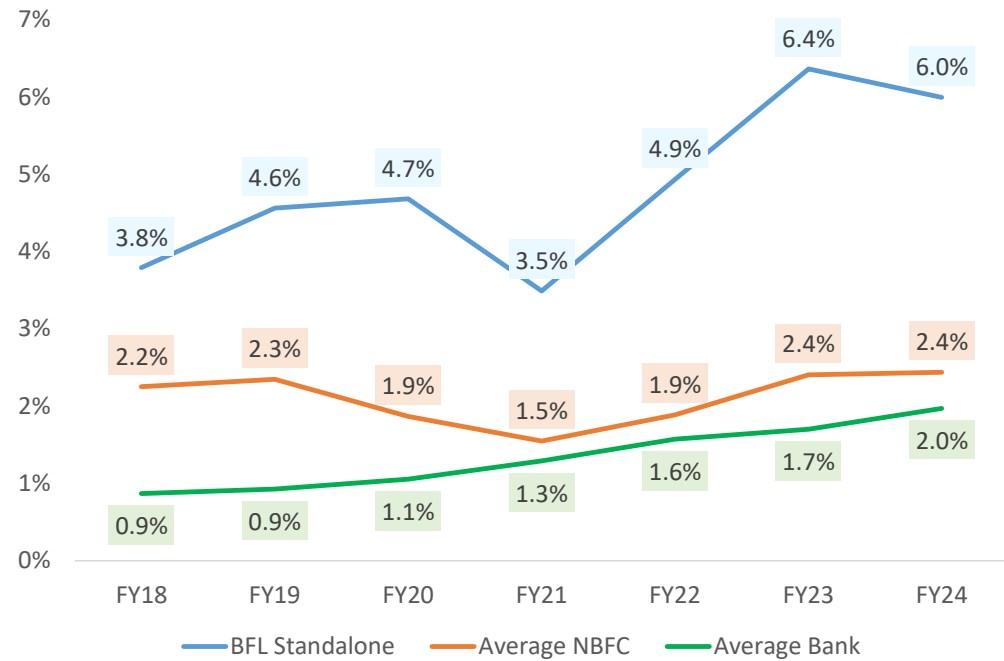
# Capital Efficiency: Bajaj Finance



BFL ROE Vs Industry Average



BFL ROA Vs Industry Average



Source: RBI, Respective company reports

Efficient capital utilization

Lifecycle partner

Customer Obsession

Culture & people



# Bajaj Finserv – Our foundational blocks



Efficient capital utilization

**Lifecycle Partner**

Customer Obsession

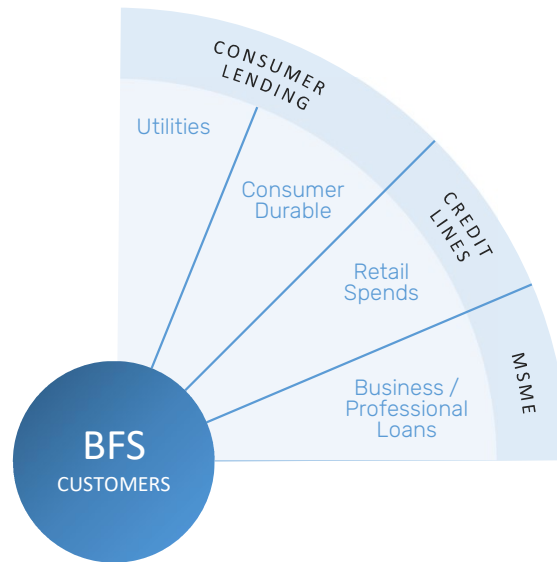
Culture & people



# Lifecycle partner

Create constant value across the customer lifecycle,  
build sustainable business

# Customer Lifecycle Partner



Created a strong market for consumer lending products for individual, households and MSMEs

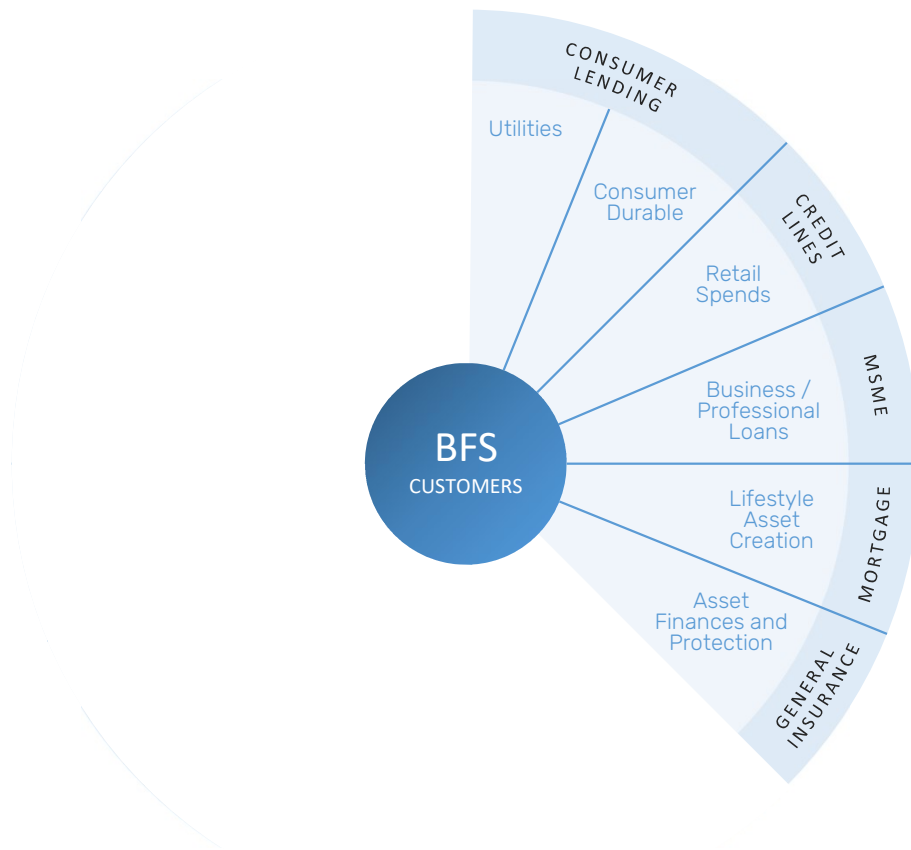
Efficient capital utilization

Lifecycle partner

Customer Obsession

Culture & people

# Customer Lifecycle Partner



Established **strong data analytics** to deepen wallet share and strengthen **secured lending business**

Simultaneously, **general insurance** built a strong market share in retail businesses

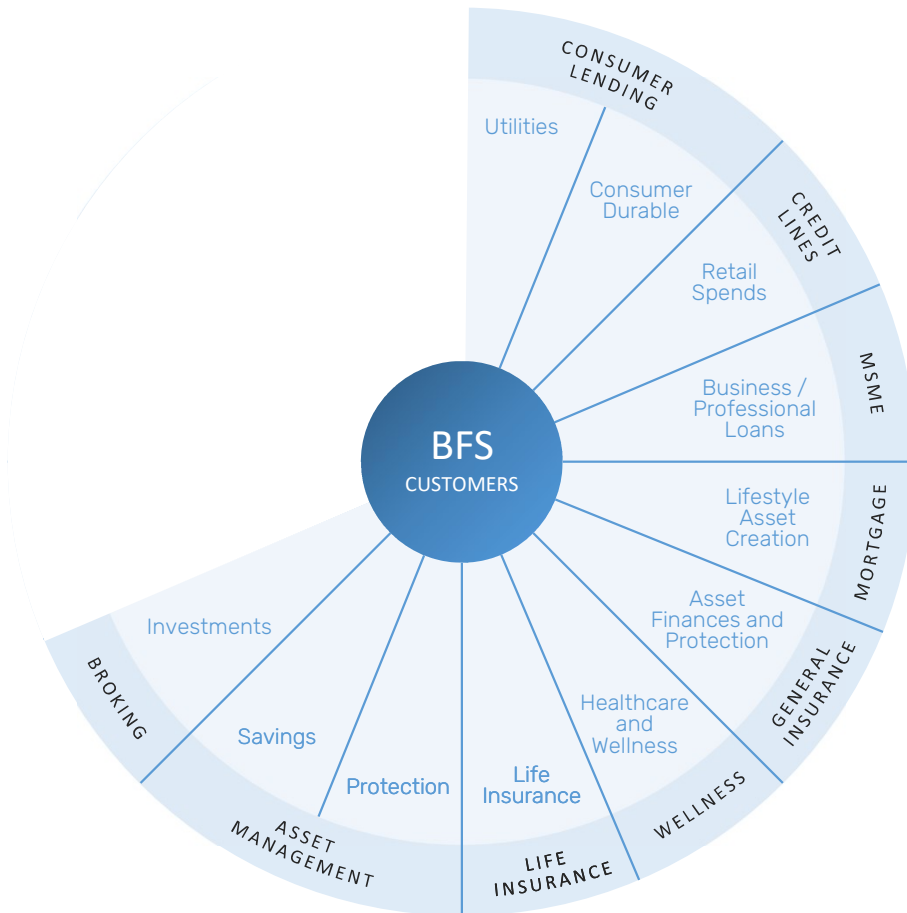
Efficient capital utilization

**Lifecycle partner**

Customer Obsession

Culture & people

# Customer Lifecycle Partner



Life Insurance: **Savings and protection** coupled with **securities business** and the most recent **asset management** company added value to customers

**Health and wellness** was a necessary component to add value to customer products and offerings

Efficient capital utilization

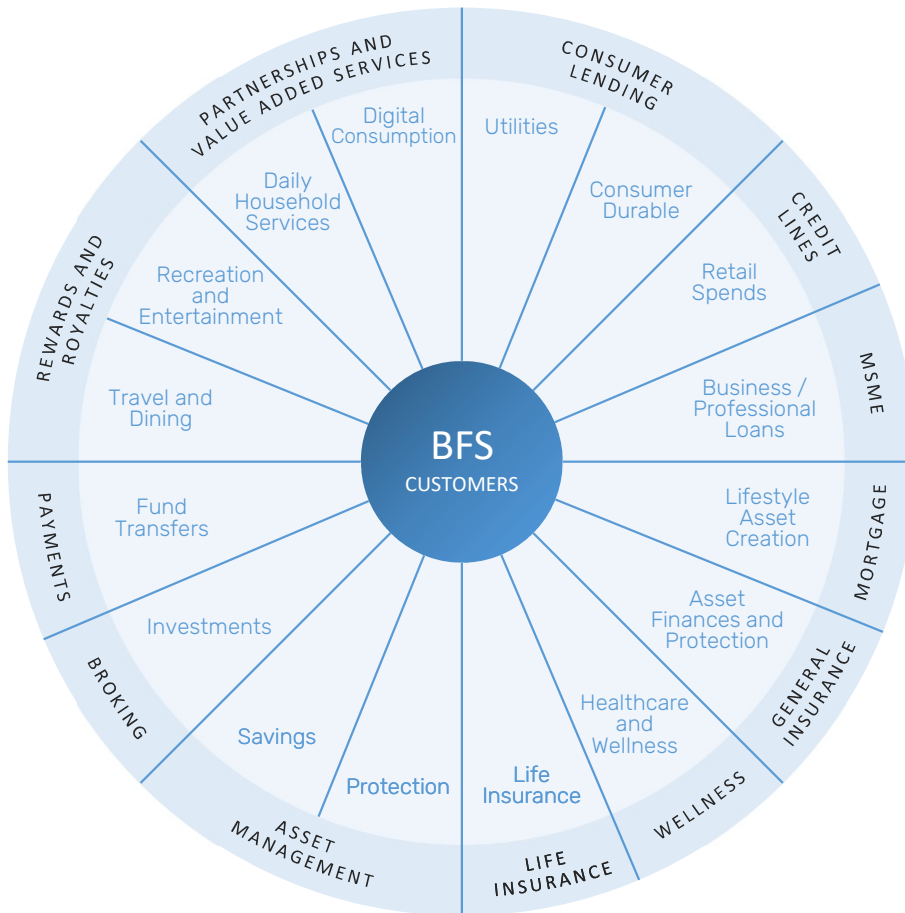
**Lifecycle partner**

Customer Obsession

Culture & people



# Customer Lifecycle Partner



Enablers: Payments, rewards and partnership for granular and seamless customer experience

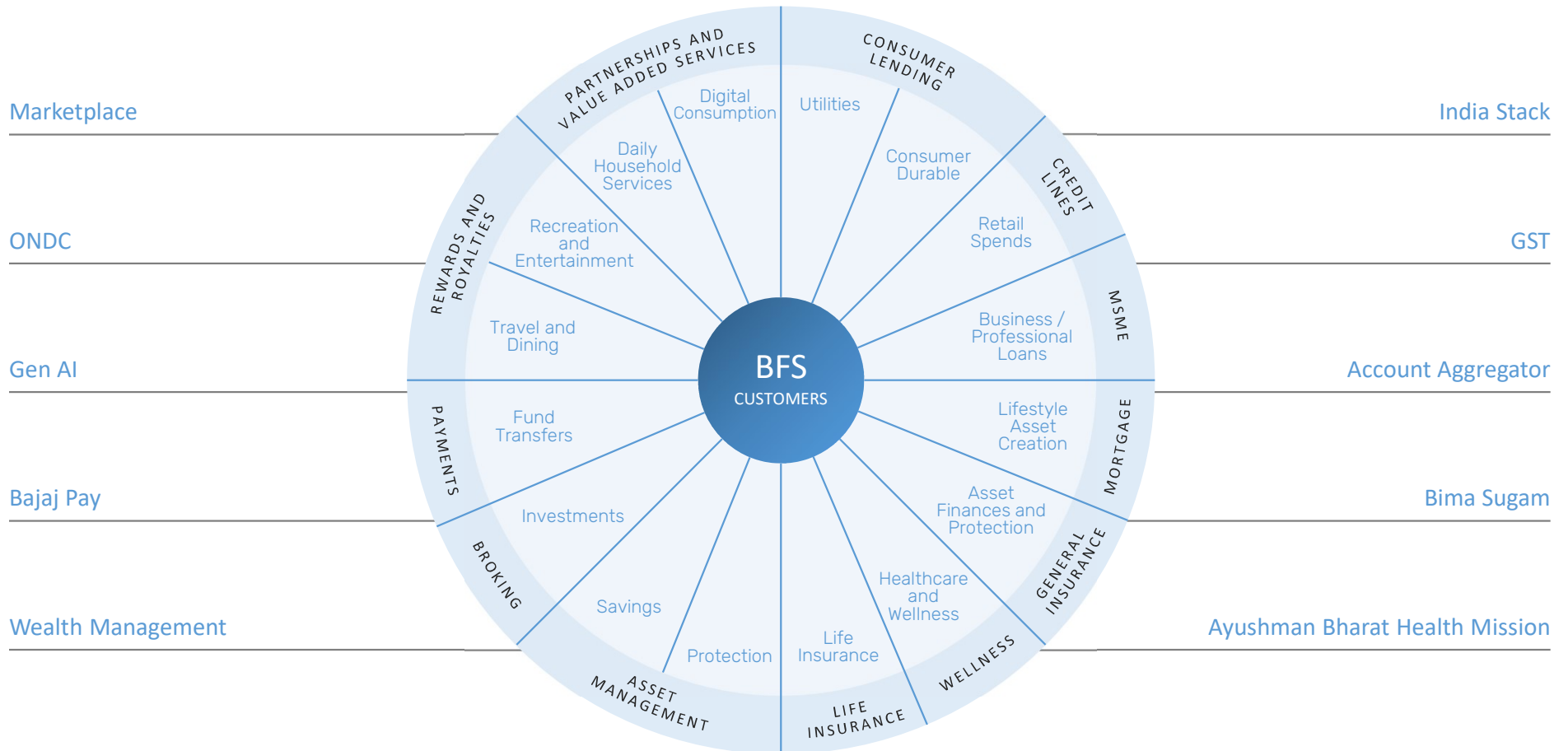
Efficient capital utilization

**Lifecycle partner**

Customer Obsession

Culture & people

# Customer Lifecycle Partner



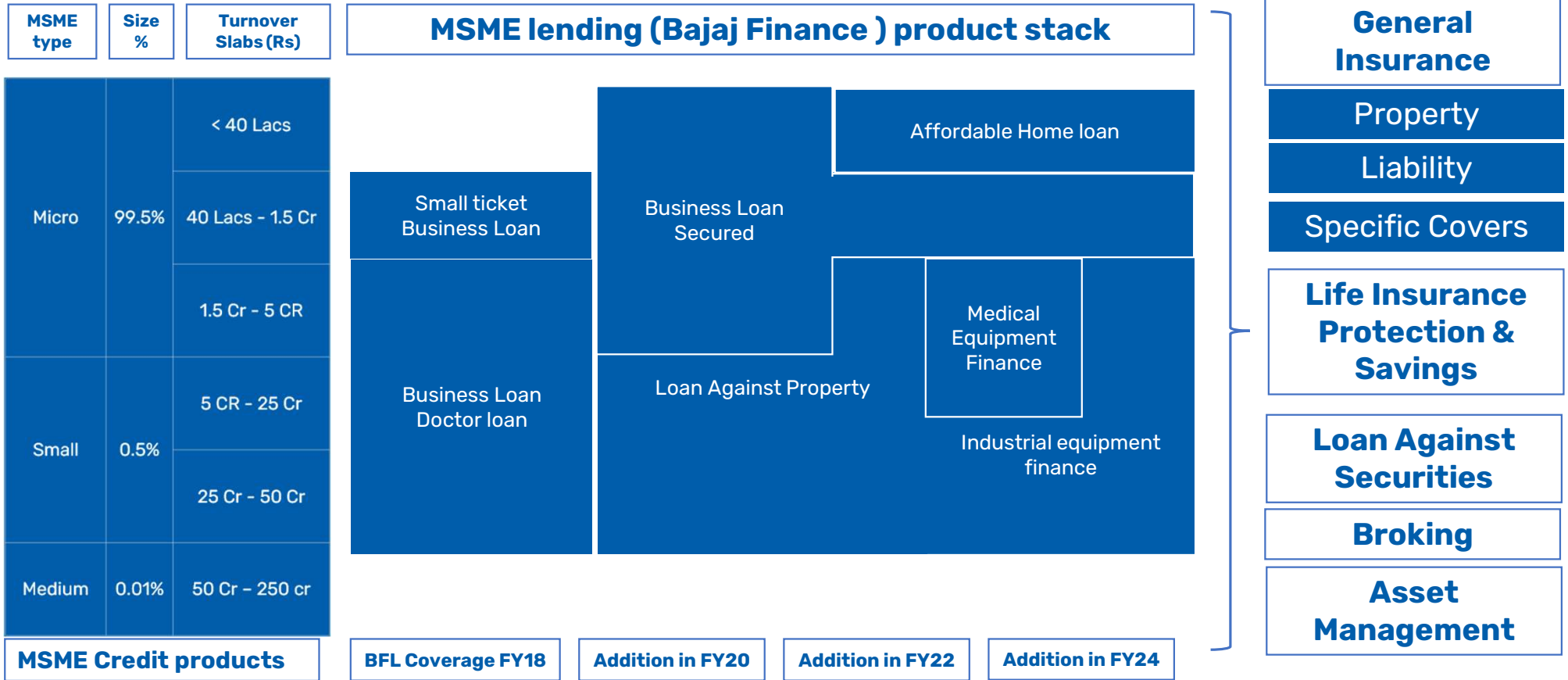
Efficient capital utilization

**Lifecycle partner**

Customer Obsession

Culture & people

# MSMEs: Increased Strategic focus across our companies



Efficient capital utilization

Lifecycle partner

Customer Obsession

Culture & people

## BFS Group Company Milestones in the year gone by



BAJAJ  
HOUSING FINANCE

IPO

BAJAJ  
FINSERV HEALTH

Strategic acquisition of  
Vidal Healthcare

BAJAJ  
FINANCE

Largest NBFC in India in  
terms of PAT and AUM

BAJAJ  
AMC

Fastest-growing  
mutual fund

BALIC

Crossed AUM  
₹1,00,000 Cr

BAGIC

Best Combined Ratio  
amongst peers consistently

Efficient capital utilization

Lifecycle partner

Customer Obsession

Culture & people

Efficient capital  
utilization

Lifecycle Partner

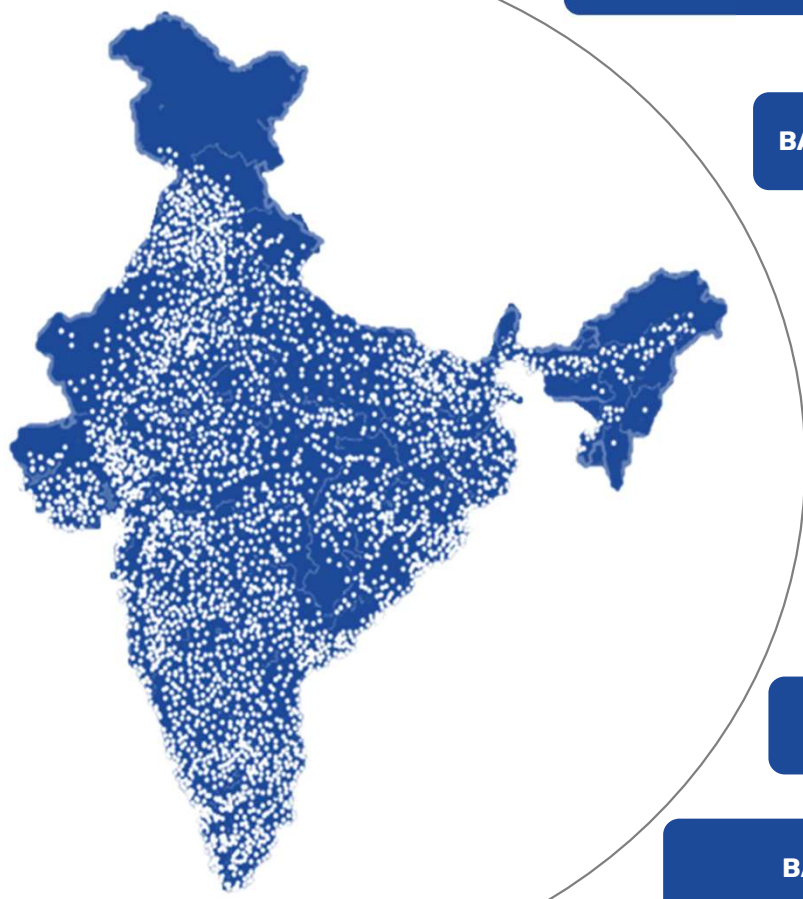
Customer Obsession

Culture & people

# Customer Obsession

**Continuous innovation, responsible growth**

# BFS Reach



**BAJAJ FINANCE**

**9.40 crore unique customers**  
**4,202 Branches** (Urban: 1,585 | Rural: 2,617)  
**207,000+ POS** (Active point of sale)



**BAJAJ ALLIANZ GENERAL INSURANCE**

**15 crore unique customers**  
**170+ Corp. Agents and Banks**  
**78,700+ POS, 61,700+ Individual Agents**

**BAJAJ ALLIANZ LIFE INSURANCE**

**1.5 crore unique customers**  
**545 Branches, 150,000+ Individual Agents**  
**100+ Corp. Agents, 3,500+ PSF**

**BAJAJ HOUSING FINANCE LIMITED**

**174 Branches**

**BAJAJ FINSERV HEALTH**

**100,000+ Doctors, 16,000+ Hospitals**  
**5,500+ Labs**

**BAJAJ FINSERV DIRECT**

**4.3 crore unique customers**  
**100+ partners in Bajaj Markets**

Efficient capital utilization

Lifecycle partner

Customer Obsession

Culture & people

# Anticipate Customer's needs before they do



Rising Income



India Stack Powered the Financial Inclusion



**1.38 billion** Aadhaar Generated



**₹23.5 trillion-** Monthly Transactions Value in October'24



OCEN- The application layer has 17+ lenders, 10+ loan agents, 6+ TSPs

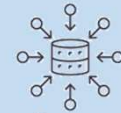


National Agri stack

- Land records, advisory, marketplace
- **1.51 X+ income for 50M+ farmers**



ONDC facilitated **100+ million** transactions cumulative and **14 million** in Oct'24



