



20th ANNUAL GENERAL MEETING
3RD SEPTEMBER 2014



MUTHOOT PAPPACHAN

1927-2004

FOUNDER CHAIRMAN

*His vision, enterprise,
simplicity and humaneness
Will forever guide us.*



**WARM WELCOME
TO
OUR ESTEEMED SHARE HOLDERS**

KEY EVENTS & MILESTONES

KEY EVENTS & MILESTONES

- ❖ 1994 :Incorporation
- ❖ 1995 :Initial public offering, listed on the BSE.
- ❖ 1998 :NBFC license (Category A – Deposit taking) obtained.
- ❖ 2001 :Started gold loan business.
- ❖ 2007 :Entered into auto loan business to finance existing Muthoot customers.
- ❖ 2008 :Commenced two wheeler financing in a structured manner with a dedicated team.

KEY EVENTS & MILESTONES

- ❖ 2009 : Preferred financier arrangement with Honda and Hero for two wheeler financing.
- ❖ 2009 : Commenced three wheeler financing in Kerala
- ❖ 2010 : Started financing light commercial vehicles (LCV) in Kerala.
- ❖ 2011 : Raised Rs 47.78 Crores through rights issue.
- ❖ 2011 : Stopped disbursing gold loans.
- ❖ 2012 : Preferred Financer Arrangement with Mahindra, Piaggio for 3 Wheelers
- ❖ 2013 : Started Collection of Fixed Deposits & Subordinate Debt.

HIGHLIGHTS 2013-14

HIGHLIGHTS OF 2013 – 2014

- Live Customers went up from 1.19 Lakhs to 2.44 Lakhs
- No. of loan disbursed- 1 37 294 in FY 14 (95 520 in FY 13) - **Up 44%**
- Total value of auto loan disbursed Rs. 582 crores in FY 14 (Rs 431 Crores in FY 13) – Up 35%
- AUM -Rs.690 crores in FY 14(Rs 482 crores in FY 2013)- **Up 43%**
- Revenue grew from Rs 107.21 crs to Rs 158.76 crs – **Up 48%**
- Net Profits increased from Rs 21.76 crs to Rs 22.21 crs- **Up 2%**

HIGHLIGHTS OF 2013 – 2014.....

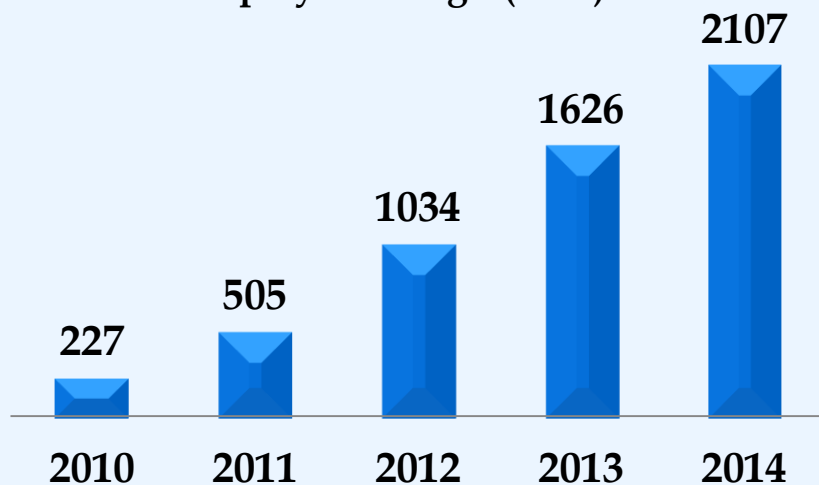
- Total activated dealer points increased to 1789; many more to be activated in the States present
- No 2 Two Wheeler Financier in Kerala & Karnataka
- Increased presence in States beyond Kerala (Kerala loan disbursed @ 48% v/s 63% in Previous Year); (Kerala Loan book is 58.3% of total Loan book v/s 69% in Previous Year)
- Started collecting Public Deposits; collected Rs 59 crs till March 14
- Business from Dealer channel increased by 25% Y-O-Y. 413 Crs (12-13) to 517 Crs(13-14)

HIGHLIGHTS OF 2013 – 2014....

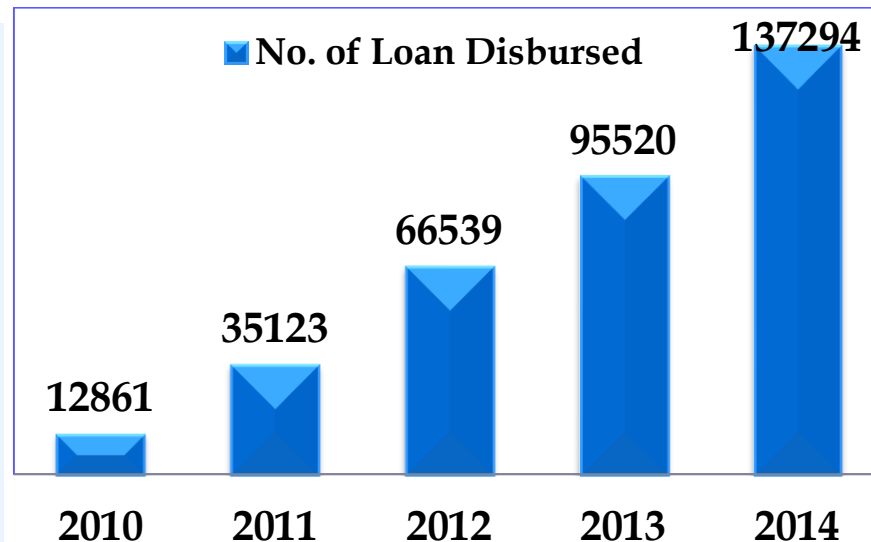
- Business from **MFL Branch channel** increased by 260% Y-O-Y. 17.65 Crs(12-13) to 64.12 Crs(13-14); MFL Branch led business increased from 4% to 11% of the total disbursement
- Disbursement in Karnataka grew by 122% Y-O-Y. 49.27 Crs (12-13) to 109.69 Crs (13-14)
- Highest ever overall disbursement of Rs 65 Crores in March 2014.
- Highest ever disbursement of 2985 nos. (Rs 12.57 crs) from **MFL branches** in March 2014.

