

FINANCIAL RESULTS: Q3 FY21

MUMBAI

5th February 2021



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

A Leading Financial Services Conglomerate

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NOTE 1: The financials of Aditya Birla Capital Ltd are consolidated financials prepared based on Ind AS unless otherwise specified

NOTE 2: The financial figures in this presentation have been rounded off to the nearest Rs 1 Crore

Q3 FY21 | Key Highlights



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Figures in Rs Crore



Strong growth in business leading to **highest ever quarterly profit**; Consol. ABCL Revenue **↑ 16% y-o-y** to 5,346 Crore and PAT **↑ 15% y-o-y** to Rs 289 Crore



Gross disbursement in lending businesses (incl. Housing) at **~Rs 5,100 Crore**; **↑ 18% y-o-y** with focus on target segments



NBFC NIM expanded to 5.24% (↑ 18 bps y-o-y); PAT at Rs 193 Crore; up **↑ 6% q-o-q** and close to previous year levels



HFC NIM expanded to 3.68% (↑ 81 bps y-o-y); PPOP **↑ 60% y-o-y**; PAT **↑ 38% y-o-y**



AMC Domestic AAUM **↑ 7% q-o-q**, Equity AAUM **↑ 6% q-o-q**; Growth aided by strong revival in retail, SIP and B-30 during the quarter



Strong improvement in AMC profitability; Q3 FY21 PBT/ Domestic AAUM: **30 bps (PY: 28 bps)**



Life Insurance 9M FY21 Individual FYP **↑ 6% y-o-y**; Significantly ahead of Pvt. players (**↓ 6% y-o-y**); Group NBP **↑ 50% y-o-y** ahead of Pvt. Players (**↑ 15% y-o-y**)



Fastest growing Health Insurance player; 9M FY21 GWP **↑ 57% y-o-y** to ~Rs 859 Crore; Retail mix at **74%** and Combined Ratio at **126% (PY: 142%)**



Other financial services business PBT **↑ 2.8x y-o-y** to Rs 36 Crore; Growth aided by general insurance broking, ARC and Stock & Securities businesses



ABC adjudged one of the **'Top 25 Innovative Companies'** in India at **CII Industrial innovation Awards 2020**; Digital journey to improve customer experience and processes ongoing

Consolidated Financials

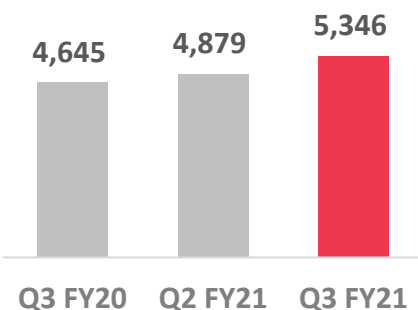


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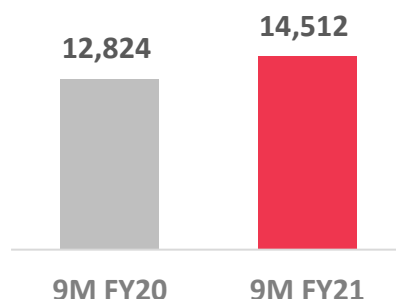
Figures in Rs Crore

Revenue¹

↑ 16% Y-o-Y | 10% Q-o-Q

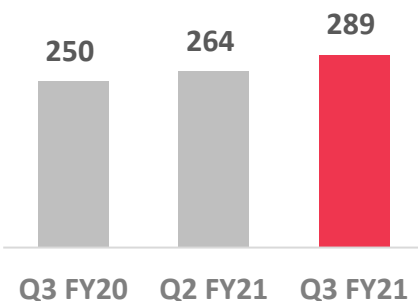


↑ 13% Y-o-Y

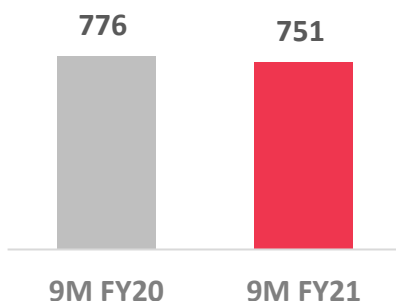


Profit After Tax

↑ 15% Y-o-Y | ↑ 9% Q-o-Q



↓ 3% Y-o-Y



Businesses	Q2 FY21	Q3 FY20	Q3 FY21
NBFC	181	203	193
Asset Management	125	130	147
Life Insurance	23	27	26
Housing	36	27	38
General Insurance Broking	13	5	14
Stock & Securities Broking	4	3	4
ARC	7	5	9
Profitable Businesses PAT	390	401	431
Health Insurance	(66)	(53)	(51)
Less: Interest Cost	(0)	(14)	(0)
Less: Brand & Marketing	(2)	(9)	(3)
Less: Others ² / Eliminations	(9)	(21)	(23)
Less: Minority Interest	(49)	(54)	(66)
Consolidated PAT³	264	250	289

Aditya Birla Capital Limited

¹ Consolidated segment revenue ; for Ind AS statutory reporting purpose Asset management and wellness business are not consolidated and included under equity accounting

² Includes ABCL standalone (ex-interest and brand expenses), Online Personal Finance, Private Equity, ARC, ABMM and other businesses

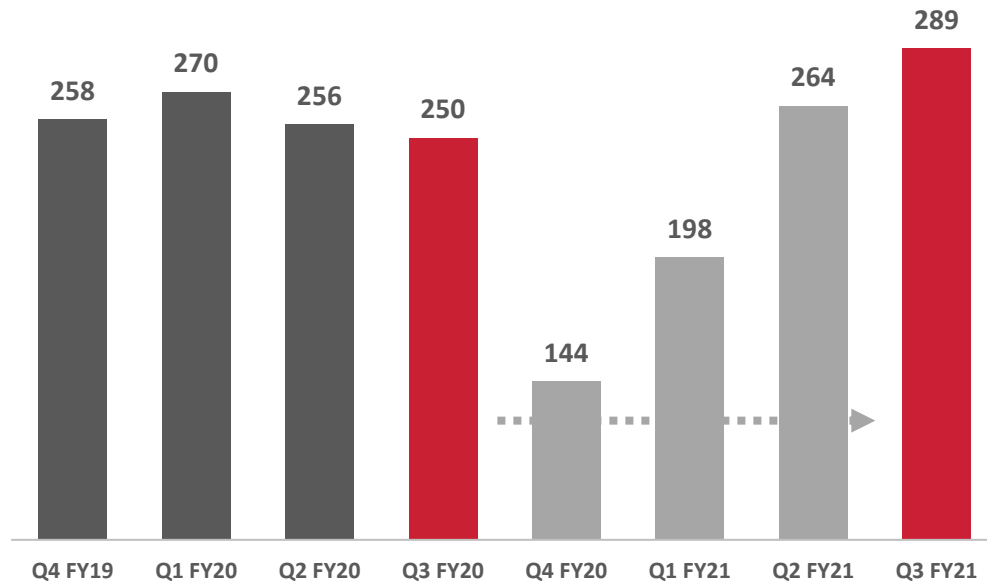
³ Aditya Birla Sun Life AMC Ltd and Aditya Birla Wellness Pvt Ltd consolidated based on equity accounting under Ind AS, however considered as a part of segmental performance to show holistic financial performance

⁴ Excluding Aditya Birla Health Insurance operating expenses given the business is scaling up and on path to break-even

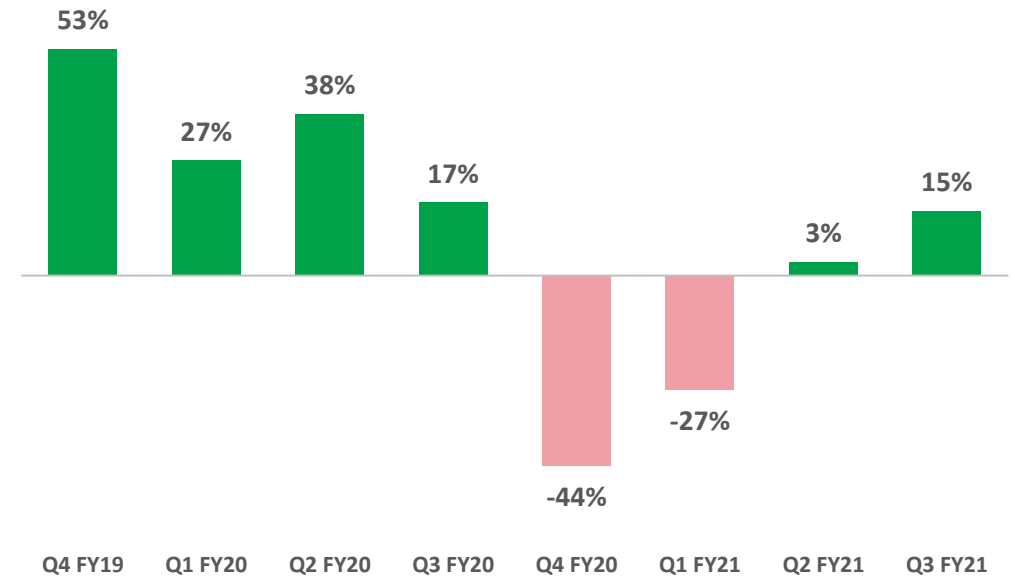
Strong rebound delivers highest ever quarterly profits

Figures in Rs Crore

ABCL Quarterly Consolidated PAT



ABCL Quarterly Consolidated PAT YoY %



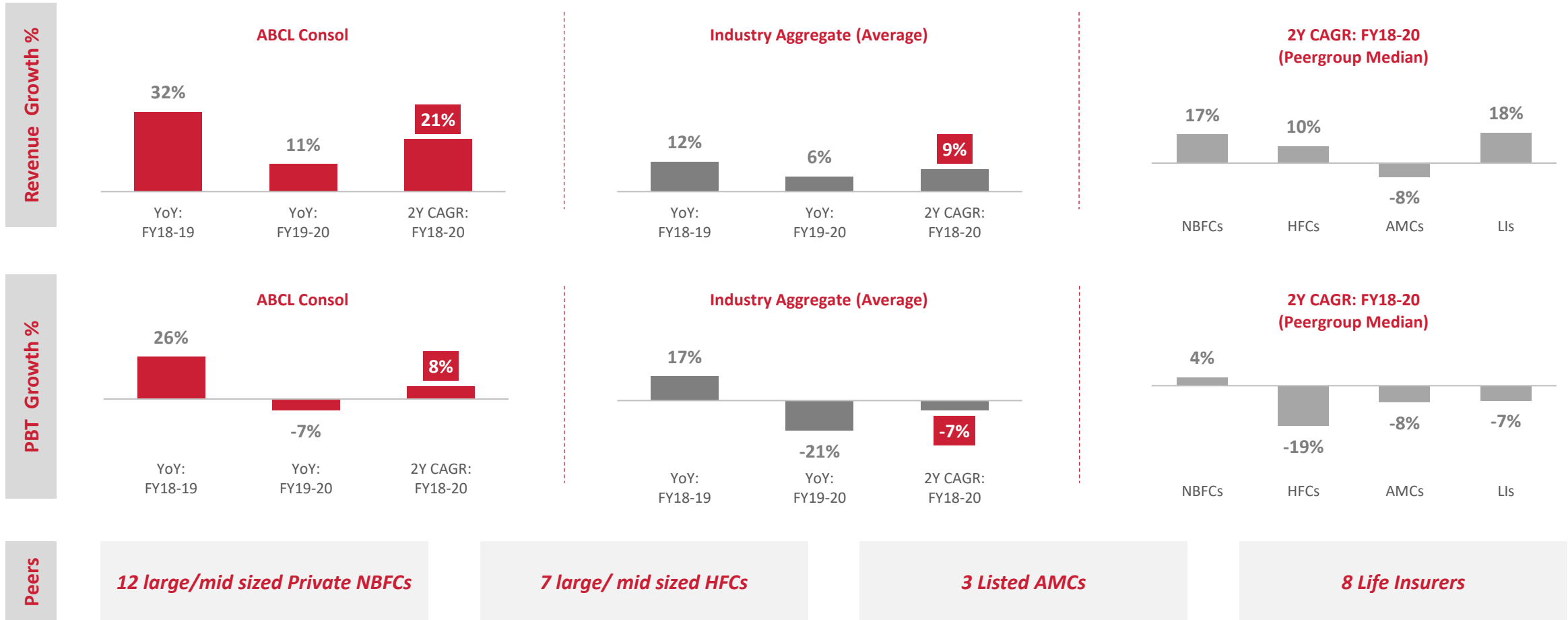
Delivering superior performance through portfolio diversification



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Review period considered from FY18 due to transition to IndAS Accounting Standard from erstwhile IGAAP

Figures in Rs Crore



Aditya Birla Capital Limited

NBFC Peers include: Bajaj Finance, Shriram Transport, L&T Finance, Mahindra Finance, HDB Financial Services, Cholamandalam, Shriram City Union Finance, Fullerton Financial Services, IIFL Finance, Tata Capital, Sundaram Finance, Magma Fincorp

HFC Peers include: HDFC Ltd, Indiabulls Housing, LIC housing, PNB Housing, CanFin Homes, L&T Housing Finance, GIC Housing

Life Insurance Peers include: SBI Life, ICICI Prudential Life, HDFC Life, Max Life, Kotak Life, Bajaj Life, Tata AIA and PNB MetLife

AMC Listed Peers include: HDFC MF, Nippon MF and UTI AMC

A strong track record in building scale, retailisation & profitability



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Figures in Rs Crore

PROTECTING

	FY17	9M FY21	Key Achievements
Total Gross Premium¹	5,778	8,008 ²	➤ Turnaround in profitability Gross VNB: 28.9% (FY17) → 36.4% (9MFY21)
LI: Net VNB Margin	-5.5%	5.9%	➤ Doubled protection mix to 6%
LI: 13M Persistency	71%	84%	➤ Established fastest growing HI company with 11 million lives
LI: EV Growth	5%	14% ³	➤ Tied-up with HDFC Bank for Life and Health Insurance
HI: Combined Ratio	283%	126%	

INVESTING

	FY17	9M FY21	Key Achievements
AMC: Domestic AAUM	1.73 Lac	2.36 Lac	➤ #1 amongst non-bank AMCs
AMC: Equity Mix	24%	34%	➤ SIP % Equity AUM scaled up from 24% to 43%
AMC: Retail + HNI AUM	0.84 Lac	1.23 Lac	➤ Significant folio growth amongst top 5 industry players
AMC: Investor Folios	3.9 M	7.1 M	➤ Consistent fund performance
AMC: PBT bps	19	28	➤ Strong improvement in Profit/AAUM

FINANCING

	FY17	9M FY21	Key Achievements
Total Lending Book⁴	38,839	57,522	➤ Rebalanced portfolio with focus on granularization as per stated strategy
Retail + SME (incl. HFC) %	41%	60%	➤ Scaling up retail and SME
NBFC: PPOP%	3.3%	3.6%	➤ Scaling up affordable housing
HFC: PPOP%	(0.1)%	2.6%	➤ Maintained one of industry lowest cost of funds through cycles with AAA rating
Lending Net Worth⁴	5,558	10,062	

OTHER BUSINESSES

	FY17	9M FY21	Key Achievements
GI Broking: Premium	2,580	3,484	➤ JV with Varde partners to establish ARC; Profitable within 1 year of operation
GI Broking: RoE %	44%	57%	➤ RoE of 40%+ in General Insurance, & Stock Broking
Stock Broking: RoE %	19%	43%	➤ Optimised portfolio for loss making businesses
ARC: PBT	-	29	
Other Business Total PBT	-10	109	

3 Year aspiration and key levers

Figures in Rs Crore

Business	Growth aspiration & profitability levers	Current (9MFY21)	FY24 Target (3Y)
NBFC	- Overall Loan book 3Y CAGR ~15 - 17%; Retail + SME mix targeted at ~65% by FY24 125 additional lean branches in Tier II/III locations in 12 – 18 months - NIMs to increase to 6.25%+; CIR to reduce by 200 bps	RoA: 1.5% RoE: 8.6%	RoA: 2.5 – 2.7% RoE: 16 – 17%
Housing Finance	- Overall Loan book 3Y CAGR ~18 - 20%; Affordable mix to improve to ~65% by FY24 Build higher yielding informal segment and increase branch footprint - NIMs to improve by ~50 bps; CIR to reduce to <30%	RoA: 1.12% RoE: 9.9%	RoA: 1.5 – 1.6% RoE: 14 – 15%
Asset Management	- Continue to grow with 3Y Overall AUM CAGR: ~12 - 15% - Equity AAUM mix expected to improve from 34% to 40% in 3 years - Execute alternate asset strategy	RoE: ~33% PBT YoY ~12%	RoE: 35 – 40% PBT CAGR ~15%
Life Insurance	- Ind FYP 3Y CAGR of ~15-18%; Continue to grow renewals at 3Y CAGR of ~16-17% - Improvement in protection mix to 12-15% by FY24; - Opex/ Premium to reduce by ~150 bps to 12.5% in 3 years	Net VNB: 5.9% FY21E ~10%	Net VNB: 16-17%
Health Insurance	- Continue to grow faster than industry; GWP in Rs 1,800 – 2,000 Crore range by FY22 - Estimated exit combined ratio for Q4 FY21 < 110%; Target breakeven by Q4 FY22	GWP: ~ Rs 859 Cr	GWP: ~ Rs 3,200 - 3,500 Cr

Key focus areas

Figures in Rs Crore

1

Unlock value given the scale of our businesses

2

Driving revenue potential through focused approach to cross sell & upsell

3

Leveraging digital, data and analytics across the platform

Focused approach on Upsell and Cross-sell



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Figures in Rs Crore

ABC currently has over 20 million active customers

Initiatives to scale up revenue potential by enhancing product per customer

Upsell Opportunity

Increasing Product per customer (PPC) within businesses from current levels:

Business	Product Per Customer
Asset Management	1.57
Life Insurance	1.54
NBFC	1.98
Housing Finance	1.93
Health Insurance	1.37

Cross Business Opportunity

Increase product per customer by cross selling more across lines of business:

- From current level where about 1.8M customers have PPC >2, &
- 0.2M customers have products of more than one line of business

Leveraging Analytics

Accessing ecosystems outside existing customer base:

- Leveraging analytics and digital customer journeys to cross sell products to these customers
- Designing pilots that will generate learnings for us to scale this up in the next year

Leveraging Digital, Data & Analytics

Figures in Rs Crore

Focus Areas for leveraging technology going forward

Leveraging technology to grow revenues, improve customer experience, optimize costs and build scalable processes

Several use cases across businesses driving digital adoption up significantly

Partner with Fintechs through a structured program to leverage expertise in specific areas

Partner with Fintechs to drive customer acquisition across lending, insurance and asset management businesses

Select Use Cases where we have pioneered in the industry

Audio / Visual Bot

Voice Bot with Visual interface for completing transaction

Video KYC

Contactless & Paperless remote KYC for customers

Intelligent OCR

Automated ML based data extraction from unstructured documents

PASA / NBO

Analytics based hyper personalized offer for customer

WhatsApp based documentation

Submission of requirements for application process

WhatsApp based purchase

End to end purchase journey on WhatsApp

Aditya Birla Finance Limited

NBFC Business



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Performance Summary | NBFC | Aditya Birla Finance

1

Retail and SME disbursements above Pre COVID level

- Gross Disbursal ~Rs 4,282 Crores (↑ 20% y-o-y) of which 55% in Retail and SME target segments (Higher than pre-CoVID disbursement levels)
- Loan book at Rs. 45,650 Crore (PQ: 45,475 Crore); Retail + SME ↑ 2% q-o-q
- 34 new branches opened in Q3 in semi-urban locations; Total branches at 91

2

Continue to Focus on granular portfolio mix

- Focused approach towards reducing ATS; Overall ATS ~Rs 24 lacs (↓ 18% y-o-y)
- Portfolio rebalancing in line with stated strategy:
 - Mid/ Large Corp – Structured Finance: ↓ 59% y-o-y and CF: ↓ 16% y-o-y
 - Retail – Personal Loans: ↑ 19% y-o-y | Business Loans: ↑ 3% y-o-y
 - SME – Term Loans: ↑ 6% y-o-y

3

Improving margins & Core Profitability

- Portfolio yield at 11.45% and new disbursement Rol at 12.63% for Q3 FY21
- Q3 NIM at 5.24% (↑ 18 bps y-o-y); Normalised NIM at 5.60% (↑ 50 bps y-o-y); Normalised Net Interest Income grew by 5% y-o-y
- PPOP % at 3.65% (↑ 8 bps y-o-y) at Rs. 419 Crore
- PBT at Rs. 261 Crore; Profitability back at near pre-CoVID levels