Account Aggregator ~**112 million** users have linked their accounts on AA framework

## Ayushman Bharat Digital Mission

**670+ million**  
ABHA Accounts

**420+ million**  
Health Records  
Linked

**3.3 lakhs**  
Verified HFR

## Bima Trinity- IRDAI

**Bima Sugam** (digital platform), **Bima Vistaar** (product), and **Bima Vahak** (women-centric distribution channel) – for effective distribution

## GenAI –

leading to increased productivity @ efficient cost



# Anticipate Customer's needs before they do



## Financial Inclusion

**Account Aggregator** integration  
across lending products

3.4 mm new to credit in H1FY25

### Farmitra App

Live in 21 States and in 9 Languages  
62+ lakh farmers insured pan India

### Har ghar Bajaj

Geo strategy launched in BAGIC for  
granular penetration  
Omnipresence strategy in BFL

## Innovation

### Gen AI

300+ projects across companies to  
focus on leveraging Gen AI

### Bajaj Pay

34 million UPI IDs

### Bajaj Finserv App installs

64 million net installs

### Product Innovations

BALIC: Diabetic Term Plan - ULIP with  
return of mortality charges

## Ecosystem

### ONDC marketplace

Hamara mall - exclusive BFL  
marketplace on ONDC

### Bajaj Health

Acquisition of Vidal  
Ayushman Bharat- 195+ Mn  
lives serviced

### Surety Bonds Insurance

First in the industry

Efficient capital  
utilization

Lifecycle partner

Customer Obsession

Culture & people

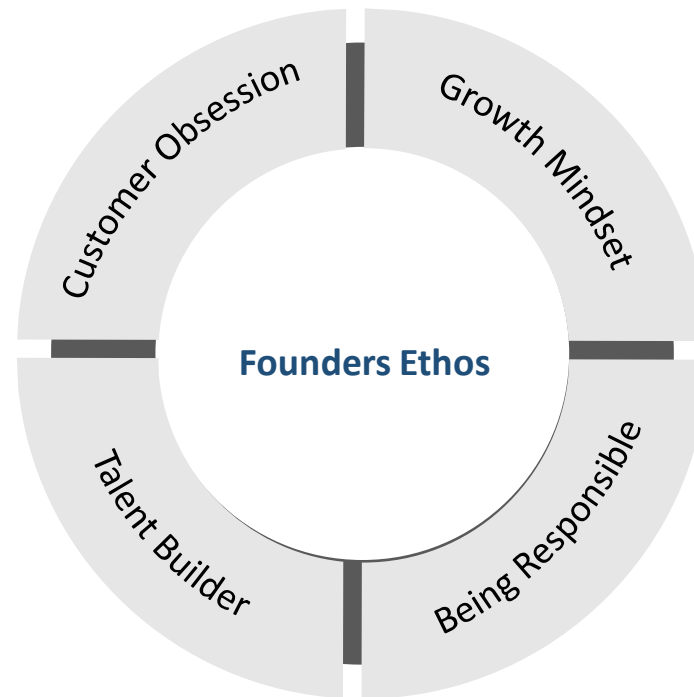
Efficient capital  
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# Bajaj Finserv's Foundational Blocks- to build our culture



A place where innovation, agility and ownership thrives, creating responsible leaders who build long term profitable businesses, to delight our customers

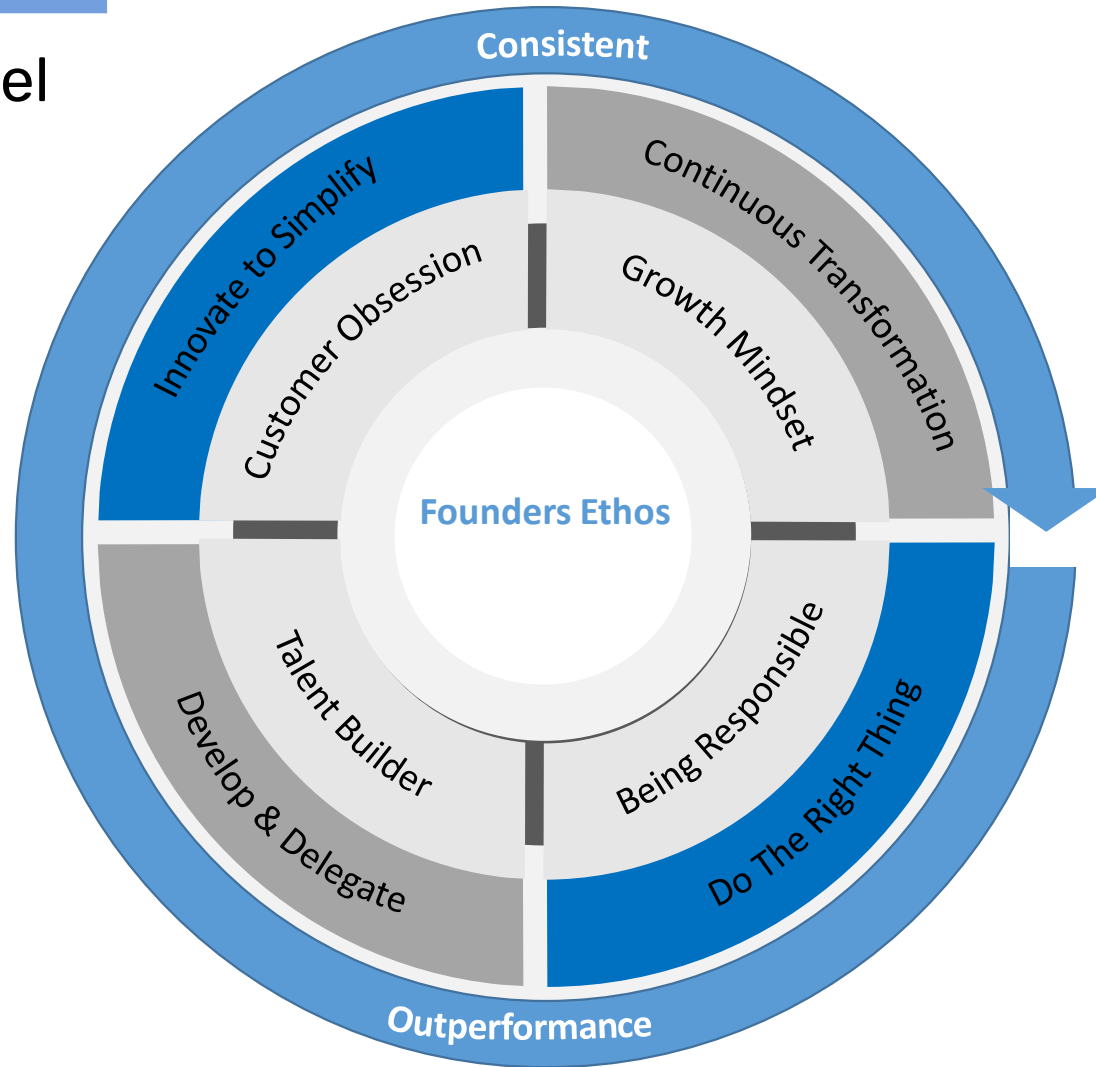
Efficient capital utilization

Lifecycle partner

Customer Obsession

Culture & people

# BFS Culture Wheel



Efficient capital utilization

Lifecycle partner

Customer Obsession

**Culture & people**

# Role of Bajaj Finserv



**Building Strategy**

**Ensuring Good Governance**

**Collaboration and Best Practice**

**Customer Experience, Investments,  
ESG**

**Corporate Social Responsibility  
(CSR)**

**OneFinserv leadership**

Efficient capital  
utilization

Lifecycle partner

Customer Obsession

Culture & people

# Bajaj Beyond- CSR (1/2)



## YOUTH of Today



1,00,000+ benefited

### SKILLSERV



### GRANT MAKING

BFSI Skilling

Employment, Self-Employment & Enterprise



Signed MoUs with NSDC and AICTE



Received NCVET Letter of Intent as a Dual Awarding Body



20,284 Women Empowered through Training and Entrepreneurship Programs



10,152 Persons with Disabilities Skilled for Income Generation



Certificate Programme in Banking, Finance & Insurance(CPFI) Skills for Students to Become Employable.



Skilling project with Centre for Youth Development Provides Training to Vulnerable Women in Non-traditional careers.

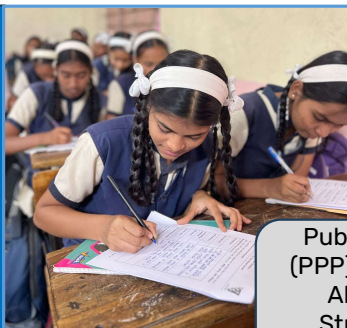
# Bajaj Beyond- CSR (1/2)

## YOUTH of TOMORROW

6,00,000+ Benefited

### Child Education

Focused on Digital & Foundational Learning, Mental Health, Vocational Education, Scholarships etc.



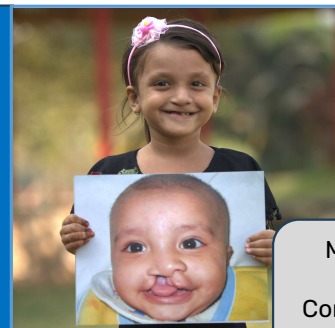
Public-Private Partnership (PPP) Model with iTeach and Akanksha Foundation Strengthens Education Access and Quality.



455,015 Benefited

### Child Health

Interventions Address Cleft-lip/Palate, Diabetes, Heart Conditions, Pediatric Cancer, & Epilepsy



Maha Smile- Cleft Care for every Child to Provide Comprehensive Cleft Care and Awareness in Maharashtra



34,253 Benefited

### Inclusion for Persons

with Disabilities Cater to Well-being of People with Intellectual, Developmental, Physical, and Locomotor Disabilities.



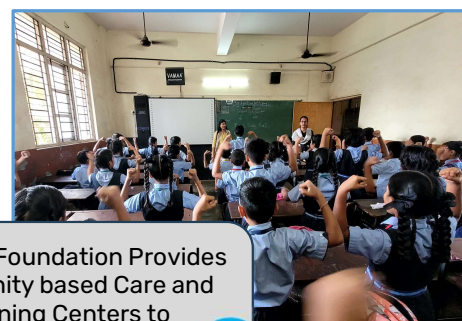
Assistive Technology Support in Association with AssisTech Foundation to Enhance Accessibility.



171,908 Benefited

### Child Protection

Initiatives Focus on Vulnerable Children at Risks like Trafficking, Abuse, and Labor.



Rainbow Foundation Provides Community based Care and Learning Centers to Vulnerable Children.



15,387 Benefited

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# Emerging Businesses

Creating value across customer life cycle





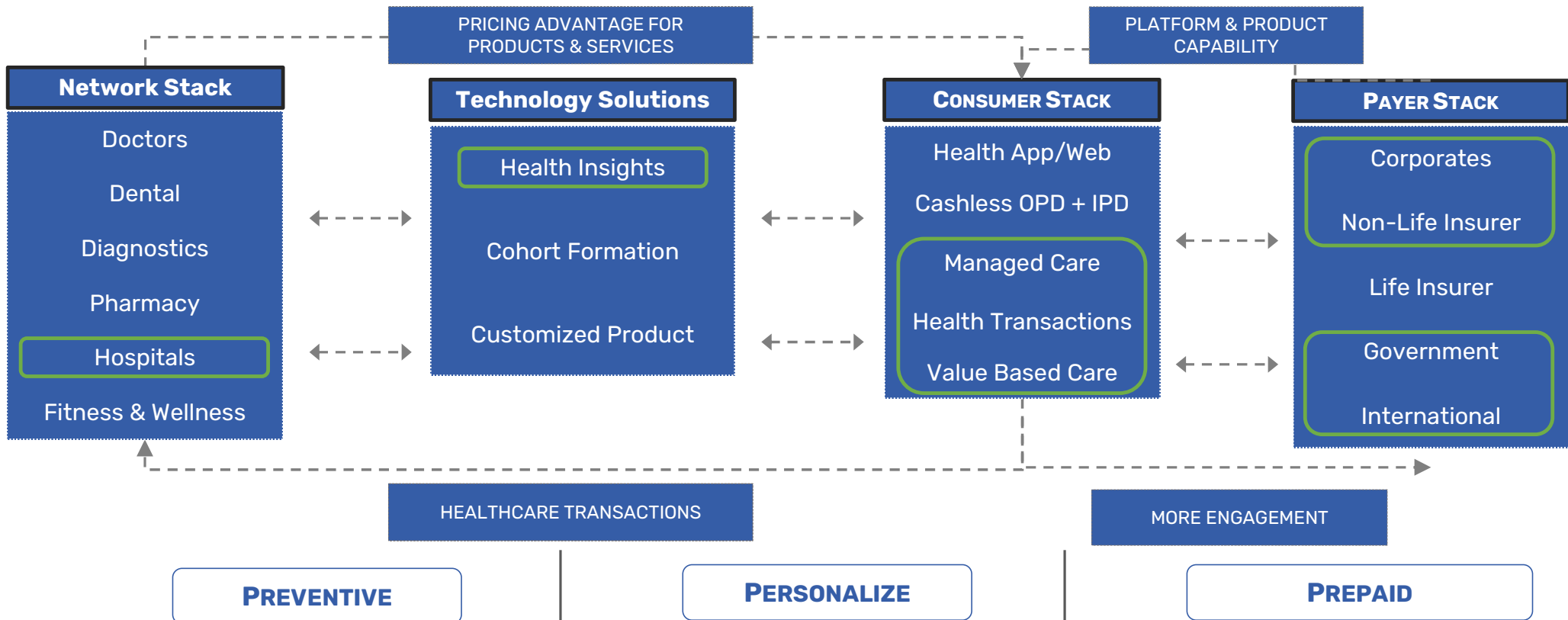
# BAJAJ FINSERV HEALTH

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## Strategy

Health Tech venture seeking **to Integrate the fragmented healthcare delivery ecosystem with technology and financial services on a digital platform** to bring digital quality healthcare closer by connecting providers to consumers through products, networks & technology

# Bajaj Finserv Health- Business Model



✓ Added/Augmented after Vidal acquisition

# Bajaj Finserv Health- Milestones

## Cashless OPD products launched with Health Insurers

- OPD network expanded to 100,000+ Doctors, 5000+ Diagnostic touch points and 2000+ Hospitals
- Best in class Consumer Platform for seamless integration

## Partner with National Digital Health Mission

Awarded Health Service Provider Application by National Health Authority for facilitating the highest number of teleconsultation bookings on the Universal Health Interface

## Acquisition of Vidal Healthcare

- 100% acquisition of Vidal Healthcare in April 2024 for an Enterprise Value of Rs. 325 cr
- Helps provide inpatient (IPD), outpatient (OPD) & Wellness services to partners

## Wellness benefits launched with Corporates

- Tailored solutions to Corporates for the wellbeing of employees, 100% paperless process and health insights



# Bajaj Finserv Direct

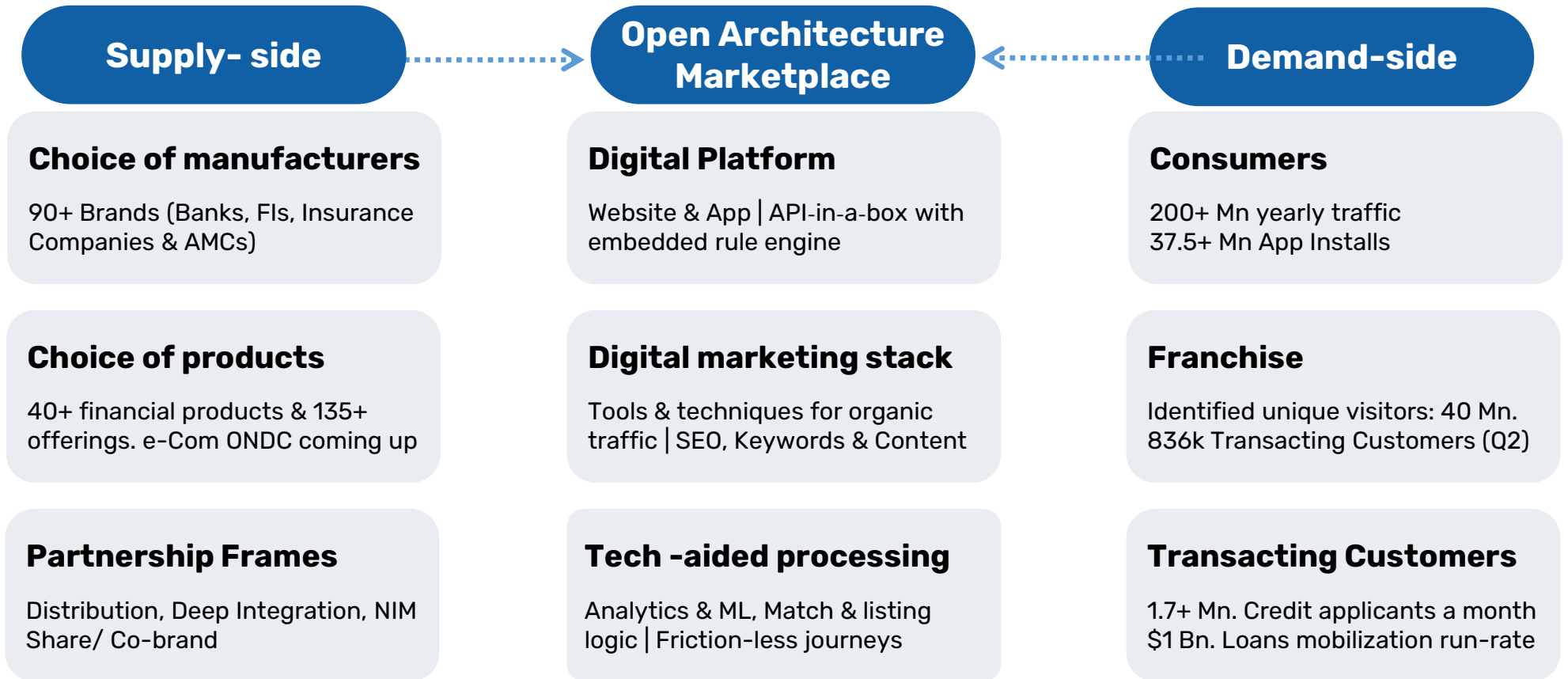
## Bajaj Markets

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### Strategy

Bajaj Markets is a wide-choice (open architecture) diversified marketplace for Financial Services which attracts large number of new-to-Finserv consumers, creates awareness & discovery of the Finserv brand and cross-sells products by leveraging Technology & Analytics

# Bajaj Markets- BFSI Marketplace Differentiators



# B2C | BFSI Marketplace (Bajaj Markets)



Vertical	Partners
Lending	52
Cards	10
Insurance	18
Investment	12
VAS	6
<b>Total Unique Partners</b>	<b>89</b>

Category	Partners	Lines of Businesses
Bank	12	24
NBFC	22	33
Fintech	21	26
HFC	8	16
Insurance	18	19
VAS	6	6
Broker	2	6
<b>Total</b>	<b>89</b>	<b>130</b>







# BAJAJ FINSERV

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# Growth Trajectory of the Group



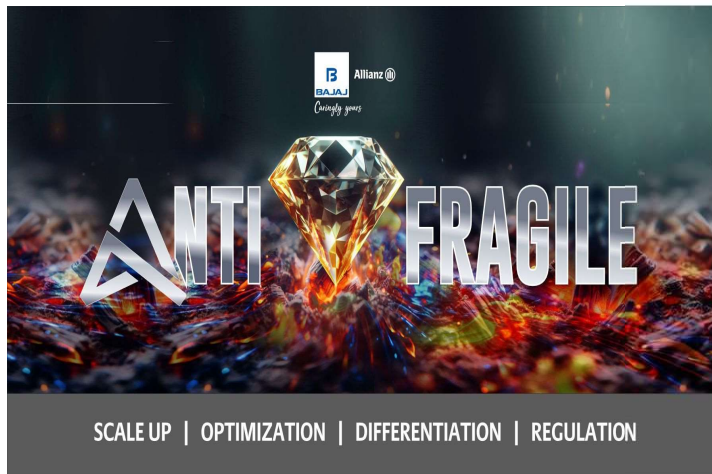
All Figures in Rs. Crore

Particulars	FY 14	FY 19	FY 23	FY 24	Growth for the year	5 YR CAGR	10 YR CAGR
<b>Bajaj Finserv (Consolidated)</b>							
Net total Income	15,555	42,606	82,072	110,383	34%	21%	22%
Profit after tax	1,544	3,219	6,417	8,148	27%	20%	18%
Net Worth	9,311	23,766	46,407	60,329	30%	20%	21%
<b>Bajaj Allianz General Insurance Company</b>							
Gross Written Premium	4,584	11,097	15,487	20,630	33%	13%	16%
Profit after tax	409	780	1,348	1,550	15%	15%	14%
Combined Ratio	98.1%	96.7%	100.5%	99.9%	0.6% abs	-	-
Assets under Management	6,967	17,237	27,809	31,196	12%	13%	16%
<b>Bajaj Allianz Life Insurance Company</b>							
Individual Rated New Business	1,002	1,742	5,214	6,326	21%	29%	20%
Gross Written Premium	5,843	8,857	19,462	23,043	18%	21%	15%
New Business Value	(27)	154	950	1,061	12%	47%	NA
Assets under Management	38,780	56,634	90,584	1,09,829	21%	14%	11%
<b>Bajaj Finance (Consolidated)</b>							
Net total Income	2,500	11,877	28,858	36,258	26%	25%	31%
Profit after tax	719	3,995	11,508	14,451	26%	29%	35%
Assets under Management	24,061	1,15,888	2,47,379	3,30,615	34%	23%	30%
<b>Bajaj Housing Finance</b>							
Net total Income	NA	471	2,454	2,925	19%	44%	-
Profit after tax	NA	110	1,258	1,731	38%	74%	-
Assets under Management	NA	17,562	69,228	91,370	32%	39%	-

# Long Range Strategies of our companies



## Bajaj Allianz General Insurance



## Bajaj Allianz Life Insurance



## Bajaj Finance

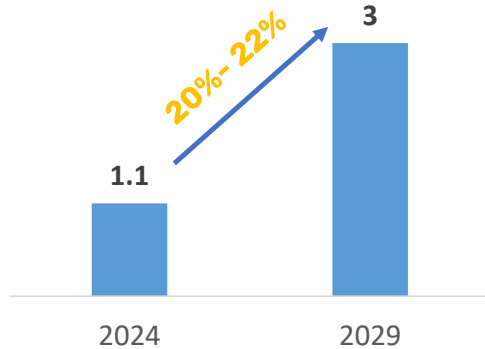


# Our aspiration: Long Range Strategy for 2024-29

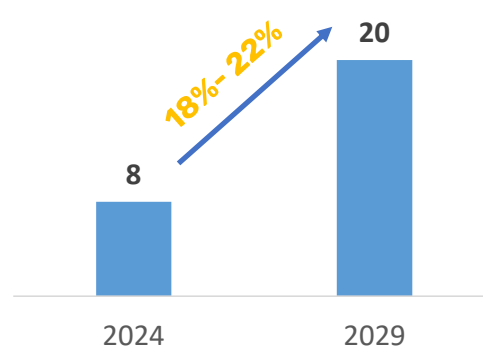


## Bajaj Finserv (Consolidated)

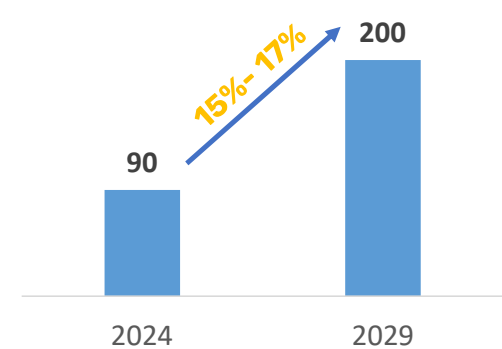
**Total Income**  
(INR Lakh Crore)



