



Board Presentation dated 26th July 2017

Quarter ended 30th June 2017

PERFORMANCE ANALYSIS

FINANCIALS

₹. In Crores

Quarterly Trend

	Q4 FY 17	Q1 FY 18	Q-o-Q	Q1 FY 17	Y-o-Y
Disbursement :					
Hyp Loans	358.1	340.6	-4.9%	232.7	46.4%
Other Loans	65.0	31.2	-52.0%	23.5	32.8%
Total Disbursements	423.1	371.8	-11.1%	256.2	45.1
AUM at the end of the period*	1203.7	1313.7	9.1%	1090.3	20.5%
Average AUM **	1133.0	1272.7	12.3%	1051.0	21.1%
Total Interest and Fee Income	79.8	79.7	-0.2%	64.2	24.0%
Finance Expenses	25.8	28.1	8.9%	25.2	11.3%
Net Interest Income(NII)	54.0	51.6	-4.5%	39.0	32.2%
Operating Expenses	31.8	33.1	4.0%	25.1	32.1%
Loan Losses & Provisions	5.3	9.2	72.9%	7.0	30.6%
Profit Before Tax	16.9	9.4	-44.9%	6.9	34.5%
Profit After Tax	11.1	6.1	-45.2%	4.5	36.0%

Ratios	Q4 FY 17	Q1 FY 18		Q1 FY 17	
Total OPEX to NII	58.8%	64.1%		64.3%	
Loan losses & Prov. to Avg. AUM***	1.9%	2.9%		2.7%	
Return on Avg AUM ***	3.9%	1.9%		1.7%	
Earning Per Share (In ₹)	8.1	4.4		3.3	

Full Year Trend

FY 16	FY 17	Y-o-Y
780.0	1135.0	45.5%
147.9	162.8	10.1%
927.9	1297.8	39.9%
1038.8	1203.7	15.9%
882.3	1046.0	18.6%
228.5	284.2	24.4%
87.0	103.9	19.4%
141.5	180.3	27.4%
88.6	112.0	26.4%
17.4	22.1	27.0%
35.5	46.2	30.1%
22.9	30.1	31.4%

FY 16	FY 17	
62.6%	62.1%	
2.0%	2.1%	
2.6%	2.9%	
16.7	21.9	

* Total AUM including managed portfolio of ₹ 244.9crs is ₹ 1 558.7 crs (Q-o-Q-8% up) (Y-o-Y- 43% up)

** Avg AUM including managed Portfolio is ₹ 1 495.2 crs (Q-o-Q- 26% up) (Y-o-Y 42%)

***Figures are annualized

STATEMENT OF SOURCES AND APPLICATIONS



₹. In Crores

Sources	As At			Applications	As At		
	30-June-16	31-Mar-17	30-June-17		30-June-16	31-Mar-17	30-June-17
Share Capital	12.47	12.47	13.72	Fixed assets	1.88	2.59	2.84
Reserves & Surplus	139.90	165.51	170.35	Investments	19.93	28.22	31.31
Bank Borrowings	768.10	814.82	919.73	Deferred Tax Assets	5.98	6.57	8.56
Debentures	2.41	1.23	1.00	Other Long term Loans & adv.	0.26	0.68	0.36
Sub Debt	31.35	49.68	50.64	Auto Loan	970.23	1005.48	1111.66
Public Deposit	105.54	108.79	99.58	Loan Buyout	21.38	6.72	3.92
Loan from Directors	13.64	13.64	17.39	Term Loans	75.68	167.78	175.98
Intercorporate Loan	1.44	1.53	1.56	Other Loans	10.88	8.16	6.14
Interest. Accrued on Loans	11.36	11.13	12.46	Interest Accrued on Loans	13.29	15.53	16.10
Total Borrowings	933.83	1000.82	1102.36	Total Loans	1091.46	1203.67	1313.80
Securitization Dues Payable		31.54	31.72	Cash and Cash Equivalents	2.05	1.02	1.83
Other Liabilities	21.85	45.05	54.04	Short Term Loans and Adv.	3.57	2.86	4.29
Provisions	17.64	22.80	28.95	Other Assets	0.57	32.58	38.15
Total	1125.71	1278.19	1401.14	Total	1125.71	1278.19	1401.14

PERFORMANCE HIGHLIGHTS



₹ in crores

Disbursement

Q-o-Q	Y-o-Y
371.8	371.8
	
423.1	256.2



₹ in crores

Loan Book Size

Q-o-Q	Y-o-Y
1558.6	1558.6
	
1439.7	1090.3



₹ in crores

Revenue

Q-o-Q	Y-o-Y
79.8	79.8
	
79.8	64.3



₹ in crores

Loan Losses & Provision

Q-o-Q	Y-o-Y
9.2	9.2
	
5.3	7.0



₹ in crores

NPA

Q-o-Q	Y-o-Y
96.9	96.9
	
74.2	69.4



₹ in crores

PAT



Q-o-Q	Y-o-Y
6.1	6.1
	
11.1	4.5

In ₹

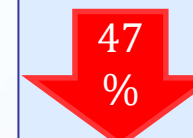

Diluted EPS

Q-o-Q	Y-o-Y
4.4	4.4
	
8.1	3.3

ROA

Q-o-Q	Y-o-Y
1.9%	1.9%
	
3.9%	1.7%

ROE

Q-o-Q	Y-o-Y
13.5%	13.5%
	
25.8%	14.0%

MAIN FACTORS IMPACTING PROFITABILITY - DELINQUENCIES

₹. In Crores

Particulars	For FY '16	Q1 FY '17	Q2 FY '17	Q3 FY '17	Q4 FY '17	For FY '17	Q1 FY '18
Unrealized Income reversed	3.1	1.3	-0.2	1.2	0.0	2.3	2.0
Loss on sale + Provision for diminution in value of repo. assets	9.1	2.8	3.2	2.5	3.4	11.9	2.6
NPA write off	3.0	0	0	0	1.7	1.7	0
NPA Provision	4.0	3.6	1.0	3.1	-0.10	7.6	5.6
Total	19.2	7.7	4.0	6.8	4.9	23.5	10.2
Avg AUM	882.3	1051.0	*1022.7	*1115.0	*1133.0	*1046.0	*1272.7
% of Credit cost on Avg AUM (annualized)	2.2%	2.9%	1.6%	2.4%	1.7%	2.2%	3.2%