4

Improvement in Quality of Book & Collections

- Resolved ~Rs 550 Crores of Stage 3 in Q3; GS3 at 1.78% and NS3 at 1.12%¹
- Maintaining provision cover across stages:
 - Stage 1: 0.63 % (↑ 2x y-o-y) | Stage 2: 7.09 % (↑ 1.4x y-o-y)
 - Stage 3: 38.5 % (Q4 FY20: 33.0%) | Security cover: 1.5x (post provision)
- Collection efficiency at 96.4% in Dec'20%; Trending towards pre-CoVID levels
- Restructured 1.5% of Loan Book in Q3 FY21; 85% from Stage 1

5

Liquidity and Balance Sheet Resilience

- Strong funding access and amongst best cost of borrowing in industry; demonstrated over last 2 years of economic cycles
- Optimised borrowing cost (CoB ↓ 17 bps q-o-q | ↓ 64 bps y-o-y)
- Raised LT borrowing of ~Rs 3,146 Crore in 9M FY21
- Comfortable capital adequacy with CRAR at ~23.2%

6

Digital Adoption

- 84% customers onboarded digitally in Q3 FY21
- 100% salaried Personal Loans sourced, underwritten and disbursed digitally
- Video KYC enabled digital customer journeys deployed
- Chatbot & WhatsApp channel seen significant uplift during lockdown with ~1.8+ lakhs monthly customer-initiated interactions

¹ Without considering the Hon'ble Supreme Court's interim order of not classifying customers as NPA after 31 Aug, GNPA and NNPA will be 3.08% & 1.89% respectively

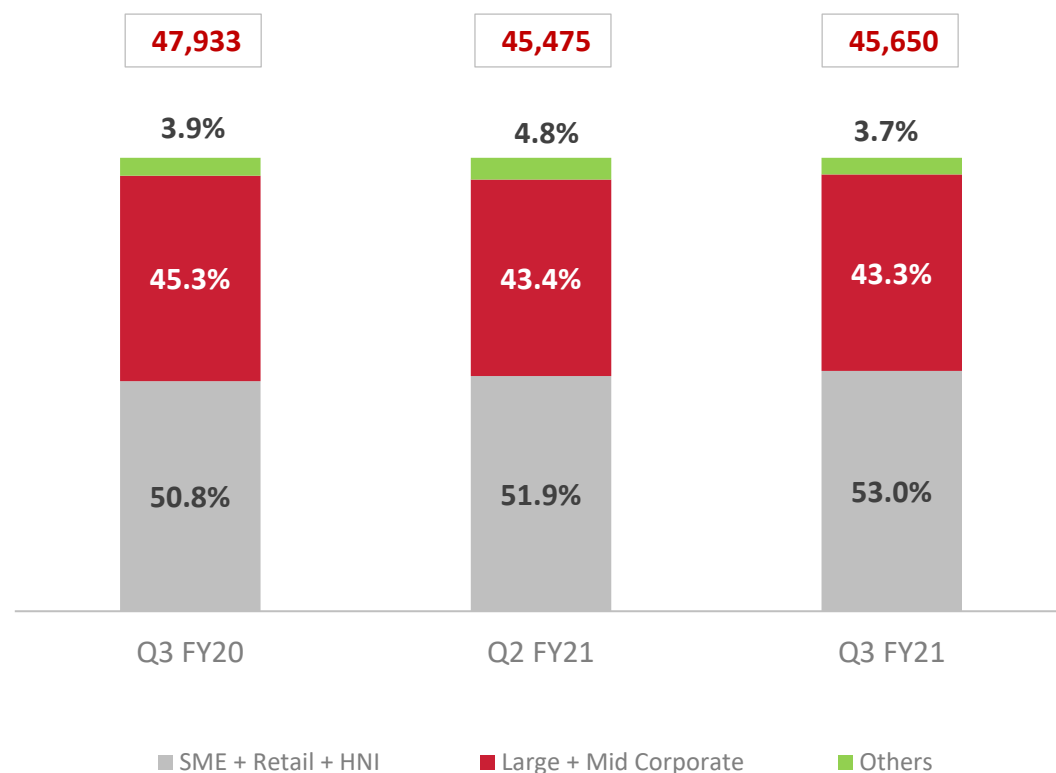
Strong revival in disbursements with focus on retailisation



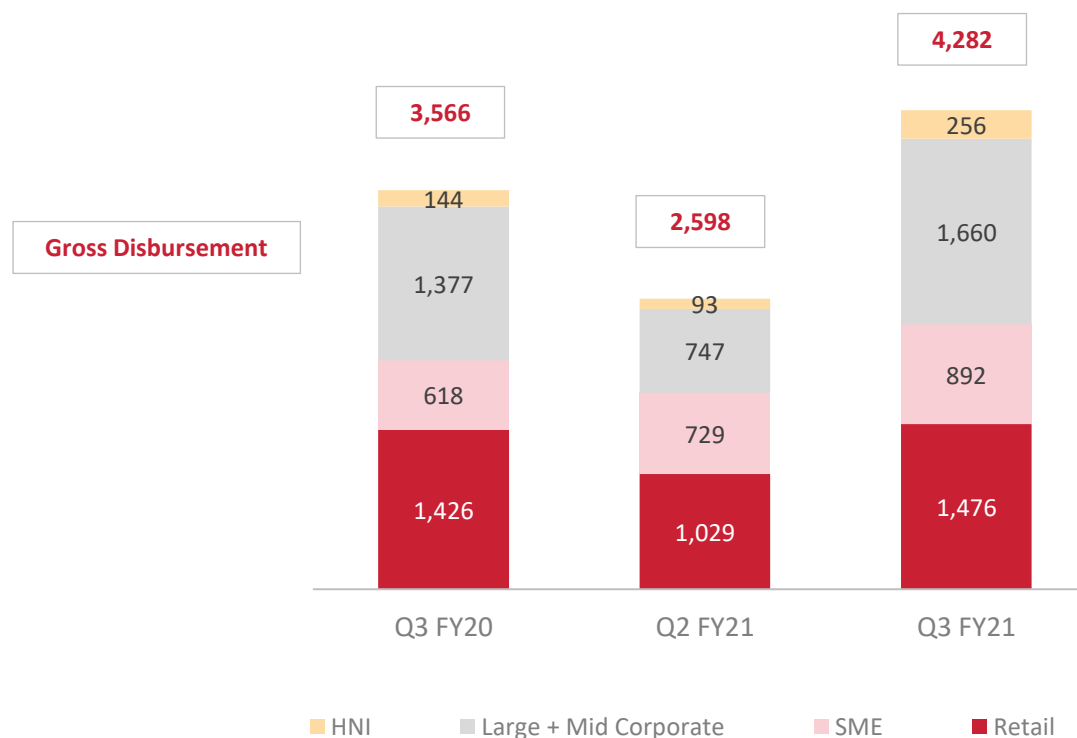
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Figures in Rs Crore

Change in Loan Book Mix

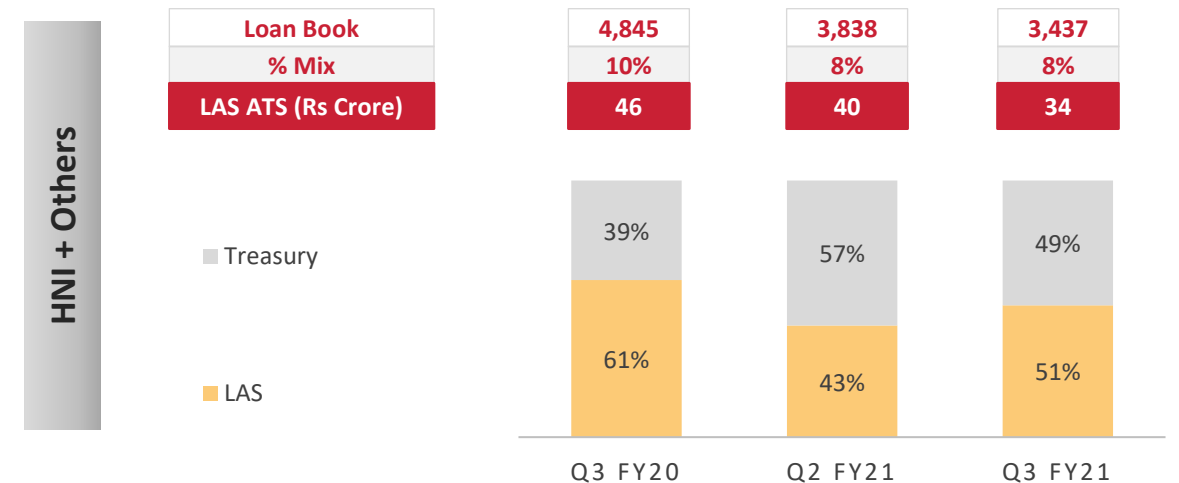
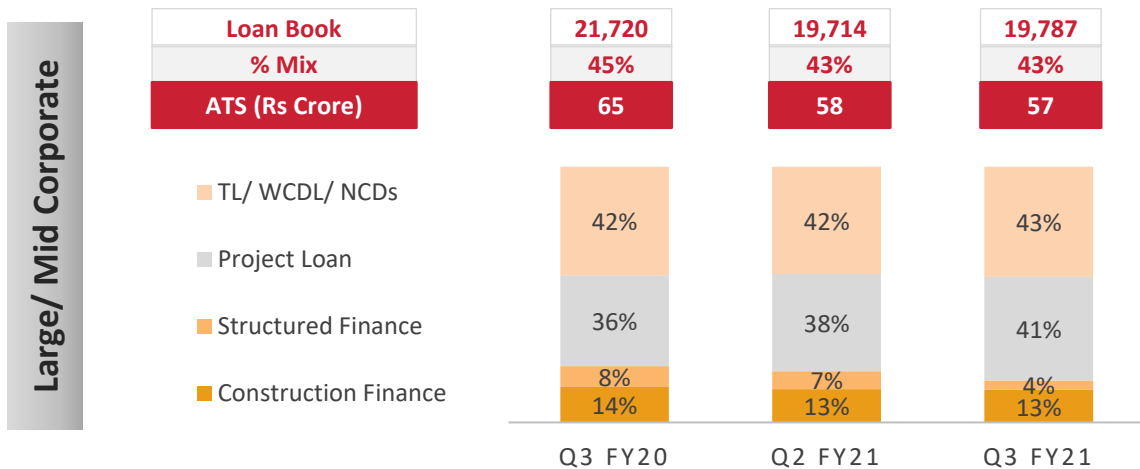
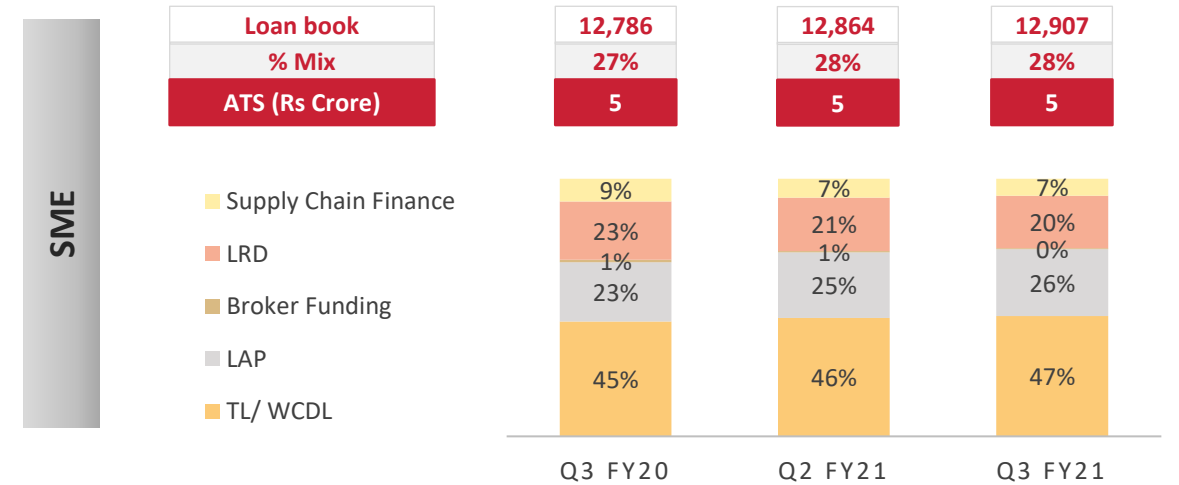
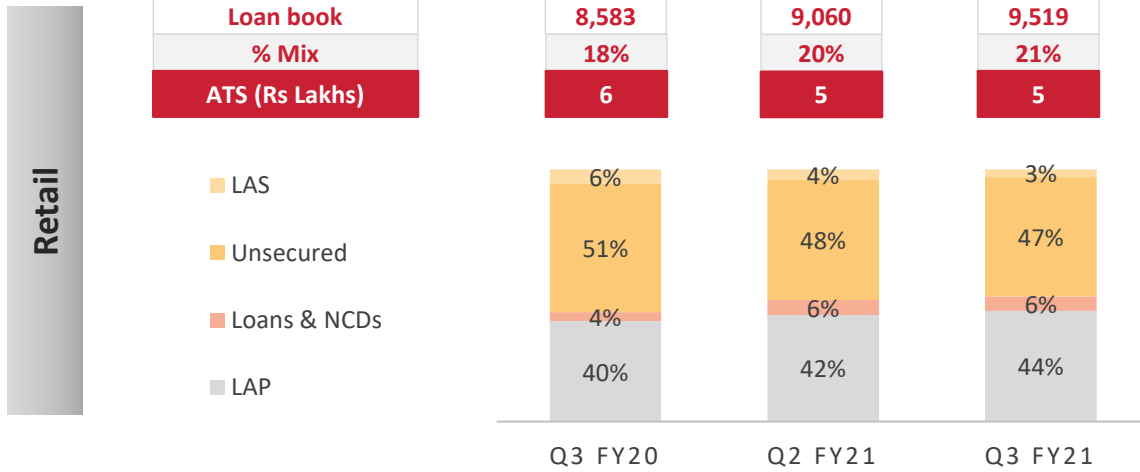


Focusing new disbursement in Retail and SME Segments



Building granularity across segments

Figures in Rs Crore



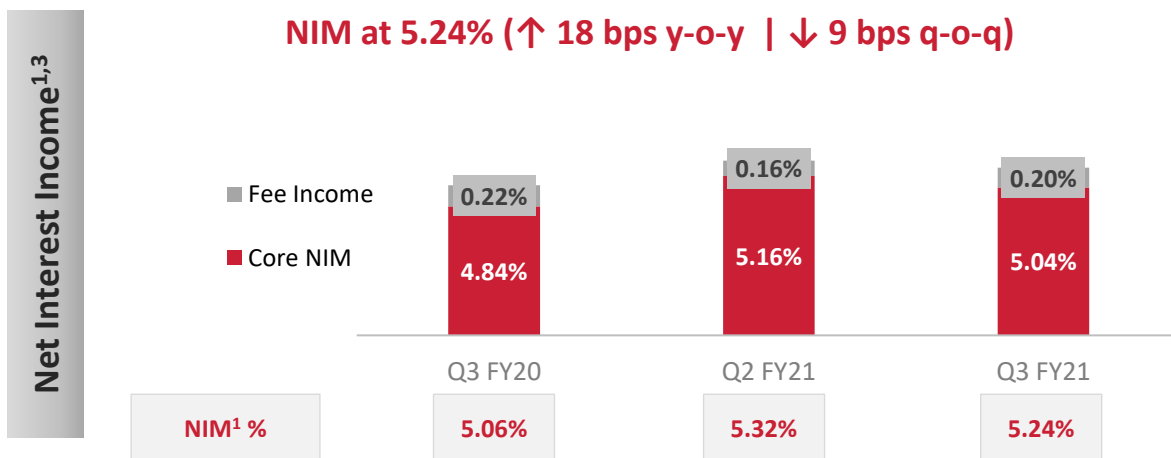
Continue to deliver strong core operating profits



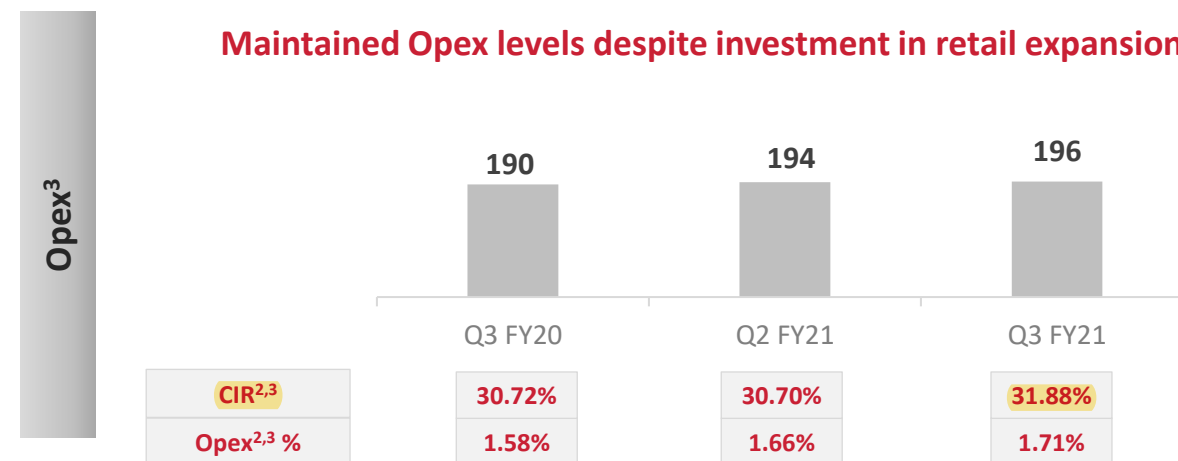
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Figures in Rs Crore

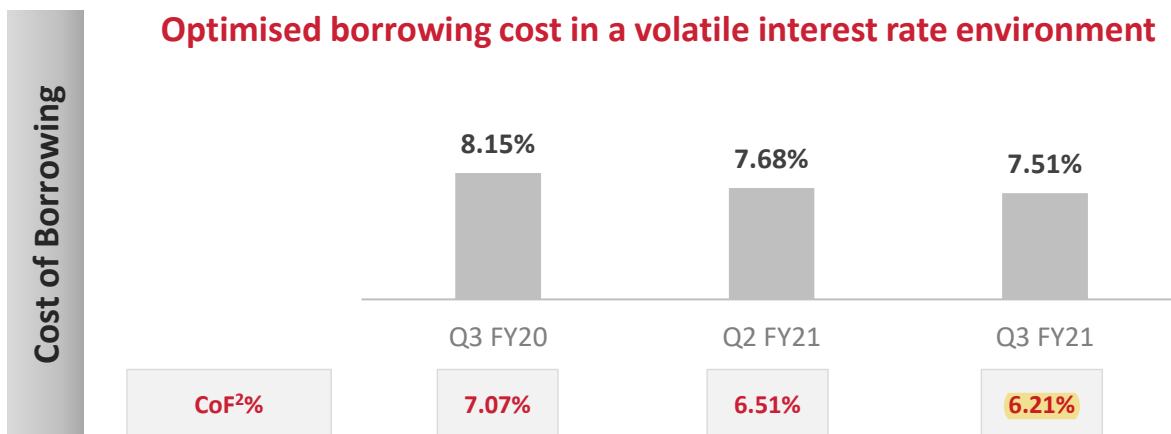
NIM at 5.24% (↑ 18 bps y-o-y | ↓ 9 bps q-o-q)



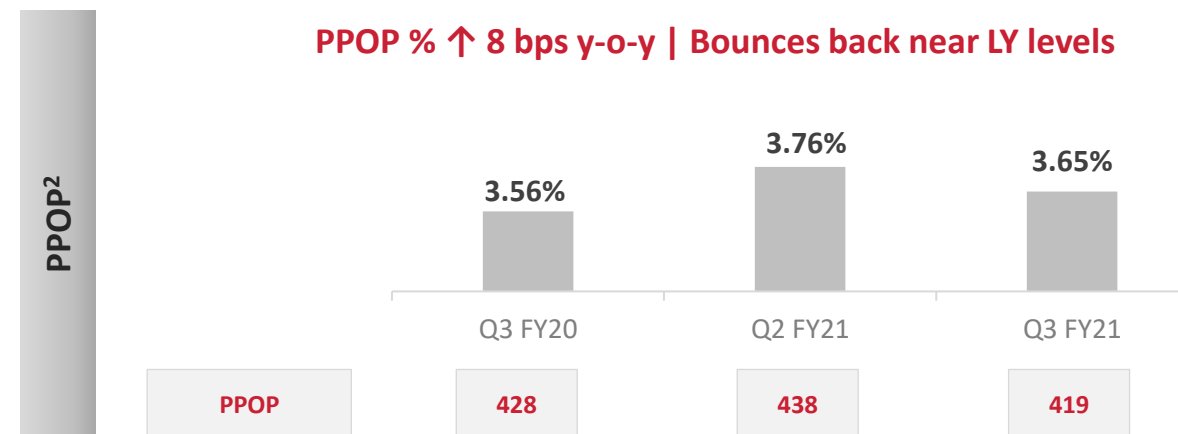
Maintained Opex levels despite investment in retail expansion