**Profit After Tax**  
(INR Thousand Crore)



**Customer Franchise**  
(in Million)



Efficient capital utilization

Lifecycle partner

Customer Obsession

Culture & people

**Thank You**

# Disclaimer



All Figures in Rs. Crore

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# Investor Day

Dec 2024

BAGIC



Allianz 

*Caringly yours*

## Journey so far

Pillars of Growth and Profitability

Tech Driven Insurer

Strategic Roadmap & Goals



# Consistent & unbeatable financial outcomes



**69%**

**of Industry PAT**  
Contributed to 69%  
of Industry PAT over  
last decade

**15+ Crore**

**Customers served**  
in last 23 years of  
operations

**312%**

**Solvency**  
**Highest** in the  
industry for more  
than a decade

**Rs. 12,000+ cr**

**Net worth**

Capital infusion of only Rs 277 Cr.  
Dividend payment over past years  
higher than capital infused

**25%+**

**RoE consistently**  
delivered over last  
5 years\*

**△ COR**

**Consistently**  
**outperforming the**  
**industry on COR**  
~ absolute 19% lower  
COR in last 10 years  
(average)

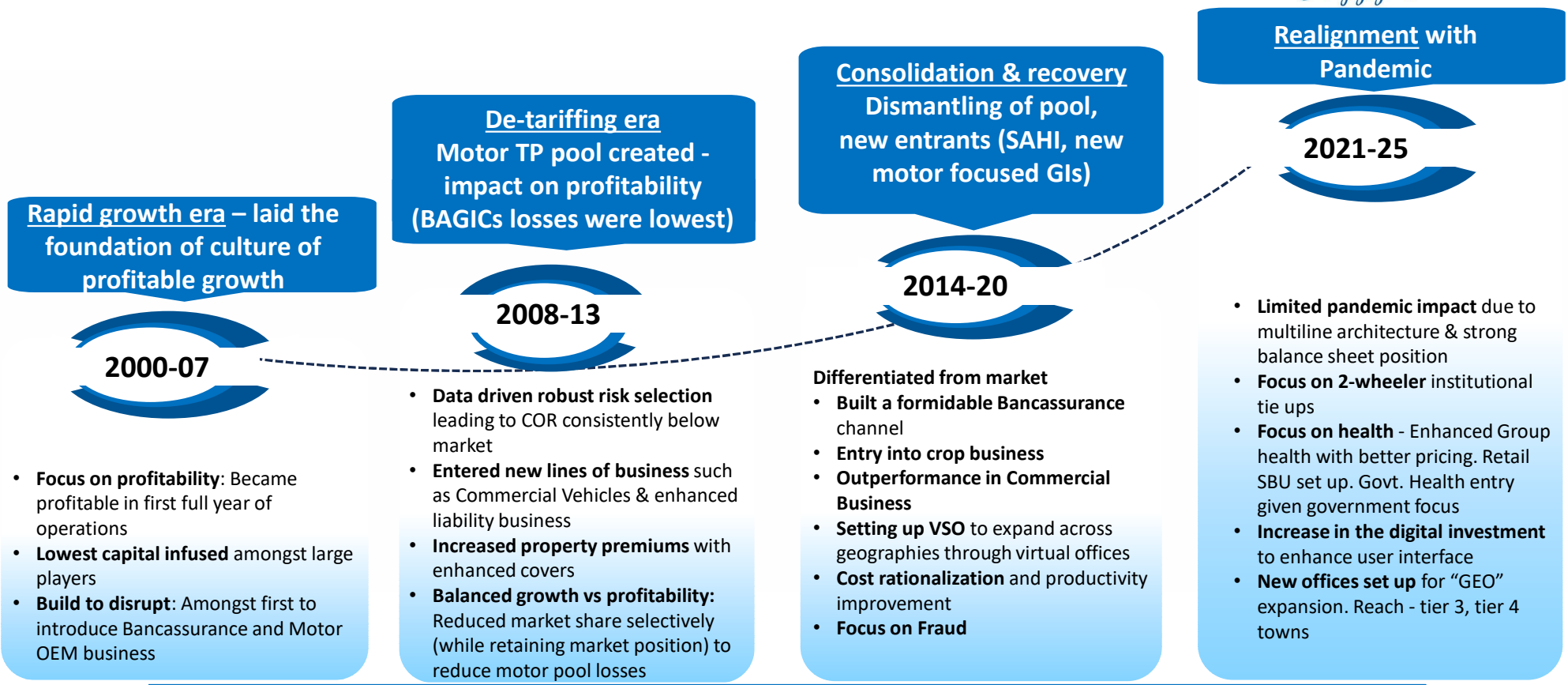
**Bajaj Allianz**  
**General Insurance**

**3.82 Cr**  
**policies sold**

**Highest No. of**  
**Policies sold** in  
industry during  
FY2024

\*RoE (Return on Equity) calculated at regulatorily required Solvency based on current regulation, average for last 5 years. Solvency & Net worth (incl. Fair value) as at 30 Sept. 2024

# Resilience in the most dynamic market



**High resilience given we are in business of risk with high frequency of ups and downs – sustained focus on balancing growth vs. profitability**

## Consistent outperformance vs. industry: 5-year trend

	<u>BAGIC</u>		<u>INDUSTRY</u>	<i>Caringly yours</i> <u>Top 5 PVT.</u>
GWP Growth - 5 Year CAGR	13.2%	↑	10.1%	12.5%
COR - 5 Year average	99.6%	↑	117.5%	106.3%
Total Cost to NWP - 5 year average	27.7%	↑	31.4%	30.0%
Cumulative UW Profit 5 years	(27) Cr	↑	(132,057) Cr	(15,365) Cr
Cumulative PAT for 5 years	6,566 Cr	↑	(222) Cr	15,461 Cr
Return on Equity for 5 years*	16.8%	↑	0.1%	15.5%
GWP to Capital for 5 years**	54	↑	5	6

*\*ROE excluding surplus (in excess of regulatory required solvency based on current regulations) above 25%*

*\*\* Total capital of only Rs 277 Cr, last infusion in FY2008*

Source: IRDAI Reports. All metric are for five year period FY2020 to FY2024; Top 5 Pvt insurers excluding BAGIC;

GWP: Gross written premium; COR: Combined Ratio; UW: Underwriting, PAT: Profit after tax, NWP: Net written Premium;

# The building blocks of sustained leadership

## Strongest Balance Sheet & Reinsurance support

- Highest solvency
- Largest reinsurance capacity & best treaties, given our CoR outperformance

## Sustained focus on Capital management

- Lowest capital to GWP
- More dividend being paid than capital invested

## Distribution disruption

- Amongst first mover on Motor OEM, Banca, VSO, GEO, Crop, etc
- Amongst the largest in distribution

## Balance between growth and profitability

- Balance Commercial, Retail & tender driven business, across cycles

## Profitability focus

- Culture of profitable growth
- Outperforming industry on COR and ROE

## Robust risk selection

- Effective use of most granular data
- Most prudent underwriting

## Focus on customer value

- Live by the “Caringly Yours” theme
- Lowest grievance ratio

## Tech focus

- To drive efficiencies and ease of business

**Leading to....3<sup>rd</sup> largest player in terms of topline, the best in class ROE and COR**

Journey so far

## **Pillars of Growth and Profitability**

Tech Driven Insurer

Strategic Roadmap & Goals



# Drivers of Profitable Growth

## STRATEGY

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

## DRIVERS

### Deeper Distribution

- **Our multi-channel network** includes agents, banca, motor dealers, broking, direct sales, and e-commerce
- **Focus on small towns (Geo Model)** and **target retail** (mass, affluent, HNI) and **commercial segments** (SME, MSMEs), while maintaining a strong position in large corporates and government business

### Diversified Product Portfolio

- **Diversification across all segments** covering individual and corporate needs
- **Continuous innovations** in product features to maintain competitive edge

### Robust Risk Management - Risk Selection & Prudent Underwriting

- **Industry leading combined ratios** consistently over the years
- Business construct is to deliver **superior ROE**
- Strive to be the best **claims paying general and health insurer**

### Customer Obsession "Caringly yours"

- Drive the theme of "**Caringly yours**" on the foundation of **customer obsession through innovations** in customer experience
- Consistently maintaining **highest NPS and lowest grievance ratio**

### Investments in technology with focus on all stakeholders

- **Deep investments in technology** to drive efficiencies for the Company and convenience for all stakeholders – customers, distributors and employees

# Distribution strength: Largest distribution network



Bancassurance Partnerships	Agency & Retail Channels	OEMs & Dealer Partnerships	Direct	Presence in ecosystems	Financial Inclusion
<ul style="list-style-type: none"> <li>• <b>Over 150+ Bank Relationships</b></li> <li>• 44 National Tie-ups</li> <li>• 53 Cooperative &amp; Other Banks</li> <li>• 17 NBFCs</li> <li>• 5 Small Finance Banks</li> <li>• 1 Payments Bank</li> <li>• 8 Housing Finance</li> <li>• 16 RRBs</li> </ul>	<ul style="list-style-type: none"> <li>• <b>100,000+ IRDAI Agents and POS</b></li> <li>• Agency segmented under Enterprise Partners, Growth Markets, Motor Agency, Retail Strategic Initiatives, Retail &amp; SME Brokers</li> <li>• GEO – Increase penetration with under-penetrated Tier III &amp; Tier IV cities</li> </ul>	<ul style="list-style-type: none"> <li>• <b>45+ national tie-ups and over 9000+ network of dealers across pan India</b></li> <li>• National Tie-ups with Maruti, Hyundai, Yamaha, Volkswagen, BMW, Audi, Honda, Land Rover, Mahindra, Citroen, Mercedes, Nissan, Renault, Ola Electric, Hero and others.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Direct to Institutions and Corporates</b> – 500+ large direct clients</li> <li>• <b>Direct to Customer</b> – Phygital approach targeting customers for X-sell, upsell and winback considering enhanced contactability with KYC mandated</li> </ul>	<ul style="list-style-type: none"> <li>• <b>25+ Partnerships</b> across Insuretech companies, aggregators, wallets</li> <li>• <b>Key partnerships</b> - Phone Pe, Policy Bazar, Flipkart, Insurance Dekho, Plum, Coverfox, Pazcare, Nova, Policy 4Us, Policybachat.com, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>4 Cr + farmers</b> covered in PMFBY in last 5 years</li> <li>• <b>Over 7 Cr. lives covered</b> in Last 5 years through Govt Health AB-PMJAY and 86.7 Lakh Families Covered with Gujarat Govt Health (AB-PMJAY) in FY24</li> </ul>

# Diversified Product Portfolio

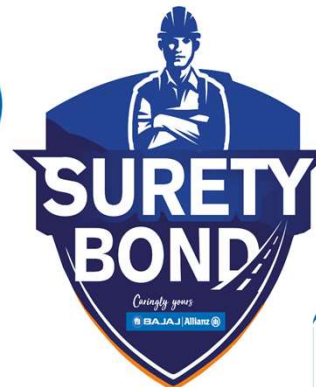
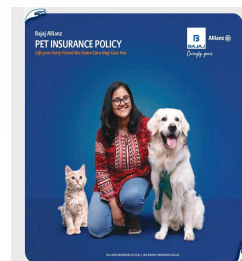
## Large bouquet of products

### Key Insurance offerings across customer segments:

- **Individual** – Motor, Health, Personal Accident, Travel, Home, Pet, Cyber, Extended Warranty, Asset Protection, etc.
- **Commercial** – Motor, Property, Engineering, Liability, Marine, Surety, Trade Credit, Package covers for Offices/Shops/Jewelers, Workmen Compensation, D&O, etc.
- **Rural** – Crop Insurance, Cattle & livestock, Farmer's Package Insurance
- **Group & Govt Business** – Group Health, Group Travel, Govt Health Schemes, Group Affinity, Group Cyber, Card Fraud Protection, etc.

450+ Product solutions and add-ons

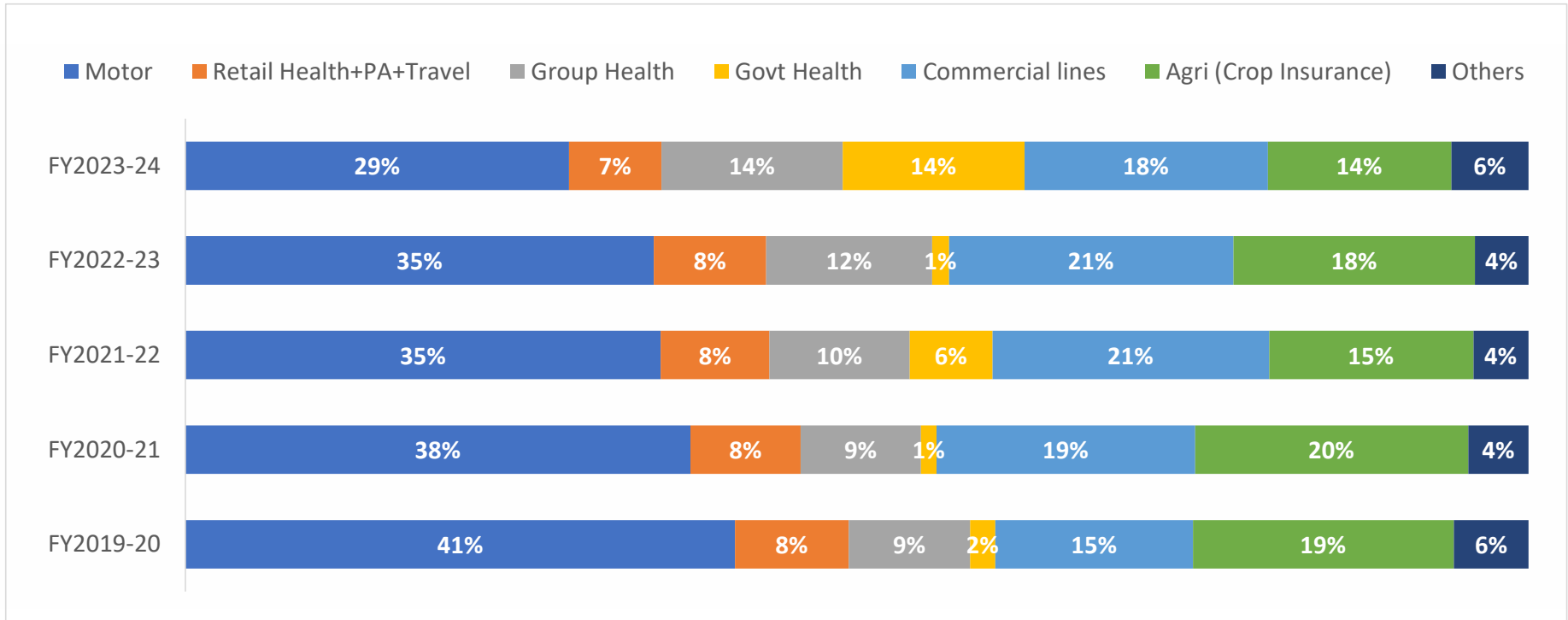
## Industry first Innovative Products







# Balanced Product Mix: Last 5 Years



**Strategic shift towards profitable line of business year on year -  
Diversified product mix enables us to manage profitability across various business cycles**



# Robust Risk Management

## Pricing & Underwriting



- Superior underwriting capability leading to consistently low Combined Ratio
- Diversified exposure across business lines & geographies
- Granular loss ratio modelling – geography, distribution, car make/model, vintage, etc.
- Robust investigation, loss management & analytics intervention

## Re-Insurance



- Reinsurance ceded only to A- and above & AA rated foreign reinsurers and the national reinsurer GIC
- Large reinsurance capacity & optimum retention
- Robust process and analytics to monitor concentration of risk
- Catastrophic events adequately covered

## Reserving & Solvency



- Ultimate Loss triangles show prudent reserving at point of accident year with low paid to ultimate for long-tail claim management (Motor TP) over Vintages.
- Highest solvency in the market

## Asset Quality



- 96.5% of the debt portfolio in AAA and sovereign assets and 96.8% of Equity in BSE100 stocks
- Oversight by Board & Executive Investment Committee and Group level investment forum
- Robust ALM position

# Customer Obsession: Lowest Grievance Ratio



## Large General Insurers

Grievance ratio	FY2020	FY2021	FY2022	FY2023	FY2024
Bajaj Allianz GI	0.61	0.71	<b>1.05</b>	<b>0.92</b>	<b>0.73</b>
Cholamandalam	0.31	0.72	1.38	1.30	1.00
ICICI Lombard	1.00	1.09	1.23	1.50	1.48
Shriram GI	0.94	0.69	0.64	1.00	1.49
TATA AIG	1.28	2.35	2.80	2.48	1.94
IFFCO Tokio	1.37	3.95	1.62	1.80	2.12
Reliance GI	1.13	2.16	2.71	2.28	3.06
HDFC Ergo	1.17	2.74	4.96	4.05	5.22
Go Digit	0.26	0.25	2.00	3.79	6.63
United India	11.03	6.98	4.82	5.74	8.59
New India	1.28	3.62	1.82	7.14	9.89

## Large Health Insurers

Grievance ratio	FY2020	FY2021	FY2022	FY2023	FY2024
Bajaj Allianz GI	0.11	2.49	1.75	1.36	1.07
Manipal Cigna	33.55	34.33	46.68	2.31	2.98
Care Health	7.84	9.49	15.17	19.77	3.47
Niva Bupa	7.233	10.18	17.83	6.62	5.12
Aditya Birla	17.55	13.09	31.72	5.32	10.95
Star Health	15.49	5.67	10.03	15.16	19.79

- Ensured industry dominance with lowest grievances (IRDAI) amongst large peers

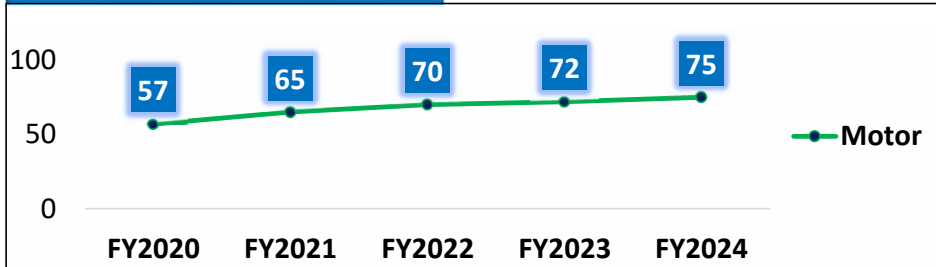
**Amongst multiline players, the top 3 private players operate at 3.9X times BAGIC's Grievance Ratio**

Grievance ratio = Grievances per 10,000 policies issued

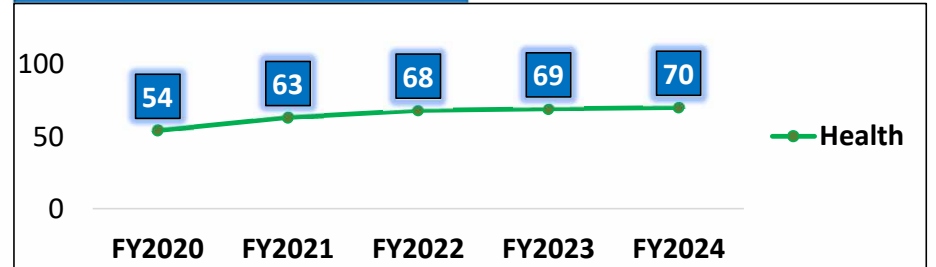
FY2024: IRDAI Public Disclosure under NL-45 as on 31<sup>st</sup> Mar 2024  
 Considered large general insurers with > 50 lakh policies issued annually. Excluded one insurers due to discrepancy in Public Disclosure data

# Customer Obsession: Highest NPS

Motor - NPS trend YOY

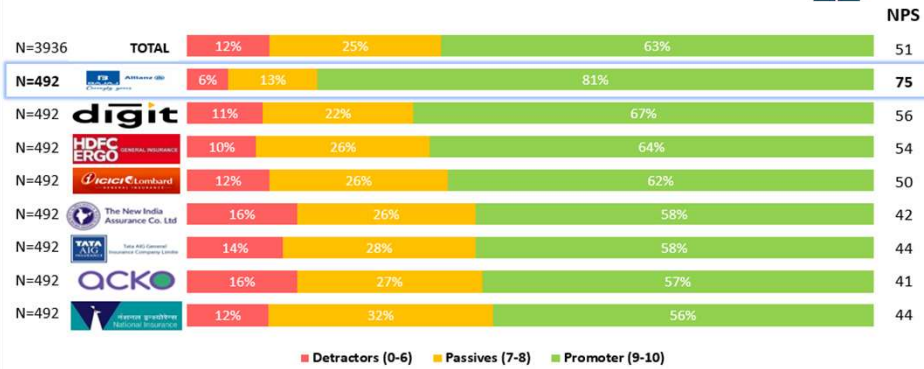


Health - NPS trend YOY



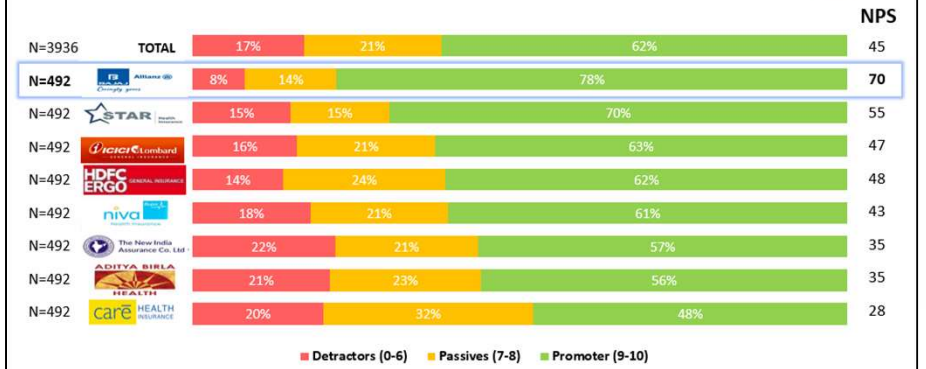
## Motor - NET PROMOTERS SCORE (NPS)

NPS = Promoter (9-10) - Detractors (0-6)



## Health - NET PROMOTERS SCORE (NPS)

NPS = Promoter (9-10) - Detractors (0-6)



- Market Average NPS: 51
- **BAGIC: 75**

- Market Average NPS: 45
- **BAGIC: 70**

**NPS of 75 for Motor and 70 for Health: Highest in the industry reflecting our customer obsession**

Source: Third party market research agency (Martinet Research) results; NPS: Net Promoter Score; YoY: Year on Year;

Journey so far

Pillars of Growth and Profitability

**Tech Driven Insurer**

Strategic Roadmap & Goals

# We continue to invest in digital transformation to solidify our leadership as a digital insurer



## Hybrid Cloud Foundation

A thought through strategy that balances speed, scalability, agility versus cost and risk



## Modern Cloud Data Platform

A new-age, scalable cloud data platform that is enabling democratization of Data and AI

Driving new-age use cases and products



## Digital Distribution

Robust & scalable digital architecture that enables faster partner onboarding, and allowing policy issuance through the channel of choice of partners



## Innovation

Leveraging next gen technologies to constantly improve efficiencies, customer experience and overall business value

Partnering with startups to bring best of innovation happening in the startup hotbeds across the world

# First large Insurer to transition core systems on the cloud



High scalability & resilience to provide consistent experience even during peak season



Faster innovation through adoption of new age technologies including Large Language Models for Gen AI



Better security across all layers of technology infrastructure



Cost rationalization through mix of cloud and on-premise architecture



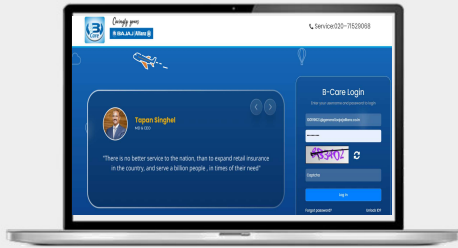
Time to market under **2 weeks** for new products

**3.8+ Crore** policies issued seamlessly in FY2024

**Low per policy cost**

# Our 'Office in a Box' approach has significantly enhanced digital adoption among our intermediaries

## B-CARE Portal



## B-CARE App



## B-CARE BOT



**80+ Products** enabled for policy issuance



**30+ features** like Quick Renewals, Lead Management, etc.



**50 Lakh+ policies** in the fiscal year 2024



Over **1 Lakh active users**



# 'Caringly Yours', our flagship app continues to bring ecosystem services to our customers' fingertips



## Health Eco System

- Wellness Platform (Steps, Sleep, Workout, Running Distance Tracker, My Vitals)
- OPD Benefits (Prime Rider)
- Respect Senior Care Rider
- Preventive Health Check Up & Booking
- Hospital Locator, call an ambulance



## Motor Eco System

- Telematics (Drive Smart)
- Motor On the Spot claims settlement
- Road Side Assistance
- Garage Locators



## Travel Eco System

- Track A Baggage Rider
- Medical Facilities Locator
- Local Emergency Numbers
- First Aid Terms Translator



**One stop shop for the customers**

**50 Lakh+**  
Total App Downloads

**3.6 Lakh**  
Monthly Active users

**~60 Products**  
Motor, Health, Non-Motor digital issuance  
(New Business & Renewals)

# Farmitra, our award-winning app for 'Bharat'



## Insurance Servicing

- Claim intimation
- Queries and grievance resolution



## Value Added Services

- Crop diagnosis and advisory
- Weather forecast
- Mandi prices



## Agri-tech capabilities

- Issue 10 lakh policies in <45 mins
- Process 10 lakh claims in <60 mins and
- < 2mins TAT to report crop loss



Live in **21 States** and in  
**9 Languages**

**10 Lakh+**  
Downloads



*Award-winning app that connects Farmers with mainstream knowledge pool and brings relevant information at their fingertip*

# Investments in self-service 'API vault' has helped accelerate Digital integration of partners



## Amongst First insurer

to onboard new age payment & e-commerce companies like PhonePe, Flipkart etc.