GROWTH OVER LAST 5 YEARS

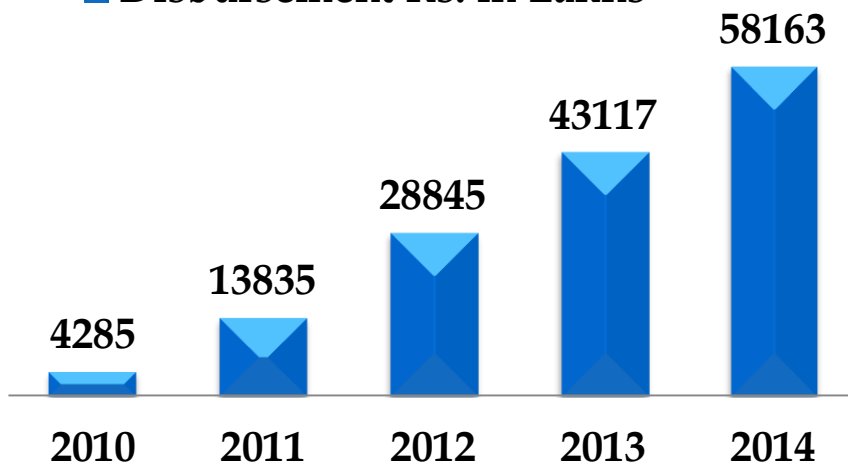
■ Employee strength(Nos.)