Optimised borrowing cost in a volatile interest rate environment



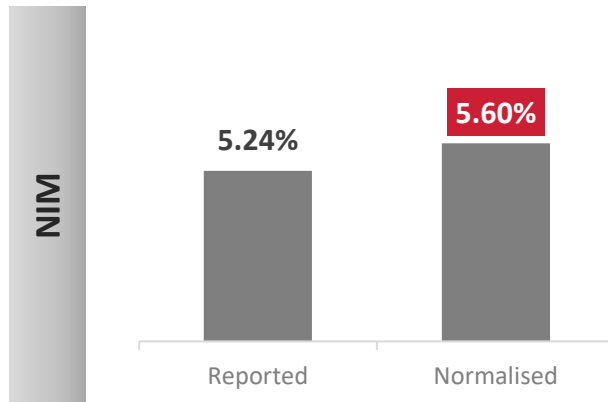
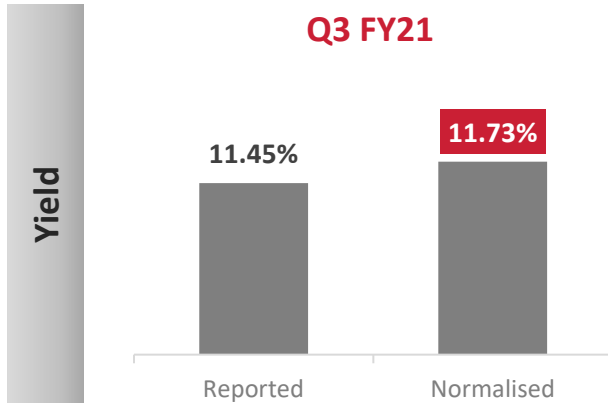
PPOP % ↑ 8 bps y-o-y | Bounces back near LY levels



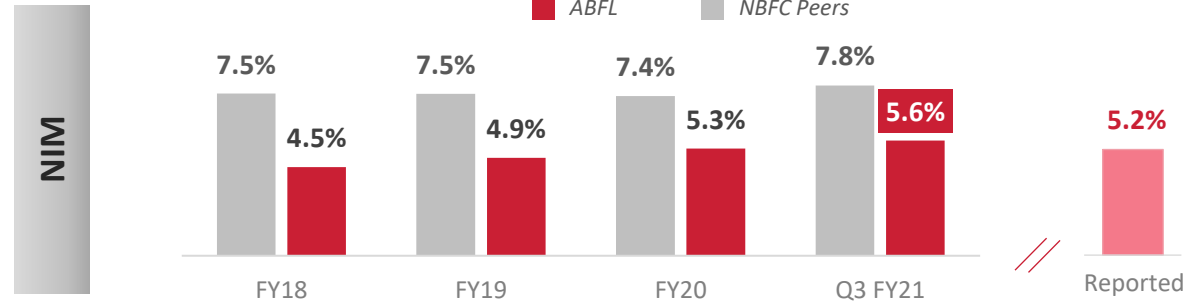
Margin improvement to continue to drive ROA

Figures in Rs Crore

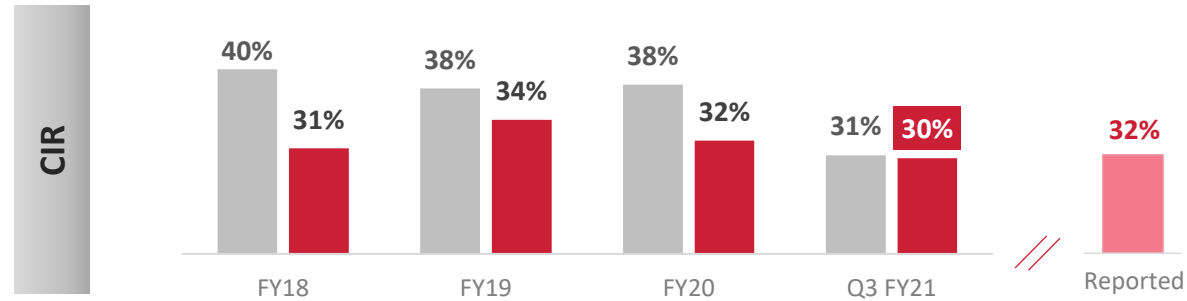
Q3 FY21



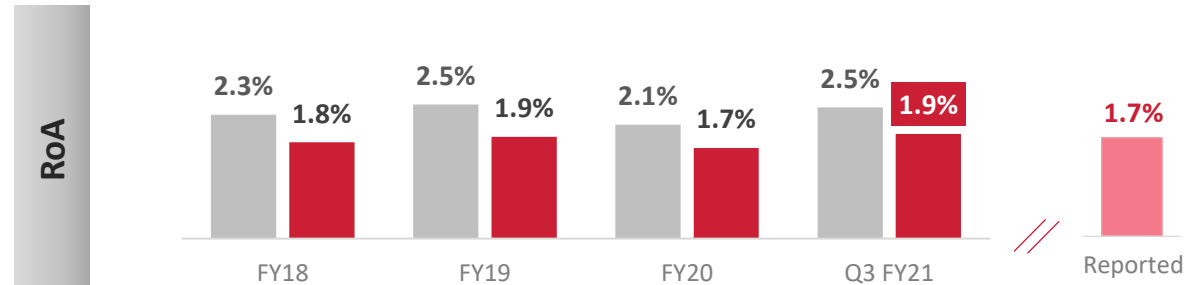
Net accounting adjustment
(One-offs & yield loss on NPA A/Cs)



Net Margins expanding over time as our Retail + SME loan book mix increases



Operating cost comparable and expected to stabilise at 30% levels after retail footprint is scaled up



RoA impacted by elevated credit costs mainly in large corporate segment; Expected to normalise as resolutions take place

Peer numbers based on disclosed results. For ABFL: Q3 FY21 NIM, CIR & RoA are based on normalized numbers, FY18 to FY20 KPIs are as reported

Quality of book

Figures in Rs Crore

Stage 1 & 2 PCR from 0.70% (Q4 FY20) → 1.04% (Q3 FY21) | Stage 3 PCR from 33.0% (Q4 FY20) → 38.5% (Q3 FY21) | ~Rs 550 Crore resolutions in Q3

Q4 FY20			
Figures in Rs Crores	Stage 1 & 2	Stage 3	
Loan Book	45,360	1,697	
% Loan Book (Gross)	96.39%	IL&FS	Ex-IL&FS
		0.47%	3.15%

Q1 FY21		
Stage 1 & 2	Stage 3	
44,284	1,655	
96.40%	IL&FS	Ex-IL&FS
	0.48%	3.13%

Q2 FY21		
Stage 1 & 2	Stage 3	
43,899	1,576	
96.53%	IL&FS	Ex-IL&FS
	0.48%	2.98%

Q3 FY21		
Stage 1 & 2	Stage 3	
44,246	1,404	
96.92%	IL&FS	Ex-IL&FS
	0.48%	2.59%

ECL Provision	316	566
Provision Coverage	0.70%	33.0%
% Loan Book (Net)		2.40%

386	638
0.87%	38.60%
	2.21%

425	702
0.97%	44.55% ¹
	1.92%

457	541
1.03%	38.54%
	1.89%

Stage 3

- **GNPA: 1.78% and NNPA: 1.12%, based on Hon'ble Supreme Court's interim order of not classifying customers as NPA after 31 Aug**
- **76% of incremental GS3 is from the morat book**

Resolutions and Restructuring

- **Resolutions in line with guidance; Resolved ~Rs 550 crores of Stage 3 cases in Q3 FY21**
- **Restructured 1.5% of overall loan book in Q3 FY21; 85% in Stage 1**

Provisioning

- **Incremental provisioning of Rs 36 Crores in Q3 FY21 on loan book under Stage 1 & 2**
- **Additionally, CoVID-19 provision of Rs 139 Crore (30 bps of Loan Book) still available**

Credit Cost

- **Credit cost % of AAUM at 1.38% (PQ: 1.67% | PY: 1.29%)**
- **Credit cost for H2 FY21 expected to be in ~1.25% range, depending on economic conditions**

Adequate provisioning and security cover across segments

Figures in Rs Crore

Security cover and Guarantee Programs

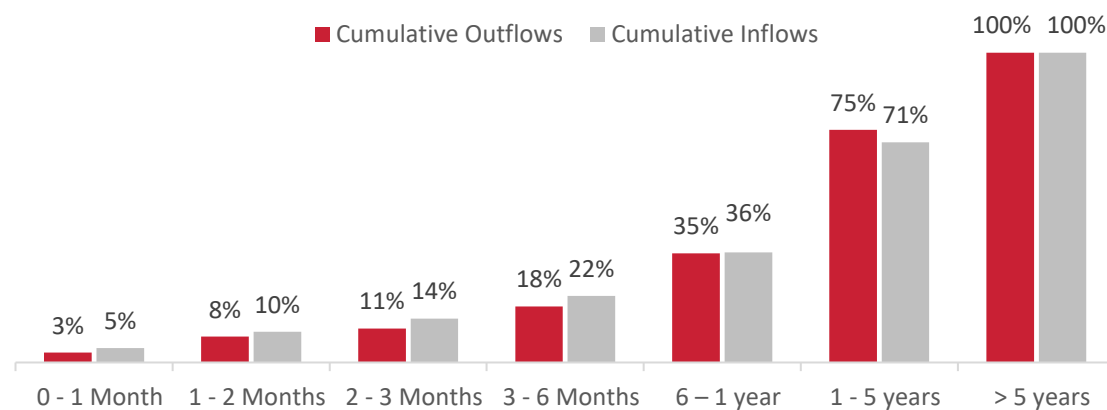
- **~80% of total loan book secured. Security Cover:**
 - **Overall Loan Book:** Security value of Rs 78,870 Crore Vs. overall loan book of Rs 45,650 Crore (**Net Security Cover¹: 1.7x**)
 - **Net Stage 3 Book:** Security value of Rs 1,322 Crore Vs. Net Stage 3 assets of Rs 863 Crore (**Net Security Cover¹: 1.5x**)
- **Additional 4% secured** through CGTMSE guarantee scheme
 - **75% of Existing MSME Unsecured Loans** are covered under credit guarantee with SIDBI (CGTMSE Program)

Customer Segment	Gross Stage 3	Provision	Net Stage 3	Security Value	Net Security Cover ¹
SME	242	80	162	282	1.7x
Retail - Secured	75	19	55	104	1.9x
Retail - Unsecured	177	98	79	-	-
Large Corp (ex IL&FS)	690	272	418	749	1.8x
Large Corp (IL&FS)	220	72	148	187	1.3x
HNI & Others	-	-	-	-	-
Total Book	1,404	541	863	1,322	1.5x

Well matched ALM with adequate liquidity

Figures in Rs Crore

ALM optimised for liquidity and costs 31st December 2020



Cumulative Surplus/ (Gap)

47%	19%	29%	19%	1%	-5%	0%
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Raised LT borrowing of Rs 3,146 Crores in 9M FY21

Term Loans: Rs 1,900 Crore NCD: Rs 1,246 Crores

Diversified borrowing profile with LT Mix at 88%

Adequate liquidity under stress test scenario

Liability Maturity (Dec'21)
(Including interest payments)

13330

Liability Maturity

Fund Available as on 31th Dec 2020
(Assuming 50% of collections)

14,392

13,933

460

Funds Available

■ Balance Funds
(Undrawn Lines +
50% Collections)

■ Liquid Surplus

Optimised cost of borrowing despite increased spreads for NBFCs

Maintaining comfortable capital adequacy

Q3FY21: CRAR at ~23.2%

Leveraging Digital, Data & Analytics

Figures in Rs Crore

Digital initiatives/ Assets deployed

Customer Onboarding

- Completely digital and paperless onboarding
- All Salaried Personal Loans business in Q2 FY21 sourced, underwritten and disbursed digitally
- Business loans and Retail LAP: Pan-India deployment of digital LOS in progress
- Leveraging OCR, Video KYC, Face ID, video PD + geotagging, e-sign and e-Contract features

Digital Payments and Collections

- ABFL payment hub and new channels such as UPI, Wallets, eNACH etc. introduced for digital payments collections.
- Voice bot used for collection and moratorium calling in FY21

Top-up and cross-sell

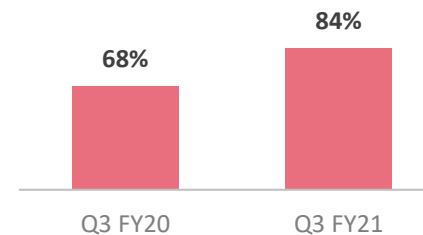
- Policy rules digitally coded for auto-generating top up and cross sell offers
- Pre-approved and pre-qualified offers auto-generated monthly from Bureau refresh
- CRM workflows deployed for smooth transitioning of leads
- Customer connectivity **improved to avg 78 % since inception**

Customer Self-Service

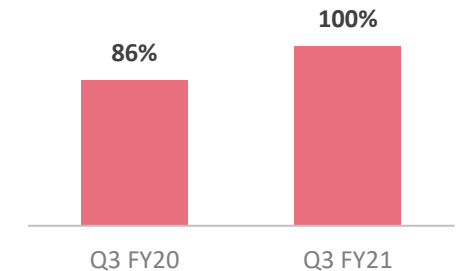
- Chatbot & WhatsApp channel seen significant uplift in Q3, **self serve up from 52% to 66%**
- Significant increase in **Email BOT Auto response from 50% to 64%**
- **WhatsApp channel interactions up 5x to 74k/month; 4-5 new services added**
- Omni Channel being leveraged to propose Service to Sales Top up offer

Business KPIs

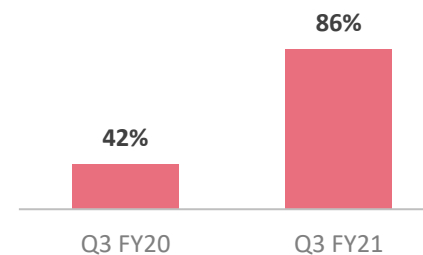
Digital Onboarding



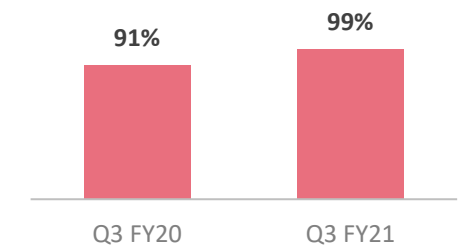
Digital Payouts



Service Interaction Digitally



Digital Collection



Key Financials – Aditya Birla Finance Limited

Figures in Rs Crore

Quarter 2	Quarter 3		Nine Months	
FY 20-21 (CY)	FY 19-20 (PY)	FY 20-21 (CY)	FY 19-20 (PY)	FY 20-21 (CY)
45,475	47,933	45,650	47,933	45,650
11.83%	12.13%	11.45%	12.30%	11.64%
6.51%	7.07%	6.21%	7.15%	6.51%
5.32%	5.06%	5.24%	5.15%	5.13%
632	617	615	1,927	1,813
194	190	196	551	563
1.66%	1.58%	1.71%	1.50%	1.63%
30.7%	30.7%	31.9%	28.6%	31.1%
194	155	159	386	557
1.67%	1.29%	1.38%	1.05%	1.60%
244	272	261	990	693
181	203	193	684	515
8,380	8,089	8,581	8,089	8,581
1.6%	1.7%	1.7%	1.9%	1.5%
9.1%	10.7%	9.5%	12.4%	8.6%

Key Performance Parameters
Lending book
Average yield (Incl. Fee Income)
Interest cost / Avg. Lending book
Net Interest Margin (Incl. Fee Income)
Net Interest Income (Incl. Fee Income)
Opex
Opex / Avg. Lending book
Cost Income Ratio
Credit Provisioning
Credit Provisioning/ Avg. Lending book
Profit before tax
Profit after tax
Net worth
Return on Assets %
Return on Equity %

Aditya Birla Housing Finance Limited

Housing Finance Business



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Performance Summary | Housing Finance | AB Housing Finance

1 Strong disbursements revival in target segment

- Strong rebound in gross disbursement at Rs.815 Crore (↑19% q-o-q ; ↑5% y-o-y)
- Focus on granular business continues with **48% disbursement in affordable segment** in Q3 FY21 (PY: 33%); **Affordable book Mix at 24% (PY:17%)**
- Expanding into **30 new locations (Tier 3-4) in Q4** and augmenting front line capability

2 Increasing retail granularity and focus on affordable segment

- **Focused approach to build granular higher-yielding business:**
 - HL ATS at Rs 27 Lacs ↓ 18% y-o-y
 - Construction Finance ↓ 19% y-o-y to 4% of loan book
- **Focus on growing informal segment (assessed income category)** within Affordable Segment

3 Improving margins & Core Profitability

- NIM expanded to 3.68% (↑ 4 bps q-o-q | ↑ 81 bps y-o-y)
- Cost income ratio at 35.7% (↓ 6% q-o-q | ↓ 12% y-o-y)
- Pre-provision operating profit at Rs 78 Crore (↑ 60% y-o-y)
- PAT at Rs 38 Crore; Grew by 38% y-o-y

4 Quality of Book & Collections revival

- Strong collection efficiency at 96.3% in Dec'20
- GNPA and NNPA at 1.14% and 0.75% respectively¹
- Enhanced provision cover over Dec'19 (LY). PCR by stages:
 - Stage 1: **0.47%** (↑ 1.6x y-o-y) | Stage 2: **7.86%** (↑ 3x y-o-y)
 - Stage 3: **33.5%** (PY: 32%)
- Restructured Rs 375 Crores in Q3 FY21 (3.2% of Loan Book | 75% in Stage 1)

5 Digital Adoption

- **86% of all files sourced digitally in Q3 FY21**
- **Onboarded 38% of our total customers through ABC One ID portal**
- **WhatsApp gone Live on 29 Service Requests; Adoption level is 95%**

6 Liquidity and Balance Sheet Resilience

- Dynamic treasury management helped optimise borrowing cost despite increased spreads for HFCs and surplus liquidity: CoB ↓ **77 bps y-o-y** | ↓ **28 bps q-o-q**
- **Raised LT borrowing of Rs 1,550 Crore in YTD FY21**
- **Comfortable capital adequacy with CRAR at ~19.4%**

¹ Without considering the Hon'ble Supreme Court's interim order of not classifying customers as NPA after 31 Aug, GNPA and NNPA stood at 1.89% & 1.26% respectively; Incremental slippages in Q3 were from morat pool only

Recovery in disbursement with growth in focused segments



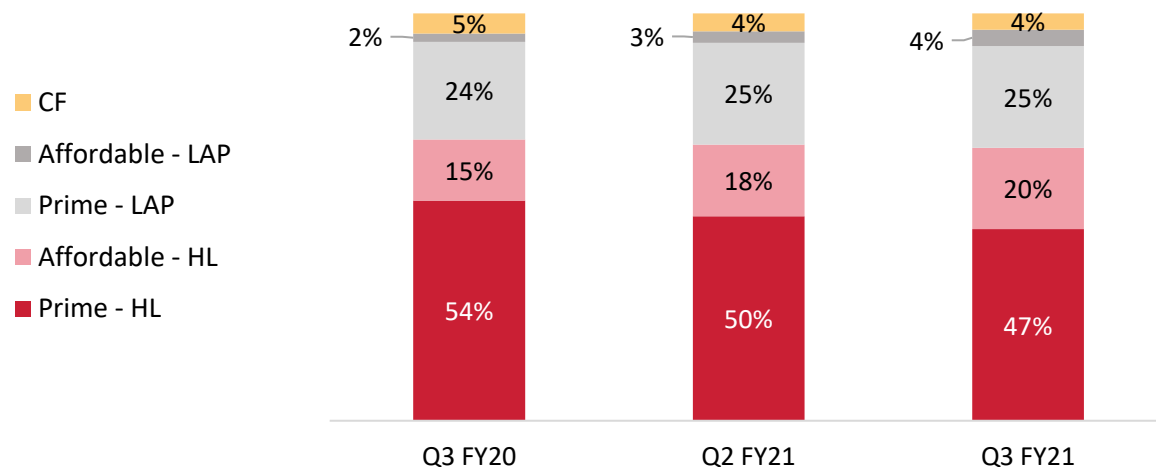
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Figures in Rs Crore