*Average AUM is excluding managed portfolio

SALES ANALYSIS

ZONEWISE DISBURSEMENT (HYP LOANS) – Y-o-Y

₹. In Crores

Zone	MFL Branch				Dealer				Total				Growth%
	June '16		June '17		June '16		June '17		June '16		June '17		
	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	
East	16	0.07	68	0.33	244	1.07	2 143	10.17	260	1.14	2 211	10.50	820%
West	1 166	4.92	958	4.31	2 248	9.54	3 294	14.93	3 414	14.46	4 252	19.24	33%
North	139	0.58	301	1.32	1 154	4.78	6 993	30.80	1 293	5.36	7 294	32.11	499%
South	8 084	40.20	9 039	49.73	35 515	171.51	44 602	228.97	43 599	211.72	53 641	278.71	32%
Overall	9 405	45.79	10 366	55.69	39 161	186.90	57 032	284.87	48 566	232.68	67 398	340.56	46%

Branch Disb Growth – 22%

Dealer Disb Growth – 52%

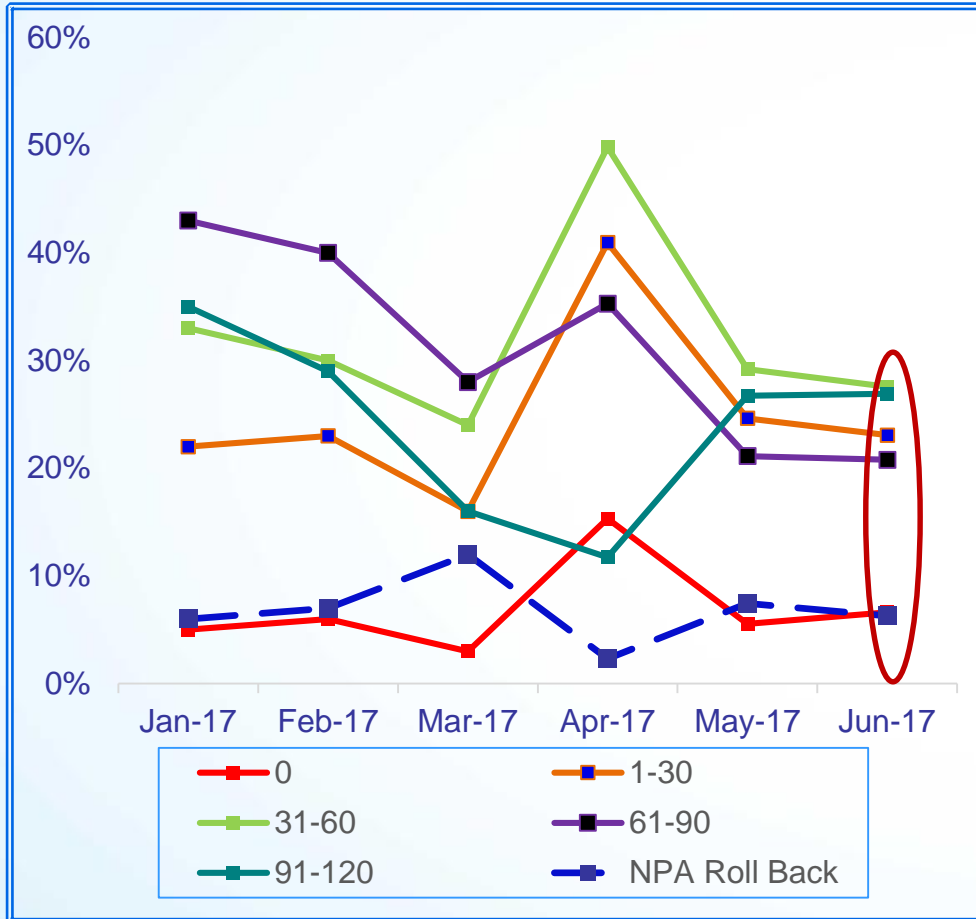
Overall Disb Growth – 46%

COLLECTION ANALYSIS

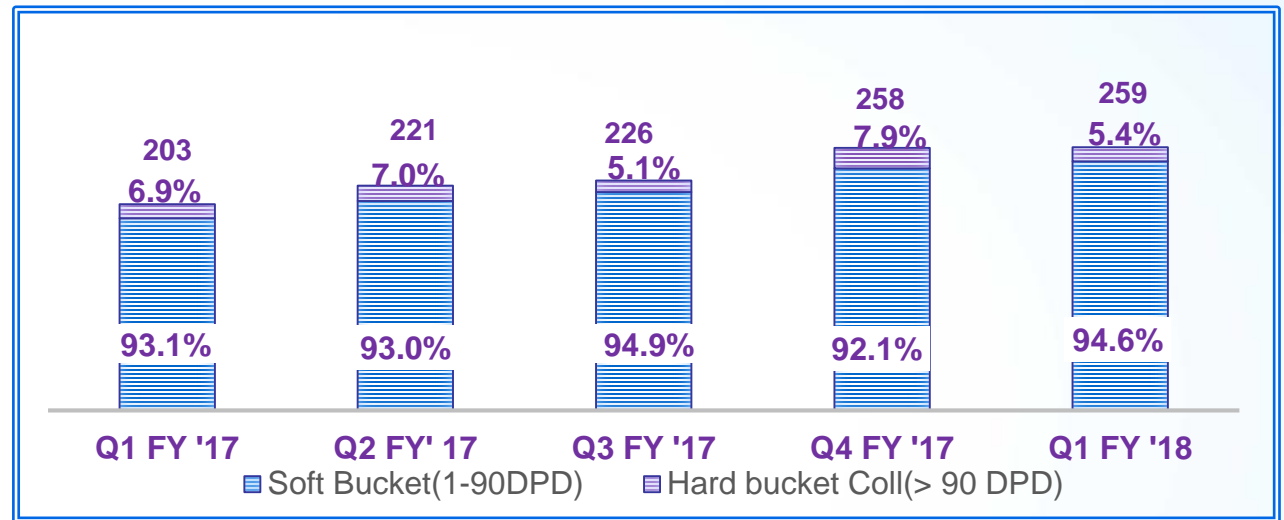
COLLECTION PERFORMANCE MONITORING (HYP)

₹.in Crores

Bucket Wise Flow



Collection Performance



₹.in Crores

	Q1 FY '17	Q2 FY' 17	Q3 FY '17	Q4 FY ' 17	Q1 FY'18
Soft Bucket (1-90)	188.9	205.9	214.7	238.0	245.2
Hard bucket(>90)	13.9	15.3	11.5	20.3	13.9
Total	202.8	221.2	226.2	258.3	259.0