**300+**  
Partners Digitally Integrated

**Under a week**  
Onboarding time

**~3.8 Crore**  
Policies Issued in FY2024

# Our customer & partner BOT continue to drive self service & engagement



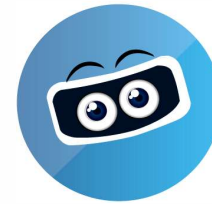
20+ Policy services including endorsements, claims registration & tracking for Motor, Health, Non-motor products

32+ Products renewal issuance, in-app WhatsApp payment

Multi-lingual & Voice enabled: English, Hindi, Marathi, Tamil, Telugu

Business dashboard, calculators, query tracker for partners

Chat with Human/Live agent



## Key Stats for FY2024

**~6 Crore**  
Messages Exchanged

**9.9 Lakh**  
Unique Users

**~1 Lakh**  
Monthly Avg New Users

























# Partnership with tech startups & insure-techs has helped fast track innovation & bring an outside-in perspective



**2,500+**  
Startups Scanned

**200+**  
PoCs conducted

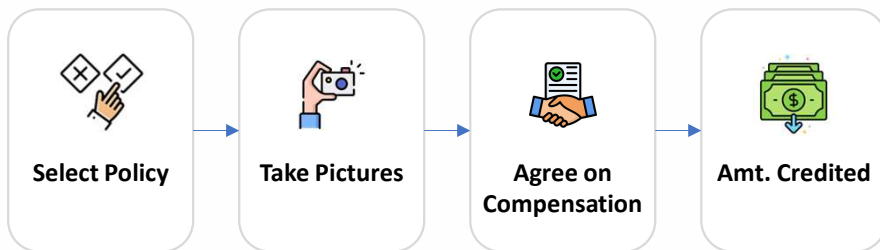
**45+**  
Solutions Implemented

 BOING P1 & P2	 BOING On FB2	 BOING On Alexa	 BOING (Hindi)	 BOING On GA	 BOING On WhatsApp	 VSO BOT	 HR Buddy
 Robotic Automation	 Application Tracking (ATS)	 Satellite Imaging	 Crop Surveys Images/Video	 Travel Ezee Blockchain	 Handwritten OCR	 Co-Browsing	 Google Pay GPay Integration
 Claims using Computer Vision	 Speech Analytics	 Video Interviews	 Video Calling	 Mobile Diagnostics	 Intelligent Document Processing	 Claims using Video Stream	 Google Business Msg.

# Technologies like Computer vision and AI have further accelerated the speed & accuracy of claims settlement

## Motor on the spot

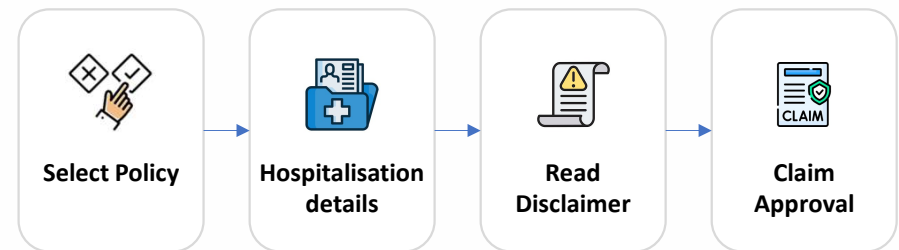
Leverages Computer Vision to settle claims in under 20 minutes



- 1555+ claims settled per day
- Overall claim TAT reduced by 23%
- Survey through Live Video Streaming

## Health - Claim by direct click

Leverages Intelligent Document processing & AI to fast-track claims settlement



- Best average cashless TAT
- Best Cycle time
- Claim Pre-auth approval within
- Best in industry reimbursement claim TAT



# Gen AI coupled with traditional AI and automation driving next wave of Digital Transformation



- *Partnerships with leading LLM players including Microsoft, Anthropic & Google based on their strengths for relevant use cases*
- *Few use cases are already live, with several others in pipeline*

BAGIC GPT **WORKBENCH**  
*Your playground for GenAI*

**GPT Workbench**

**A playground for all employees to test out LLMs & run stand alone use cases**



**Insurance Samjho**

**Insurance simplified. Simply upload a policy and ask questions to get instant answers in simplified language**



**Ask US**

**Gen AI powered assistant for all employee queries**





# Leading to.....

## Digital Issuance

**66%** 2020-21 | **96.5%** ↑ H1 2024-25

- RPA enabled for **37 processes**
- Loader automation TAT ↓ from **60-90 mins to 5 mins**

## Digital Payments

**74%** 2020-21 | **95.4%** ↑ H1 2024-25

- **Penny-free payments:** Paperless bank verification TAT ↓ from **48 Hrs to 3 Hrs**
- Realtime payments via NEFT: Maruti partner NPS jumped from **3.8 to 4.4**

## Digital Care (servicing through AI enabled BOT)

**27%** 2020-21 | **76%** ↑ H1 2024-25

- **4.5 Crore BOT messages exchanged**
- **2.39 Lakh calls handled by voice BOT**
- Voice BOT **C-SAT score - 86%**

## Digital Agent Onboarding

**54%** 2020-21 | **100%** ↑ H1 2024-25

- STP case turnaround time ↓ by **74%** ↓ from **35 days to 9 days**
- **Implemented agent onboarding BOT** for assistance

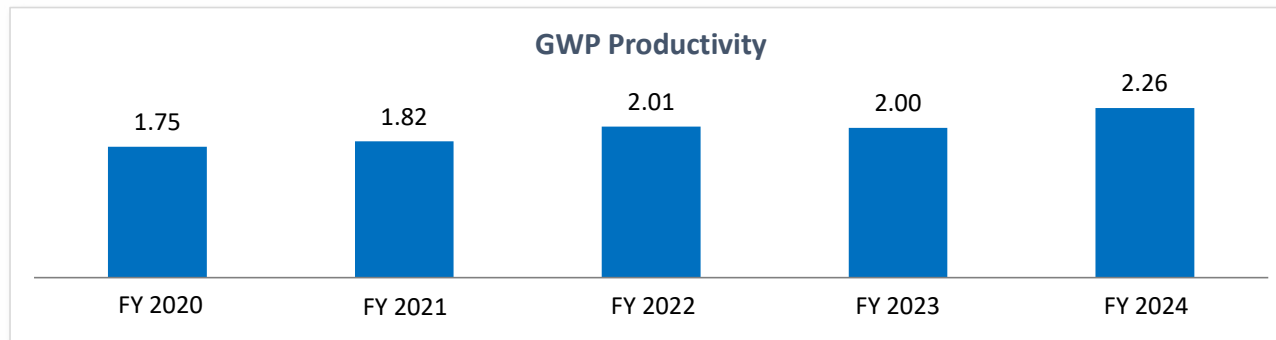




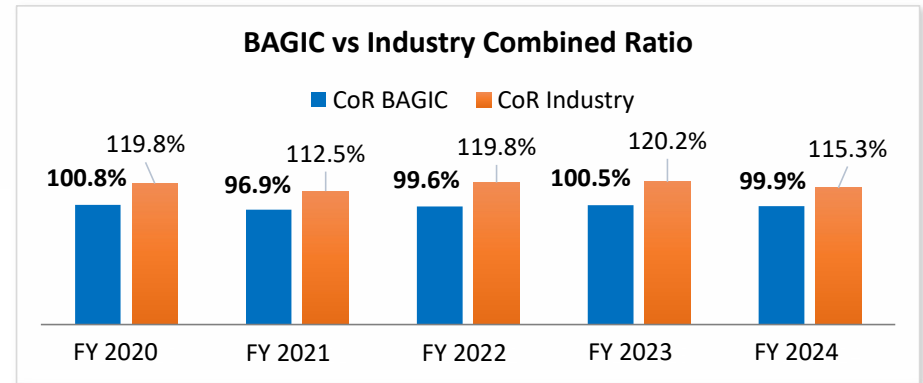
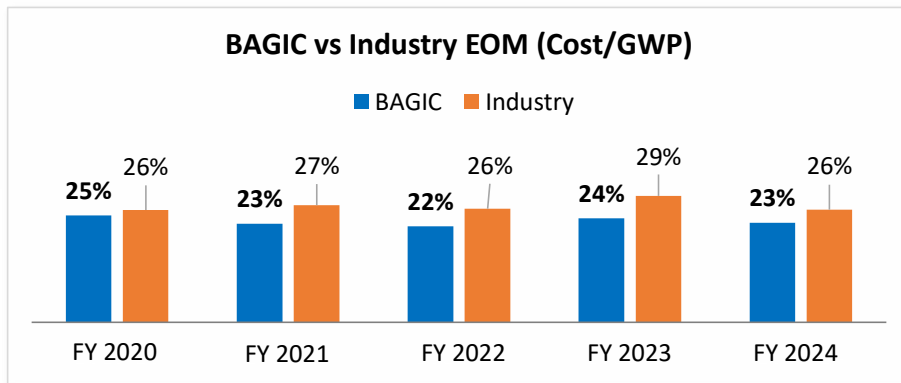


# Key productivity metrics

## Productivity improvement (GWP per employee)



## Industry best EOM & CoR



\*Productivity in Rs cr per annum per employee; EOM: Expenses of Management; GWP: Gross written Premium; CoR: Combined Ratio



Journey so far

Pillars of Growth and Profitability

Tech Driven Insurer

**Strategic Roadmap & Goals**



# Long Range Strategy 2024



**ANTI**



**FRAGILE**

**SCALE UP | OPTIMISATION | DIFFERENTIATION | REGULATION**



# Significant opportunities over the next decade



India Growth Story



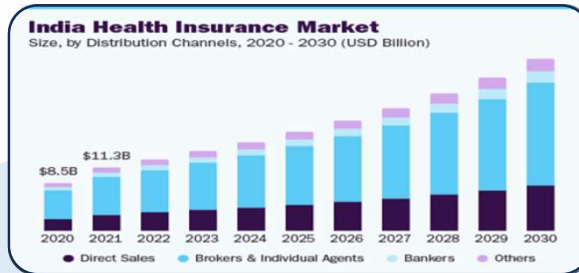
Very low insurance penetration



Rural resurgence to fuel India's economic growth



**“Insurance for all by 2047”**  
(State Ownership by insurers, Bima Vahak, Bima Vistar, Bima Sugam)



**Higher uptake in health insurance post the pandemic** (India Health Insurance market expected CAGR at 12% from 2023-2030)



IFRS & RBC

# Strategy going forward



**Focus on profitable  
Commercial lines leveraging  
our strong balance sheet and  
best in class reinsurance  
capacity**



**Retail & Govt.  
Health Focus**



**Direct to Customer  
models with enhanced  
customer contactability**



**GEO to penetrate  
untapped smaller  
markets**



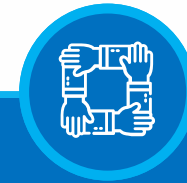
**Enhanced Customer  
Segmentation with data  
enrichment**



**Customized products  
with simplified  
regulations**

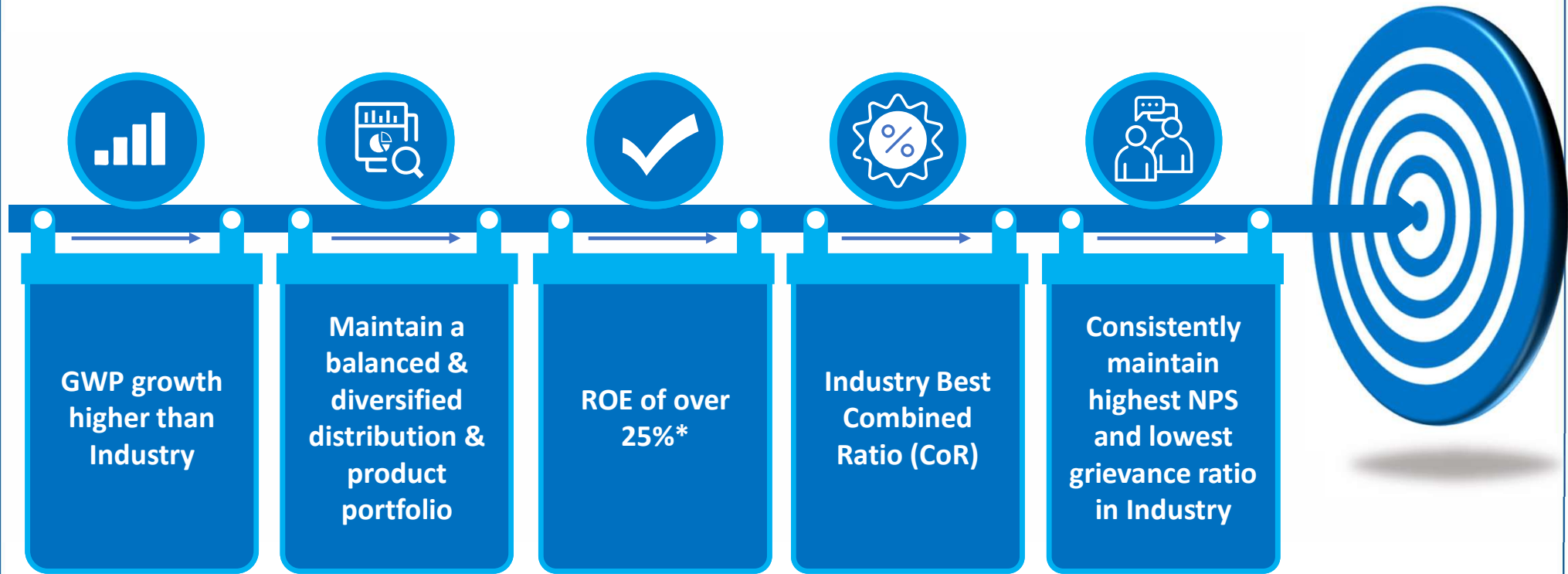


**Agility with best  
technology**



**Building future talent**

# Strategic Goals



General Insurance is a long-term business focussed on Size, Scale, Profitability and Risk; hence in a year results could vary

\*RoE (Return on Equity) to be calculated excluding surplus capital.



*Caringly yours*

# Disclaimer

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# **BAJAJ ALLIANZ LIFE INSURANCE CO. LTD. (BALIC)**

**Tarun Chugh – MD & CEO, Bajaj Allianz Life**

**10<sup>th</sup> December 2024**

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# INDEX

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**c.** CAPITAL & RISK MANAGEMENT

**d.** CATALYSTS - PROCESS, TECH, ANALYTICS & PEOPLE

**04.** ASPIRATIONS - NEXT 5 YEARS

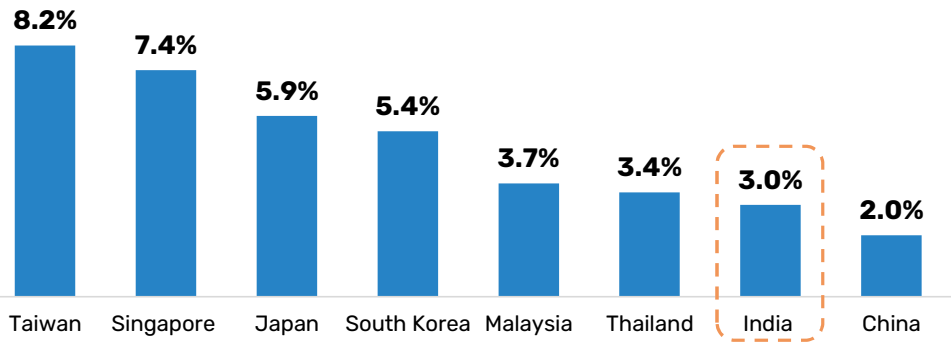
# Macro Environment

**Indian Life Insurance Industry  
Growth opportunity: Under-penetration & favorable  
demographics**

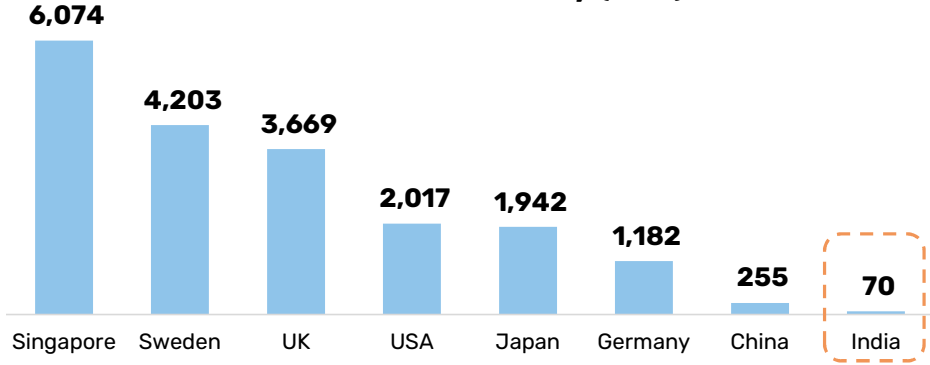
# Indian Life Insurance Industry landscape

## India remains vastly under-insured, both in term of penetration and density

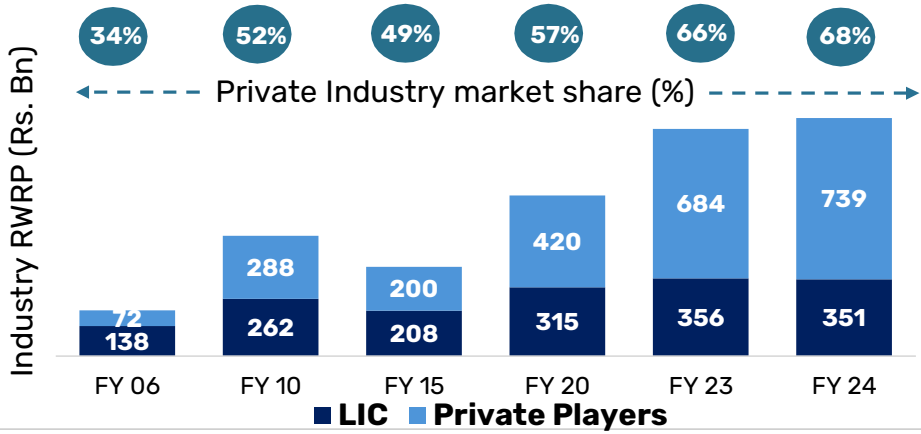
**Life Insurance Penetration (% of GDP)\***



**Life Insurance Density (USD)\***



## Significant growth in industry over last two decades and opportunity continues to exist



### Growth opportunity

- **Large and growing population base** - India's insurable population estimated to be at ~1 bn by 2035
- **Growth drivers** - risk awareness, increasing demand for risk and savings products etc.
- **Strengthening digital** distribution channels has been another focus area for life insurers.

Source: IMF; IRDAI Annual Report; IRDAI business figures, Swiss Re 2023; RWRP: Retail Weighted Received Premium \*FY2023 for India, Malaysia, Japan, South Korea; \*CY2022 for other countries

# Regulatory Reforms enabling growth

## IRDAI Vision - "Insurance for All" by year 2047

<p><b>Expansion</b></p>	<ul style="list-style-type: none"> <li>• Open architecture - Enabling distribution expansion</li> <li>• Increase in FDI limits</li> <li>• Exchange of information by life insurers through IIB</li> </ul>
<p><b>Penetration</b></p>	<ul style="list-style-type: none"> <li>• Bima Trinity - ecosystem for comprehensive product offering with deep-rooted distribution</li> <li>• State level insurance plans</li> <li>• Regulatory sandbox</li> </ul>
<p><b>Ease of doing business</b></p>	<ul style="list-style-type: none"> <li>• Flexibility in product design and launch</li> <li>• Use and file procedure</li> <li>• EOM &amp; Commission guidelines</li> </ul>
<p><b>Adoption of Global Standards</b></p>	<ul style="list-style-type: none"> <li>• Solvency Capital - RBC (Risk based capital)</li> <li>• Accounting - Ind-AS (IFRS Equivalent)</li> </ul>
<p><b>Policyholders' protection</b></p>	<ul style="list-style-type: none"> <li>• Better surrender value for customers</li> <li>• Increased disclosures to be made to policyholder</li> <li>• Reduced timelines for servicing</li> </ul>

1.FDI: Foreign Direct Investment; EOM: Expense of management; IIB: Insurance Information Bureau of India, IRDAI: Insurance Regulatory and Development Authority of India, Ind-AS: Indian Accounting Standards  
IFRS: International Financial Reporting Standard