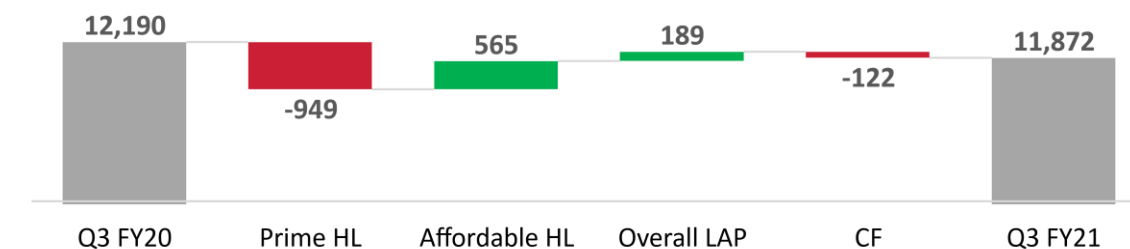
Growing loan book with increased retail mix

Loan Book	Retail Mix	Home Loans	Affordable
2Y CAGR: 10%	2Y: 93% → 96%	2Y CAGR: 4%	2.4x over 2 yrs

Loan book	12,190	12,117	11,872
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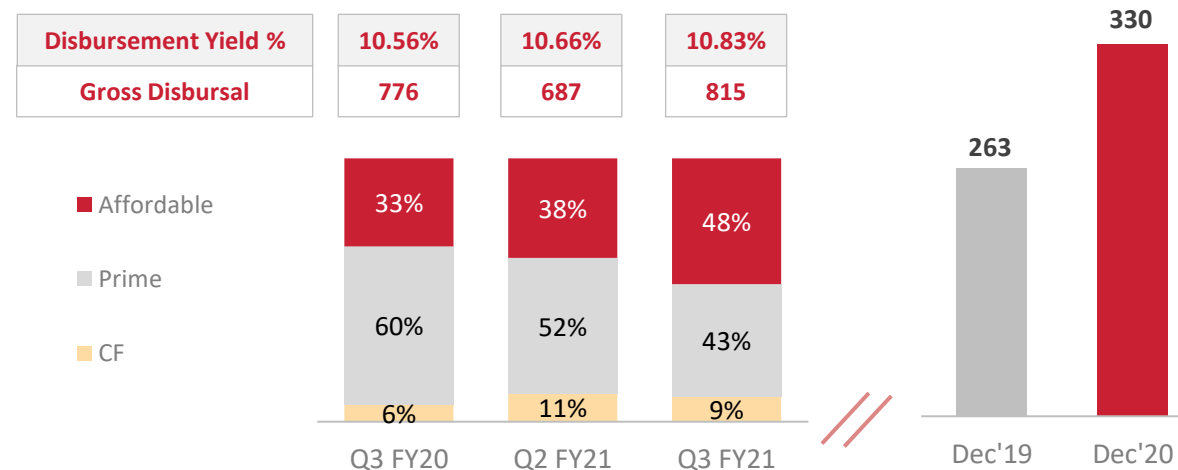


Improving margins through change in mix



Gross disbursements (Q3 FY21) ↑ 5% y-o-y | ↑ 19% q-o-q

Growth: 26% Y-o-Y



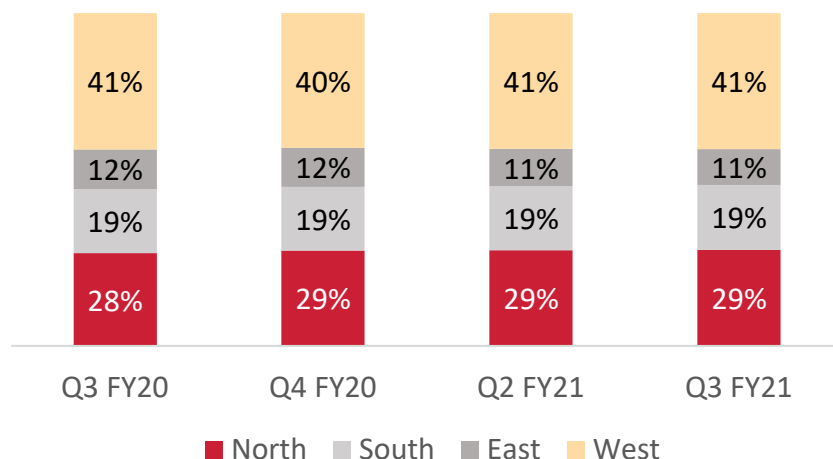
Sourcing strategy



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Figures in Rs Crore

Diversified Geographic Mix (%)



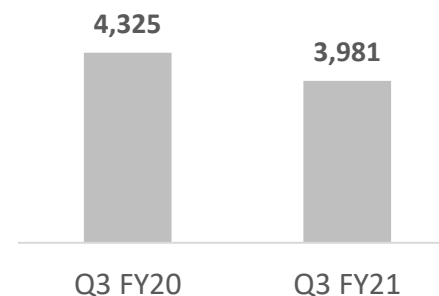
Balanced distribution strategy

Tapping growth in smaller cities

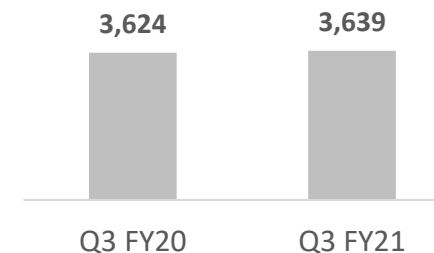
Focus on increasing reach and building retail granularity

Home Loans Sourcing

Metros



Non-Metros



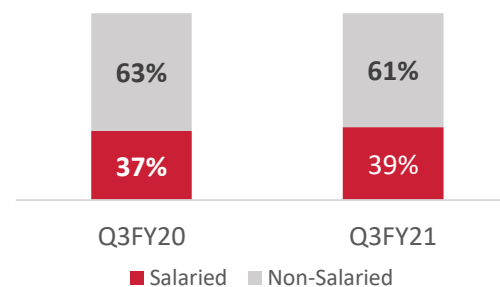
Non-metro loan book mix at 48%

57 branches currently operational pan-India

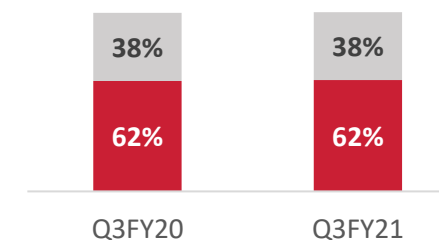
Customer Mix

Overall Home Loans

ATS: Rs 27 Lacs (PY: Rs 33 Lacs)



Affordable Home Loans



Focus on affordable segment

Increase in core profits driven by margins and control on cost

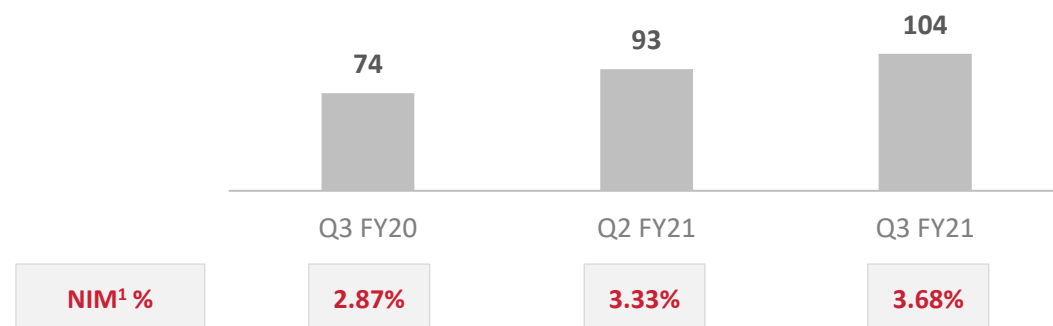


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Figures in Rs Crore

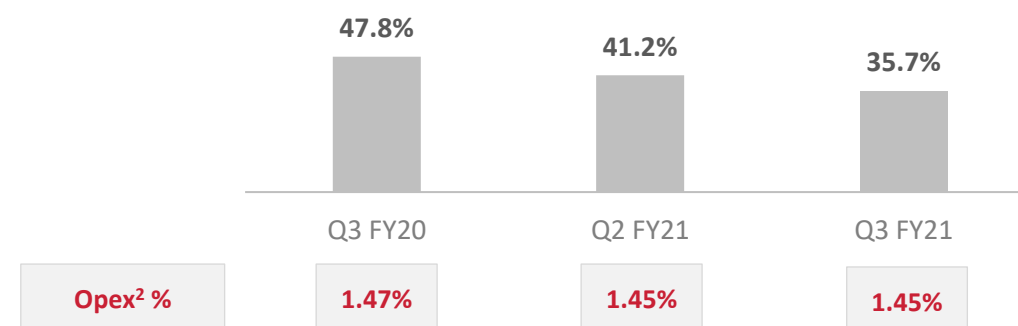
Net Interest Income¹

Margin improvement led by change in product mix
NIM: ↑ 4 bps q-o-q & ↑ 81 bps y-o-y



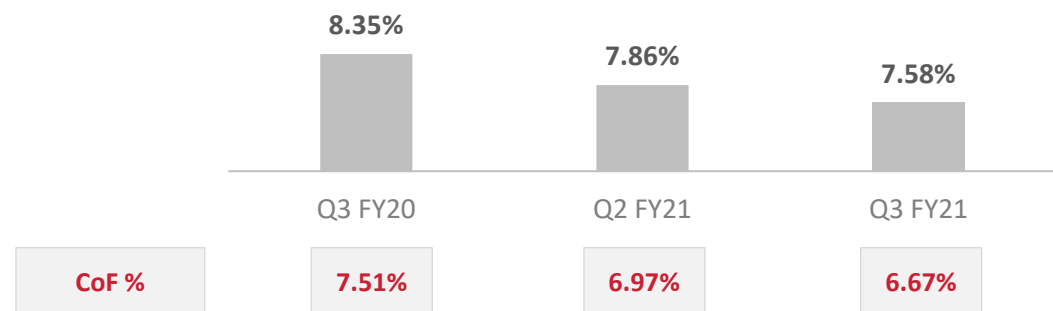
Cost Income Ratio

CIR ↓ 6% q-o-q



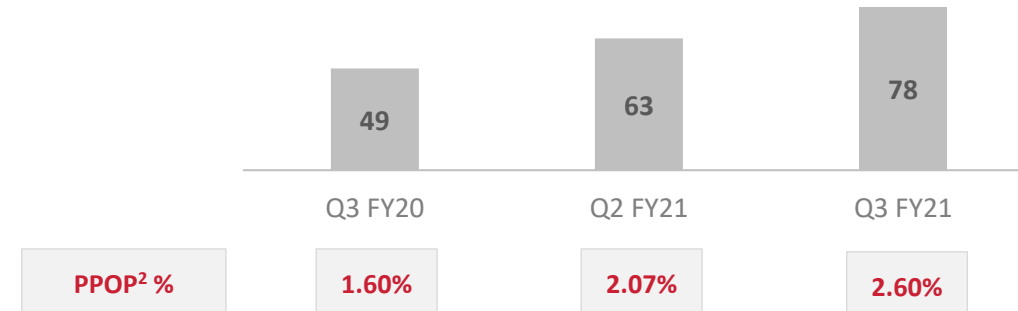
Cost of Borrowing

Optimised borrowing cost in a volatile interest rate environment



PPOP

Pre-provision operating profit (PPOP) ↑ 60% Y-o-Y



Scale to drive improving ROA

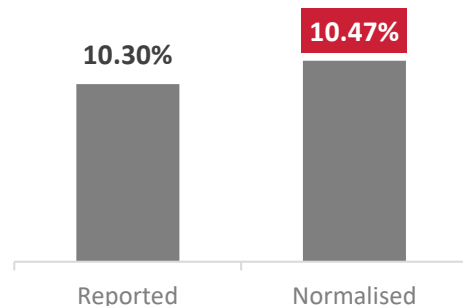


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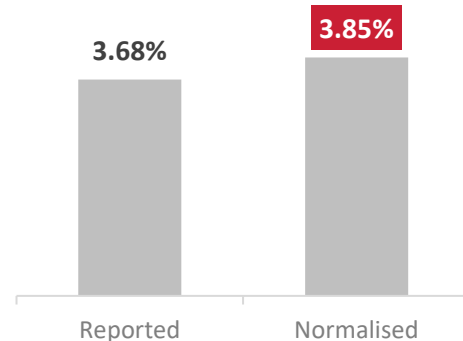
Figures in Rs Crore

Q3 FY21

Yield

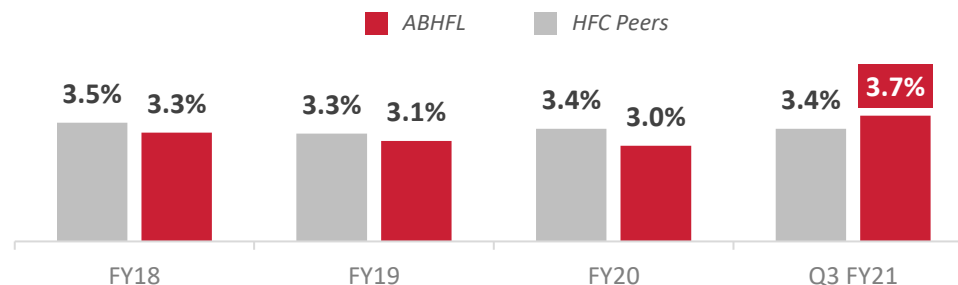


NIM

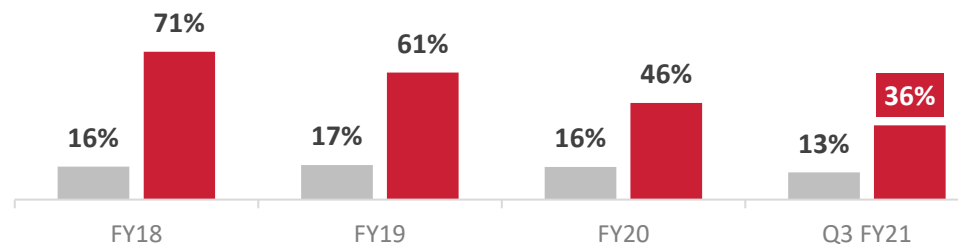


Net accounting adjustment
(One-offs & yield loss on NPA A/Cs)

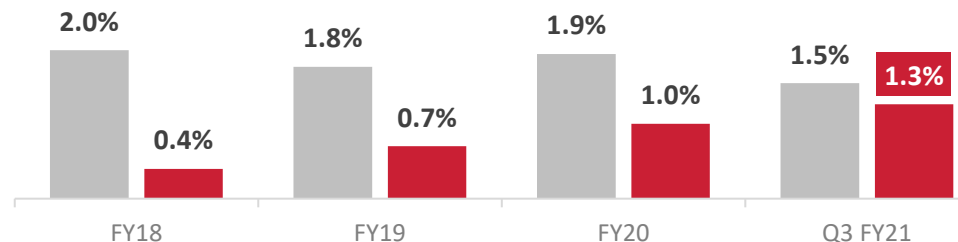
NIM



CIR



RoA



Peer numbers based on disclosed results. For ABHFL: All KPIs are based on Reported numbers

Net Margins expanded over time as we increase affordable share of the book

CIR expected to normalise as platform scales compared with the vintage and scale of peers with Avg. AUM > Rs 50k+ Cr

RoAs to increase as business scales up and CIR reduces

Quality of book

Figures in Rs Crore

Stage 1 & 2 PCR from 0.47% (Q4 FY20) → 0.74% (Q3 FY21) | Stage 3 PCR from 32% (Q4 FY20) → 34% (Q3 FY21)

	Q4 FY20		Q1 FY21		Q2 FY21		Q3 FY21	
Figures in Rs Crores	Stage 1 & 2	Stage 3	Stage 1 & 2	Stage 3	Stage 1 & 2	Stage 3	Stage 1 & 2	Stage 3
Loan Book	11,955	147	11,989	146	11,967	150	11,648	224
% of Loan Book (Gross)	98.79%	1.21%	98.80%	1.20%	98.76%	1.24%	98.11%	1.89% ¹
ECL Provision (incl. CoVID)	56	47	70	47	79	55	87	75
Provision Coverage	0.47%	32%	0.58%	32%	0.66%	37%	0.74%	34%
% of Loan Book (Net)		0.82%		0.81%		0.78%		1.26%

Credit Cost

- Overall CoVID-19 provision: Rs 30 Crore (32 bps of Loan Book)
- Security value of Rs 294 Crore against Net Stage 3 assets of Rs 149 Crore (1.97x security cover)

Affordable Loan Book

- ATS ~ Rs 16 Lacs
- 31% of Affordable Home Loans portfolio backed by IMGC and 46% eligible for PMAY subsidy

Construction Finance

- ATS on exposure: Rs 20 Crore | ATS on outstanding: Rs 8 Crore
- ~83% exposure to Bangalore, MMR, Pune, Surat, Hyderabad and NCR

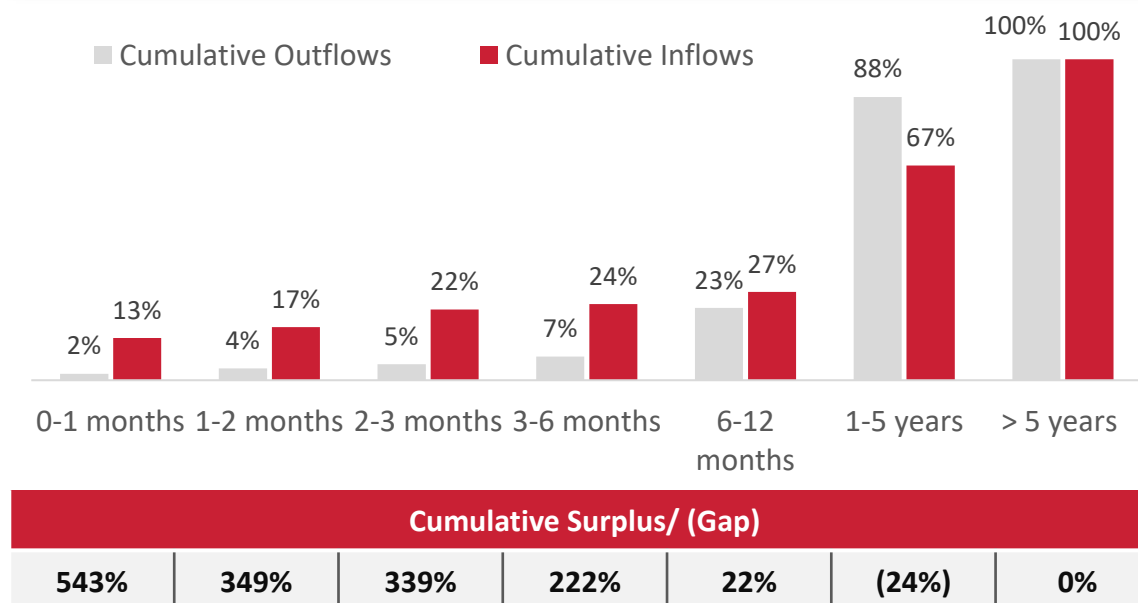
Other Updates

- Collection Efficiency at 96.3% in Dec'20
- Restructured Rs 375 Crores of loan book during Q3 FY21
 - 3.2% of Loan Book
 - 75% in Stage 1

Well matched ALM with adequate liquidity

Figures in Rs Crore

ALM optimised for liquidity and costs (As on 31st December 2020)



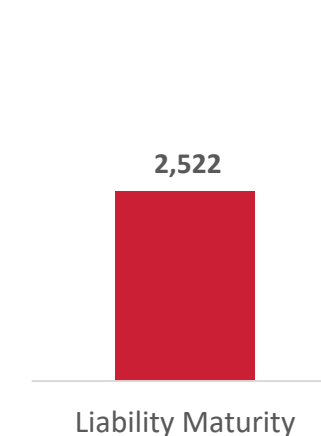
Raised LT borrowings of Rs 1,550 Crore in YTD FY21

(Term Loan: Rs 1,100 Crore, NCD: Rs 450 Crore)

Adequate liquidity under stress test scenario

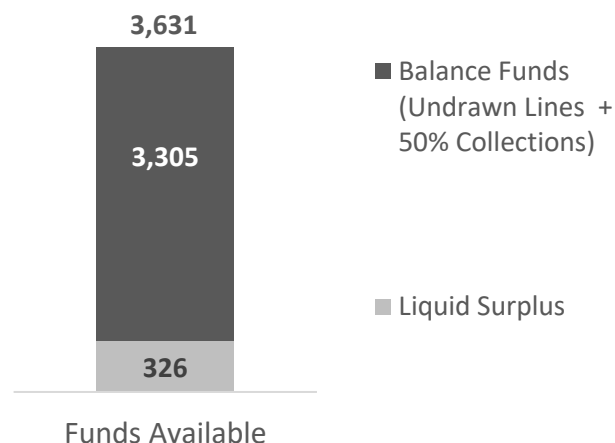
Liability Maturity (Dec'21)

(Including interest payments)



Fund Available as on 31st Dec 2020

(Assuming 50% of collections)



Maintaining comfortable capital adequacy

Q3 FY21: CRAR at ~19.4% (Regulatory requirement: 14%)