COLLECTION - BUCKETWISE FLOW

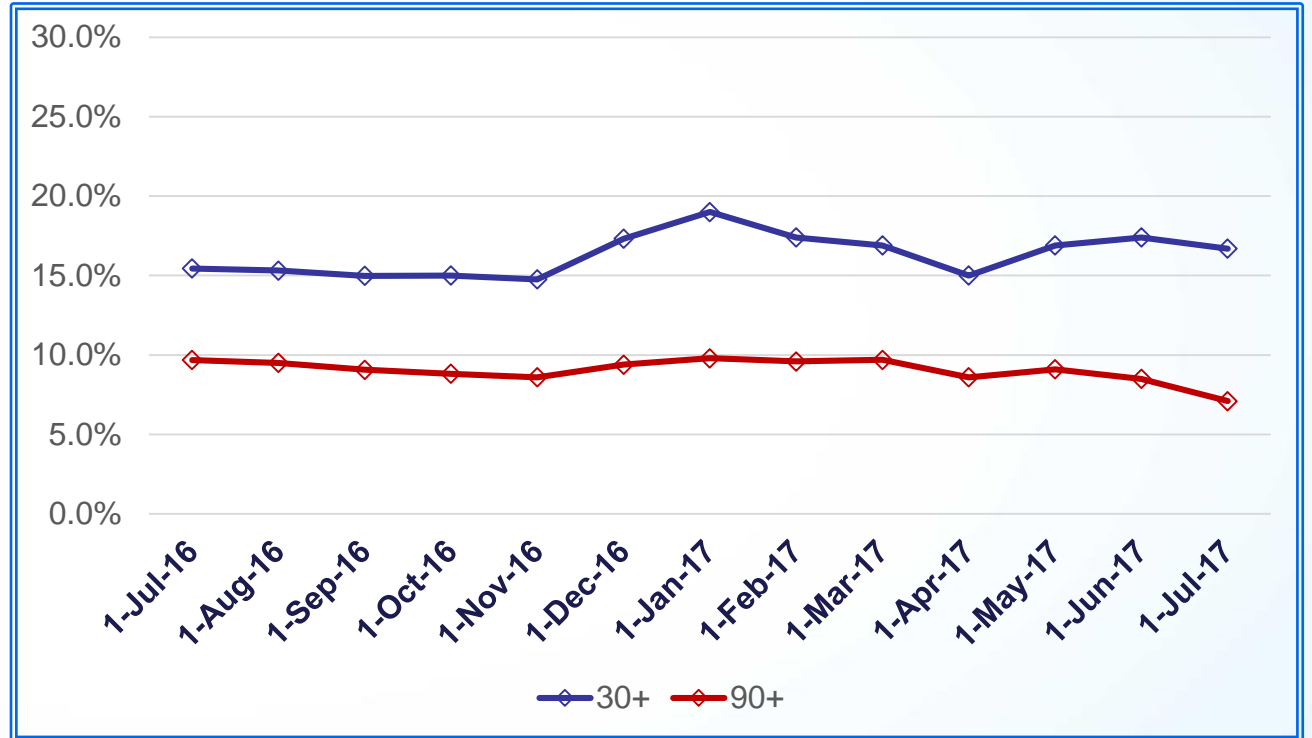
Month	Bucket flow					NPA roll back
	0	1 to 30	31 -60	61 -90	91- 120	
Jun'16	4%	24%	32%	36%	27%	7%
Jul'16	4%	27%	34%	37%	26%	7%
Aug'16	4%	26%	30%	33%	28%	8%
Sep'16	6%	32%	37%	41%	26%	6%
Oct'16	5%	27%	31%	36%	27%	6%
Nov'16	15%	55%	58%	65%	58%	3%
Dec'16	4%	28%	38%	46%	34%	6%
Jan'17	5%	22%	33%	43%	35%	6%
Feb'17	6%	23%	30%	40%	29%	7%
Mar'17	3%	16%	24%	28%	16%	12%
Apr'17	15%	41%	50%	35%	12%	2%
May'17	6%	25%	29%	21%	27%	7%
June'17	7%	23%	28%	21%	27%	6%

PORTFOLIO TREND - HYP

₹.in Crores

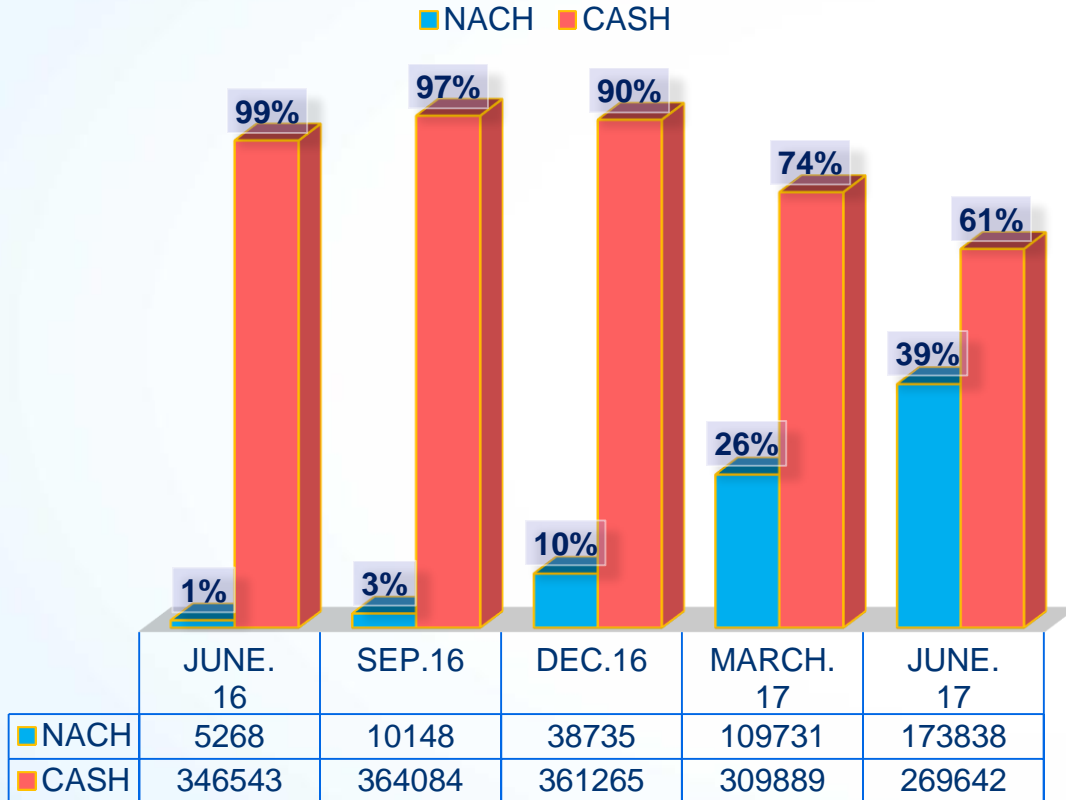
Month	AUM	30+	90+	30+%	90+%
01-Jul-16	971	150.0	94.0	15.4%	9.7%
01-Aug-16	985	151.0	93.7	15.3%	9.5%
01-Sep-16	1 004	150.3	91.0	15.0%	9.1%
01-Oct-16	1 043	156.4	92.0	15.0%	8.8%
01-Nov-16	1 075	158.7	92.5	14.8%	8.6%
01-Dec-16	1 100	190.5	103.8	17.3%	9.4%
01-Jan-17	1 116	211.8	109.6	19.0%	9.8%
01-Feb-17	1 153	200.6	110.8	17.4%	9.6%
01-Mar-17	1 192	201.4	115.9	16.9%	9.7%
01-Apr-17	1 242	185.9	106.4	15.0%	8.6%
01-May-17	1 265	213.8	115.2	16.9%	9.1%
01-Jun-17	1 307	227.7	110.6	17.4%	8.5%
01-Jul-17	1 357	227.1	96.9	16.7%	7.1%
Growth	39.8%	51.4%	3.1%		