# Short-term headwinds in life insurance sector (3-6 months)

## Product Regulations on surrender values is a step in right direction, however some short-term headwinds

### Delays in Product Innovation

*Focus on making existing products complaint*

### Changes in Commission Structure

*Closure on reduction, deferment etc of commission*

### Change adaptability

*Distribution network will some take time to adapt*

## Impact of Macro

### Slow down in Group Credit life

*Lower disburseals (especially in Micro Finance)*

### Continued buoyancy in Equity markets

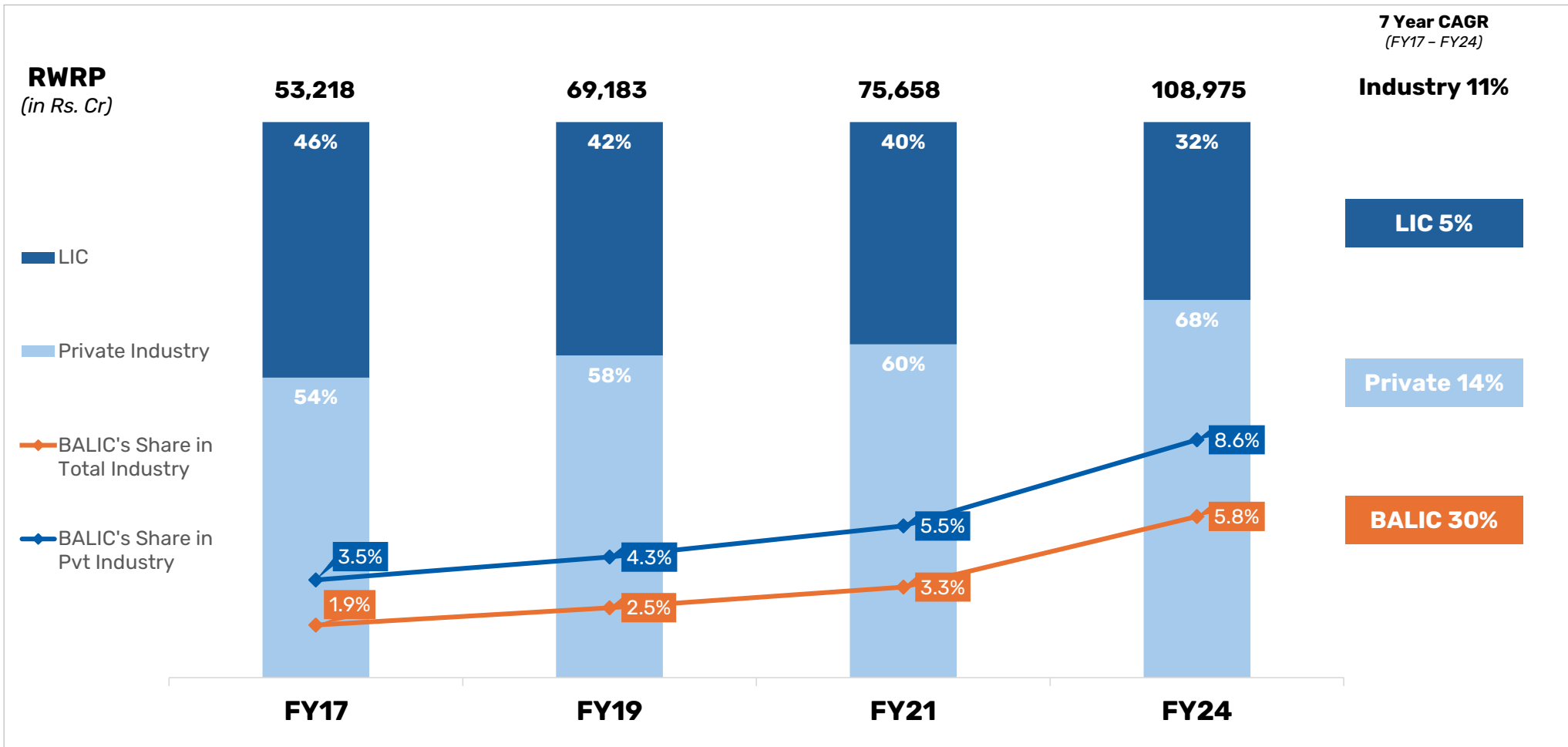
*Higher demand for ULIPs*

**Hence, in short-term the business performance is likely to be uneven**

# Transformation Journey

**Consistent, Predictable and Sustained Performance**

# RWRP Growth - Consistently outperforming the sector



LIC: Life Insurance Corporation; RWRP: Retail Weighted Received Premium; CAGR: Compound Annual Growth Rate; Source: IRDAI; LI Council

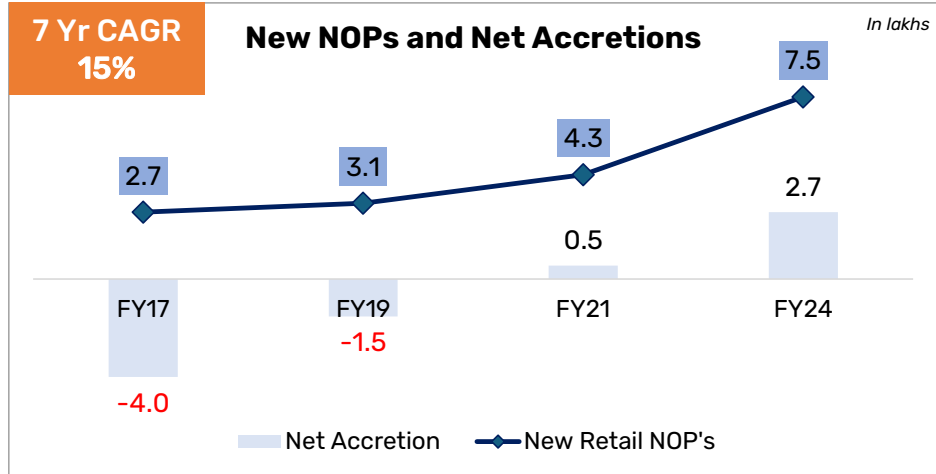
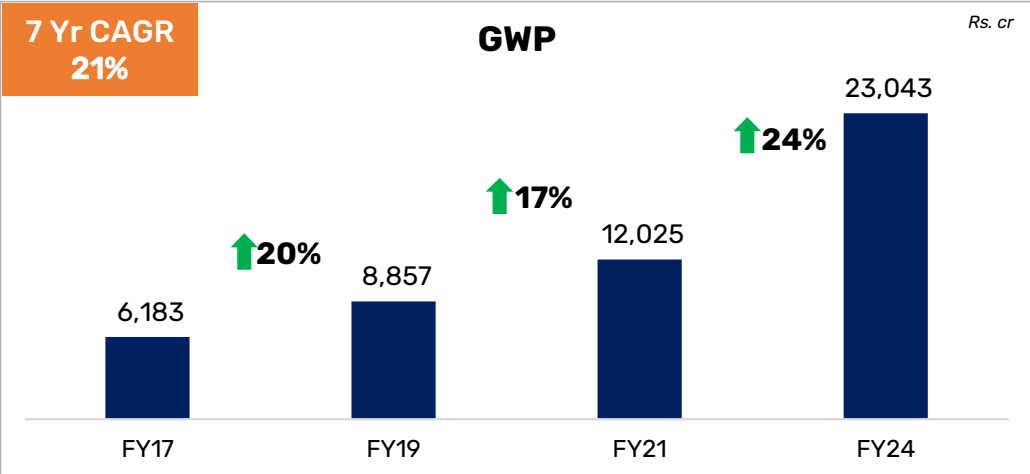
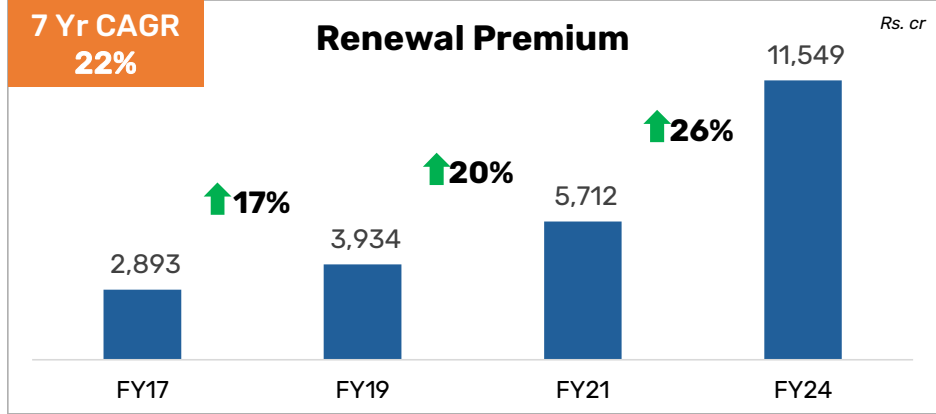
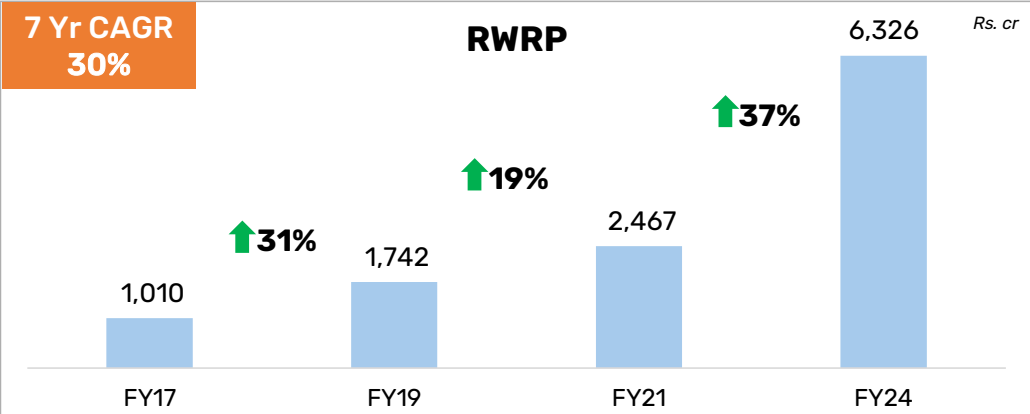


# Transformation Journey: Robust delivery across key metrics

KPIs	FY 2017	Key Interventions	FY 2024
<b>Market share (RWRP)</b>	3.5% (among private players)	<ul style="list-style-type: none"> <li>Investments across distribution channels</li> <li>Break to grow strategy in proprietary channels</li> <li>Deepening through identification of whitespaces</li> </ul>	8.6% (among private players)
<b>Distribution mix (RWRP)</b>	Proprietary : Third party (90 : 10)	<ul style="list-style-type: none"> <li>Leveraged open architecture – continued investment in partnerships across business cycles</li> <li>Launch of Direct Channel</li> <li>Introduced variabilized Agency</li> </ul>	Proprietary : Third party (52 : 48)
<b>Product mix (RWRP)</b>	Traditional : ULIP (30 : 70)	<ul style="list-style-type: none"> <li>Shift towards diversified product mix</li> <li>Launched various traditional products (including Industry firsts)</li> </ul>	Traditional : ULIP (61 : 39)
<b>Persistency</b>	13 <sup>th</sup> month : 61 <sup>st</sup> month (68% : 32%)	<ul style="list-style-type: none"> <li>Focus on customer first and right selling</li> <li>Process improvements and customer engagement</li> <li>Ownership of persistency across organization</li> </ul>	13 <sup>th</sup> month : 61 <sup>st</sup> month (84% : 52%)
<b>Profitability</b>	VNB: (55) cr NBM: (4%)	<ul style="list-style-type: none"> <li>Benefit of Scale - Higher share of matured businesses</li> <li>Shift to profitable product mix</li> <li>Data and Analytics based risk management</li> </ul>	VNB: 1,061 cr NBM: 15%

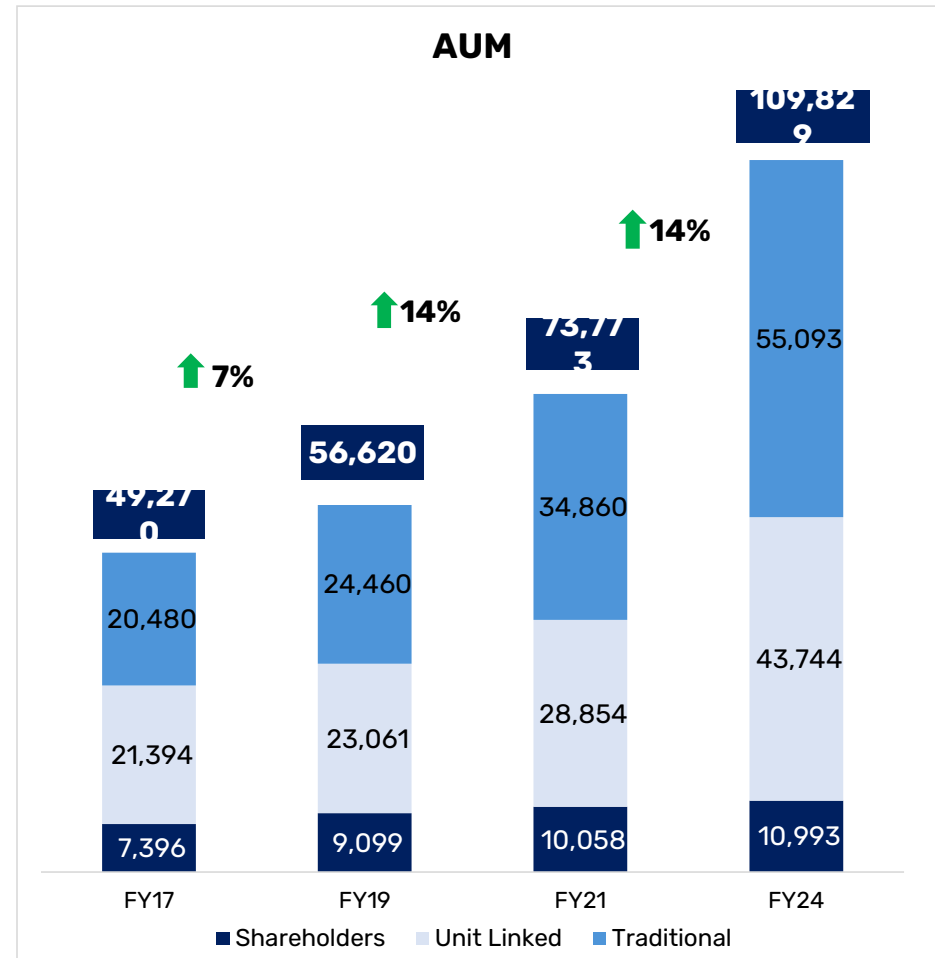
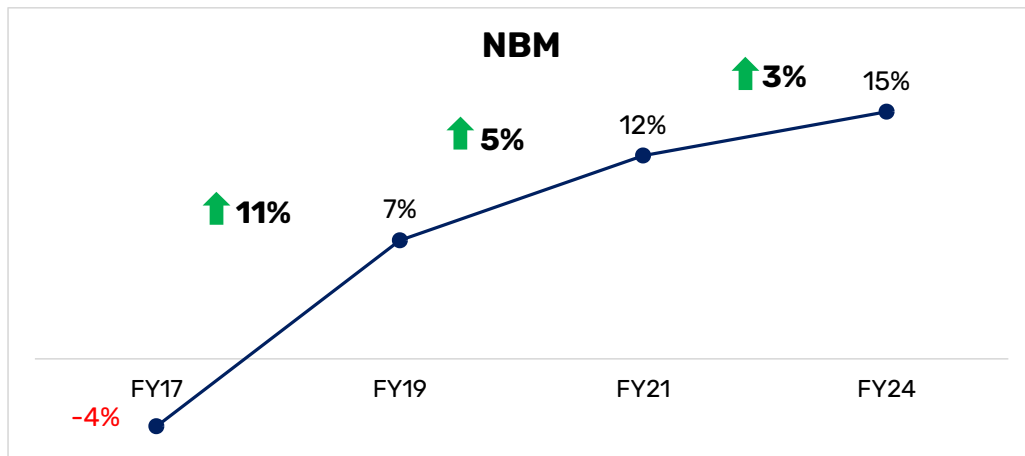
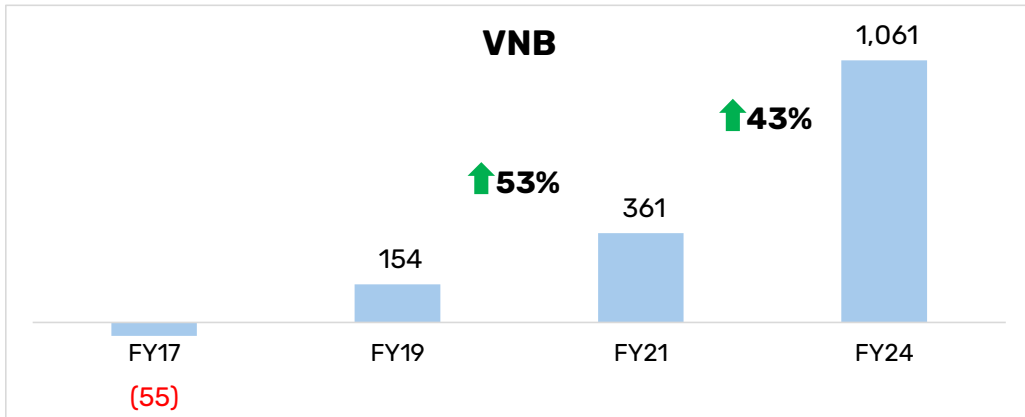
RWRP: Retail Weighted Received Premium ; VNB: Value of New Business; NBM: New Business Margin, KPI: Key Performance Indicators, ULIP: Unit Linked Plan

# Consistent and sustainable performance over the years (1/2)



RWRP: Retail Weighted Received Premium; GWP: Gross Written Premium; NOP: No. of Policies Fig against arrow represents 2 yr CAGR; FY21 to FY24 is 3 yr CAGR. CAGR - Compounded Annual Growth Rate

# Consistent and sustained performance over the years (2/2)



VNB: Value of New Business; NBM: New Business Margin; AUM: Assets under Management; Fig against arrow represents 2 yr CAGR; FY21 to FY24 is 3 yr CAGR and all figures are in Rs. Cr.

# Consistently outperformed LI Industry



*% indicates 5-year (FY19-FY24) CAGR growth*

Total Industry

RWRP Growth

**BALIC: 29%**

*(Industry: 10%)*

GWP Growth

**BALIC: 21%**

*(Industry: 10%)*

Private Listed Players\*

VNB Growth

**BALIC: 47%**

*(Industry: 21%)*

VNB Market Share

**BALIC: 2.8% to 7.4%**

\*NBV CAGR and market share is when compared to 4 private listed players (information available) i.e. HDFC Life, SBI Life, Max life, ICICI Pru and BALIC  
GWP : Gross written premium; RWRP: Retail Weightage Received Premium; VNB: Value of Net Business

# Company snapshot



## Well positioned to maintain steady growth and long-term sustainable profitability

<b>Physical Capital</b>	<b>540+</b> Branches across India	<b>~25,000</b> Employees	<b>1,50,000+</b> Agents	<b>350+</b> Institutional Partners
<b>Social Capital</b>	<b>~40 lakh</b> In-Force policies	<b>410 lakh+</b> Lives covered	<b>99.2%</b> Claim settlement ratio*	<b>37#</b> Grievance Ratio
<b>Financial Capital</b>	<b>6,326 Cr.</b> RWRP	<b>21,726 Cr.</b> Embedded value	<b>432%</b> Solvency	<b>1,061 Cr.   14.6%</b> VNB   NBM
<b>Digital Capital</b>	<b>14 lakh+</b> Customers serviced through WhatsApp	<b>85 lakh+</b> Website visits	<b>99%</b> Digital NB applications	<b>5 lakh+</b> Mobile app users

As at Mar'24 \*Individual Death Claim Settlement Ratio; # Per 10,000 policies issued, VNB: Value of New Business; NBM: New business margin; NB - New Business; RWRP: Retail Weighted Received Premium

REBOOT   
 RECALIBRATE  
SELL RISK 

# Building on strong foundation

**Well positioned to maintain steady growth and long-term sustainable profitability**



**Distribution**



**Products**



**Capital & Risk  
Management**



**Catalysts -  
Process, Tech,  
Analytics & People**

***Diversified capabilities across key foundational blocks***

# Building on strong foundation

**Well positioned to maintain steady growth and long-term sustainable profitability**

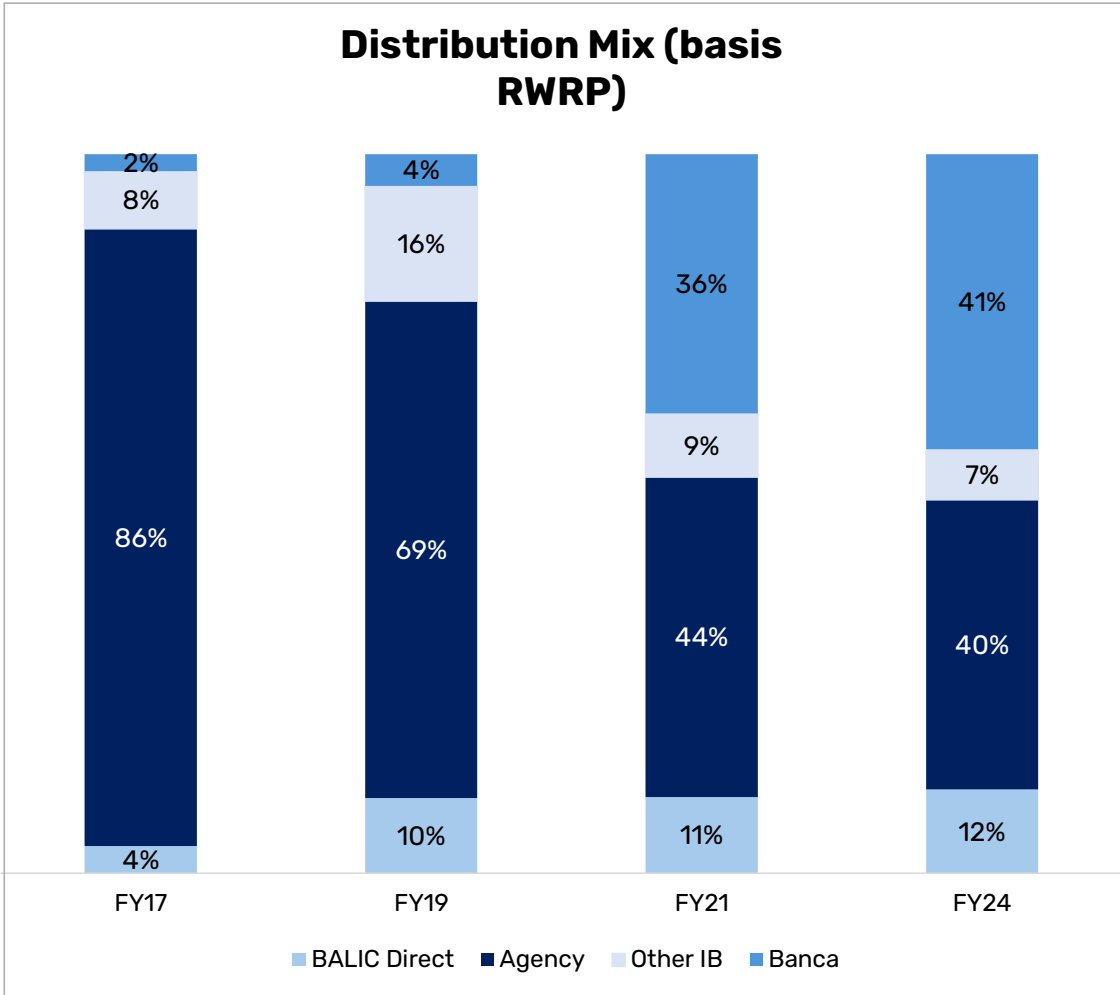


**Distribution**

- Multi-channel distribution
- Continued investment to support future growth
- Break to Grow strategy



# Strong diversified distribution mix - Retail



## Pillars of distribution network



**Institutional Business (inc. Banca)**  
*2<sup>nd</sup> largest non-bank promoted Institutional Business*

**Agency**  
*3<sup>rd</sup> largest Private LI Agency*

**BALIC Direct**  
*2<sup>nd</sup> largest Direct Channel*

IB: Institutional Business; RWRP: Retail Weighted Received Premium

# Institutional Business (Retail) - Growing Partnerships

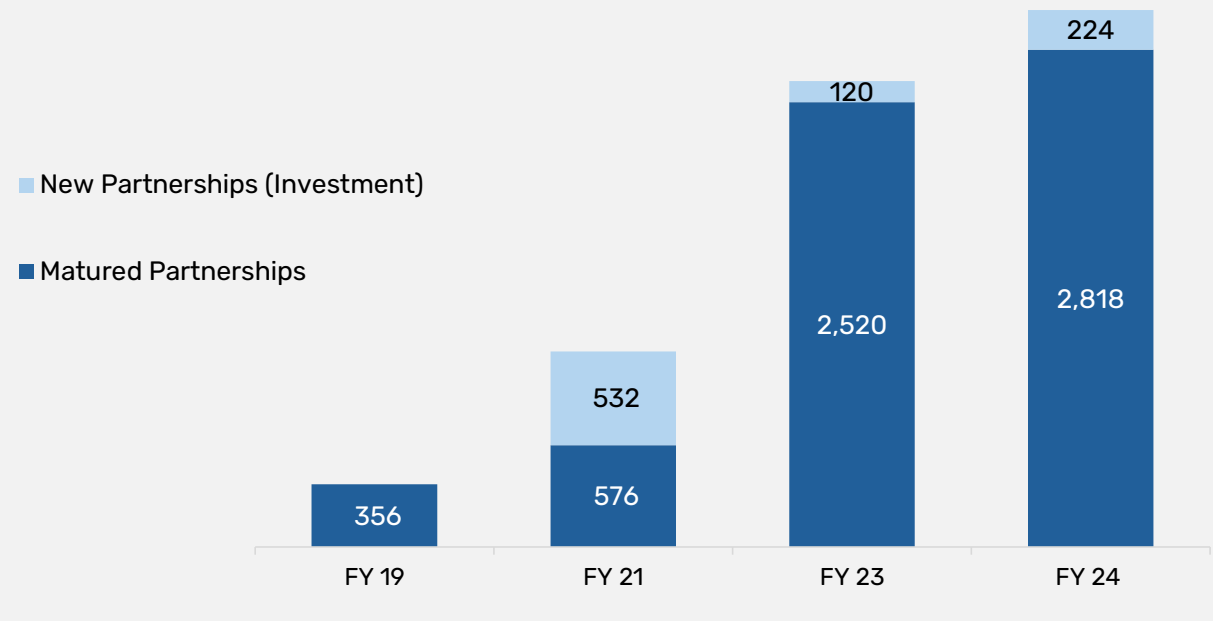
	Till FY 19	FY 20 & 21	FY 22 & 23	FY 24 Onwards
<b>1000+ branch banks</b>		 		 
<b>Other Banks</b>	   	    	   	    
<b>NBFC &amp; Brokers</b>	  	  	 	
	<b>Matured Partnerships</b>		<b>New partnerships (Investments)</b>	