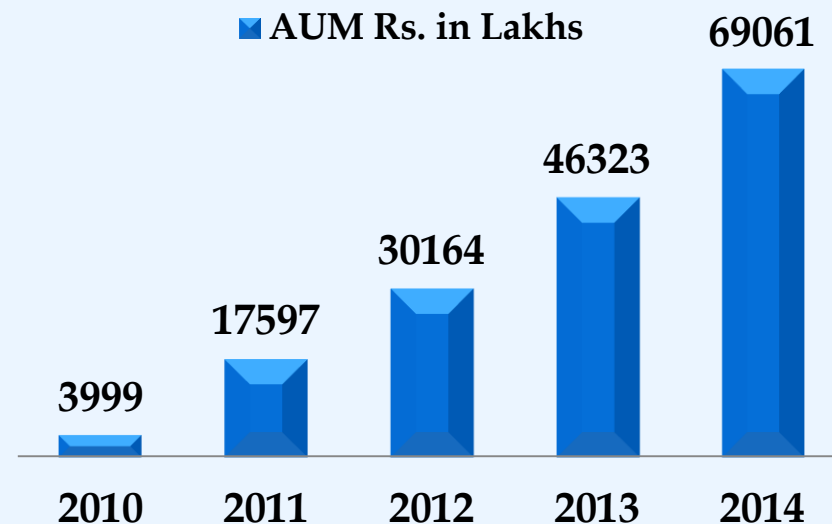
■ No. of Loan Disbursed



■ Disbursement Rs. in Lakhs

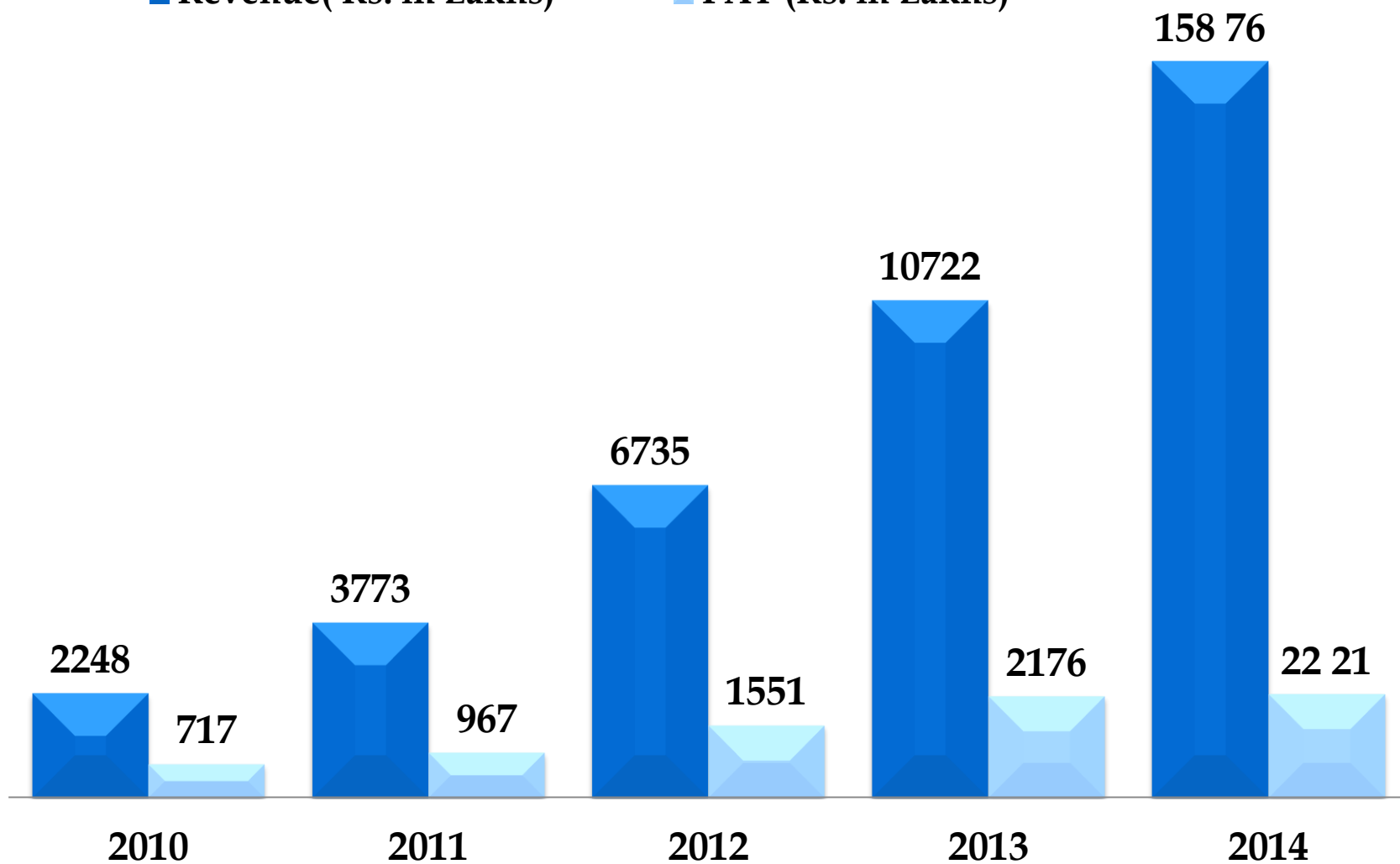


■ AUM Rs. in Lakhs

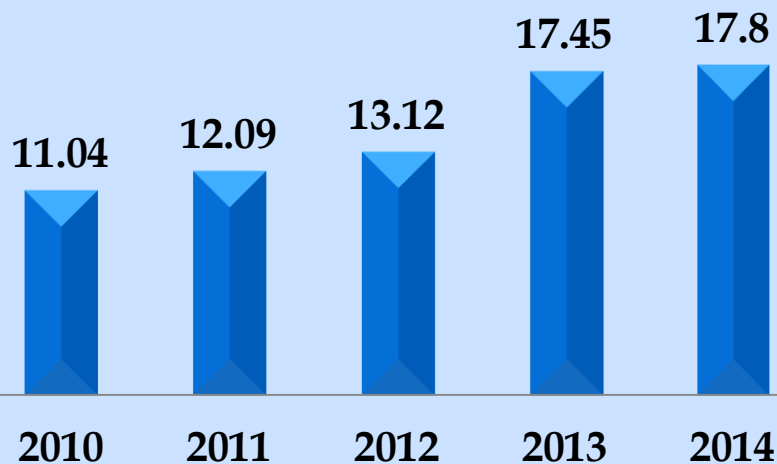


■ Revenue(Rs. in Lakhs)

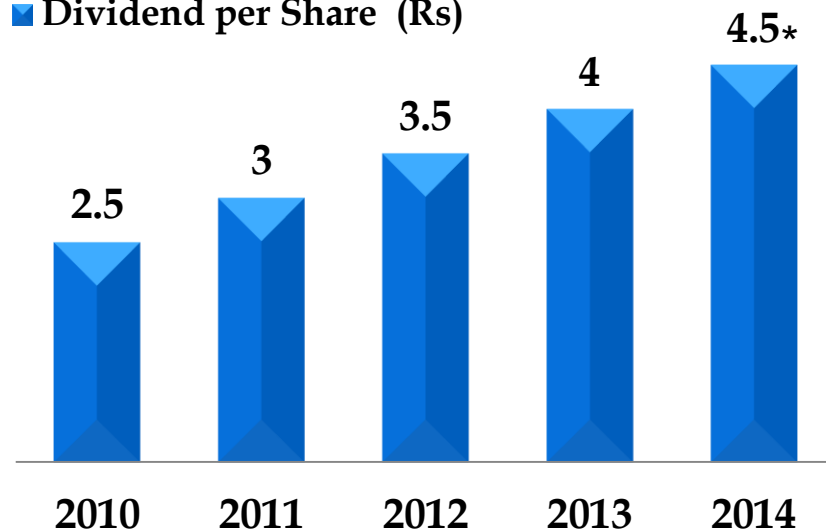
■ PAT (Rs. in Lakhs)



■ Earnings per Share (Rs)