Leveraging Digital, Data & Analytics



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Figures in Rs Crore

Digital initiatives/ Assets deployed

Customer Onboarding

- Mobile App for Digital onboarding of customers leveraging e-Aadhaar, facial recognition, bureau integration, ITR & GST database integration.
- **Processing time reduction with better credit decisioning capability through:**
 - Instant eligibility through in-built calculator
 - API assessment of financial eligibility
 - Video PD with geo-tagging option

Digital Payments

- Use of Paytm, Bill desk & Virtual Accounts for payment has enabled faster reconciliation & real time account update.
- Part payment automation using RPA has reduced Overall TAT by 75%

Digital Collections

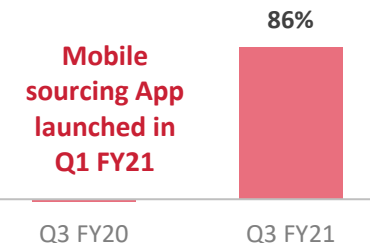
- Voice Bot for collections and moratorium calling 69% Promise to Pay
- Leveraging Collections App for Digital payment
- Deployed 2-way switch calling platform enabling In-House Collections for Sales Teams during WFH on moratorium & overdue collections follow-up

Digital Servicing

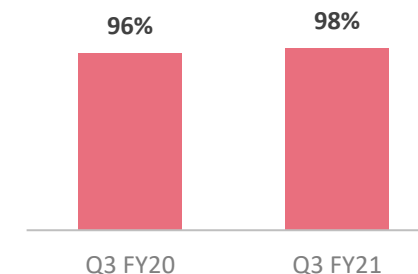
- WhatsApp: Live on 29 Service Requests | 24 are STP | Adoption level is 95%.
- E-Bot efficiency increased from 84% to 90%
- Cust portal: Live on 62 service requests catering to 60% of overall service requests

Business KPIs

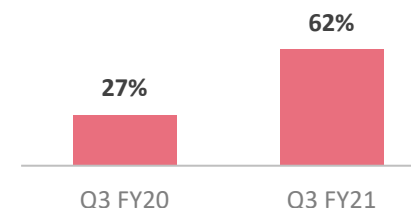
Customer Onboarding



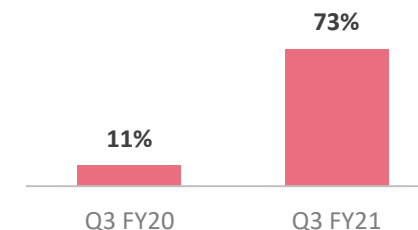
Digital Collection



Digital Payout



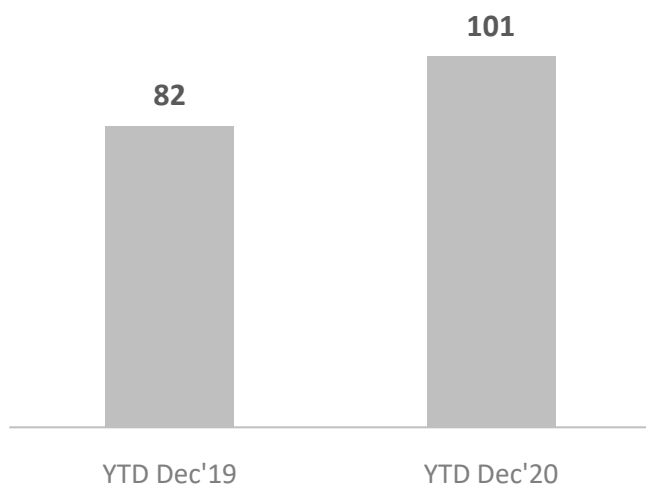
Service Interaction Digitally



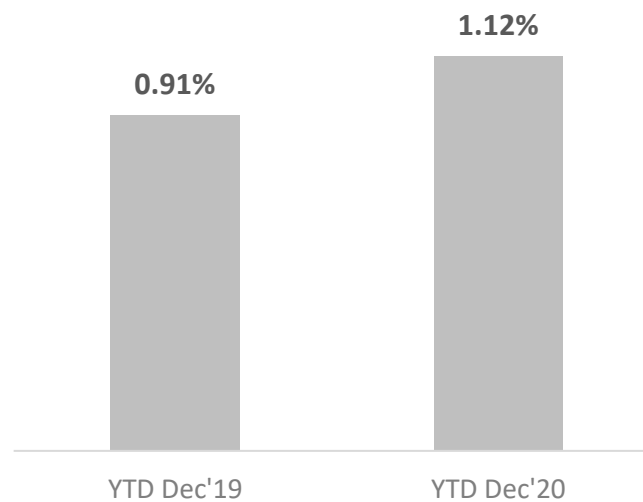
Value accretive growth

Figures in Rs Crore

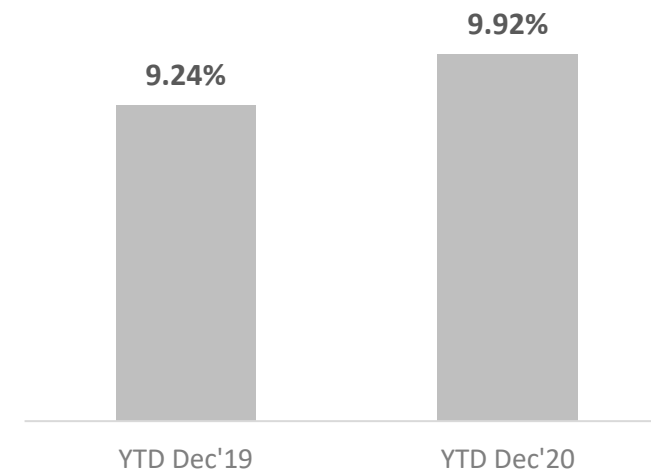
PAT



Return on Assets



Return on Equity¹



Key Financials – Aditya Birla Housing Finance Limited



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Figures in Rs Crore

Quarter 2	Quarter 3			Nine Months	
FY 20-21 (CY)	FY 19-20 (PY)	FY 20-21 (CY)	Key Performance Parameters	FY 19-20 (PY)	FY 20-21 (CY)
12,117	12,190	11,872	Lending book	12,190	11,872
10.25%	10.35%	10.30%	Average yield	10.39%	10.30%
6.97%	7.51%	6.67%	Net Interest cost / Avg. Loan book	7.52%	6.94%
3.33%	2.87%	3.68%	NIM*	2.92%	3.42%
108	94	122	Net Interest Income	281	325
44	45	44	Opex	129	131
1.45%	1.47%	1.45%	Opex/ Avg. Loan Book	1.44%	1.45%
41.2%	47.8%	35.7%	Cost Income Ratio (%)	45.9%	40.5%
18	14	31	Credit Provisioning	42	64
0.58%	0.45%	1.01%	Credit Provisioning/ Avg. Loan Book	0.48%	0.71%
45	35	48	Profit Before Tax	109	129
36	27	38	Profit After Tax	82	101
1,442	1,270	1,481	Net worth	1,270	1,481

Aditya Birla Sun Life AMC Limited
Asset Management Business



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

Performance Summary | Asset Management | ABSL Asset Management Co

1 Momentum in AUM growth and Mix

- Overall Domestic AAUM at Rs. 2,55,458 Crore in Dec'20 (↑ ~7% q-o-q)
- Domestic Equity AAUM Rs. 87,516 Crore in Dec'20 (↑ ~6% q-o-q) with mix at 34%
- Retail+HNI AAUM at Rs 1,22,574 Crore in Dec'20 (↑ ~10% q-o-q); 5Y CAGR ~18%

2 Maintaining Leadership and Market Share

- Maintained overall AAUM market share (Ex. ETF) at 9.35%;
- Maintained leadership in fixed income (Ex ETF); AAUM Market share at 10.86%
- Strong retail franchise with investor folio count at ~7.1 Mn; Significant growth in terms of folios with 5 years CAGR at 21% vs. Industry at 16% (as on Dec-20)

3 Solid and Resilient Retail Franchise

- Retail AAUM at Rs 55,635 Crore (↑ ~13% q-o-q)
- B-30 AAUM crosses Rs 40,000 Crore mark (↑ ~9% q-o-q) ; 5 Year CAGR ~ 21%
- New SIP registrations ↑ 28% q-o-q; Rebound back to ~98% of PY level
- SIP AUM % of Equity AUM increased to 43% in Dec'20 (PY: 37%)

4 Strong Profitability

- PBT/ AUM at 30 bps vs. 28 bps in Q3 FY20
- Highest ever quarterly PBT at Rs 194 Crore (↑ 12% y-o-y | ↑ 18% q-o-q)
- Focus on Opex with reduction of 11% y-o-y for 9M FY21

5 Leveraging Digital Adoption

- Digital transactions account for 85% of overall transactions
- 75% of new Folios created digitally
- Net promoter scores improving every quarter for IFAs and retail customers
- Improved engagement with Digital Distributor for customer interactions

6 Investor & Distributor Engagement

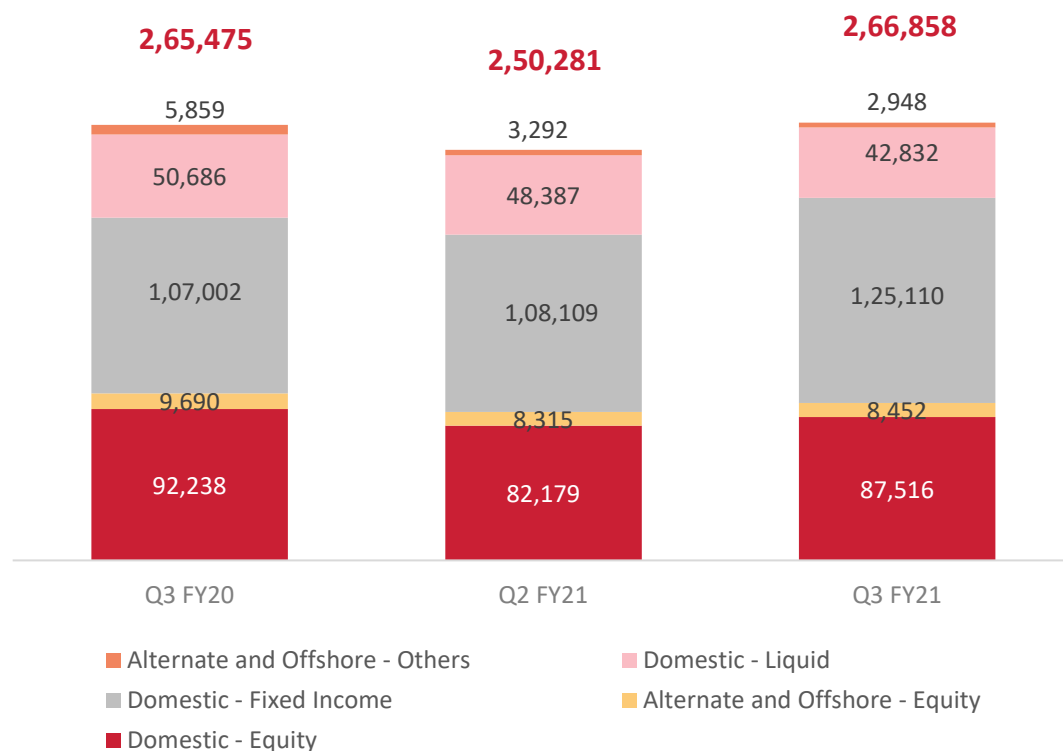
- Pan India presence with 300+ locations; 81,500+ IFA's, 260+ National Distributors and 100+ bank partners
- Empaneled 1500+ new IFAs in 9M FY21
- 710 digital investor education programs covering 69,000+ Investors in 9M FY21
- 357 distributor development programs covering 37,000+ partners in 9M FY21

Rebound in AUM growth

Figures in Rs Crore

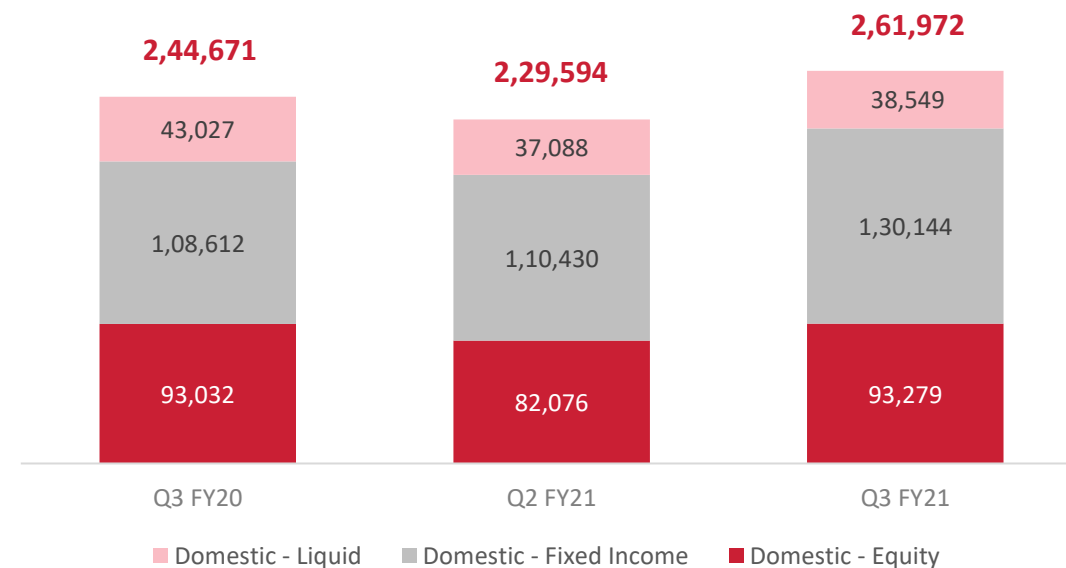
Average Assets under Management

Domestic AAUM: Overall ↑ 7% q-o-q | Equity ↑ 6% q-o-q



Closing Assets under Management

Domestic AUM: Overall ↑ 14% q-o-q | Equity ↑ 14% q-o-q



Focus on retailisation



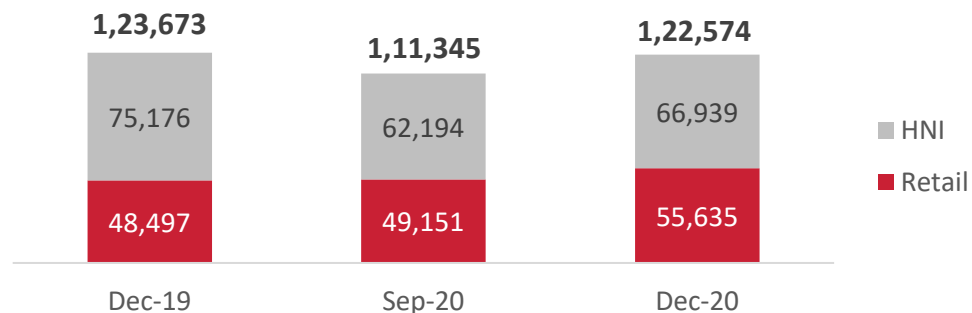
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Figures in Rs Crore

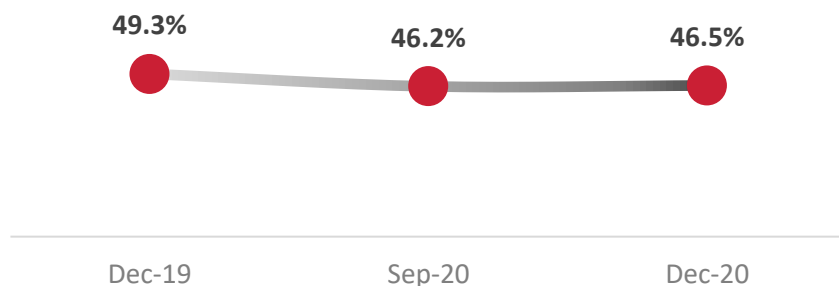
Retail + HNI AAUM at Rs 1+ Lakh Crore (5Y CAGR ~18%)

Overall ↑ 10% q-o-q | Retail ↑ 13% q-o-q

Retail + HNI AAUM



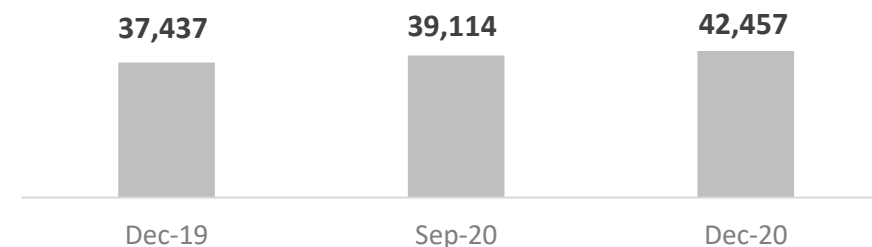
% of AAUM



Growing Profitable B-30 AAUM

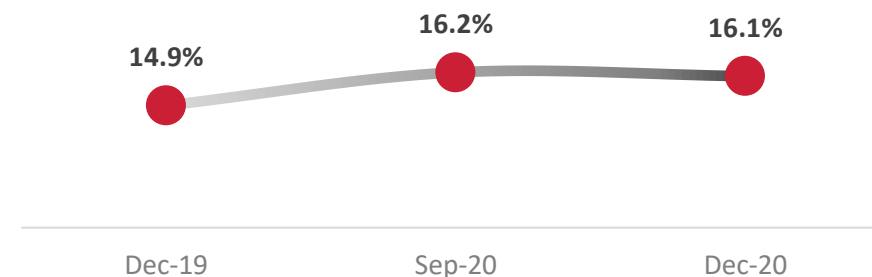
↑ 13% y-o-y | ↑ 9% q-o-q

B-30 AAUM



B-30 % of AAUM

B-30 AAUM mix ↑ 118 bps y-o-y



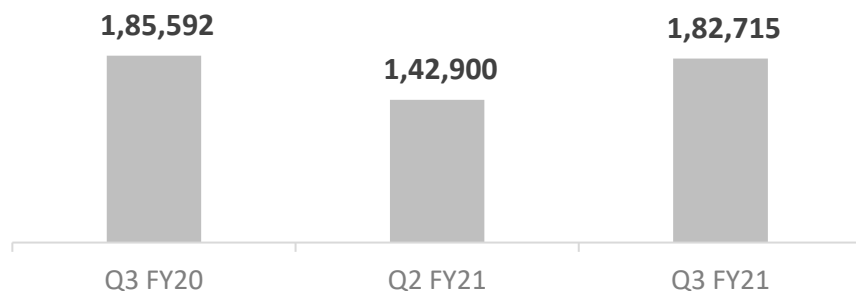
Strong and sustained rebound in SIP

Figures in Rs Crore

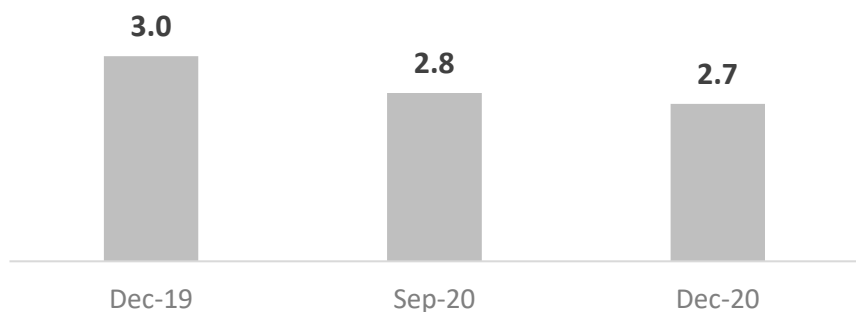
Strong revival in new SIP registrations

New SIP Registration Count

↑ 28% q-o-q | Registrations in Q3 FY21 at ~98% of PY



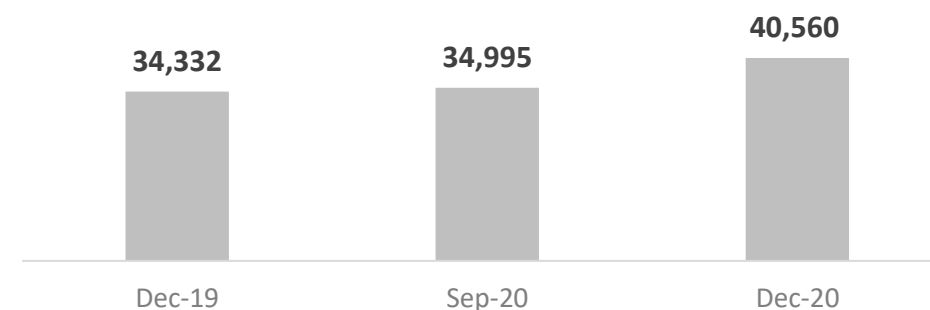
Total SIP Count (Millions)