Partner started business during FY

# IB Retail : 2nd Largest Non-Bank Promoted Institutional Business

## Rapid expansion of partnership landscape

Banca Partners	20	22	27	33
Other Partners	114	117	245	310
RWRP	356	1,109	2,640	3,042



## Path towards aspirations

- Leverage benefits of **scale and deepening from Matured Partnerships**
- **New Partnerships** – Growth engines for future and continue to pursue more partnerships

## Foundation

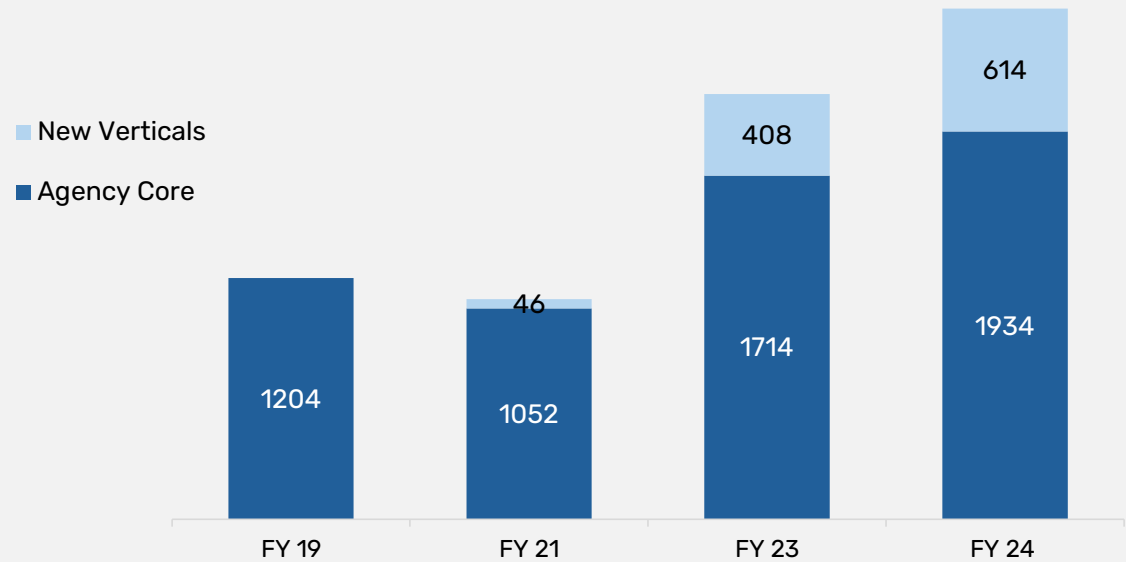
- **Acquire partnerships** to build IB business grounds up
- **Diverse Partnership** landscape
- Identifying whitespaces to **deepen the reach**

RWRP: Retail Weighted Received Premium (In Rs. Cr.)

# Agency: 3rd largest Private LI Agency

## Build up for Profitable Growth

IC Agents	73 K	88 K	126 K	151 K
RWRP	1,204	1,098	2,122	2,547



## Path towards aspirations

- **Geographic Expansion** – Aim to add ~40 branches every year
- **New Verticals** scale up (~35% of Overall Agency)
- **Digital Agency** for higher efficiencies

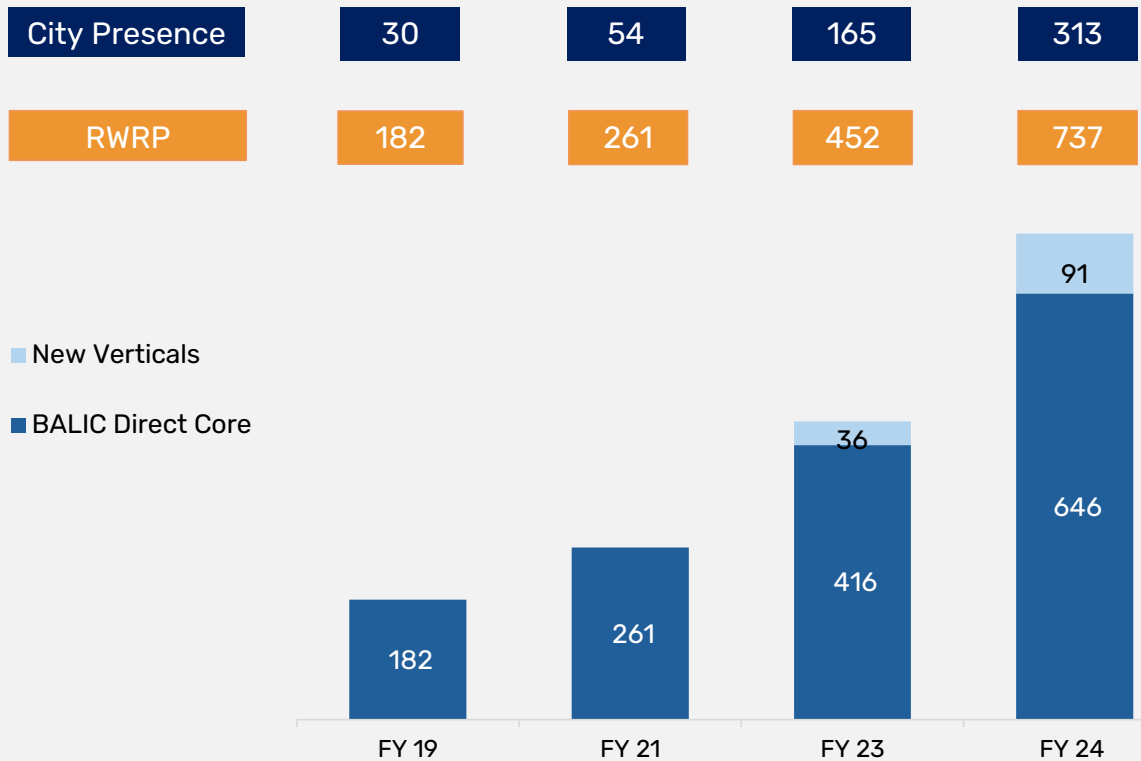
## Foundation

- **Break to Grow** - Verticalization to tap market specific opportunities:
  - **Micro Agencies** like Retirement, Term-ULIP etc.
  - **Internship model** for expanding Agency and **Tier 2/3** focused verticals

RWRP: Retail Weighted Received Premium (In Rs Cr.)

# BALIC Direct: 2<sup>nd</sup> Largest Direct channel – Engine for growth

## Combination of Offline and Online Model



## Path towards aspirations































- Continue the **Break to Grow** Strategy – Identify new verticals to focus on customer specific needs
- **Geographic Expansion** to all locations of BALIC
- Leverage investments made in maturing verticals

## Foundation

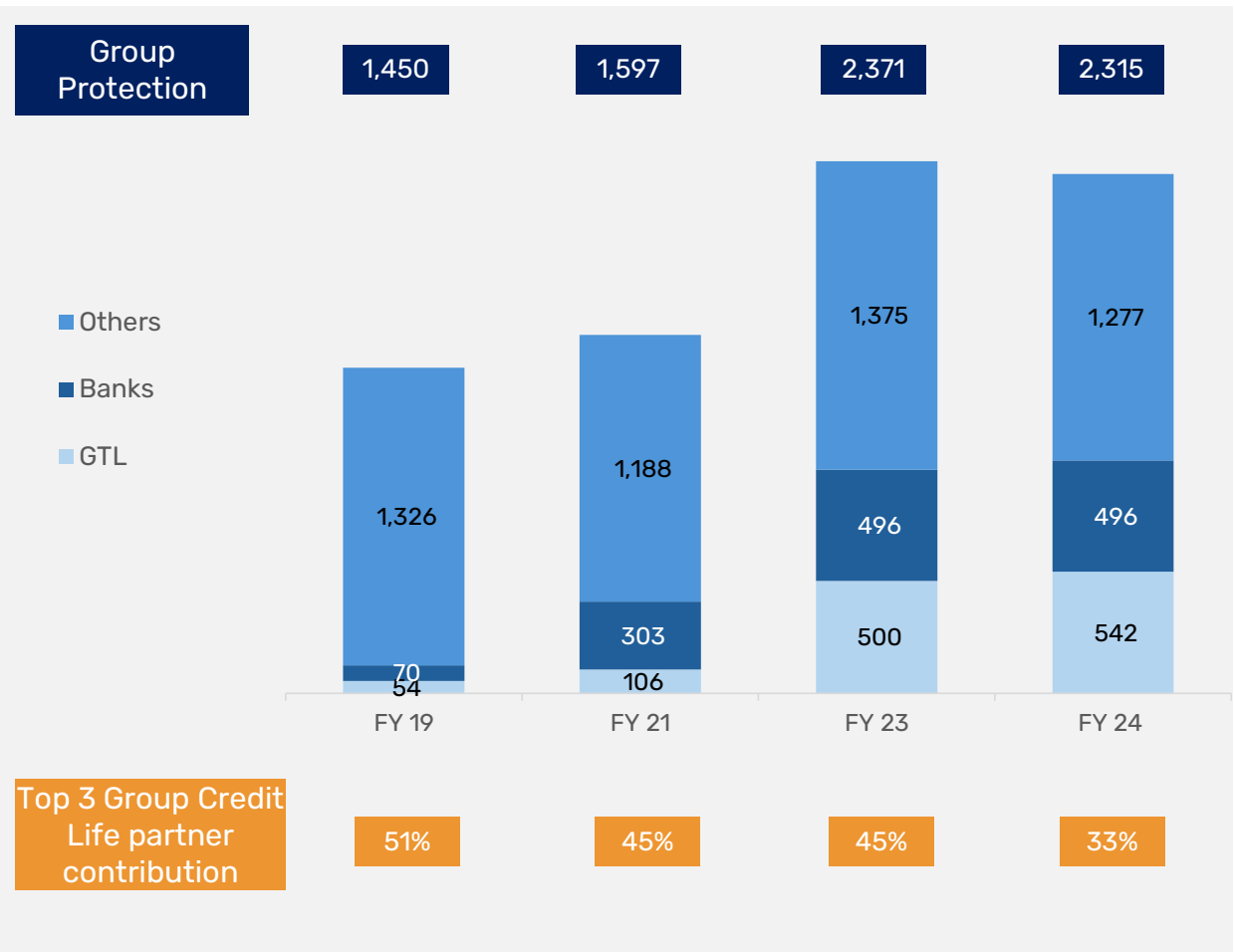
- Curated **Upsell/Cross-sell** offerings backed by Data and Analytics
- **Dedicated Verticals** to increase efficiencies
  - Service to Sales, Defense, etc.
  - Online Sales

RWRP: Retail Weighted Received Premium (In Rs. Cr.)

# Group Credit Protection – Wide spectrum of solutions

	Till FY 19	FY 20 & 21	FY 22 & 23	FY 24 Onwards
<b>Micro Finance</b>	      	 	 	 
<b>Mortgage, Business, Personal</b>	   		  	     
<b>Auto</b>				 
<b>Education</b>				 

# Group Protection : Focus on Profitable Business



## Path towards aspirations

- **Analytics based risk models**, focusing on partner level profitability
- Calibrated **pricing strategy** for GTL business
- Capacity building through diversification of **Re-insurance arrangements**

## Foundation

- Experience enabling **data driven decision making**
- Wide spectrum of Partnerships across credit products and type of lenders

All figures in Rs Cr; GTL: Group Term Life

# Building on a strong foundation

**Well positioned to maintain steady growth and long-term sustainable profitability**



**Products**

- Comprehensive Product Suite
- Launched industry first innovative products
- Focus on protection business



# Key Product Innovations across categories



## Industry First

### ACE



1,629 cr  
FY24

**Flexible Income**

### Guaranteed Pension Goal



353 cr  
FY21

**Deferred Annuities**

### POS Goal Suraksha



189 cr  
FY19

**POS- Point of Sale  
Savings Product**

### Goal Assure



117 cr  
FY18

**ULIP with return of  
mortality charges**

### Diabetic Term Plan

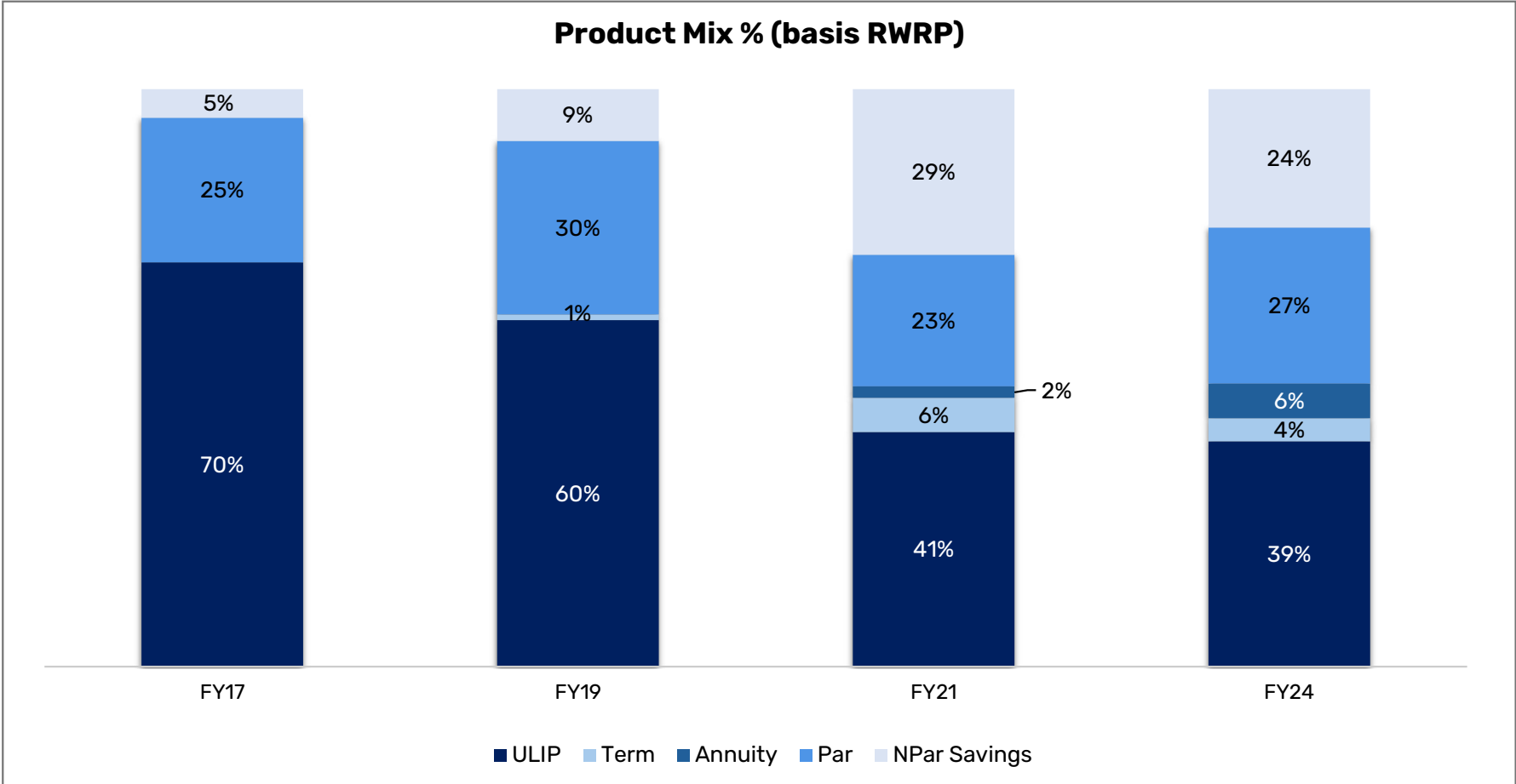


1 cr  
FY23

**Term Plan Exclusive for  
Diabetics (Sub 8 HbA1c)**

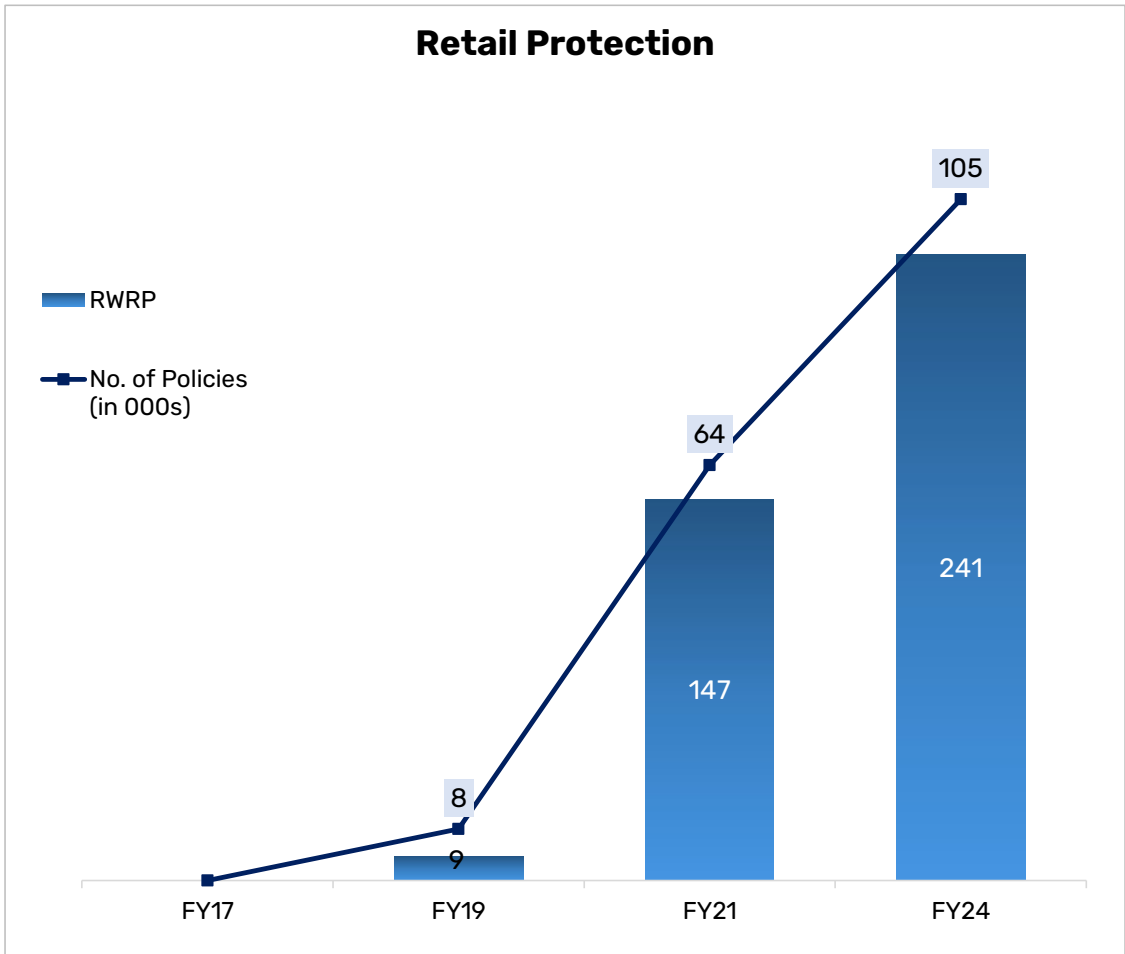
12-month RWRP (Retail Weighted Received Premium) post launch & Launch Year

# BALIC's transition towards balanced product mix



RWRP: Retail Weighted Received Premium; ULIP: Unit Linked Plan; Par: Participating; Npar: Non-Participating

# Continued focus on Protection business (Retail)



## Path towards aspirations

- Widen reach to **New segments** (Self Employed, Young, NRI, Housewives, etc.)
- **Enhanced customer experience** - Home / Video Medicals, Value-added Services, etc
- **Diversification** of re-insurance and calibrated risk retention
- Aspiration to achieve **10% Retail Protection Mix** (on RWRP)

## Foundation

- Data and Analytics backed **Risk Management** (Customer Profiling – internal/external data etc)
- Underwriting discipline
- Re-insurance arrangements

RWRP: Retail Weighted Received Premium (In Rs Cr)

# Building on a strong foundation

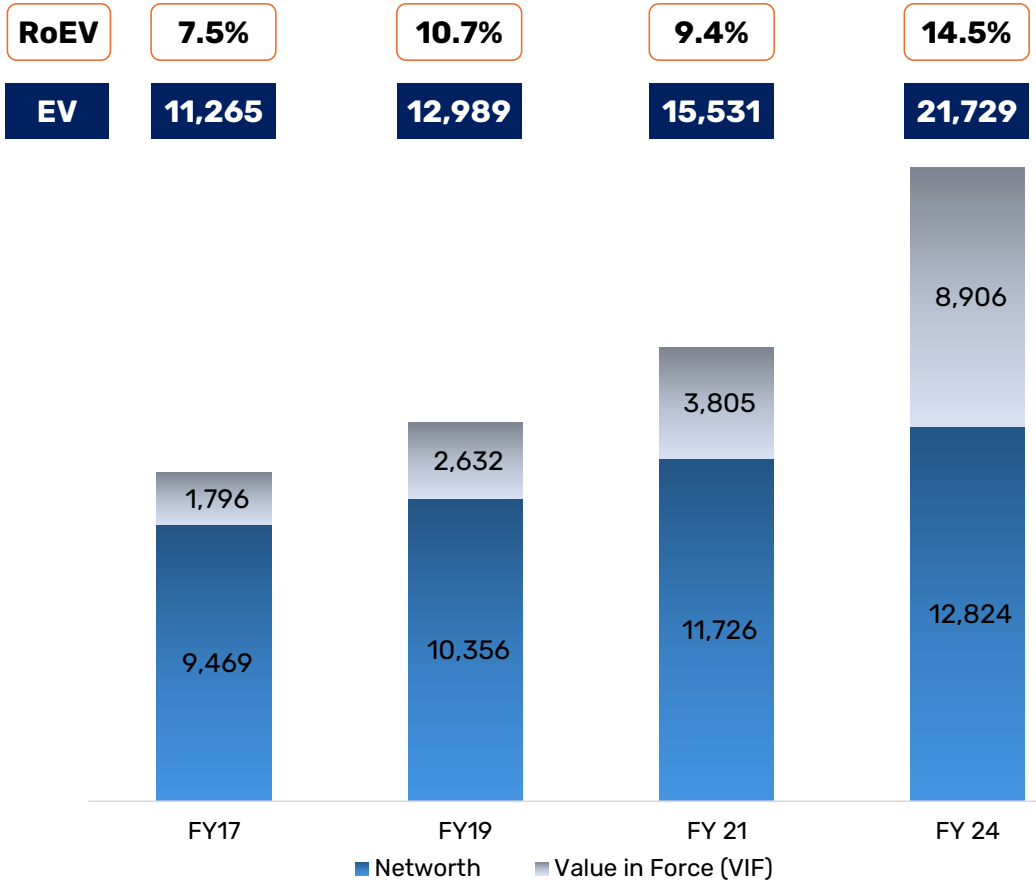
**Well positioned to maintain steady growth and long-term sustainable profitability**



- Solvency – Growth and Risk enabler
- Analytics and Data based Risk Management
- Creating optimal balance between growth and risk

# Efficient Capital Utilization: Key differentiator

**Embedded Value (EV)/RoEV**



**Solvency - Industry highest**  
Comfortable with Macro/Regulatory Headwinds

**Effective utilization of Capital** for growth -  
**lowest lifetime capital infusion** next only to SBI Life

**RoEV**  
~18% at 150% solvency

**Debt free**  
(no subordinate debt)

**Consistently Paying Dividends**

RoEV: Return on Embedded Value;  
All figures in Rs Cr., RoEV as at Mar'24

## Pro-active Risk Management through multi layer Governance framework

### Economic Risk

#### Interest rate Risk

- Dynamic ALM, Cashflow / Duration Matching (<1 year duration gap across Policyholder's Fund)
- Continuous monitoring of Effective yield vs Trigger rate / Guarantee rate.