Portfolio Trend



NACH ACCOUNTS

Live Accounts – Cash v/s NACH Mode



Monthly NACH Disbursement

Month	Total Disbursement	NACH MODE	%
Jan-17	22 146	22 146	100%
Feb-17	22 379	22 341	99.83%
Mar-17	26 567	26 506	99.77%
Apr-17	18 943	18 923	99.89%
May-17	23 277	23 245	99.86%
June-17	25 101	25 033	99.72%
Total	1 38 413	1 38 194	99.84%

100% Disbursement in NACH Repay Mode

NPA MOVEMENT – HYP LOAN – Q1 FY '18

₹. In Crores

Particulars	2 Wheeler		3 Wheeler & others		Total (Value)		
	Count	Principal	Count	Principal	Principal	Un realized	Provision
Balance as on 31.03.2017	41 226	71.3	874	2.89	74.1	9.4	16.6
Slipped NPA due to new NPA Policy	13 656	29.5	149	0.39	29.9	1.8	3.0
NPA amount 3M as on 31.03.2017	54 882	100.7	1 023	3.28	104.0	11.1	19.6
Add: Slipped to NPA April to June 17	8 245	16.1	34	0.03	16.1	1.6	4.9
Sub Total	63 127	116.8	1 057	3.31	120.1	12.7	24.5
Less: Moved out from NPA for April 17 to June 17	9 577	14.4	221	0.43	14.9	0.9	1.7
Repossessed Asset sold April 17 to June 17	1 015	3.4	29	0.17	3.6	0.5	0.6
Amt. collected from NPA Accounts April 17 to June 17		4.6		0.24	4.8	0.0	-
Balance as on 30.06.2017	52 535	94.4	807	2.47	96.9	11.3	22.2

NPA MOVEMENT – HYP LOAN – ACROSS 8 QUARTERS

₹.in Crores

Particulars	Q2 '16	Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3 '17	Q4 '17	Q1 '18
Opening Balance	59.7	59.9	62.1	54.0	69.2	66.5	78.1	74.2
Slippage due to NPA Policy change	-	-	-	15.9	-	-	-	29.8
Fresh slippages during the period	11.9	13.6	9.6	12.7	11.8	20.1	13.9	16.1
Sub Total	71.6	73.5	71.7	82.6	81.0	86.6	92.0	120.1
Less: NPA Moved out	7.0	5.6	6.8	6.5	6.7	3.3	8.9	14.8
Less: Repossessed assets sold	2.4	3.7	5.4	3.8	5.0	3.2	4.8	3.6
Less: Write off	-	-	3.0	-	-	-	1.7	-
Less: Amount collected but not moved out of NPA	2.3	2.1	2.5	3.1	2.8	2.0	2.4	4.8
Closing Balance	59.9	62.1	54.0	69.2	66.5	78.1	74.2	96.9

ANALYSIS – 5 QUARTERS

SPREAD ANALYSIS

₹. In Crores

Analysis on Avg loan book size	Jun-16		Sep-16		Dec-16		Mar-17		Jun-17	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Avg Loan Book Size	1051.0		1022.72		1115.0		1133.0		1272.7	
Revenue from operations	63.8	24.3%	69.5	27.2%	68.6	24.6%	79.4	28.0%	79.2	24.9%
Direct exp.	31.1	11.8%	32.6	12.8%	32.4	11.6%	32.8	11.6%	34.3	10.8%
Gross Spread	32.7	12.4%	36.9	14.4%	36.2	13.0%	46.6	16.4%	44.9	14.1%
Personnel Expenses	12.5	4.8%	13.0	5.1%	13.7	4.9%	13.9	4.9%	14.7	4.6%
OPEX (incl. depreciation etc...)	6.7	2.5%	8.0	3.1%	8.2	2.9%	10.8	3.8%	12.2	3.8%
Total Expenses	19.2	7.3%	21.0	8.2%	21.9	7.9%	24.7	8.7%	26.9	8.5%
Pre Provision Profits	13.5	5.1%	16.0	6.2%	14.2	5.1%	21.9	7.7%	18.0	5.7%
Loan Loss and provisions	7.0	2.7%	4.1	1.6%	5.6	2.0%	5.3	1.9%	9.2	2.9%
Net Spread	6.5	2.5%	11.8	4.6%	8.6	3.1%	16.5	5.8%	8.8	2.8%

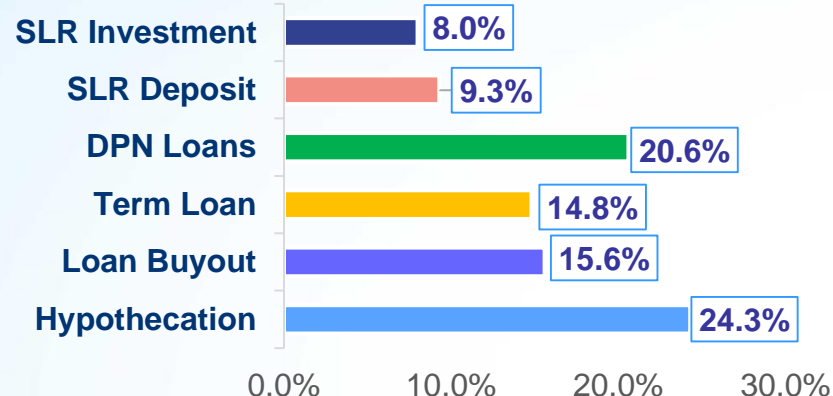
* Excluding managed portfolio; Income excluding income from SLR investments