SIP AUM

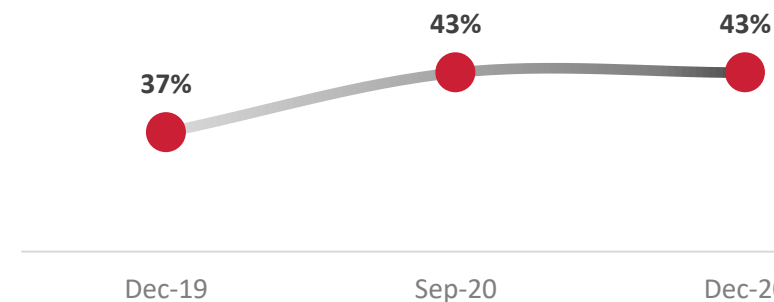
SIP AUM ↑ 18% y-o-y

SIP AUM



SIP AUM % of Equity AUM

SIP AUM mix ↑ 6% y-o-y

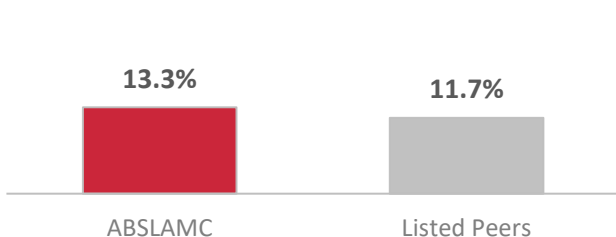


Strong performance vs. Listed peers

Overall AAUM

5Y CAGR: Q3 FY16 → Q3 FY21

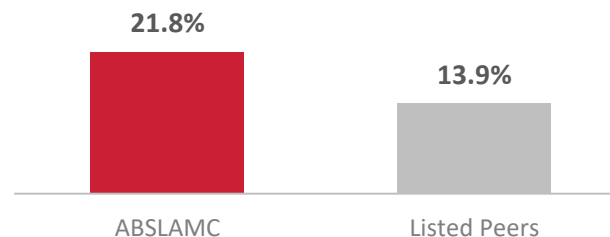
2nd Highest Amongst Peers



Equity AAUM

5Y CAGR: Q3 FY16 → Q3 FY21

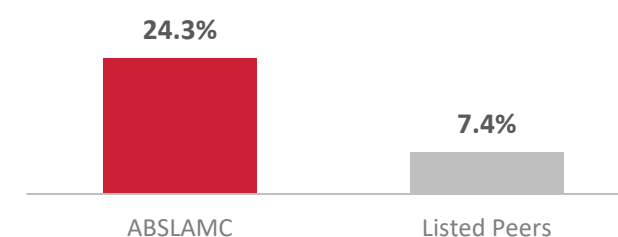
Highest Amongst Peers



Folio Growth

5Y CAGR: Mar-15 → Mar-20

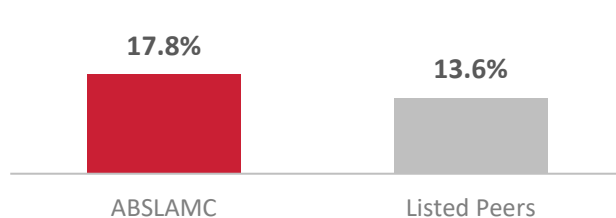
Highest Amongst Peers



Retail + HNI AAUM

5Y CAGR: Dec-15 → Dec-20

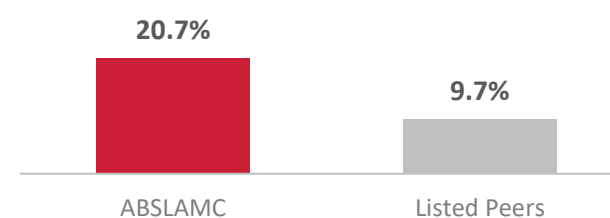
2nd Highest Amongst Peers



B-30* AAUM

5Y CAGR: Dec-15 → Dec-20

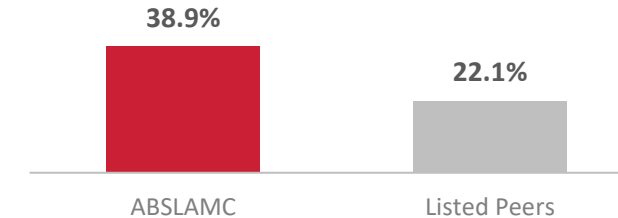
Highest Amongst Peers



RoE

FY20

Highest Amongst Peers

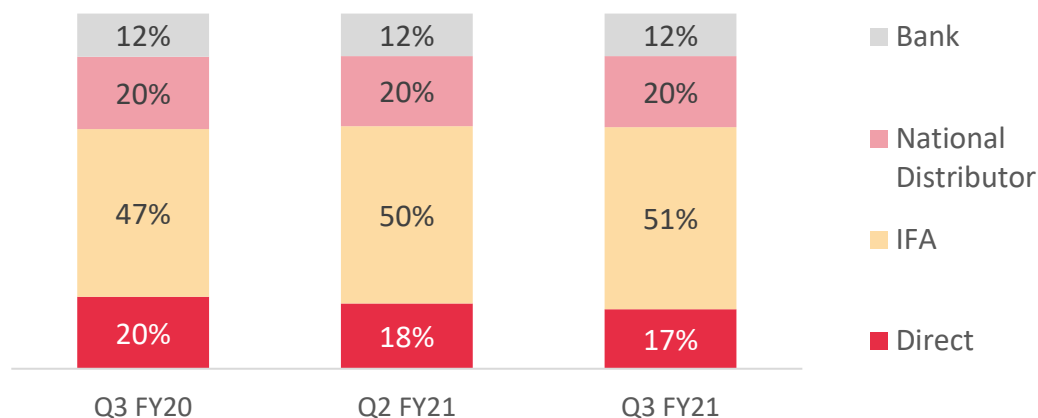


Large and diversified distribution network



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Continue to grow IFA share in equity sourcing



Locations
(>75% in B-30 cities)

300+

IFAs

81,500+

National
Distributors

260+

Banks

100+

Investor Education and Distributor development

- Conducted **710 digital investor education programs** covering **69,000+ Investors**
- Conducted **357 distributor development program** covering **37,000+ channel partners**
- Empanelled **1500+ new IFAs** in 9M FY21
- Digital asset awareness campaign to assist advisors to use digital assets for transactions
- Conducted innovative campaigns and services with the objective of spreading awareness among investors and providing support to business partners

Leveraging Digital, Data & Analytics



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Digital initiatives/ Assets deployed

Positive Mission Happiness Scores

- NPS Scores improving every quarter for both types of Asset viz. IFA and Retail Customers
- For Retail Customer , NWOM (Net Word of Mouth) moving positively consecutively for last 7 Quarters and it touched **positive 33% in Q3 FY21 as compared to 23% in Q3 FY20**
- For IFAs NWoM (Net Word of Mouth) grew positive in Q3 FY21 compared to Q3 FY20

Key Metrics going Digital

- Digital Business contributed in Q3 FY21
 - New Customer addition: **75%**
 - Digital Channel interactions: **90%**
 - Digital Payments: **99%**

Customer Interaction

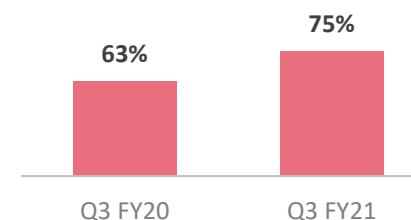
- **Youtube Live Session** - Ab India Karega Invest and ESG NFO for Groww Channel
- **Partner Training Session for MoneyMap and Assetplus** (Power of SIP, Demystifying Debt)
- **Nivesh Manhakumbh** session with Paytm Money

Customer Self-Service

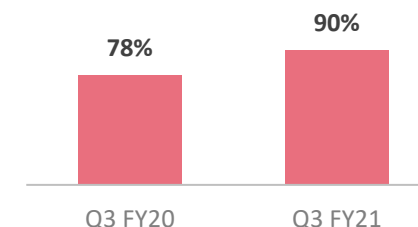
- Provision to digitally switch out from closed ended schemes getting matured in physical and non DEMAT folios.
- **NRI investors can update International Mobile no's** at the time of folio creation or if their contact no is missing in the folio as per KRA records

Business KPIs

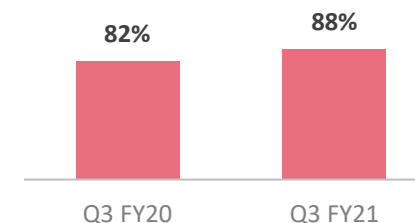
Digital Onboarding



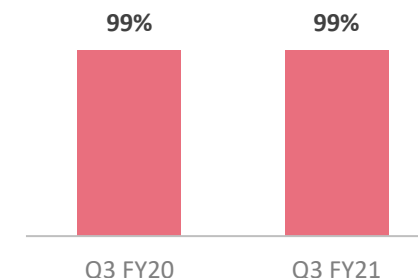
Customer Interaction on Digital Channel



% Digital Distributor Onboarding



% Digital Payments



Key Financials – Aditya Birla Sun Life AMC Limited

Figures in Rs Crore

Quarter 2	Quarter 3			Nine Months	
FY 20-21 (CY)	FY 19-20 (PY)	FY 20-21 (CY)	Key Performance Parameters	FY 19-20 (PY)	FY 20-21 (CY)
2,38,674	2,49,926	2,55,458	Domestic AAUM	2,52,573	2,36,241
82,179	92,238	87,516	Domestic Equity AAUM	91,084	80,724
8,315	9,690	8,452	Alternate and Offshore Equity AAUM	9,544	8,075
90,494	1,01,928	95,968	Total Equity	1,00,628	88,799
291	318	322	Revenue	957	874
127	145	128	Costs	433	386
164	173	194	Profit Before Tax	524	488
27 bps	28 bps	30 bps	Profit Before Tax (bps ¹)	28 bps	28 bps
125	130	147	Profit After Tax	395	370

Aditya Birla Sun Life Insurance Limited

Life Insurance Business



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Performance Summary | Life Insurance | ABSL Insurance Co

1 Strong growth in business

- Individual FYP ↑ 6% y-o-y; market share ↑ 49 bps y-o-y in 9M FY21 (Private Players ↓ 6% y-o-y)
- Group NBP ↑ 50% y-o-y; market share ↑ 180 bps y-o-y in 9M FY21 (Private Players ↑ 15% y-o-y)
- YTD Dec'20 Renewal Premium ↑ 20% y-o-y; Digital Renewal Collection¹ up at 68% in Q3 FY'21 (Rs. 829 Crore of Individual Renewal Premium)

2 Improvement on all quality vectors

- Continuous improvement in persistency over the years with **13th month persistency at 83.6%** (↑ 200 bps y-o-y)
- Improved **Opex to Premium Ratio to 14.0%** for YTD Dec'20 (PY: 17.6%)
- **YTD Dec'20 Surrender Ratio² at 5.1%** (PY: 9.7%)

3 Improving Margins

- Q3 FY21 Gross VNB Margin at **38.7%** | Maintained Gross VNB Margins at 36.4% (YTD Dec'20) despite falling interest rates
- YTD Dec'20 Net VNB Margins ↑ 80 bps y-o-y to **5.9%** (Q3 FY21: 12.3%).
- Expect FY21 Net VNB Margin at **~10%** given the current trend

4 Product Strategy Showing Results

- New products launched in current year contributed **25%+** of Q3 Individual FYP
- New Protection Plan launched with industry top features and attractive customer value proposition to gain more mindshare and traction in Protection segment
- **Balanced Sourcing Mix** through Proprietary and Partnership Channels, contribution of **42:58** respectively with controlled ULIPs

5 Risk Management

- Intend to protect Policyholder's guaranteed benefits i.e. **100% of expected maturity and survival benefits** even at low interest rate scenarios by using hedging instruments such as FRAs and others
- **Covid-19 related claims are being actively monitored.** Company has kept adequate reserves for the same over and above policy liability which will be reviewed every quarter.

6 Leveraging Digital, Data and Analytics

- **94% Individual business sourced digitally in 9M FY21**
- **79% Auto Pay** will augment stronger renewal collections in future
- Pre-Approved Sum Assured: **PASA contributed to 14% of 9M FY21 FYP** with Q3 FY'21 contribution at **20%** (Rs. 101 Crore of Individual FYP)
- **"ZARA" renewal bot collection stands at ~Rs. 150 Crore since launch**

Strong growth in New Business Premium

Figures in Rs Crore

Individual FYP¹

6% Y-o-Y in YTD Dec FY21

Private Players²

-6%

Industry²

-8%

1,039

1,188

1,256

9M FY19

9M FY20

9M FY21

ABSLI Market Share

4.5%



~49 bps over LY

Group New Business Premium

50% Y-o-Y in YTD Dec FY21

Private Players²

15%

Industry²

-5%

1,579

1,258

1,891

9M FY19

9M FY20

9M FY21

ABSLI Market Share

7.6%



~180 bps over LY

Leveraging Digital, Data & Analytics

Figures in Rs Crore

Digital initiatives

Pre-Purchase

- Sales Buddy (DIY Combo & Illustration/Story) with 8,126 unique users at beta release. Employee adoption across channels at 53%
- Generated 6,50,000 Leads through LMS
- 2 Click customer journey being introduced for Bank Channels
- **PASA campaigns contributed 20% to the total business in Q3**

Customer On-boarding

- **95% New business sourced digitally.**
- Customer portal and distributor portal – live in Jan'20
- Mobile first platform for distributors & customers under development.
- LMS adoption –
 - HDFC Bank adoption at 80% and
 - Direct Channel adoption at 97%

Customer Retention/ Renewals

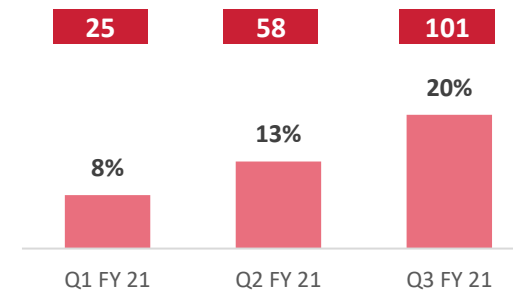
- YTD Dec'20, Digital collection at 66% with improvement of +12% y-o-y
- ZARA (renewal Bot) has collected ~Rs. 150 crs since Aug'20 showing 10% delta over traditional method (Contact centre)
- **79% Auto pay adoption at onboarding stage**
- InstaVerify for customers with 43% adoption in Dec'20.

Customer Self-Service

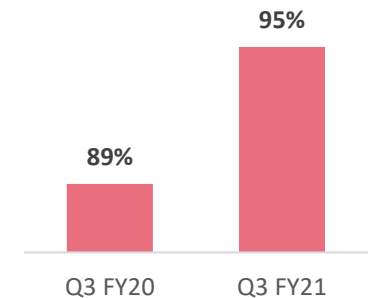
- **95% services available online**
- WhatsApp & Chatbot have seen significant rise in adoption with total customer-initiated interactions crossing 2.5 lakh per month

Business KPIs

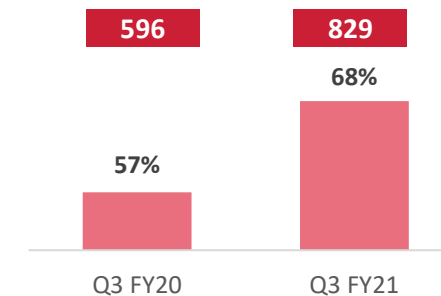
Digital Pre Approved new business (PASA)



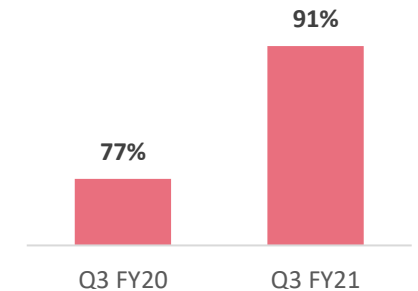
Customer Onboarding



Digital Renewal (by Value)¹



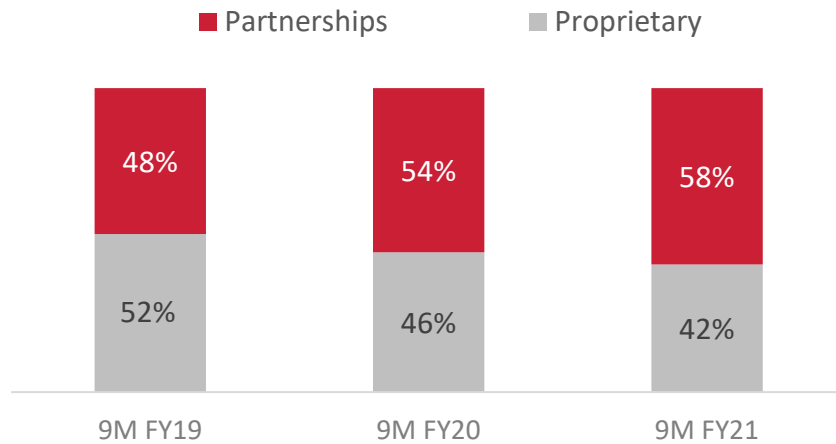
Service Interactions on Digital Channels



Multi channel distribution strategy

Figures in Rs Crore

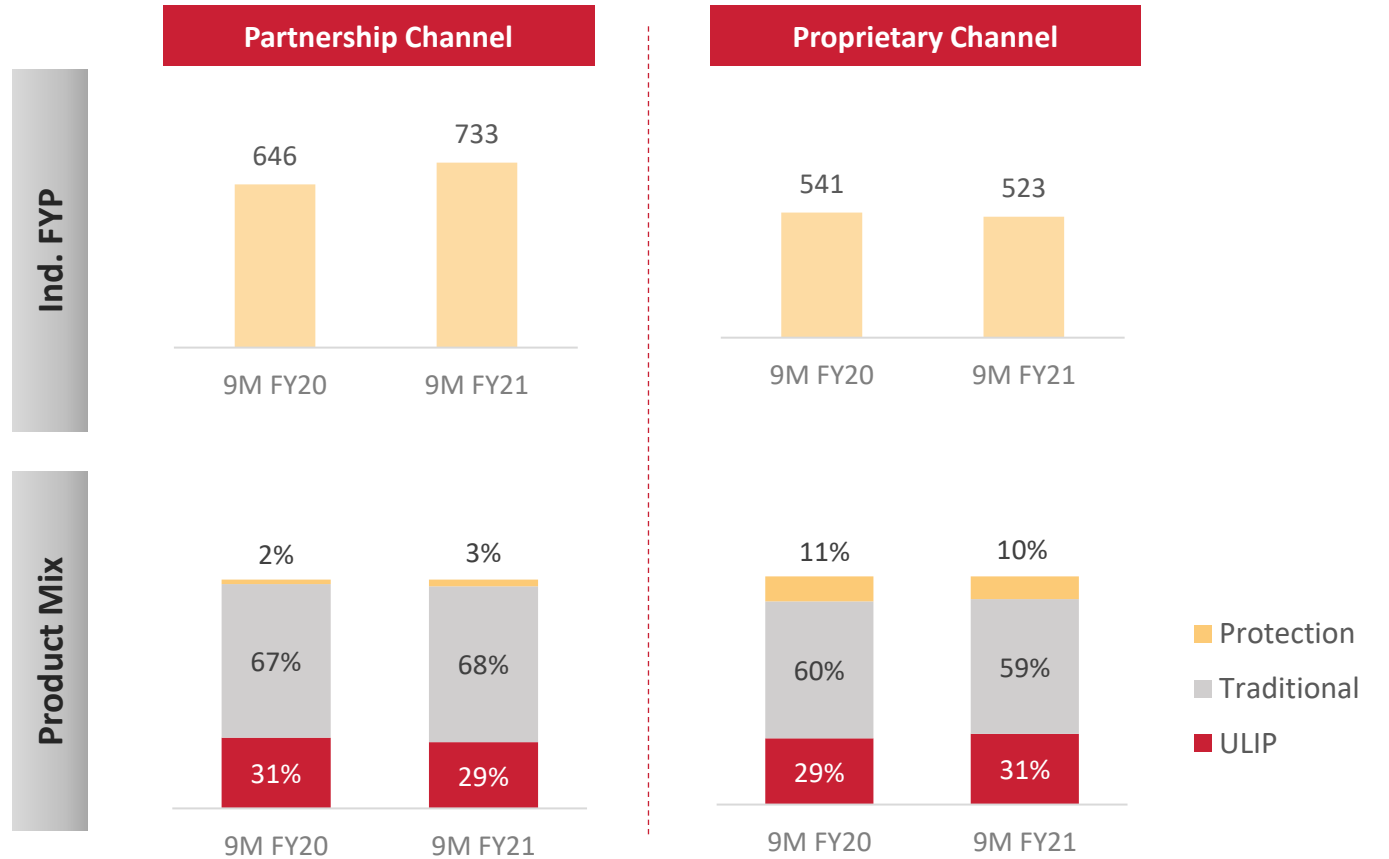
Sourcing Mix



Banca Tie-ups	7	Agents	85,000+
Bank Branches	10,000+	Own Branches	360+
Incl. HDFC Bank, DCB, KVB, Indian Bank etc		Cities	2,500+