#### Reinvestment risk

- Hedging through FRAs diversified with ~12 Banks and PPBs
- Maintain FFA to support bonuses during low returns.

#### Credit & Liquidity Risk

- High Asset quality (98% of fixed income in Govt. & AAA),
- Stress testing scenarios & monitoring of VAR limits.

#### Pricing risk

- Monitor risk register and conduct stress testing for products with IRR guarantees or re-investment risk, Dynamic re-pricing.

### Non-Economic Risk

#### Mortality Risk

- Regularly monitoring of A/E and EDC ratios, and use of analytics-driven risk scoring for customer segmentation

#### Fraud & Mis-selling Risk

- Predictive Models, Early Warning Signals, Face Recognition Tool with use of AI & ML, etc in addition to on ground capabilities.

#### Persistency risk

- Analytics based customer segmentation, Leveraging latest technologies like Online payment, Wallet, etc. KPI's for Sales.

#### Cyber Risk

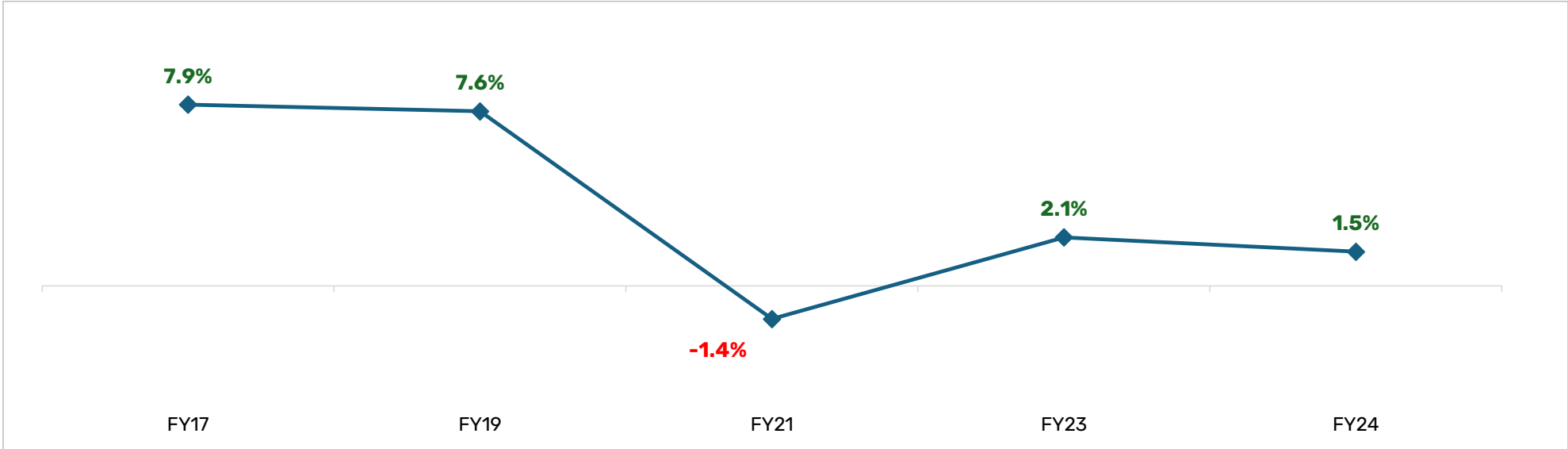
- Advanced solutions for Information & Cyber security, monitoring of Dark-web, SOC based monitoring, etc.

#### Business continuity

- BCP, Disaster recovery plan, DR drills, awareness programs, etc.

# Experience in line with assumptions

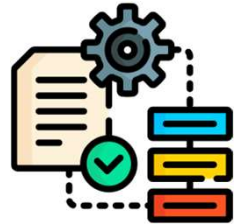
Operating & Assumption change variance (as % of VIF)



**Actual experience in-line with assumptions**  
Improving experience with evolving life cycle resulting in low operating variances

# Building on a strong foundation

**Well positioned to maintain steady growth and long-term sustainable profitability**



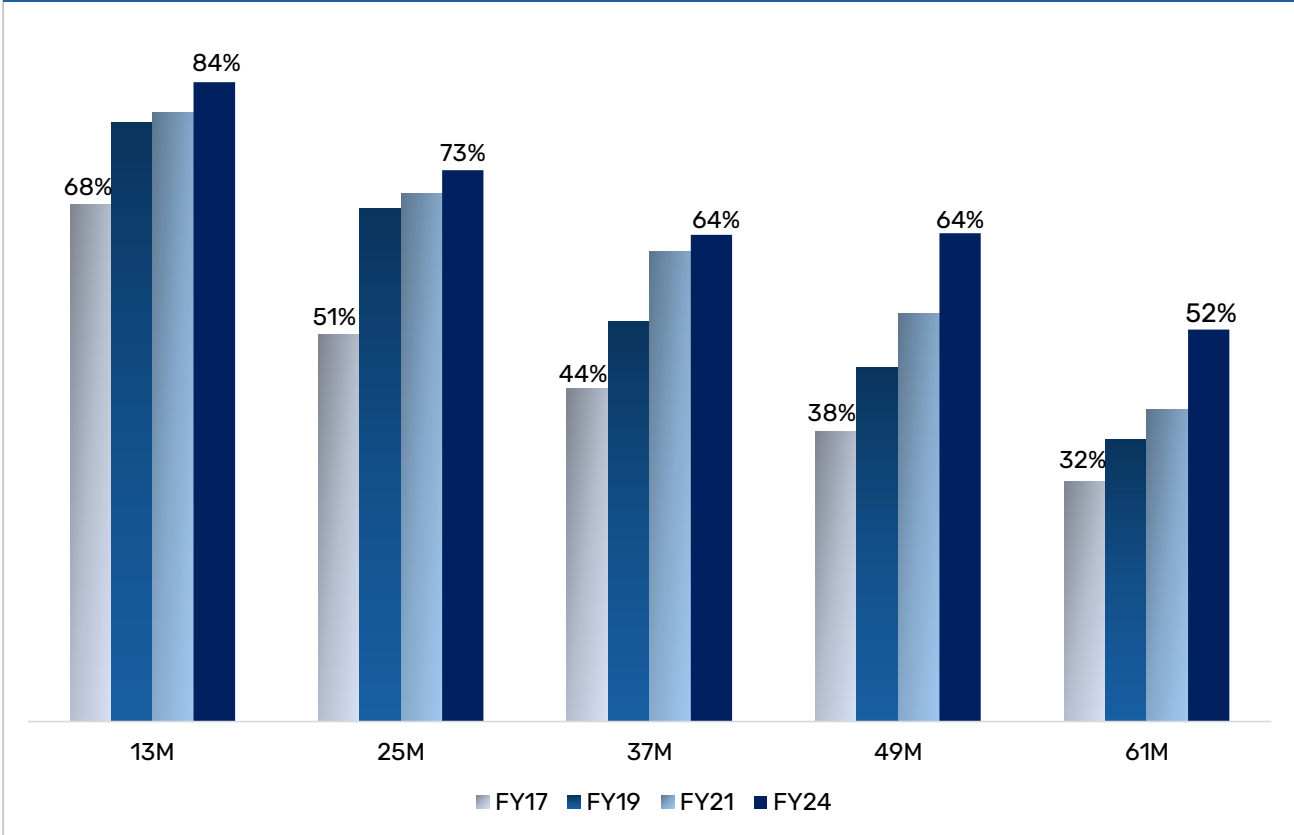
**Catalysts -  
Process, Tech,  
Analytics & People**

- Customer centricity at our core
- Data and Analytics Capabilities
- Investment in People and Technology

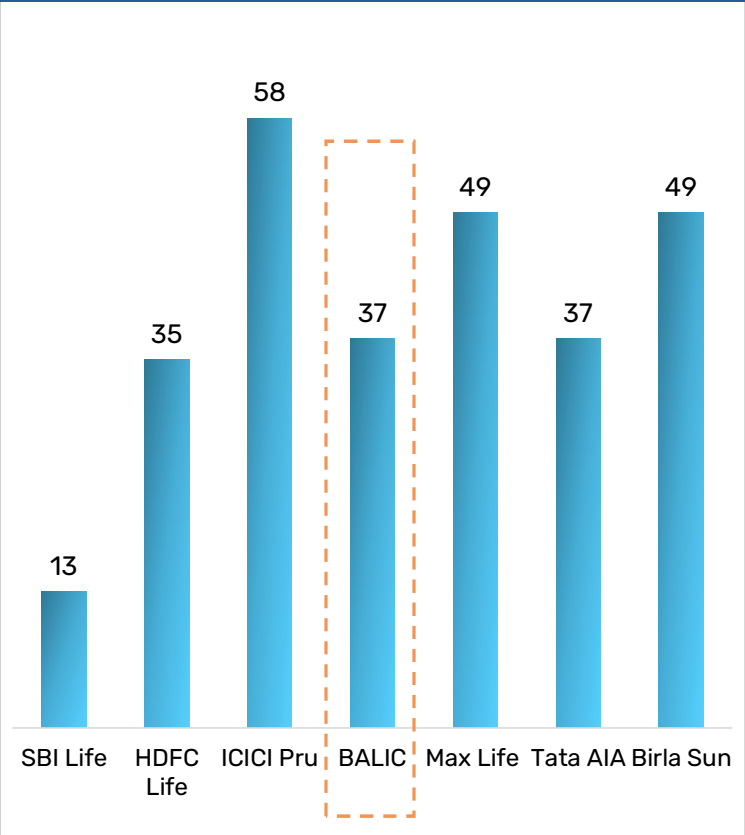


# Customer centricity at the core: Quality Improvement

## Consistent increase in persistency across all cohorts



## One of the Lowest Grievance Ratio among Large players - FY24



Source: Public disclosures of respective players

# Backbone of a future ready BALIC

## Tech and Processes

- **Continuous process improvement with focus on ease**
  - **First Time Right** Culture
  - Customer friendly medical process (*Tele/ Video MER, Home Medicals*)
  - **Digital Payments** ecosystem and **Auto Pay**
- **100%** end to end digital logins through **Digi**
- **Core System Transformation** – NGIN Policy Admin System


## Analytics

- Strong **team of data scientists** delivering **impactful insights** across **Value chain** (Pre-Sales, Underwriting, Post Sales)
- AI-ML based **automated rule engines** and **Bureau Integration**
- **Data Room Exercise** (DRE) toolkit for Banca Partners
- **Pre- Approved Sum Assured – PASA** enabling 1 min issuance (**40% of Non-Term policies**)


## Innovation

**Contextual innovation empowering BALIC**

All-in-one platform for Sales - **generating compelling sales pitches** by understanding the unique preferences and persona of customers



**Smart Pitch**  
Powered by Gen AI

 **NLP based WhatsApp service Bot** (~14L unique users)  
Driving digital servicing & reducing dependency on physical touchpoints for customers & sales teams

# Elevating Excellence: Insurer Innovation Award 2023 (Global Winners)



Our People : Continue to invest in Skill Development, Retention & Digital HR

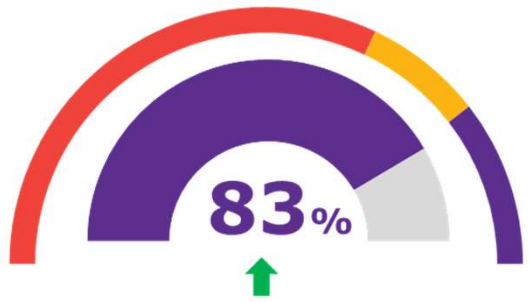


**3<sup>rd</sup> time in a Row!**



**Listening Organization**

- Constant ear on the ground to get **Real-time employee pulse**
- Consistently improving **Employee Satisfaction Survey**



# Aspirations – Next 5 Years

**Towards Sustainable & Profitable Growth**

# BALIC KPIs during Transformation Journey (BALIC v1)

**KPIs – BALIC v2**

**Market share  
(RWRP)**

**Protection  
Business**

**Product mix  
(RWRP)**

**Return on EV**

**Profitability**

RWRP: Retail Weighted Received Premium ; VNB: Value of New Business; NBM: New Business Margin, KPI: Key Performance Indicators, ULIP: Unit Linked Plan, EV: Embedded Value

# Aspirations - Next 5 Years (BALIC v2)

KPIs - BALIC v2	FY 2024	Aspiration
<b>Market share (RWRP)</b>	8.6% (among private players)	Continue to gain Market share with Topline growth of ~2X the industry
<b>Protection Business</b>	Contribution 4% of RWRP	Contribution ~10% of RWRP
<b>Product mix (RWRP)</b>	Traditional : ULIP (61:39)	Stable product mix (Protection : Non-par : Par : ULIP) ~10% : ~25% : ~30% : ~35%
<b>Return on EV</b>	RoEV: 15%	RoEV: 18 - 20%
<b>Profitability</b>	VNB: +1,000 cr NBM: +15%	VNB growth significantly faster than RWRP

RWRP: Retail Weighted Received Premium ; VNB: Value of New Business; NBM: New Business Margin, KPI: Key Performance Indicators, ULIP: Unit Linked Plan, EV: Embedded Value

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***BALIC is committed to***

**Sustainable and Profitable  
growth**



**Thank you**

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Rajeev Jain  
Managing Director  
10 December 2024

Good afternoon. Welcome once again. I will present for 45 minutes and take Q&A for 15 minutes.

# 17-year journey

	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	X times
#Products lines	4	6	8	12	12	15	16	16	17	19	20	21	21	22	22	22	26	
#Locations	116	87	79	79	82	91	184	393	590	856	1,332	1,830	2,392	2,988	3,504	3,733	4,145	36x
#Loans (MM)	1.0	0.6	0.9	1.6	2.2	2.8	3.4	4.9	6.8	10.1	15.3	23.5	27.4	16.9	24.7	29.6	36.2	37x
#Customers (MM)	0.8	1.2	1.9	3.0	4.7	6.7	9.3	12.9	16.1	20.1	26.2	34.5	42.6	48.6	57.6	69.1	83.6	104x
AUM	2,478	2,539	4,032	7,573	13,107	17,517	24,061	32,410	44,229	60,196	82,422	1,15,888	1,47,153	152,947	1,97,452	2,47,379	3,30,615	133x
NII	332	435	715	1,035	1,426	1,904	2,500	3,170	4,406	6,186	8,143	11,877	16,913	17,269	21,894	28,846	36,258	109x
Expenses	193	220	320	460	670	850	1,151	1,428	1,898	2,564	3,270	4,197	5,662	5,308	7,587	10,130	12,325	64x
Loan Losses	109	164	261	205	154	182	258	385	543	804	1,030	1,501	3,929	5,969	4,803	3,190	4,631	42x
Profit before tax	30	51	134	370	602	872	1,091	1,357	1,965	2,818	3,843	6,179	7,322	5,992	9,504	15,528	19,310	644x
Opex to NII	58.1%	50.6%	44.8%	44.4%	47.0%	44.6%	46.0%	45.0%	43.1%	41.4%	40.2%	35.3%	33.5%	30.7%	34.7%	35.1%	34.0%	
Return on equity	2.0%	3.2%	8%	19.7%	24.0%	21.9%	19.5%	20.4%	20.9%	21.6%	20.1%	22.5%	20.2%	12.8%	17.4%	23.5%	22.1%	
Net NPA	7%	5.50%	2.20%	0.80%	0.12%	0.19%	0.28%	0.45%	0.28%	0.44%	0.43%	0.63%	0.65%	0.75%	0.68%	0.34%	0.37%	
CRAR	40.7%	38.4%	25.9%	20.0%	17.5%	21.9%	19.1%	18.0%	19.5%	20.3%	24.7%	20.7%	25.0%	28.3%	27.2%	25.0%	22.5%	
#Employees ('000)	1.7	2.0	2.3	1.7	2.2	3.1	4.0	5.1	7.4	11.5	15.3	20.2	27.0	28.5	35.4	43.1	53.7	32x
Market share*	0.10%	0.09%	0.12%	0.19%	0.28%	0.30%	0.36%	0.44%	0.55%	0.72%	0.88%	1.10%	1.33%	1.29%	1.56%	1.70%	2.00%	
Profit ranking	722	528	379	207	154	127	110	96	70	57	53	37	27	38	40	23	21	

\* % of total credit

# 17-year journey

	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	X times	
#Products lines	4	6	8	12	12	15	16	16	17	19	20	21	21	22	22	22	26		
#Locations	116	87	79	79	82	91	184	393	590	856	1,332	1,830	2,392	2,988	3,504	3,733	4,145	36x	
#Customers (MM)	0.4	0.5	0.5	0.8	1.0	1.2	1.5	1.9	2.2	2.8	3.5	4.5	5.5	6.5	7.5	8.5	10.5	26x	
AUM (₹ Cr)	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	36x
Profits (₹ Cr)	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	30	36x
Market share*	0.10%	0.09%	0.12%	0.19%	0.28%	0.30%	0.36%	0.44%	0.55%	0.72%	0.88%	1.10%	1.33%	1.29%	1.56%	1.70%	2.00%		
Profit ranking	722	528	379	207	154	127	110	96	70	57	53	37	27	38	40	23	21		

It's been a great run so far. In **last 17 years**, our product lines grew from **4 to 26**, loan disbursements grew from **1 MM to 36 MM**, Customer franchise grew from **0.8 MM to 83 MM**, AUM grew from **₹ 2,500 Cr to ₹ 3.3 lakh Cr** and profits grew from **₹ 30 Cr to ₹ 19K+ Cr** in FY24.

During this period, our market share grew from **10bps to 200bps** and profit ranking moved from **722 to 21** in India. Our people capital grew from **1.7K to 53K**. Also, we became from **1 company to 3 companies** and from **1 listed company to 2 listed companies**.

In FY22 AGM, as our AUM crossed ₹ 2 lakh crore, I presented our ambition of **doubling AUM from ₹ 2 lakh crore to 4 lakh crore** by FY25 with similar return ratios. I am happy to share that we are well on course to disburse over 40 MM loans, cross 100 MM franchise and 4 lakh Cr AUM in FY25 with a **healthy return on assets and return on equity**. I would like to take this opportunity to thank you all for your trust and support.

Question is, where do we go from here?



We rely on our **LRS framework** to define our medium-term aspirations.

LRS is a 14-year old process in BFL. It is a 5-year rolling strategy framework with a 12-24 month execution roadmap and a bottoms-up financial plan. We analyse macro trends, industry outlook and benchmark a successful company every year as part of the process. We just concluded our LRS 2025-29 last week. I am going to share snippets of the same.

Our LRS Framework has 6 sections namely, ① Macro Trends, ② Financial sector & Key Industries forecast, ③ Benchmarking company of the year, ④ Megatrends, ⑤ Basic Construct and ⑥ Strategy. Given paucity of time, I will only cover Megatrends, Basic Construct and Strategy sections to give you texture on our LRS plans.

Our tradition is, 'do as we say, say as we do'. So, before I unveil LRS 2025-29, let's quickly review our progress update on strategies and megatrends identified in LRS 2024-28. We had outlined 35 key strategies and 25 megatrends in LRS 2024-28.

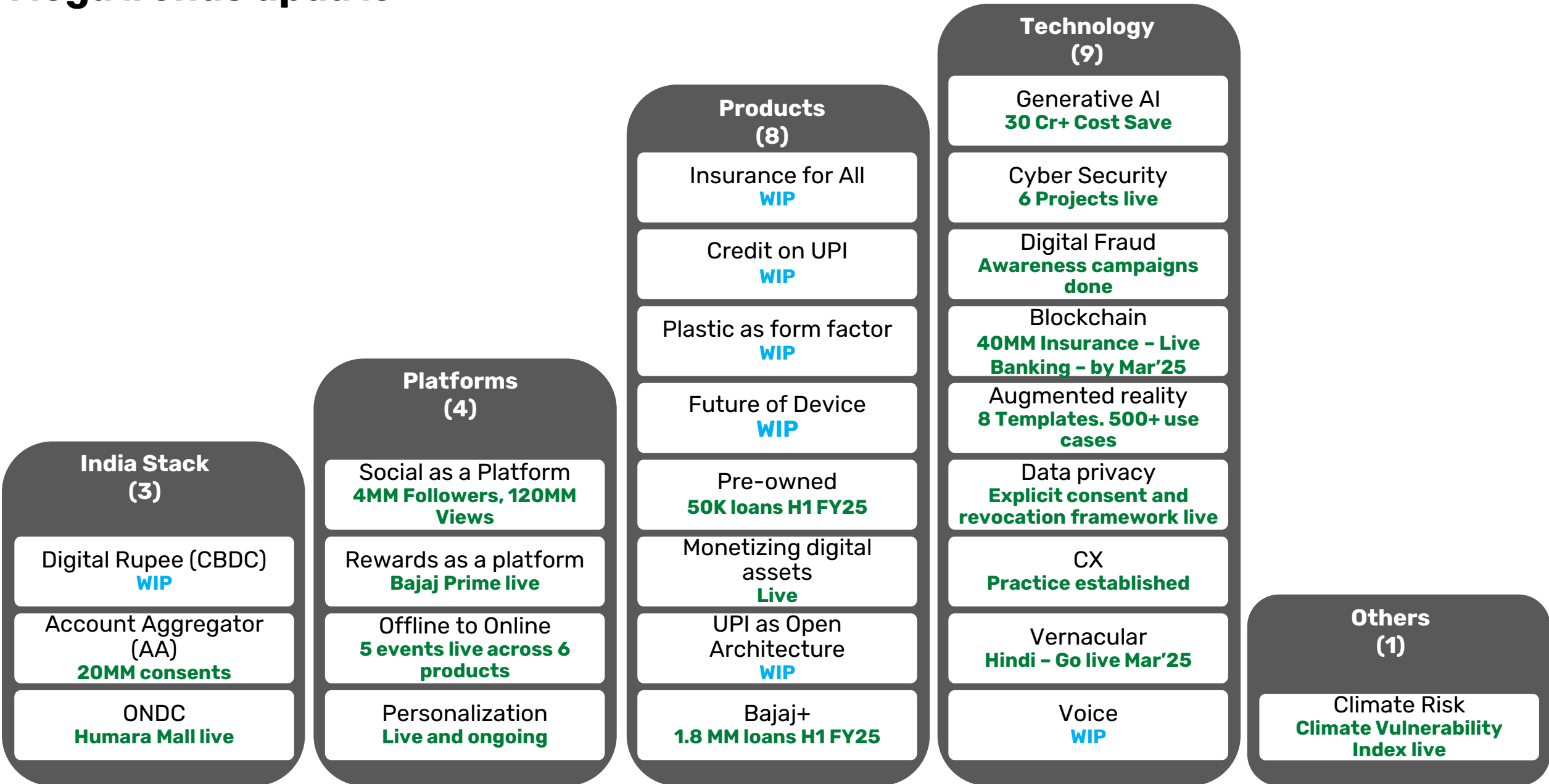
# Update on 35 strategies of LRS 2024-28

Product (9) (4) (5)		Horizontal (15) (14) (1)			Platforms (7) (6) (1)	Geography (2) (2)	Subsidiaries (2) (2)
<b>Commercial Vehicle</b> Live	<b>Assured Buyback on New Car</b> 15% Penetration	<b>Know everyone</b> NTB 13% to 8.7%	<b>Zero Identity Mismatch</b> Live	<b>Zero Liquidity Drag</b> Reduced from 5bps to 1bps	<b>Consumer App</b> 6.25 MM downloads 76% 90D retention	<b>All products in all locations</b> 15+ products in 817 locations	<b>12-15% of retail mortgages</b> 7% contribution
<b>Corporate Leasing Auto</b> 27+ Corporates Onboarded	<b>Industrial Equipment Finance</b> Live	<b>Zero Paper</b> EKYC 81% UPI Mandate 47%	<b>Zero Cost</b> Branch walk-in 0.98% Service DIY 82%	<b>Zero Paid Traffic</b> 23% to 12%	<b>1 Bn organic Hits &amp; No SEM</b> 500 MM in FY25	<b>Win UP, Bihar &amp; North-East</b> Mostly Done 773 Locations	<b>50-60% of broking accounts</b> 47% contribution
<b>Postpaid</b> WIP	<b>Co-lending</b> Paused	<b>Zero Hold</b> 12% to 10%	<b>Zero Bug</b> Reduction in defect density by 30%	<b>CDP</b> Live ₹55+ Cr Saved	<b>Investment Marketplace 2.0</b> 35K SIP		
<b>Bajaj+ (EV)</b> WIP	<b>Embedded Insurance</b> WIP	<b>Gen AI enabled Ops &amp; Service</b> 600+ HC Reduction	<b>Integrated UAT</b> Go live Jan'25	<b>DMS - Scalable, Resilient &amp; Profitable</b> Digital - 51 to 53	<b>Social - Marketing</b> Followers FY25 4 MM		
	<b>Bharat Mortgages</b> Live	<b>DMS 0 Complaints</b> 18% Lower	<b>Zero Downtime</b> WIP	<b>Tech - Low Bandwidth</b> On Track	<b>Social - Commerce</b> Live		
					<b>Bajaj Prime</b> Live		
					<b>Insurance Marketplace 2.0</b> WIP		

# Update on 35 strategies of LRS 2024-28

Product (9) (4) (5)		Horizontal (15) (14) (1)			Platforms (7) (6) (1)	Geography (2) (2)	Subsidiaries (2) (2)
<b>Commercial Vehicle</b> Live	<b>Assured Buyback on New Car</b> 15% Penetration	<b>Know everyone</b> NTB 13% to 8.7%	<b>Zero Identity Mismatch</b> Live	<b>Zero Liquidity Drag</b> Reduced from 5bps to 1bps	<b>Consumer App</b> 6.25 MM downloads 76% 90D retention	<b>All products in all locations</b> 15+ products in 817 locations	<b>12-15% of retail mortgages</b> 7% contribution
<p>Of the 35 strategies outlined in LRS 2024-28, 28 are green, 7 are work in progress. On products, 4 out of 9 strategies are live and 5 are work in progress. On horizontals, 14 out of 15 strategies are live and 1 is work in progress. On platforms, 6 out of 7 strategies are live and 1 is work in progress. On geography and subsidiaries, all strategies are live and are progressing well.</p>							
	Live	18% Lower	WIP	On Track	Live		
					<b>Bajaj Prime</b> Live		
					<b>Insurance Marketplace 2.0</b> WIP		

# Megatrends update



## Megatrends update

Good progress on 18 Megatrends and 7 are work in progress. 2 megatrends where significant efforts have been made in FY25 are AA and GenAI. BFL will cross 30 MM AA consents by FY25, significantly enriching our customer insights. BFL is currently implementing 29 GenAI use cases across 25 work streams, which will deliver an annual cost save of ₹ 150 crore in FY26 alone. But more importantly, GenAI adoption has helped us build a much clearer strategic roadmap. More on it later.