ANALYSIS OF COST & YIELD

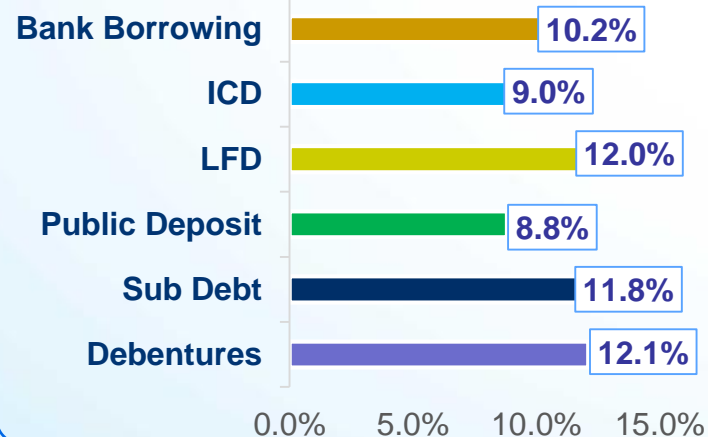
SL.No.	Description of Loan	EFFECTIVE RATE					
		Q4 FY '16	Q1 FY '17	Q2 FY '17	Q3 FY '17	Q4 FY '17	Q1 FY '18
1	Hypothecation	27.3%	25.3%	26.2%	24.3%	27.0%	24.3%
2	Loan Buyout	15.8%	15.7%	15.5%	15.5%	15.8%	15.6%
3	Term Loan	15.8%	15.7%	15.6%	15.3%	15.1%	14.8%
4	DPN Loans	19.8%	21.1%	21.2%	21.5%	20.6%	20.6%
5	SLR Deposit	9.2%	8.8%	9.1%	9.3%	9.4%	9.3%
6	SLR Investment (Govt Sec)	7.8%	8.0%	8.0%	7.9%	8.0%	8.0%
	Yield	26.2%	24.0%	24.7%	23.1%	25.1%	22.7%
1	Secured Debenture	12.7%	12.9%	13.0%	12.5%	12.8%	12.1%
2	Sub Debt	11.9%	11.8%	12.1%	12.1%	12.1%	11.8%
3	Public Deposit	9.8%	9.9%	9.5%	9.5%	9.3%	8.8%
4	Loan From Directors	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
5	Inter corporate Deposit	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
6	Bank Borrowings	11.0%	11.1%	11.1%	10.9%	10.5%	10.2%
	Cost	10.9%	11.0%	10.9%	10.8%	10.5%	10.1%
	Interest Spread	15.4%	13.1%	13.8%	12.3%	14.6%	12.6%