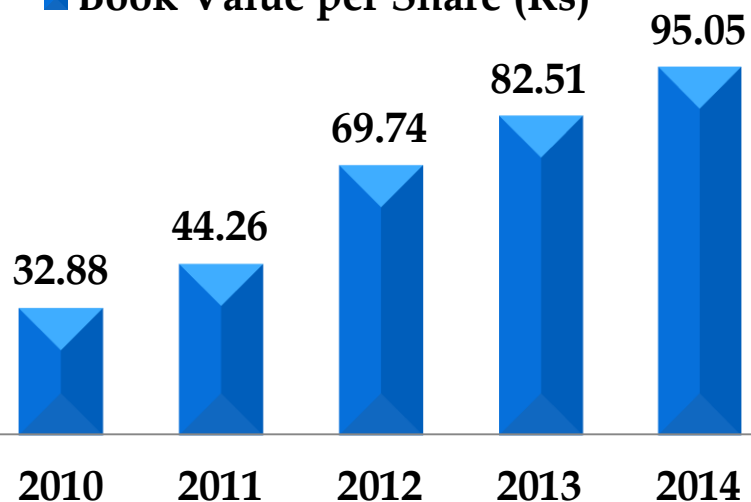


■ Dividend per Share (Rs)

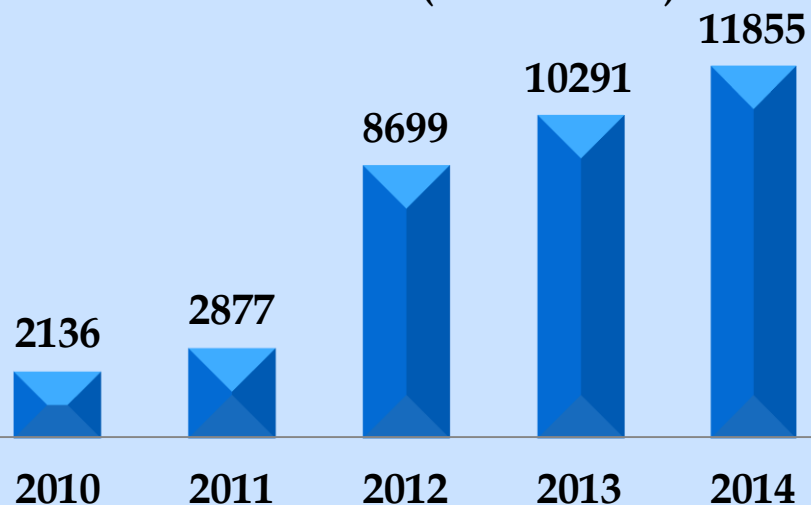


*Subject to Approval

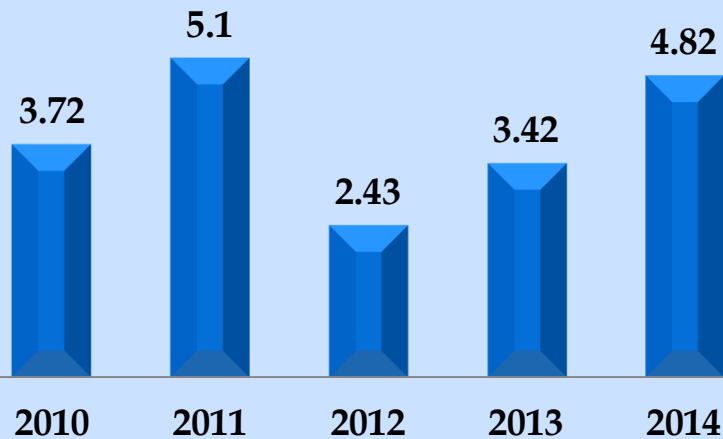
■ Book Value per Share (Rs)



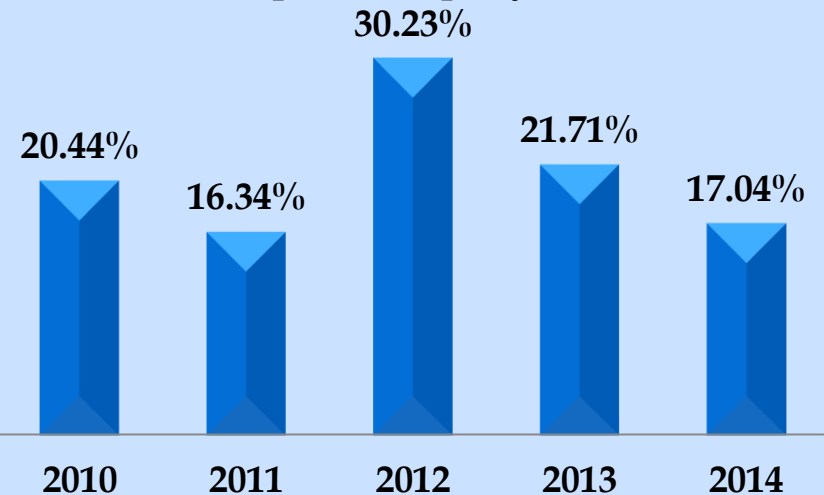
■ Net Worth (Rs.in Lakhs)