20MM consents

ONDC  
Humara Mall live

5 events live across 6 products

Personalization  
Live and ongoing

WIP

Bajaj+  
1.8 MM loans H1 FY25

WIP

Voice  
WIP

Climate Risk  
Climate Vulnerability  
Index live

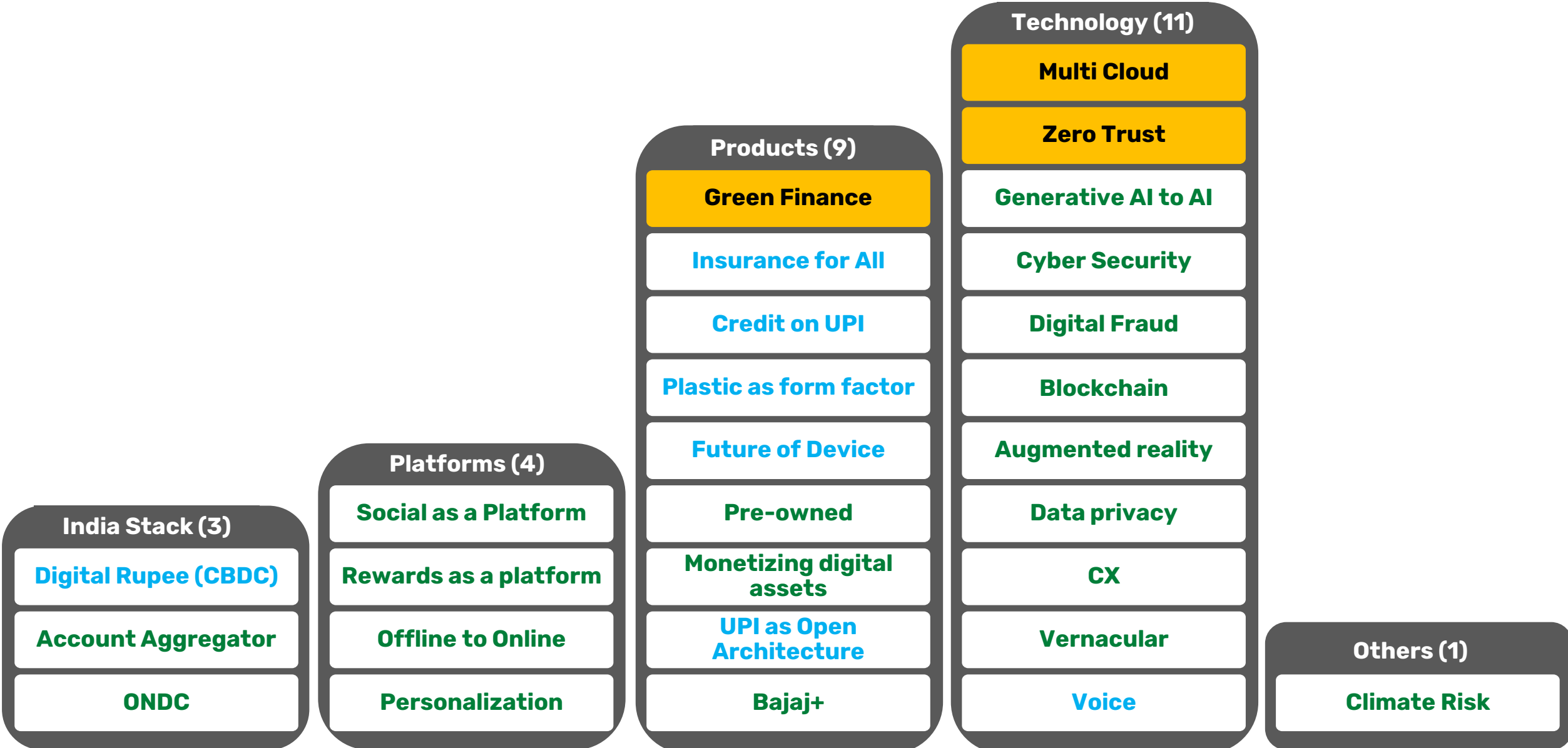


Let's now discuss LRS 2025-29. I will start with Megatrends...

## Just to refresh, what are Megatrends

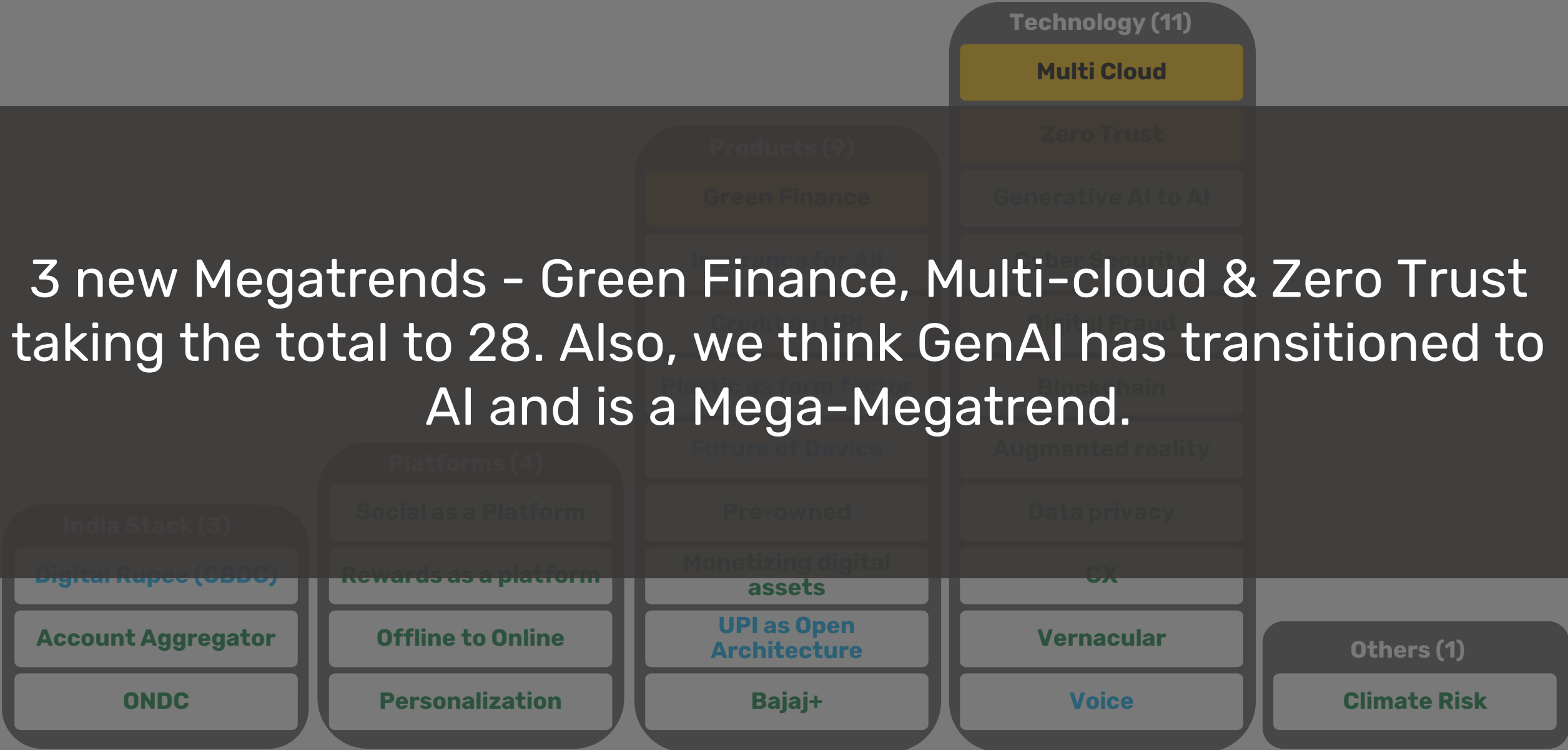
Megatrends are powerful, transformative forces that could change the economy, business and society. They are structural shifts that are longer term in nature and generally have irreversible consequences for businesses. They can change the status quo of a business in the medium to long term...

# Megatrends



# Megatrends

3 new Megatrends - Green Finance, Multi-cloud & Zero Trust taking the total to 28. Also, we think GenAI has transitioned to AI and is a Mega-Megatrend.



## 3 new Megatrends - definition and plan

Megatrends	Definition	LRS Plan
① <b>Green Finance</b>	India's green initiatives target net-zero emissions by 2070, 45% emission reduction by 2045, creating a ₹ 35 lakh Cr opportunity by 2030.	Start with financing of solar and EV products to retail and MSME customers in Q4 FY25. Targeting ₹ 2K Cr of green finance in FY26.
② <b>Zero Trust</b>	Security framework that operates on the principle of "trust but always verify".	Invest deep and implement critical security polices in next 12 to 18 months. Deliver comprehensive zero trust initiatives by FY26.
③ <b>Multi Cloud</b>	Deploy a multi cloud orchestration strategy to make applications cloud agnostic and enhance resilience.	Implement phase 1 covering top 40 of 94 applications in next 18 months.

Let me now talk about BFL's Basic Construct...

Basic construct is principally organized as ① **Ambition**, ② **Strategy**, ③ **Approach**, ④ **Philosophy**, ⑤ **Market share**, ⑥ **Profit Share**, ⑦ **Customer Share** and ⑧ **Technology and AI-first**. Let's go through these 8 elements quickly...

## BFL business construct (1/3)

<p>① <b>Ambition</b> (Updated)</p>	<p>To be a leading financial services company and a <b>viable</b> payments player in India. Dominate with <b>200 MM</b> consumers, market share of 3-4% of total credit, 4-5% of retail credit and <b>1%</b> of payments GMV</p>
<p>② <b>Strategy</b> (Updated)</p>	<p>To be an omnipresent financial services company dominant across all consumer platforms - physical, app, web, social, rewards and <b>AI</b></p>
<p>③ <b>Approach</b> (No change)</p>	<p>To acquire &amp; cross-sell across payments, assets, deposits, insurance, investments and broking products to Consumer, MSME, Commercial and Rural consumers across all consumer platforms efficiently</p>



**BFL business construct (2/3)**

④

**Philosophy**

(No change)

To build businesses with a 10-year view anchored on prudence and risk management to deliver 'through the cycle' 21-23% shareholder returns

⑤

**Market share**

(No change)

Every business of the company to be amongst top 5 players in India in each line of business they operate in

⑥

**Profit share**

(No change)

To be amongst top 20 most profitable companies in India and amongst top 5 to 6 profitable financial services companies in India in absolute terms

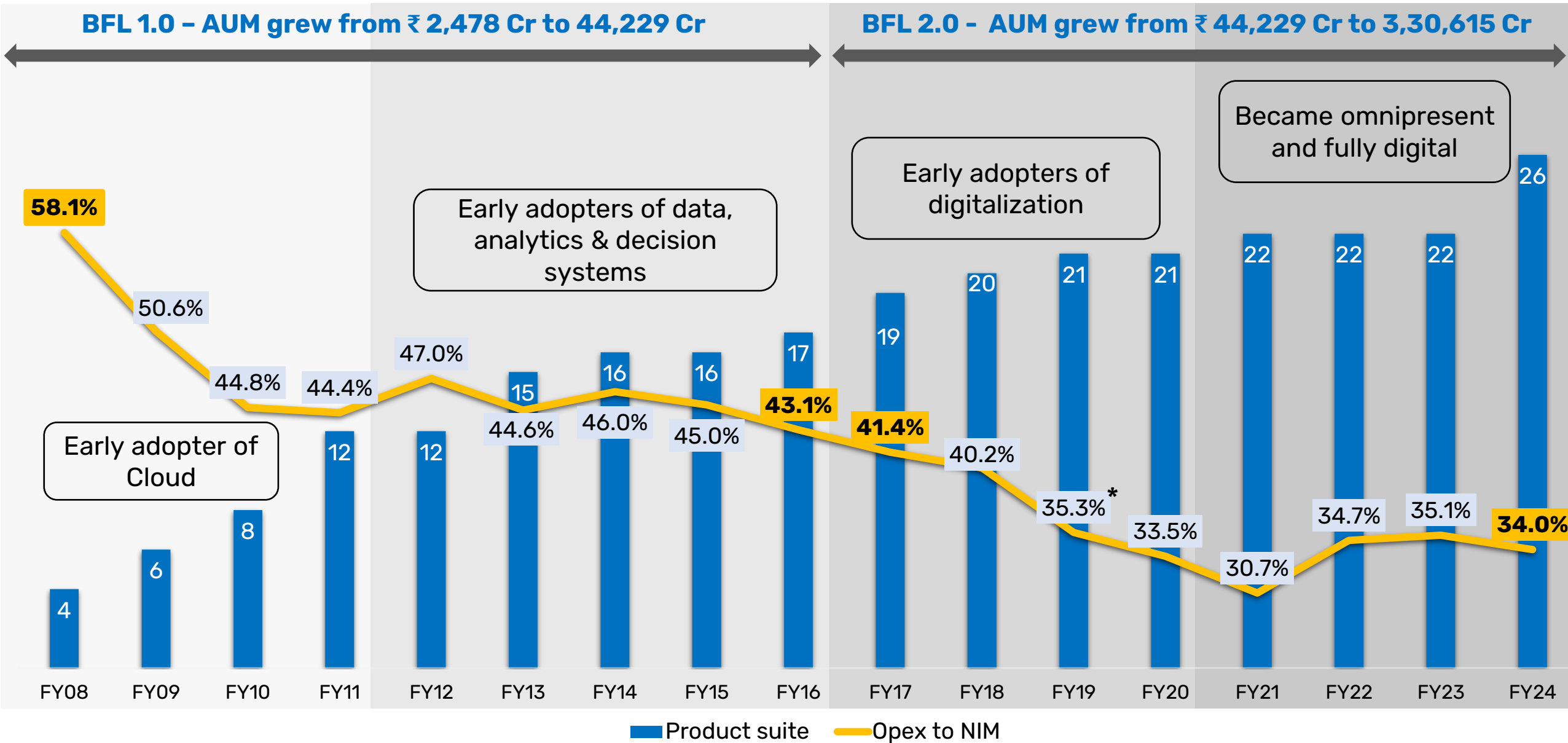
## BFL business construct (3/3)

<p>⑦</p> <p>Customer Share</p> <p>(No change)</p>	<p>To grow our share of customer's wallet by offering all products and services in a frictionless manner and deliver highest Customer Satisfaction (CSAT) Score and Products Per Customer (PPC)</p>
<p>⑧</p> <p>Technology &amp; AI-first</p> <p>(Updated)</p>	<p>Technology and AI-first as an organization culture to solve all problems. Be an early adopter and invest in emerging technologies and data practices. It should result in sustained growth, lower costs, improved productivity, superior customer experience and robust controllership.</p>

I have come to the end of basic construct section. It remains an important governing frame and guides our strategic decisions. Continuous sharpening of our basic construct helps us **strengthen our moat as a Company...**

Time for LRS 2025-29. Introducing, **BFL 3.0 – A FINAI Company.**  
Before I talk about BFL 3.0, let me take you through BFL 1.0 and  
BFL 2.0 journey...

# 2008-16 was BFL 1.0 and 2017-24 was BFL 2.0



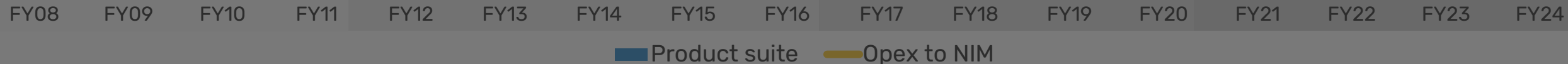
\* Change in AS from IGAAP to IND-AS from FY18 to FY19

## 2008-16 was BFL 1.0 and 2017-24 was BFL 2.0

BFL 1.0 - AUM grew from ₹ 2,478 Cr to 44,229 Cr

BFL 2.0 - AUM grew from ₹ 44,229 Cr to ₹ 7,30,615 Cr

- ① BFL became a fully diversified non-bank (3 to 26 products)
- ② Being a technology first company, we were early adopters of Cloud, data and decision systems and digital (90% of compute on cloud, top 5 Apps on Google Playstore - 62 MM net installs).
- ③ Opex to NIM continued to improve with growing scale and deployment of digital technologies.
- ④ In hindsight, we were always doing Fin & Tech. Inadvertently, we were always a FINTECH.
- ⑤ All this helped us to expand scale, rapidly grow revenues, bring down Opex, reduce credit costs & compound profitably.



Our journey from BFL 1.0 to BFL 2.0 has been fascinating. During this period, we have been through mostly good times & some very difficult times like Demonetization & Covid. However, what I am most excited about is the next phase of BFL which is 'BFL 3.0 - A FINAI Company'. I have broken down BFL 3.0 - A FINAI Company into 2 parts - What is BFL 3.0? & What is a FINAI Company?

## BFL 3.0

BFL 3.0 will be amongst the most sustainable and profitable companies in India and a pre-eminent choice for its 200 MM customer franchise for all their financial services needs. BFL aims to be the lowest cost operating model in financial services by accelerating business transformation and leveraging digital and technology.



## A FINAI Company

BFL will be A FINAI company with AI enabled technology architecture, which integrates AI across all its processes to significantly improve customer engagement, grow revenue, reduce Opex, reduce credit costs, enhance productivity and strengthen controllership.

## In summary, BFL 3.0 - A FINAI Company

BFL 3.0 - A FINAI Company will be a pre-eminent choice which meets all financial services needs of its 200 MM customers. Its AI enabled technology architecture that integrates AI across all its processes to deliver significant operating leverage and create a virtuous growth cycle.

# Unveiling strategic framework of 'BFL 3.0 – A FINAI Company'

# Strategies – BFL 3.0 – A FINAI Company

**FIN**  
(12)

## Acquire Customers (1)

Next 100 MM customers – Strategic partnerships, organic acquisition and Bajaj Prime

## Next Frontier of Growth (1)

MSME – The next big growth engine

## Build Market Leadership – Amongst top 3 (4)

PL - 50K to 50 lacs

Gold Loan

MFI

Two Wheeler

## Optimize (2)

Auto Loans - Scale with low credit cost

A viable Payments business

## New Products (2)

Green Financing – Solar & EV

Corporate Leasing - Multi-product distribution

## Risk Management (2)

Back to basics

Operational Risk Management

# Strategies – BFL 3.0 – A FINAI Company

AI  
(20)

## AI for Revenue (2)

Conversational AI for sell – 3X conversion rate

Conversational AI for Cross sell - 3X conversion rate

## AI to Reduce cost (6)

FTE productivity - 1.5X Field, 2X HO

PSF productivity – 15% increase

Reduce sales Contact center

Reduce DMS contact center

Ops & Service co-pilot & auto-pilot

Technology co-pilot & auto-pilot

## AI for Design & Engagement (3)

Conversation driven search

Interactive multi-modal AI assistant

Conversational AI in business journey

## AI for Risk (2)

Data 3.0 – Unstructured to structured data

Augmented Risk Intelligence for B2B (Responsible and explainable AI)

## AI for Credit (1)

Underwriting AI co-pilot – Image, note summary, screening & validation

## AI for Productivity (3)

AI enabled Loan Origination System

AI enabled engagement and training

AI enabled Sales, DMS & Dealer Management - Interactive reports, summary and help desk

## AI for Controllershship (3)

Operations & Service QA co-pilot & auto-pilot

Audit - co-pilot & auto-pilot

Technology & Platform compliance co-pilot & auto-pilot

A detailed implementation plan has been created across all businesses and functions to become a FINAI Company. We are extremely excited about the AI era and the business transformation opportunity that it offers.

As we deliver all this, let's see how will we look by FY29...

# LRS Outcomes

Sr No	Basic Construct	6M FY25	LRS FY28	LRS FY29
1	Customer Franchise (MM)	92.1	130-140	190-210
2	Cross-sell Franchise (MM)	57.7	80-90	115-125
3	India payments GMV	0.27%	1.25-1.5%	0.4-0.5%
4	Share of total credit	2.11%	3-3.25%	3.2-3.5%
5	Share of retail credit	2.67%	3.8-4.0%	3.8-4.2%
6	Location Presence	4,245	5,200-5,500	5,200-5,500
7	App - Net installs (MM)	61.7	120-150	150-170
8	Web - Visitors (MM)	277	1,500-1,800	3,500-4,500
9	Return on Equity	19.4%	20-22%	20-22%
10	AUM per cross sell franchise (₹)	64.8K	90-95K	80-85K
11	PAT per cross sell franchise (₹)	1,374	3.8-3.9K	3.8-4.0K
12	Product Per Customer (PPC)	6.15	6-7	6-7



Thank you. Look forward to your continued support.

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