ANALYSIS OF COST & YIELD – Q1 FY 18

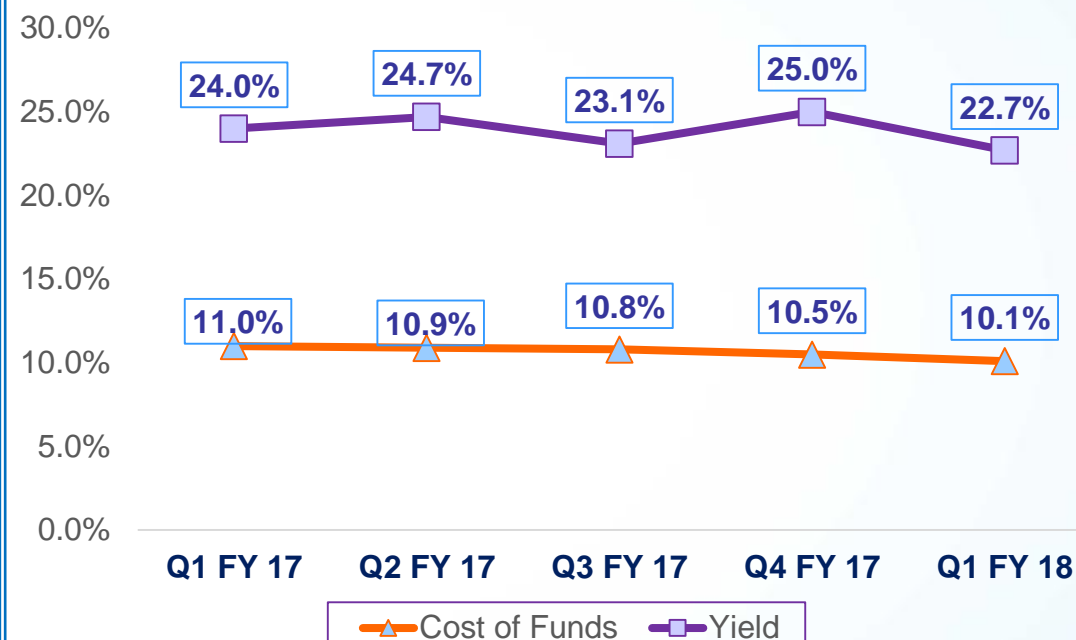
Composition of Yield



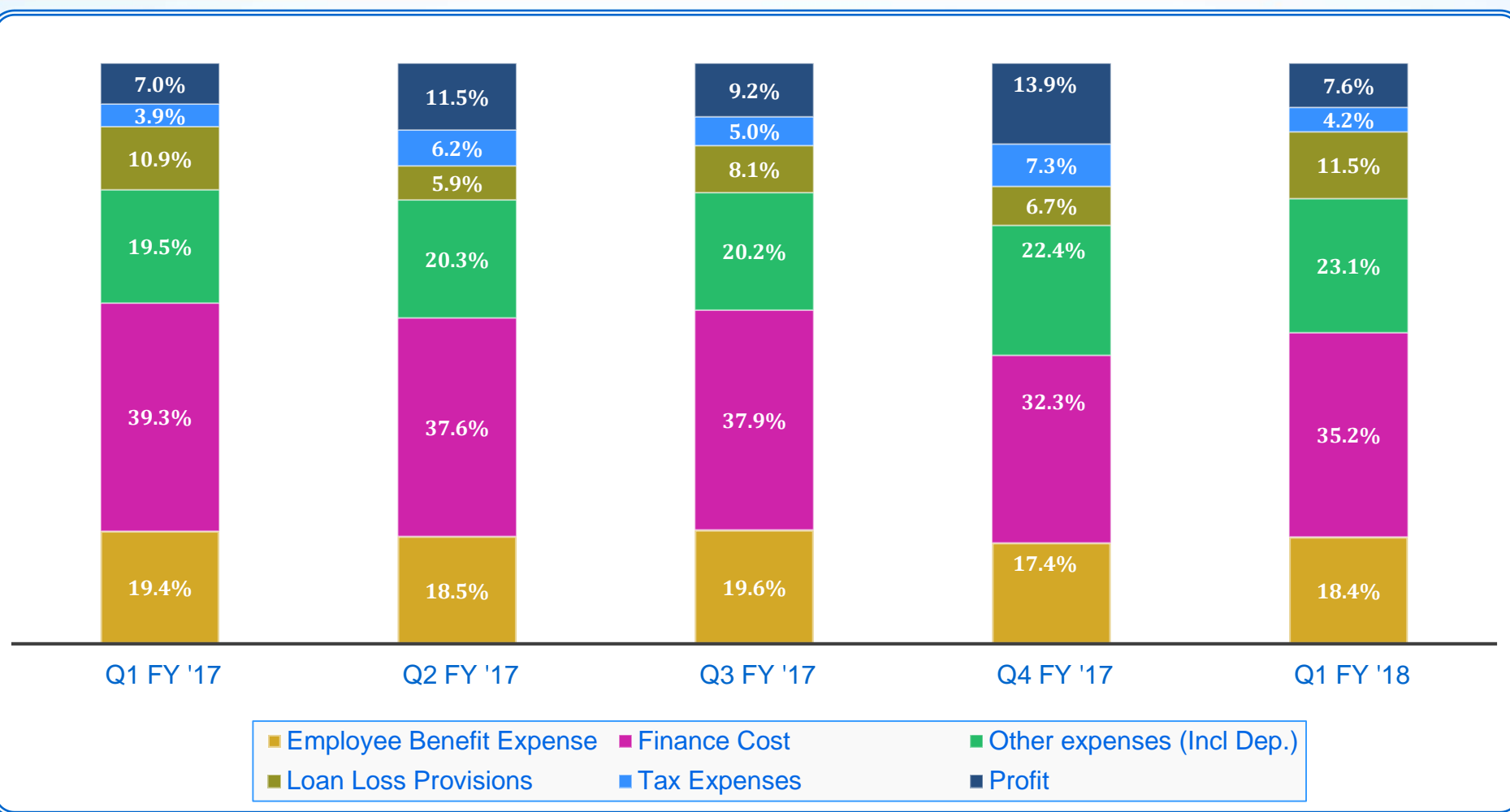
Composition of Cost



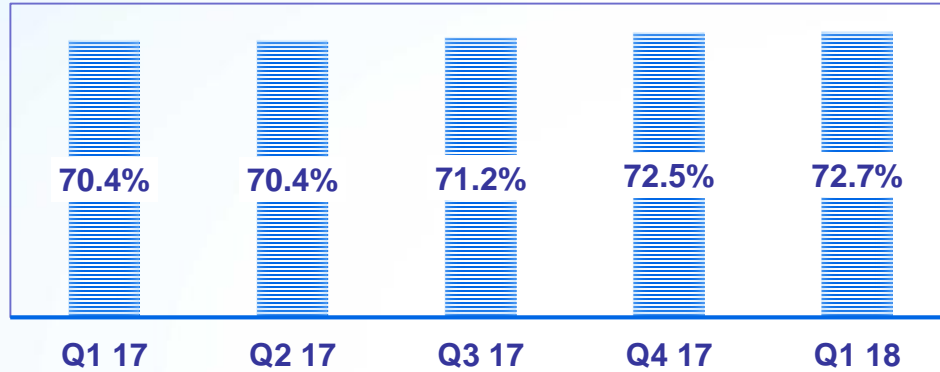
Cost of Funds, Yield & Spread



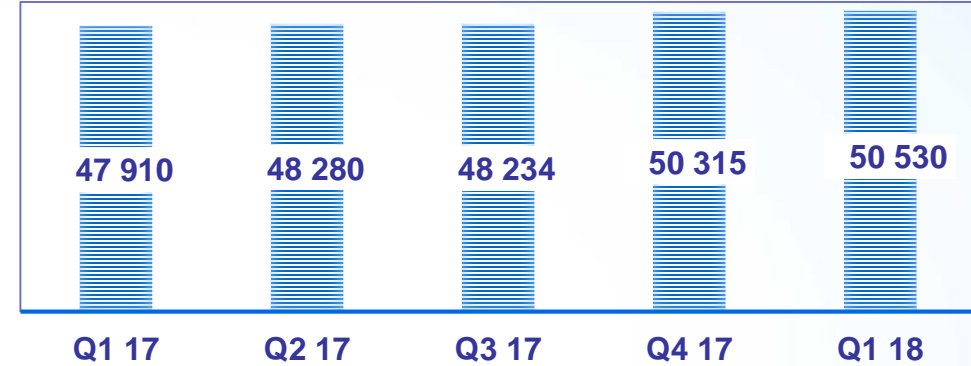
EXPENSE AS PERCENTAGE OF REVENUE - Q-o-Q



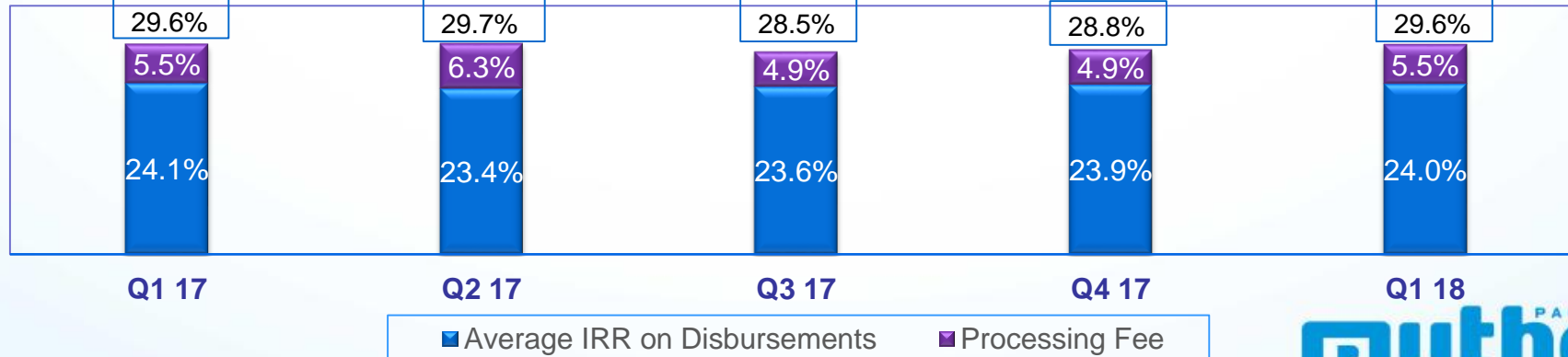
Average LTV



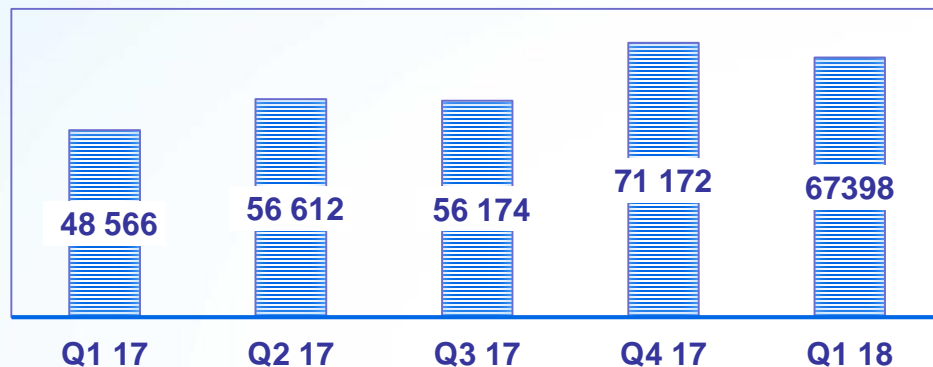
Average Ticket Size (in ₹)