Bancassurance tie-up count adjusted for LVB-DBS Merger

Channel Wise Highlights



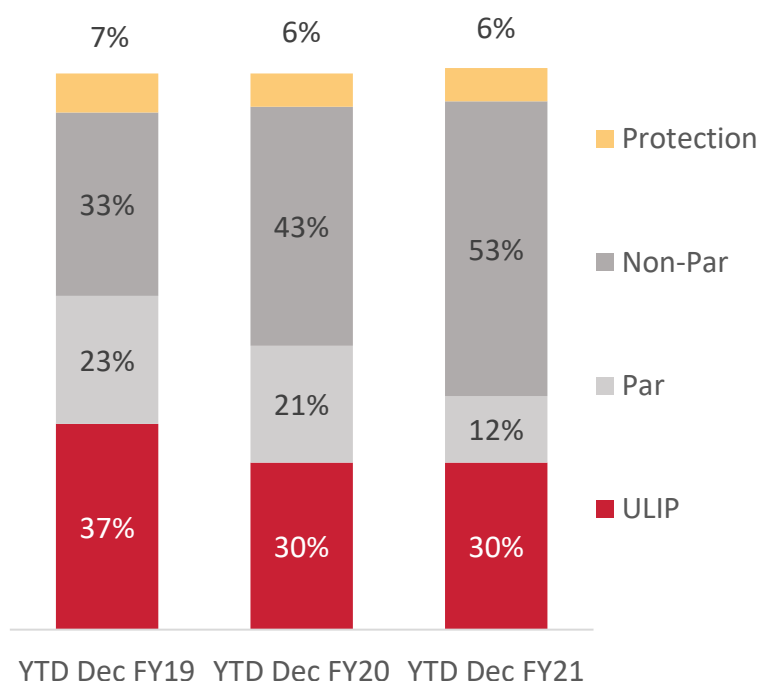
Focus on value accretive product mix



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Figures in Rs Crore

Improvement in Product Mix



Products and Risk Management

Success of New Product Launches

- New Products launched in current year contributed to 25%+ of Q3 Ind. FYP
- Continue to innovate on products to meet customer needs and penetrate more segments
- Launch of **new Protection Plan in Q4 FY21 with industry top features and attractive customer value proposition** to gain more mindshare and traction in Protection mix

Active Risk Mitigation Strategy

- Intend to protect Policyholder's guaranteed benefits i.e. 100% of expected maturity and survival benefits even at low interest rate scenarios by using hedging instruments such as FRAs and others
- Guarantees are actively monitored, and products are repriced for adjustments in Interest Rate
- A separate fund is created to manage the investments of products where benefits are fully guaranteed along with Risk Appetite Framework to measure and monitor financial risks

Improving quality of business

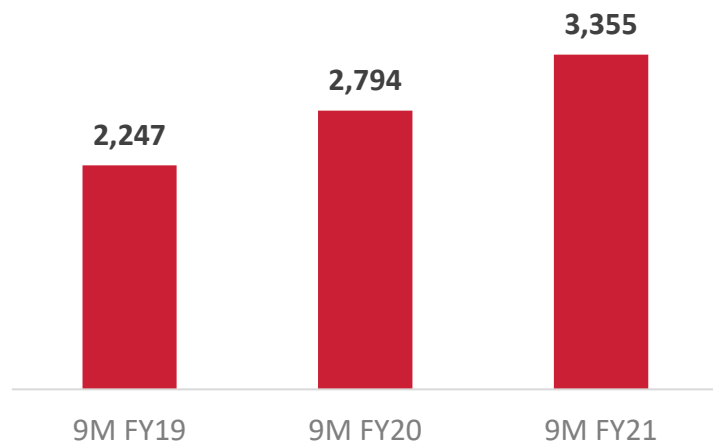


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Figures in Rs Crore

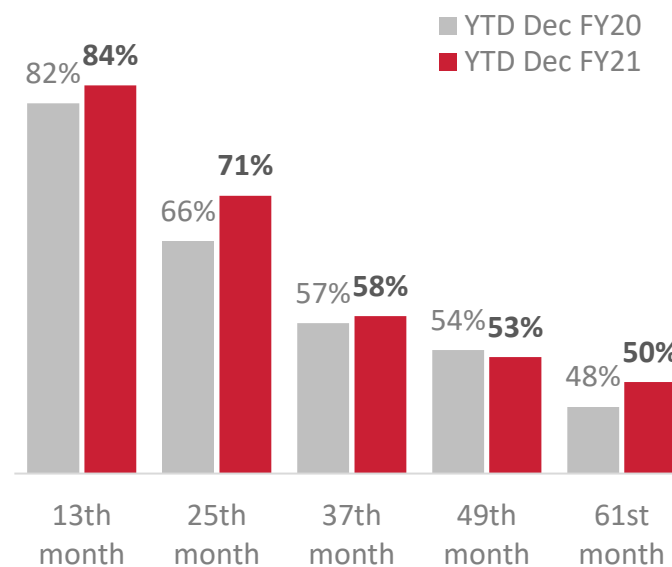
Renewal Premium

Y-o-Y Growth ~20%



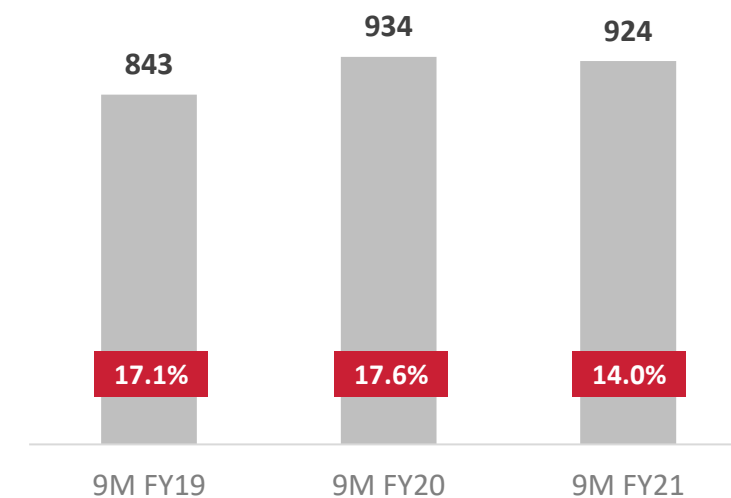
Persistence¹

Improving Persistence across cohorts



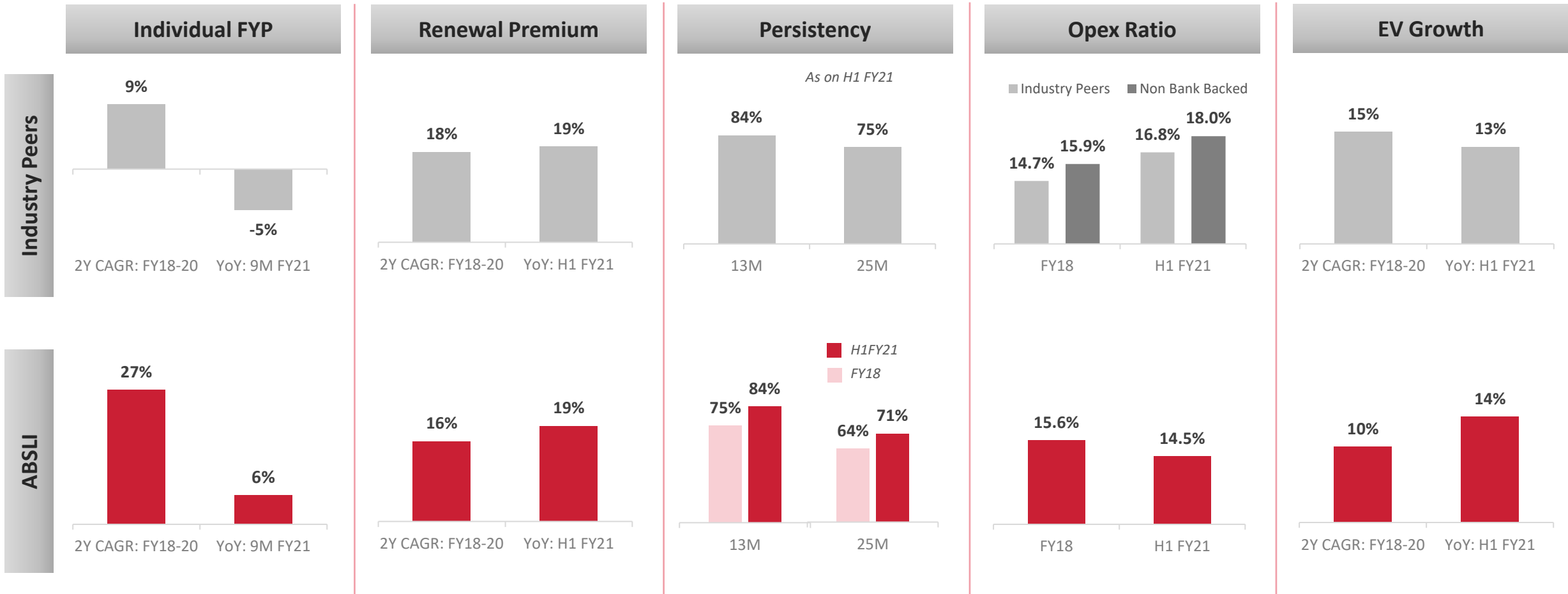
Controlled Opex²

Reduction in opex to premium ratio



Delivering robust performance across parameters

Figures in Rs Crore

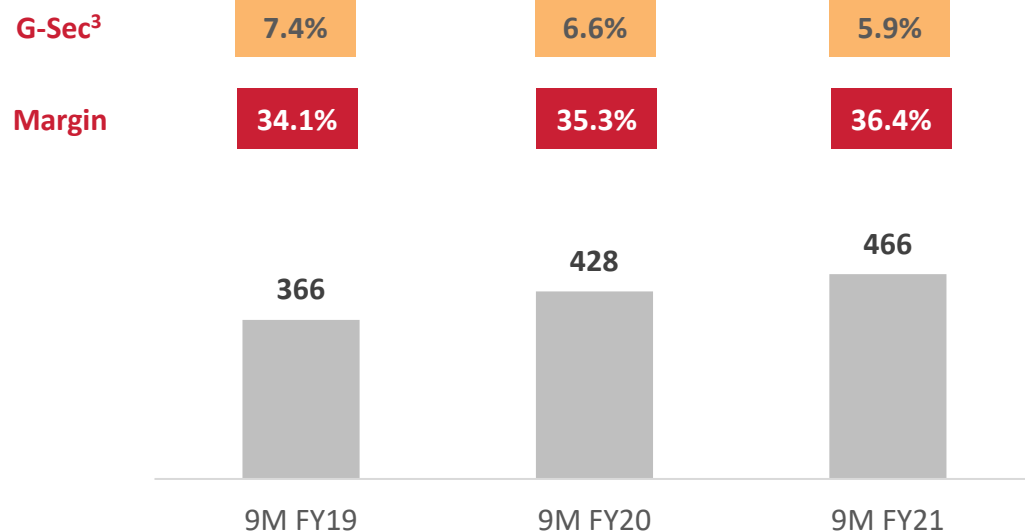


Life Insurance Peers Include: SBI Life, ICICI Prudential Life, HDFC Life, Max Life, Kotak Life, Bajaj Life, Tata AIA and PNB MetLife

Improvement in VNB Margins

Figures in Rs Crore

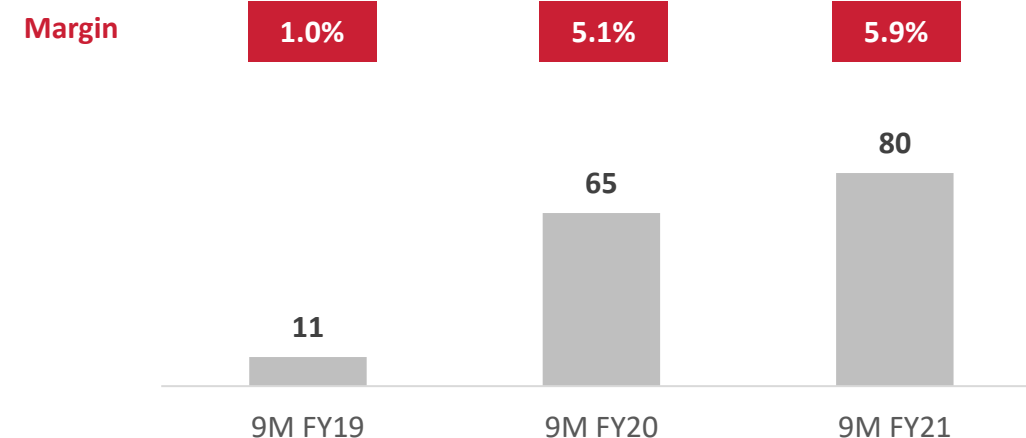
Gross VNB¹



Healthy Gross VNB margins despite falling interest rates

Q3 FY21 Gross VNB Margin at 38.7%

Net VNB²



Net VNB better than PY given steady growth in topline and better expense management

Q3 FY21 Net VNB Margin at 12.3%

Key Financials – Aditya Birla Sun Life Insurance Limited

Figures in Rs Crore

Quarter 2	Quarter 3		Figures in Rs Crore	Nine Months	
FY 20-21 (CY)	FY 19-20 (PY)	FY 20-21 (CY)	Key Performance Parameters	FY 19-20 (PY)	FY 20-21 (CY)
464	516	545	Individual First year Premium	1261	1336
620	579	682	Group First year Premium	1,258	1,891
1,210	1,133	1,372	Renewal Premium	2,794	3,355
2,294	2,228	2,599	Total Gross Premium	5,313	6,582
302	317	346	Opex (Excl. Commission)	934	924
13.2%	14.2%	13.3%	Opex to Premium (Excl. Commission)	17.6%	14.0%
18.3%	19.8%	18.4%	Opex to Premium (Incl. Commission)	23.4%	19.0%
42	34	36	Profit Before Tax	100	107
23	27	26	Profit After Tax	81	67

Aditya Birla Health Insurance Limited

Health Insurance Business



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Performance Summary | Health Insurance | AB Health Insurance Co

1 Fastest growing Health Insurer

- **Fastest growing HI:** 9M FY21 growth at 57% vs Industry: 12%, SAHI: 26%
- **9M FY21 Total GWP** at Rs 859 Crore (LY: Rs 546 Crore), **Retail mix at 74%** (PY: 71%)
- **9M FY21 Retail GWP** at Rs 632 Crore; **↑ 1.6x** of PY
- **9M FY21 Total Lives covered: 11.2 Mn** (LY: 6.5 Mn.)

3 Unique and Differentiated health first Business Model

- **Differentiated core offerings** like incentivized wellness, etc. enabling market expansion | Holistic product offering catering to all segments, from Byte-sized products to Global health coverage products
- Health-data based **Wellbeing Score** leveraging health ecosystem- Scale-up → Live for 5 Lac + customers
- **Business outcomes:** 20% higher retention, 6% lower claims ratio

5 Leveraging Digital, Data & Analytics

- **Digital acquisition & onboarding:** Analytics led PASA Campaign & Cross-sell model | Increasing digital touchpoints in banks | **Digital Issuance:** 98% (PY: 93%) | **Digital Renewals:** 92% (PY: 78%)
- End-to-end omnichannel digital customer journey; Multi-lingual AI led Chatbot & WhatsApp self-servicing **↑ by 72% over LY**

2 External Trends impacting Operating Environment

- ABHI continued to grow faster relative to industry despite a slower Q3. Q3 growth: Industry at 3% vs 17% till H1; SAHI at 21% vs 28% till H1
- Surge in COVID claims in Q3 and are being actively monitored
- Encouraging trends for Q4 with uptake of GWP from Dec'20 latter half

4 Scaled & Diversified Digitally Enabled Distribution

- **Strong growth in Banca** with 14,000+ branches enabling access to diversified customer segments | Banca mix: 66% of retail (PY: 64%)
- **Agency growth at 56%+** with branch network spanning 100+ locations
- **38+ digital partners** covering **3 Mn.+ lives** through 50+ **contextual byte-sized products**

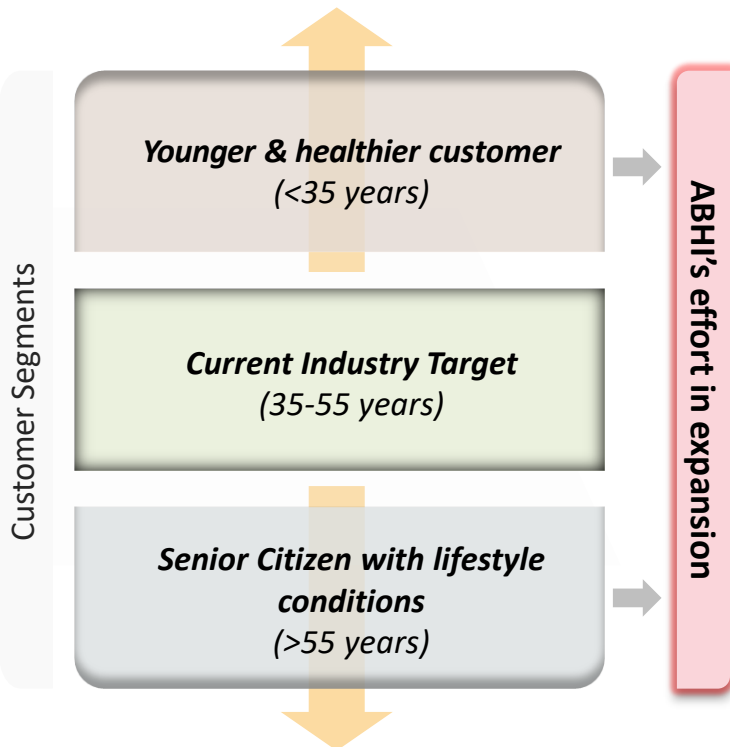
6 Strong Financial Management

- **Strong financial management:** Combined Ratio ↓ to 126% (PY: 142%)
- Focus on Expense Management, Cost efficiencies and Claims management
- **Estimated exit combined ratio for Q4 FY21 below 110%; On track for break even by Q4 FY22 with exit combined ratio below 100%**

Unique & Differentiated Health First Model: Core offerings .. 1/2

Diversified product suite with health first offerings enabling market expansion

Expanding the Market



Product Differentiators

- Incentivized wellness
- Chronic Care Management
- Disease Risk Management
- Health ecosystem enabled Senior Citizen Plan

Comprehensive Product Range & Innovation

Existing market

- Indemnity/Fixed benefit, Top-up, 4-in-1 combo, Senior Citizen, Arogya Sanjeevani

Innovate to expand market

- Incentivized Wellness, Chronic Care, Global Health Cover, 1 Cr. Super Top-up

Digital

- 1-click contextual-byte size products

Contextual & Need based

- Corona Kavach, Corona Rakshak, Group CoVID, Disease & Partner specific

Health data based hyper-personalized engagement ...2/2

Health Data



WellBeing Score



Risk Stratification based hyper-personalized recommendation

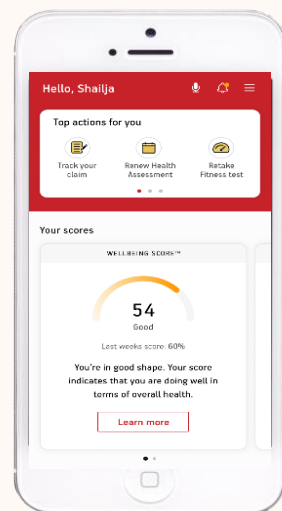
150+ health data points



Data Source:

- Profile & Policy Data
- Health / Wellness
- Claims / Servicing

Holistic health score



Live for 5 Lac +Retail Customers

Very High Risk

Critical condition

High Risk

Hospitalization event

Medium Risk

Chronic Condition

Low Risk

Healthy

Recommendations

- ✓ 2nd opinion
- ✓ Health / Lifestyle coach
- ✓ Health chat-bot
- ✓ Online pharmacy & diagnostics
- ✓ Doctor Network
- ✓ Telemedicine
- ✓ Nutrition
- ✓ Homeopathy
- ✓ Dental care
- ✓ Healthcare at home
- ✓ Mental wellbeing

Health Ecosystem enabled through key partners for services like doctor on call, telemedicine, nutritionist, mental health helpline and others

Engagement
Outcomes¹



35%
App log-ins

Business
outcomes



20%
Higher retention



6%
Lower Claim ratio

Scaled-up and diversified digitally enabled distribution network

Multi-channel & Digitally enabled distribution

- **Agency:** Scalable proprietary channel with 100+ branch locations | 38k+ agents | Leverage ABC synergy to expand agent base