■ Debt Equity Ratio

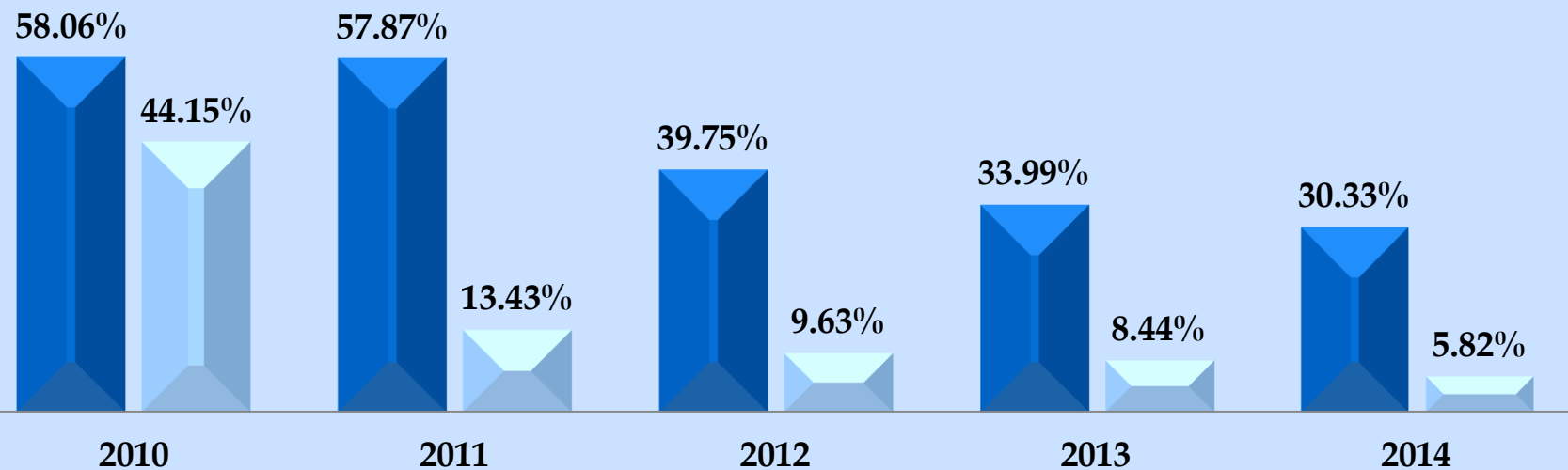


■ Capital Adequacy Ratio



■ Return On Avg Equity

■ Return on Avg AUM



SHARE PRICE



PROJECTION 2014-15

STATEWISE DISBURSEMENT PLAN

2014 - 2015

STATE	2014- 2015			
	Dealer (Nos)	MFL Branch (Nos)	Total (Nos)	Value (Rs. in lakhs)
AP	22 700	3 000	25 700	100 23
GOA	830	170	1 000	3 90
GJ	4 200	3 000	7 200	28 08
KAR	38 170	4 030	42 200	164 58
KER	54 000	30 000	84 000	327 60
MH	6 000	1 200	7 200	28 08
TN	31 400	6 600	38 000	148 20
TOTAL	1 57 300	48 000	2 05 300	800 67

**STATE WISE DEALERS & SUB DEALERS ACTIVATED AS ON 31.03.2014 .
AND ACTIVATION PLAN FOR THE YEAR 2014-2015**

State	Hero			Honda			Others			Total		
	A	B	C	A	B	C	A	B	C	A	B	C
AP	123	113	5	91	81	5	319	165	0	533	359	10
Goa	11	2	0	9	3	1	28	10	0	48	15	1
GJ	146	57	5	108	45	10	152	78	0	406	180	15
KAR	112	82	15	90	65	15	382	182	34	584	329	64
KER	148	140	8	62	62		291	207	47	501	409	55
MH	27	13	5	24	12	5	69	25	0	120	50	10
TN	144	108	20	104	83	20	484	256	40	732	447	80
TOTAL	711	515	58	488	351	56	1725	923	121	2924	1789	235

A= Total No. of dealers and sub dealers

B= Total No. of dealers and sub dealers activated up to 31.03.2014

C= No. of dealers and sub dealers to be activated in 2014-15

**STATE WISE MFL BRANCHES ACTIVATED AS ON 31.03.2014 .
AND ACTIVATION PLAN FOR THE YEAR 2014-2015**

State	No. of MFL Branches activated	Activation plan
AP	192	382
GOA	7	4
GJ	97	23
KAR	260	303
KER	827	170
MH	15	14
TN	473	465
TOTAL	1871	1361

ACTION PLAN TO ACHIEVE 2014-15 TARGET

- Rs 613 Crores disbursement through Dealer vertical & Rs 187 crores from MFL Branch vertical.
- Focus on other manufacturers like Bajaj, TVS, Yamaha & Suzuki.
- Activation of non activated MFL Branches; leading to additional dealer coverage.
- Development of New Products.
- Revenue from Insurance renewal of existing customers
- Top Up Loan to prompt paying customers

Cont....

ACTION PLAN TO ACHIEVE 2014-15 TARGET.....

- **With intention to cut Finance Costs:**

Plan better negotiations with bank (Upgradation of Company's Ratings to STABLE by CRISIL will help in this regard);

Increase FD collection, for working capital needs;

- **With Intention to Increase Capital Adequacy Ratio**

Have started collecting Subordinate Debts. CAR as on 30th June 2014 was 16.6%.

A large blue circle with a subtle gradient and a drop shadow, centered on the slide. It contains the text 'Thank you' and a message about regular support.