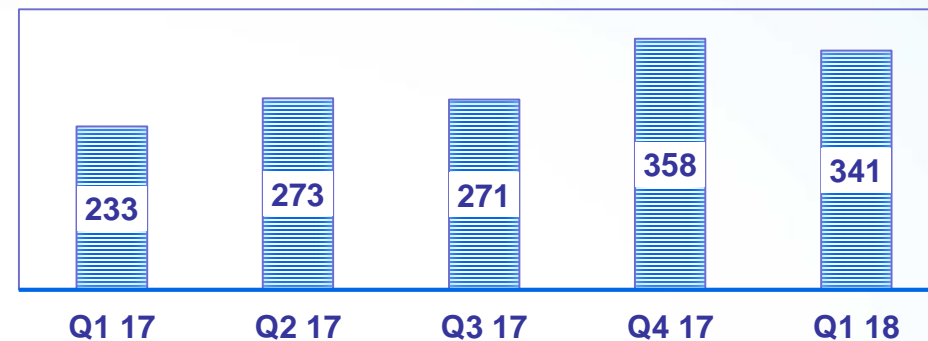
Avg. IRR & Processing Fee on Disbursement



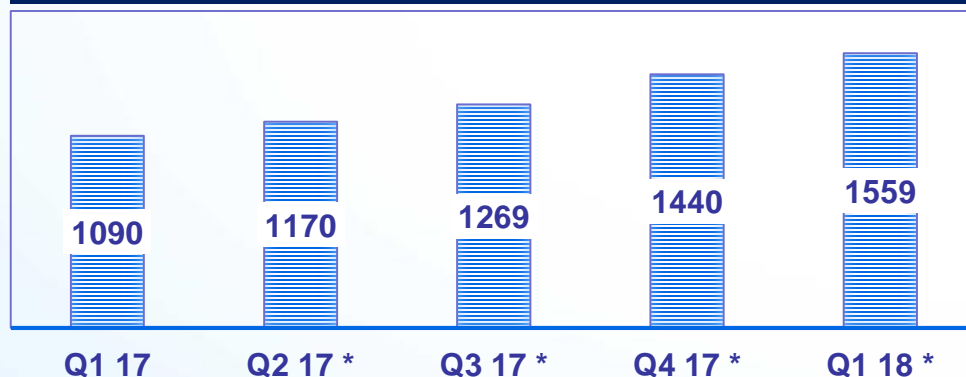
Disbursement Count (Hypo Loan)



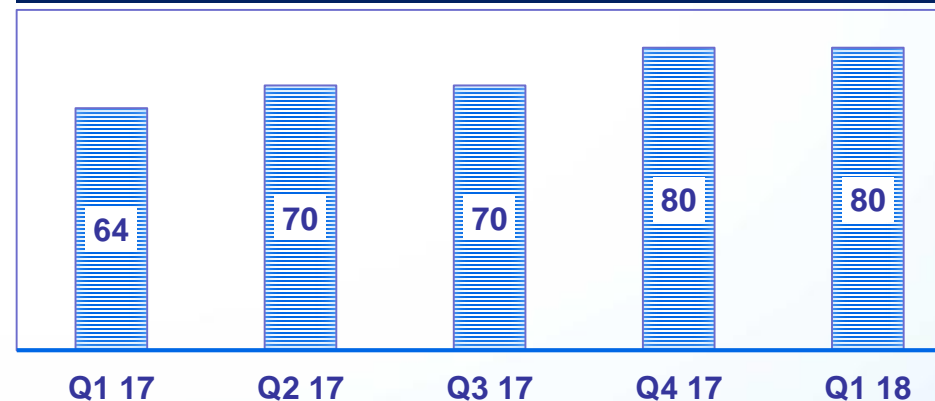
Disbursement - Hypo Loan (in ₹ crores)



Loan Book Size (in ₹ crores)

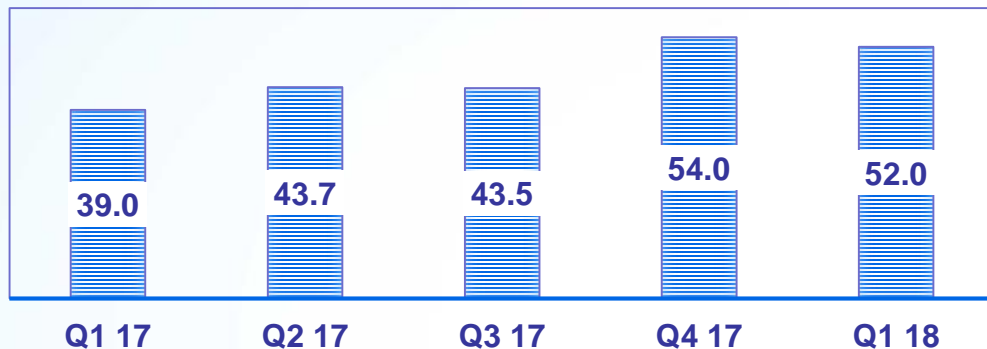


Revenue (in ₹ crores)