Agency growth ↑ 56% YoY

- **Bancassurance:** 9 bank partners → 14,000+ branches | Large banks ↑ contributing to 100%+ YoY ↑ in Banca GWP

Banca mix: ↑ 66% of retail (PY: 64%)

- **Leveraging Digital partnerships:** 38+ partners covering 3 Mn.+ lives

50+ byte-size and contextual products

- **Rural & MFI* Partners:** 35+ partners covering 4 Mn.+ lives

- **Dedicated ABG focused channels showing good results**

Diversified and scaled network

		9M FY20	9M FY21
Scale	Branch Locations	88	115
	Agents	25,400+	38,000+
	Sales force	2,200+	2,500+
	Cities	1,250+	2,500+
	Hospitals	6,100+	8,200+

Diversification	Non-metro GWP		Active Bank Branches		Banca % of retail GWP	
	9M FY20	9M FY21	9M FY20	9M FY21	9M FY20	9M FY21
	60%	63%	8.0	10.5	64%	66%

Leveraging Digital, Data & Analytics in Health Insurance business



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Leveraging Digital assets and end-to-end digitally enabled journeys

Prospecting

- **#HealthBhiTaxBhi** digital campaign; Expert tax sessions | Financial planning & cross-sell (8k+ leads)
- Analytics led **PASA campaign & cross-sell model**
- **Sehat ki Nayi Aadat** digital campaign: Activ Living Blog (10 lac+ views)

Engagement & Self-Service

- Voice-enabled welcome/ renewal call
- Claims Digitization | AI-led claims adjudication
- **Multi-lingual AI Chat-bot & WhatsApp**: 18+ services; WA* self-servicing **↑72%** vs LY

On-boarding / Selling

- **Digital advisor onboarding portal**: 100% onboarding
- **Segmented & personalized digital training**: 18k+ advisors trained digitally
- **Increasing digital touchpoints** across banks: API Integrations; 4-click journey live

Retention/ Renewals

- Analytics led customer segmentation | Propensity based renewal calling
- **Omni-channel click-thru renewal journey** including upsell

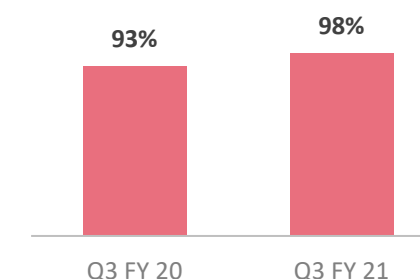
Data & Analytics

Data enrichment & Analytics

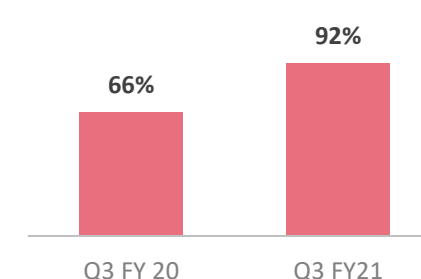
- Data Governance & Management; Data augmentation & leveraging unstructured data
- **CLTV**: Segmentation, propensity model for customer retention & upsell | Personalized recommendation & cross-sell
- Real-time claims fraud detection engine | FWA model for COVID claims

Business KPIs

Digital Issuance

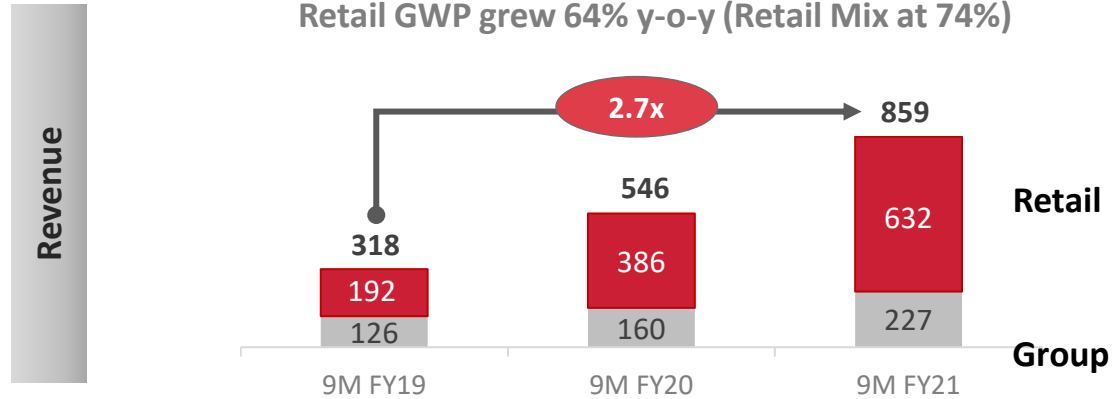


Digital Renewal

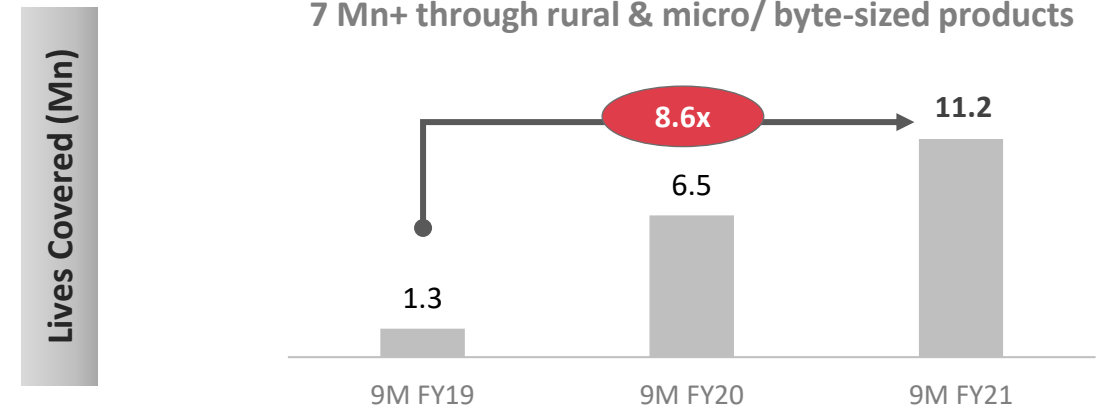


Business Outcomes

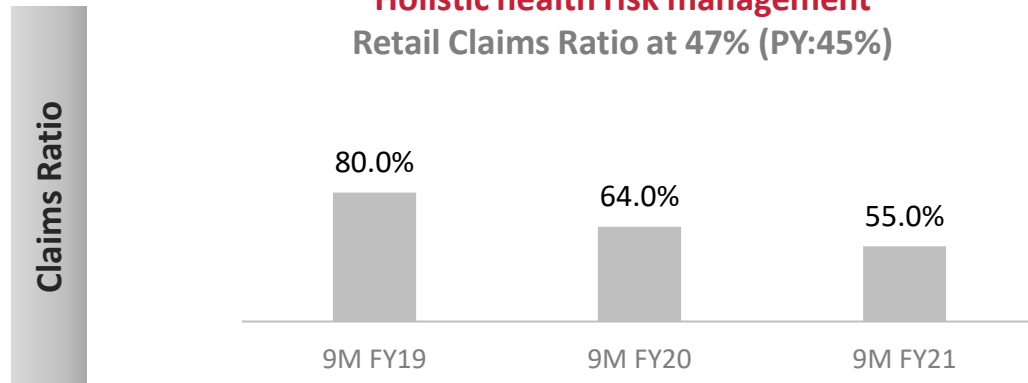
GWP growth at 57% y-o-y with 1.6x retail growth
Retail GWP grew 64% y-o-y (Retail Mix at 74%)



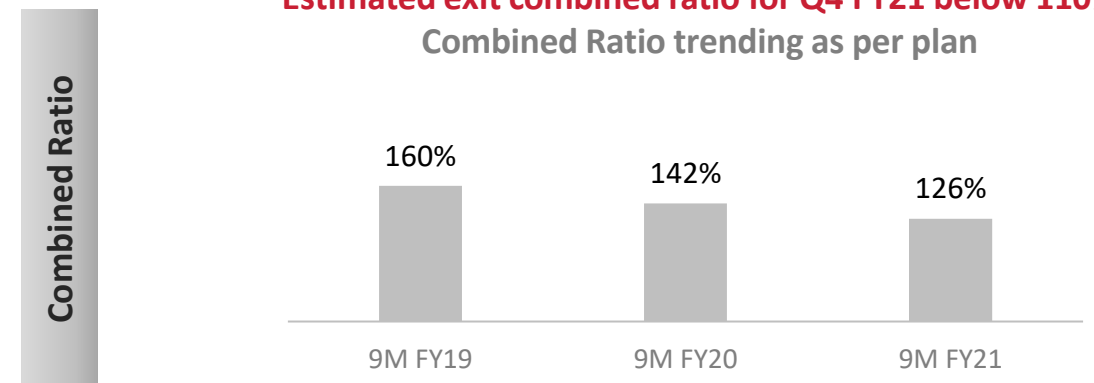
Lives covered growth at 72% y-o-y
7 Mn+ through rural & micro/ byte-sized products



Holistic health risk management
Retail Claims Ratio at 47% (PY:45%)



Estimated exit combined ratio for Q4 FY21 below 110%
Combined Ratio trending as per plan

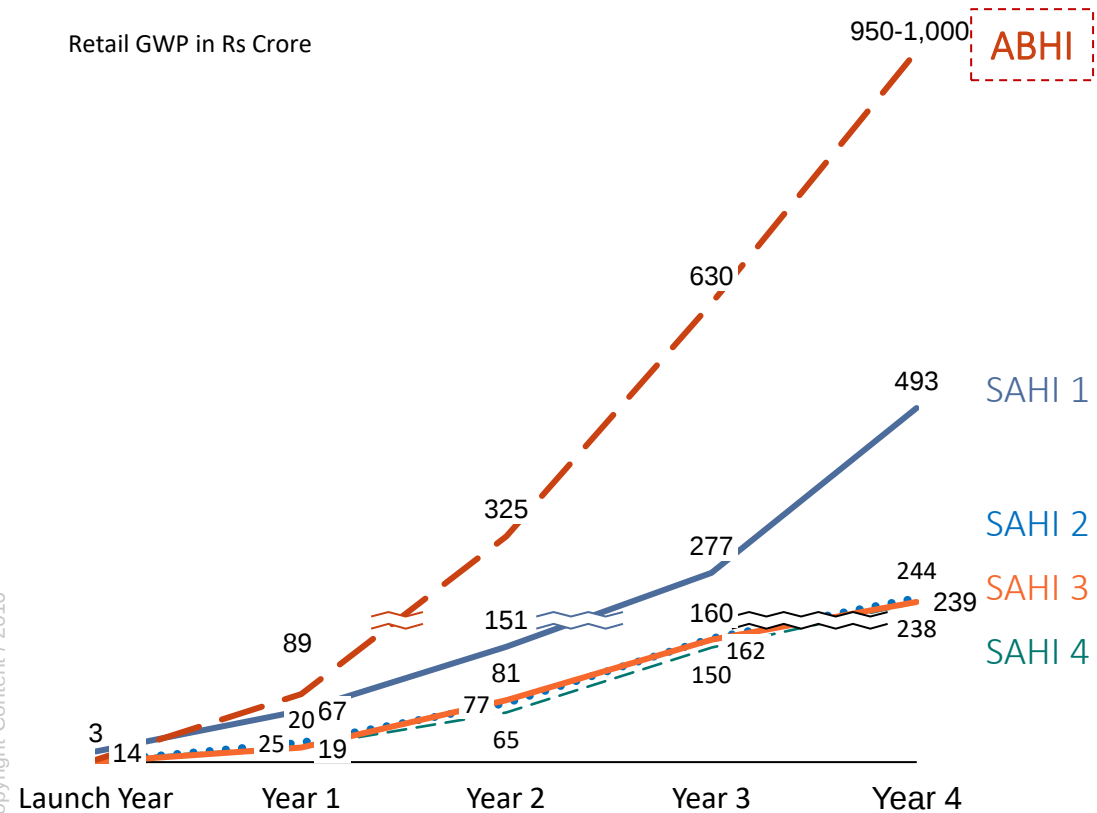


Delivering robust performance for a young business

Retail GWP : ABHI Vs. Peers

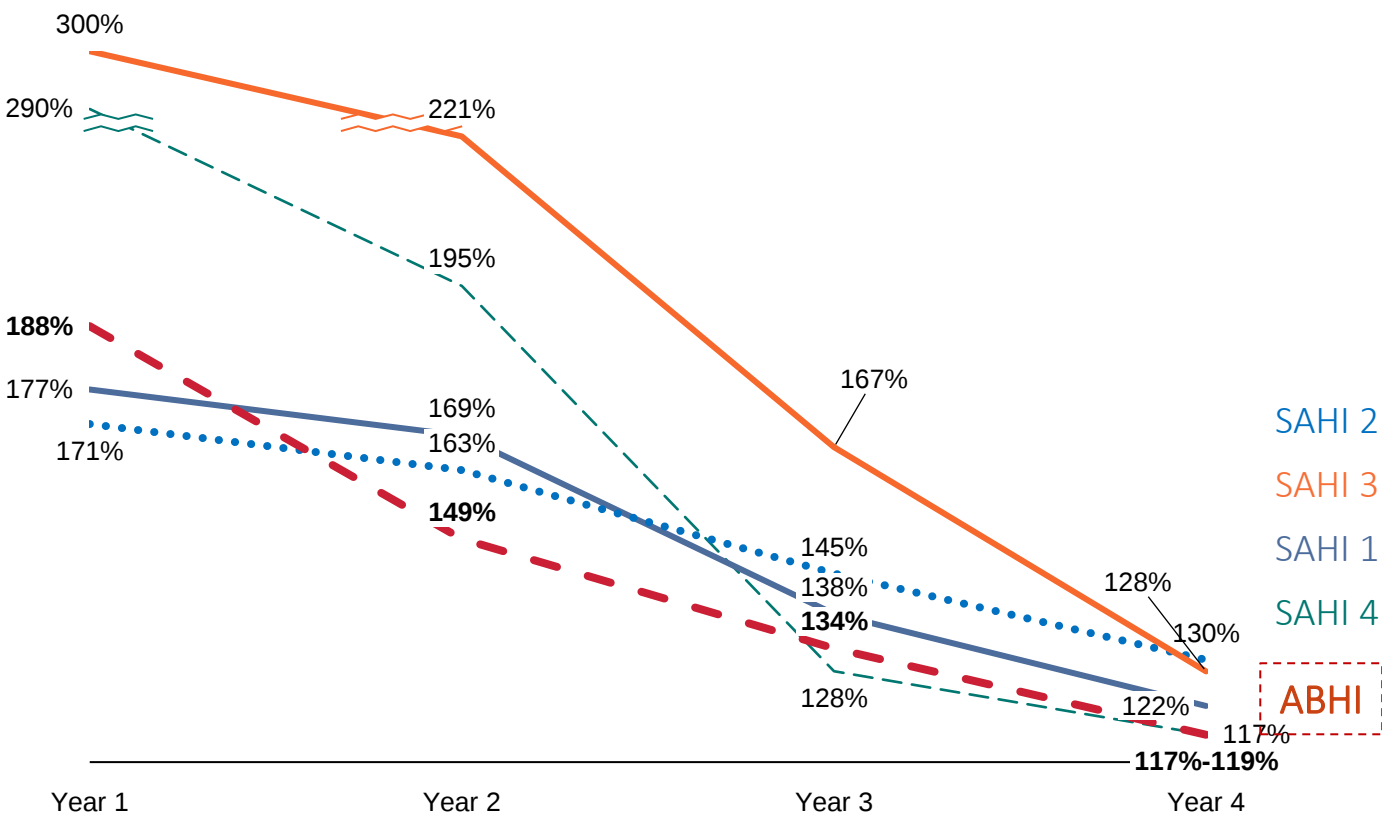
Fastest growth amongst SAHI players since start of operations

Retail GWP in Rs Crore



Combined Ratio: ABHI Vs. Peers

Fastest Road to breakeven amongst SAHI players since start of operations



Key Financials – Aditya Birla Health Insurance Limited

Quarter 3		Figures in Rs Crore	Nine Months	
FY 19-20 (PY)	FY 20-21 (CY)		FY 19-20 (PY)	FY 20-21 (CY)
170	207	Retail Premium	385	632
60	102	Group Premium	160	227
231	309	Gross Written Premium	546	859
212	287	Revenue	507	776
128%	124%	Combined Ratio	142%	126%
(53)	(51)	Profit Before Tax	(188)	(176)

Other Updates



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Other Financial Services Businesses

Figures in Rs Crore

Quarter 3		Figures in Rs Crore	Nine Months	
FY 19-20 (PY)	FY 19-21 (CY)	Key Performance Parameters Other Financial Services Businesses ¹	FY 19-20 (PY)	FY 20-21 (CY)
204	266	Aggregate Revenue	565	655
13	36	Aggregate Profit Before Tax	52	109

General Insurance Broking

- Premium placement grew 21% y-o-y to Rs 1,371 Crore
- Revenue grew 25% y-o-y to Rs 185 Crore (PY: Rs 48 Crore)
- PBT grew 2.6x y-o-y to Rs 18 Crore (PY: Rs. 7 Crore)

Stock and Securities Broking

- Revenue grew 24% y-o-y to Rs 49 Crore (PY: Rs 40 Crore)
- PBT grew 64% y-o-y to Rs 6 Crore

ARC

- ARC AUM at ~Rs 2,350 Crore
- PBT grew by ~2x y-o-y to Rs 11.5 Crore (PY: Rs 5.4 Crore)

Consolidated Profit & Loss

Figures in Rs Crore

Quarter 2	Quarter 3		Figures in Rs Crore	Nine Months	
FY 20-21 (CY)	FY 19-20 (PY)	FY 20-21 (CY)	Consolidated Profit & Loss	FY 19-20 (PY)	FY 20-21 (CY)
4,589	4,293	5,026	Revenue	11,866	13,643
296	276	326	Profit Before Tax (before share of profit/(loss) of JVs	951	857
64	66	75	Add: Share of Profit/(loss) of associate and JVs	201	188
360	342	401	Profit Before Tax	1,151	1,045
107	101	118	Less: Provision for taxation	411	323
(12)	(9)	(6)	Less: Minority Interest	(36)	(29)
264	250	289	Net Profit (after minority interest)	776	751

Advantages of the ABC platform



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Figures in Rs Crore



Diversified platform allowing us to capitalize on multiple opportunities and delivering strong earnings through the cycle



Strong parentage and brand with recall and appeal across the country



Pan India multi channel distribution network, allowing our customers to access us as they choose



Integrated risk management and robust processes allowing us to mitigate risk



Talented employee pool with strong domain expertise and a mix of experience and youth



Large customer eco system and analytics provides basis for deepening customer relationships through cross sell



Strong focus on technology to grow revenues, reduce costs, build scalable processes and create best in class customer experience



Ability to synergise so as to reduce costs, transport best practices and scale quickly.

Our Scale

Rs 3.2 Lac Crore

Total AUM

22,435

Employees

Rs 57,522 Crore

Total Lending Book

862

Branches

Rs 7,441 Crore

Total GWP (9M FY21)

2 Lac+

Agents & Channel Partners

20 Mn (↑ 1.8x over 2.5 years)

Active Customers

100+

Bank Partners

Awards and Accolades

Figures in Rs Crore



Other noteworthy awards for Aditya Birla Capital and its subsidiaries in 2019 & 2020

<i>'WhatsApp Enterprise Solutions for Business' won in the Innovation category, Qualtech 2019</i>	<i>Thomson Reuters Lipper Awards – MENA Markets 2019 (across various fund categories)</i>
<i>ET BFSI Excellence Award 2019 for service and operational Excellence, 2019</i>	<i>Golden Peacock Award for Excellence in Corporate Governance 2019 - Institute of Directors, Delhi</i>
<i>Home Loans provider of the Year (Outlook Money Awards), 2019 – Gold (Affordable), Silver (Overall)</i>	<i>FICCI Insurance Industry Awards 2020 for Comprehensive Maternal & Child healthcare (CSR Programs)</i>
<i>Asset Triple A Treasury, Trade, Supply Chain and Risk Management Awards 2019</i>	<i>Health Insurance Products and Service Innovation at the Patient Experience Conclave & Awards 2019</i>

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conglomerate meeting the
life time needs of its
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work so they can
meet their
aspirations

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Wealth Management

Stocks & Securities

Portfolio
Management
Services

Pension Funds

Mortgage Finance

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fulfill their needs
and desires without
any delay

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Personal Finance

SME Finance

Mortgage Finance

Loan Against Securities

Corporate Finance

Debt Capital Market
& Loan Syndication

Asset Reconstruction

EMI Solutions

ADVISING

Understand
People's lives'
needs and accordingly
advise the right
solution

MoneyForLife Planner

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Figures in Rs Crore

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