Thank you

for your regular support. Hope to
come to you with even better
results next time

Y-o-Y ANALYSIS

Rs. In Lakhs

Particulars	FY 14	% of exp / profit on Revenue	FY 13	% of exp / profit on Revenue	YOY Variance +/-	YOY Growth	Remarks
Income							
Revenue From Operations	15 823	0	10 664	0	5 159	48.4%	Loan Book Size ↑ by 43% FY 13 ₹ 482 Crs. → FY14 ₹ 689 Crs. No. of disb. ↑ by 44% FY 13 (No.95 520) → FY 14 (No .1 37 294)
Other Income	53	0	58	0	-5	-8.6%	
Total Revenue (I)	15 876	0	10 722	0	5 154	48.1%	
Expenses							
Emp. Cost	3 478	21.9%	2 206	20.6%	1 272	57.7%	Avg No of emp ↑ by 42% FY 13 (Avg No.1312) → FY 14 (Avg No. 1866); ESI started Sep12, Impact Rs 51 lacs
Finance Costs	6 045	38.1%	3 633	33.9%	2 412	66.4%	
Interest on Bank Loans	5 155	32.5%	3 202	20.2%	1 953	61%	Bank Fund ↑ by 50%
Processing Fee	172	1.1%	108	0.7%	64	59.3%	FY 13 ₹ 326 Crs. → FY 14 ₹ 490 Crs.,
Bank Charges	10	0.1%	7	0.04%	3	42.7%	
Interest on F.D	149	0.9%	0	0	149	100%	FD raised during FY 14 ₹ 59 Crs.,
Brokerage on FD	82	0.5%	0	0	82	100%	Brokerage 0.82 Crs, fully charged off in the year
Interest on MFL -S.D	150	0.9%	0	0	150	100%	S D ₹ 20 Crs. from MFL (Repaid in Mar 2014), avg. interest rate 15%
Other Interest Cost	327	2.1%	316	2%	11	3.5%	Interest on Deb . ₹ 2.33 Crs(FY 13 ₹ 2.48 Crs) Interest on LFD . ₹ 0.57 Crs(FY 13 ₹ 0.68Crs) Interest on Sub- Debt . ₹ 0.37Crs(FY 13 - Nil)

Y-o-Y ANALYSIS

Rs. In Lakhs

Particulars	FY 14	% of exp / profit on Revenue	FY 13	% of exp / profit on Revenue	YOY Variance +/(-)	YOY Growth	Remarks
Depreciation	79	0.5%	53	0.3%	26	49.1%	Gross Block ↑ by 35%
Other Expenses	2 646	16.7%	1 470	9.3%	1 176	80%	
Dealer / MFL Incentive	1 209	7.6%	750	4.7%	459	61.2%	No. of disb ↑ by 44% FY 13 (No. 95 520) → FY 14 (No .1,37,294).
FI Charges	193	1.2%	127	0.8%	66	52%	Disb w/o Incentive ↓ from 6.4% to 3.2%
Business Promotion Expense	286	1.8%	69	0.4%	217	314.1%	MFL collection incentive ↑ from 0.2% → 0.5% (Impact ₹ 1.67 Crs.)
Rent	227	1.4%	130	0.8%	97	74.6%	2nd Flr and MFL space sharing started from April 2013. Cost ↑ by ₹ 0.83 Crs.
Loss on Sale of Repo. Assets	223	1.4%			223	100%	No. of vehicles sold in FY 14 (Nos. 684) In FY 13 (Nos. 207)
Other Expenses	508	3.2%	394	2.7%	114	28.9%	
Provisions	269	1.7%	133	0.8%	136	102.3%	
NPA Prov.	124	0.8%	40	0.3%	84	210%	NPA ↑ from 0.94% to 2.24%, ↑ from ₹ 4.56 Crs to 15.40Crs .
Standard Assets Prov.	56	0.4%	39	0.3%	17	43.6%	Loan Book Size ↑ by 43% FY 13 ₹ 482 Crs. → to FY14 ₹ 689 Crs.
Value of Repo. Assets Prov.	70	0.4%	27	0.2%	43	159.3%	Value of Repo. Assets ↑ from ₹ 0.81Crs. to ₹ 2.49 Crs.
Other Prov.	19	0.1%	27	0.2%		-29.6%	
PBT	3 359	21.1%	3 227	20.3%	132	4.1%	
Tax Exp	1 138	7.2%	1051	6.6%	87	8.3%	surcharge ↑ 5 % → 10% ; approx Rs 54 L impact
P/(L) For The Year	2 221	14%	2 176	13.7%	45	2.1%	

✓ PERFORMANCE ANALYSIS

PROFIT & LOSS ACCOUNT

Rs. In Lakhs

Particulars	Year Ended		
	31-Mar-12	31-Mar-13	31-Mar-14
Income			
Income From operation			
Auto Loan	6 029	10 591	15 726
Gold Loan	616	46	60
Loan against DPN	37	21	30
Loan against FD			
Loan against Debenture	4	6	8
Other Income	49	58	53
Total Income	6 735	10 722	15 876
Expenses			
Employee benefit expense	1 221	2 206	3 478
Finance costs	2 033	3 633	6 045
Depreciation & amortization	31	53	79
Other expenses	1 037	1 469	2 647
Provisions	112	133	269
Total Expenses	4 435	7 495	12 518
Profit before Tax	2 300	3 227	3 358
Tax Expense	750	1 051	1 138
Profit After Tax	1 551	2 176	2 221

STATEMENT OF ASSETS & LIABILITIES

Rs. In Lakhs

Sources	As at			Applications	As at		
	31-Mar-12	31-Mar-13	31-Mar-14		31-Mar-12	31-Mar-13	31-Mar-14
Share Capital	6 50	12 47	12 47	Fixed assets	64	1 98	2 84
Reserves & Surplus	22 27	90 43	106 07	Investments+	19	21	7 07
Bank Borrowings **	70 68	324 30	488 63	Deferred Tax Assets	34	1 00	1 32
Loan from Directors	24 97	7 68	8 21	Auto Loan *	129 79	453 92	678 04
Other Unsecured Loan	30 00			Gold Loan	41 34	1 31	15
Debentures	15 22	20 44	13 00	Other Loans	98	1 04	1 82
Sub Debt			2 58	Cash and Cash Equivalents++	3 17	92	8 24
Fixed Deposit			58 88	Other Assets	4 87	15 69	15 42
Provisions	3 35	7 92	10 70				
Other Liabilities	8 33	12 81	14 33				
Total	181 32	476 07	714 89	Total	181 32	476 07	714 89

In respect of FY14 figures

* Auto Loan = ₹ 678 04 L+ ₹ 10 92 L (Buy out Loan) = ₹ 688 96 L

** Bank Loan = ₹488 63 L+ ₹ 10 92 L (Buy out Loan) = ₹ 499 55 L

+Investments includes SLR Investment of ₹ 6 85 L

++Cash and Cash Equivalents includes SLR Deposit of ₹ 52 L

SPREAD ANALYSIS

Rs. In Lakhs

Avg Loan Book Size

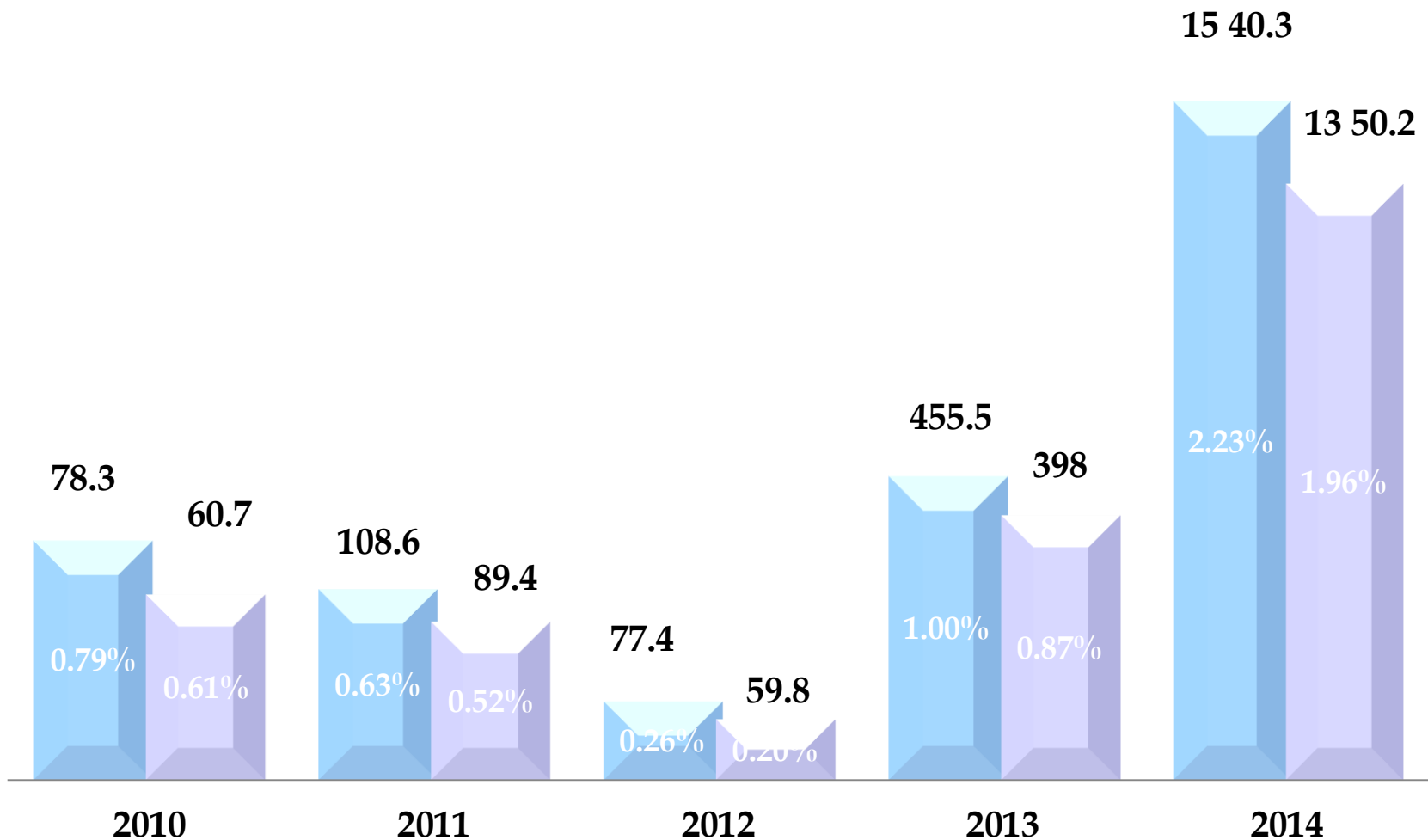
376 53

568 14

Analysis on Average AUM	Year Ended Mar-13		Year Ended Mar-14	
	Amount	%	Amount	%
Income from Operations	107 22	28.5%	158 76	27.9%
Financial Expenses	36 33	9.6%	60 45	10.6%
Direct Expenses(incl. Brokerage, Dealer /MFL Ince. , FI charges)	8 77	2.3%	14 02	2.5%
Gross Spread	62 12	16.5%	84 29	14.8%
Personnel Expenses	22 06	5.9%	34 78	6.1%
OPEX (incl. depreciation etc...)	6 46	1.7%	13 24	2.3%
Total Expenses	28 51	7.6%	48 02	8.5%
Pre Provision Profits	33 60	8.9%	36 27	6.4%
Provisions	1 33	0.4%	2 78	0.5%
Net Spread	32 27	8.6%	33 50	5.9%

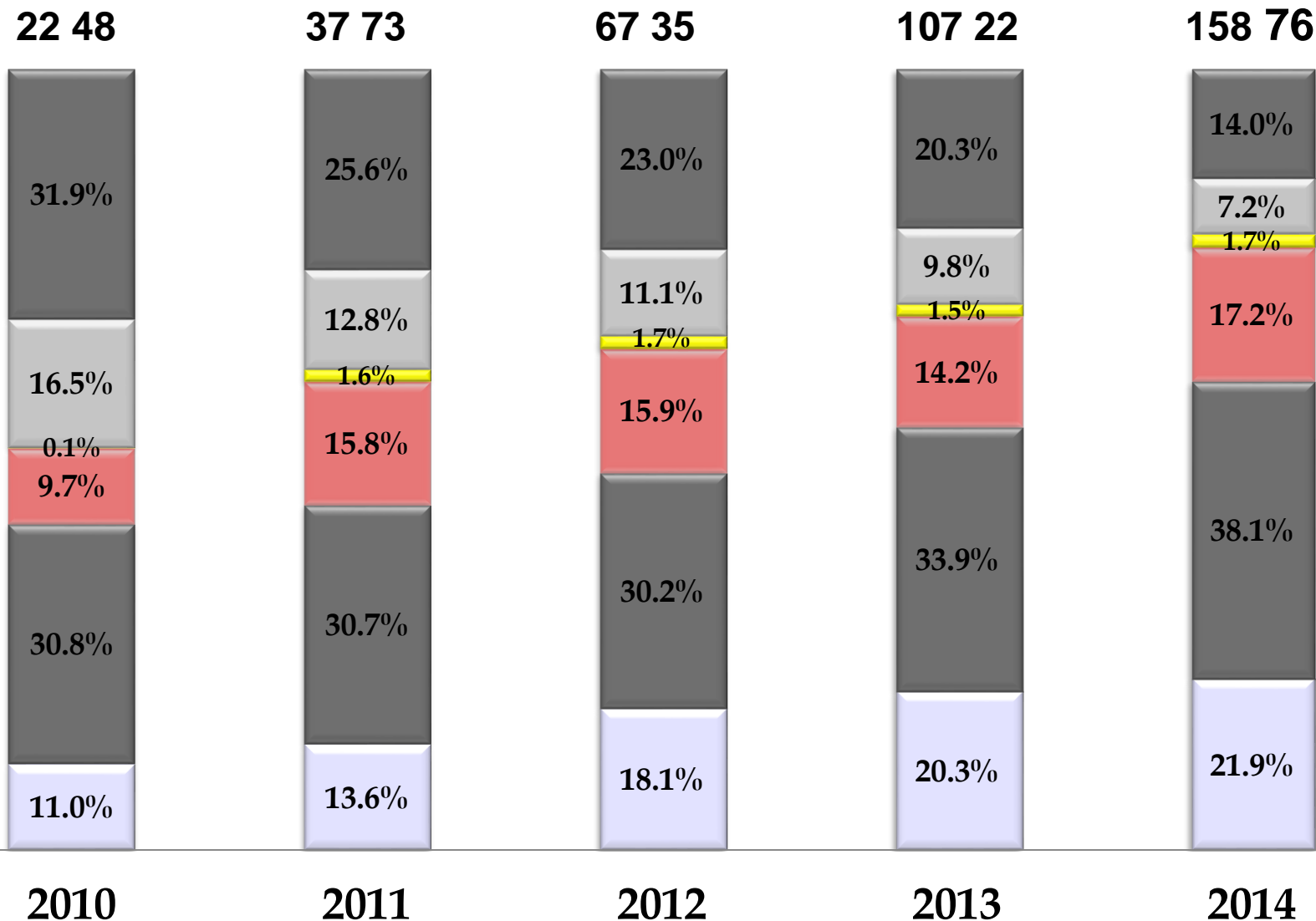
■ **Gross NPA (%)**
■ **Net NPA (%)**

Rs. in Lakhs & In %



MCSL Year wise comparison

■ Emp. Benefit
■ Fin. Cost
■ Other Exp.
■ Provisions
■ Tax
■ PAT



✓ PEER COMPANY YEAR WISE COMPARISON

Year wise Peer Comparison

■ Emp Cost ■ other expenses ■ Finance Cost ■ Tax Expenses ■ Net Profit