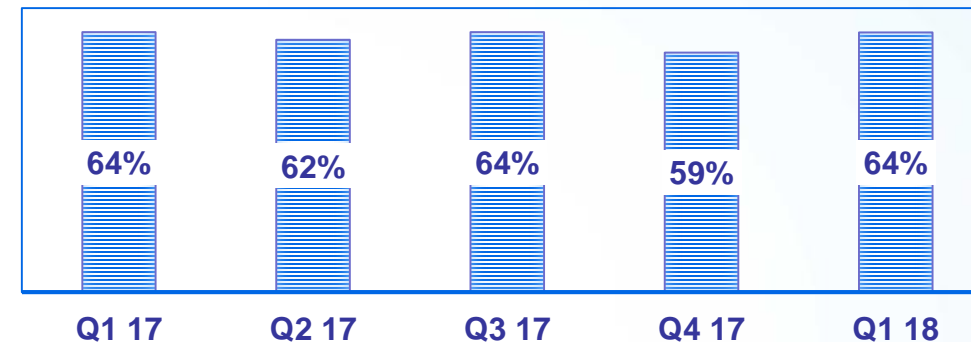


* Including managed portfolio

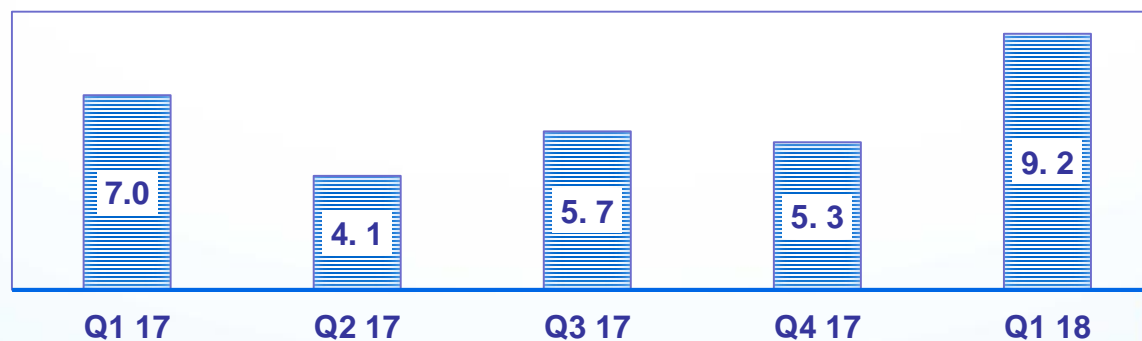
NII (₹ in Crores)



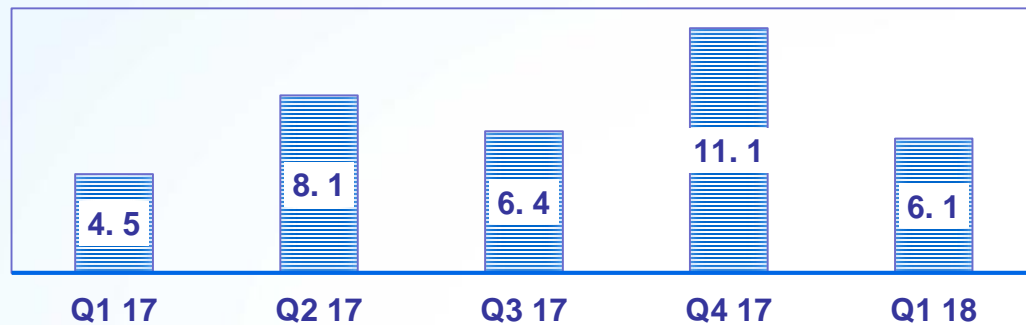
OPEX AS % OF NII



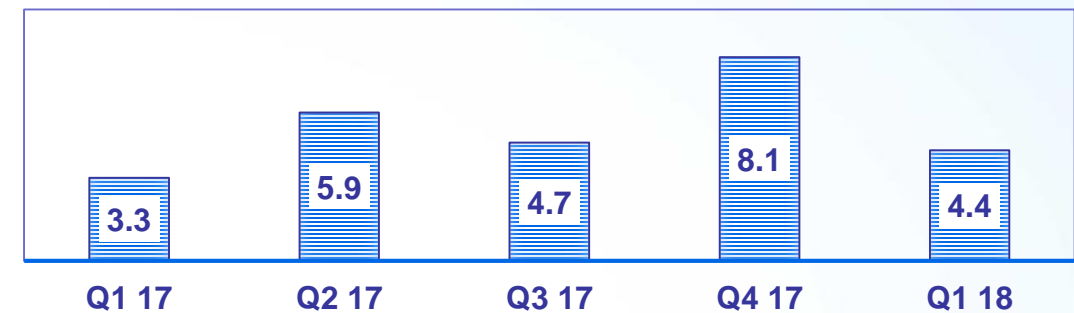
Loan Loss Prov. & Write Off (₹ in Crores)



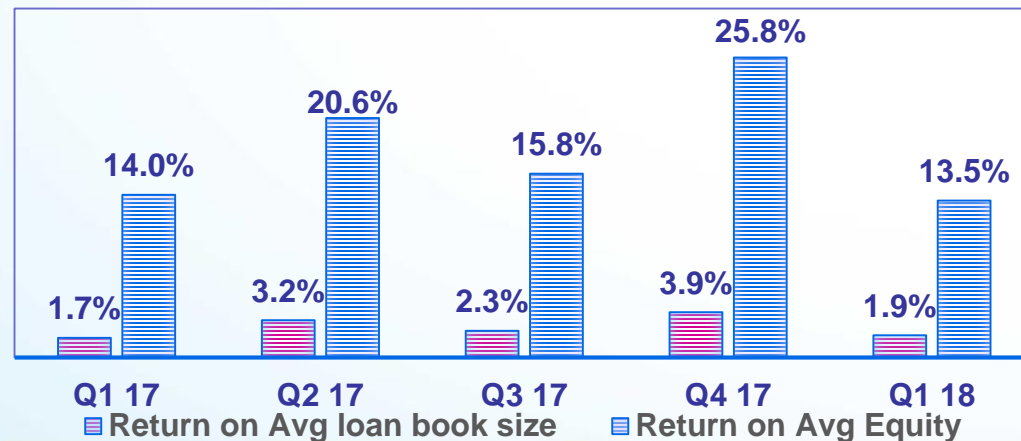
PAT (₹ in Crores)



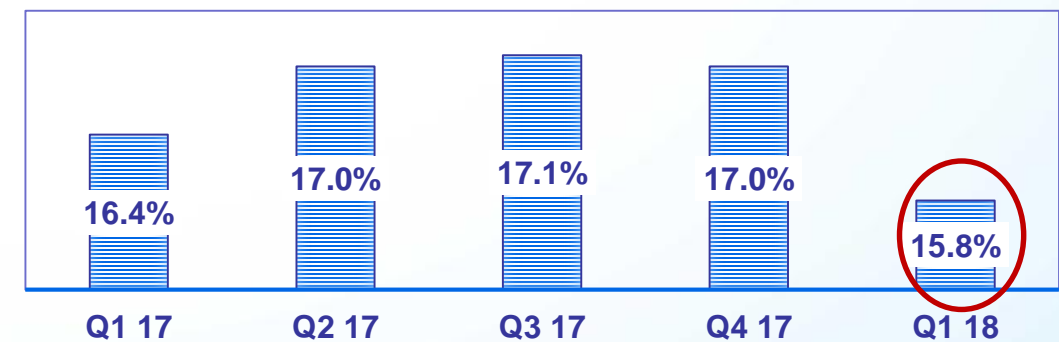
Diluted Earning per Share (in ₹)



ROA & ROE

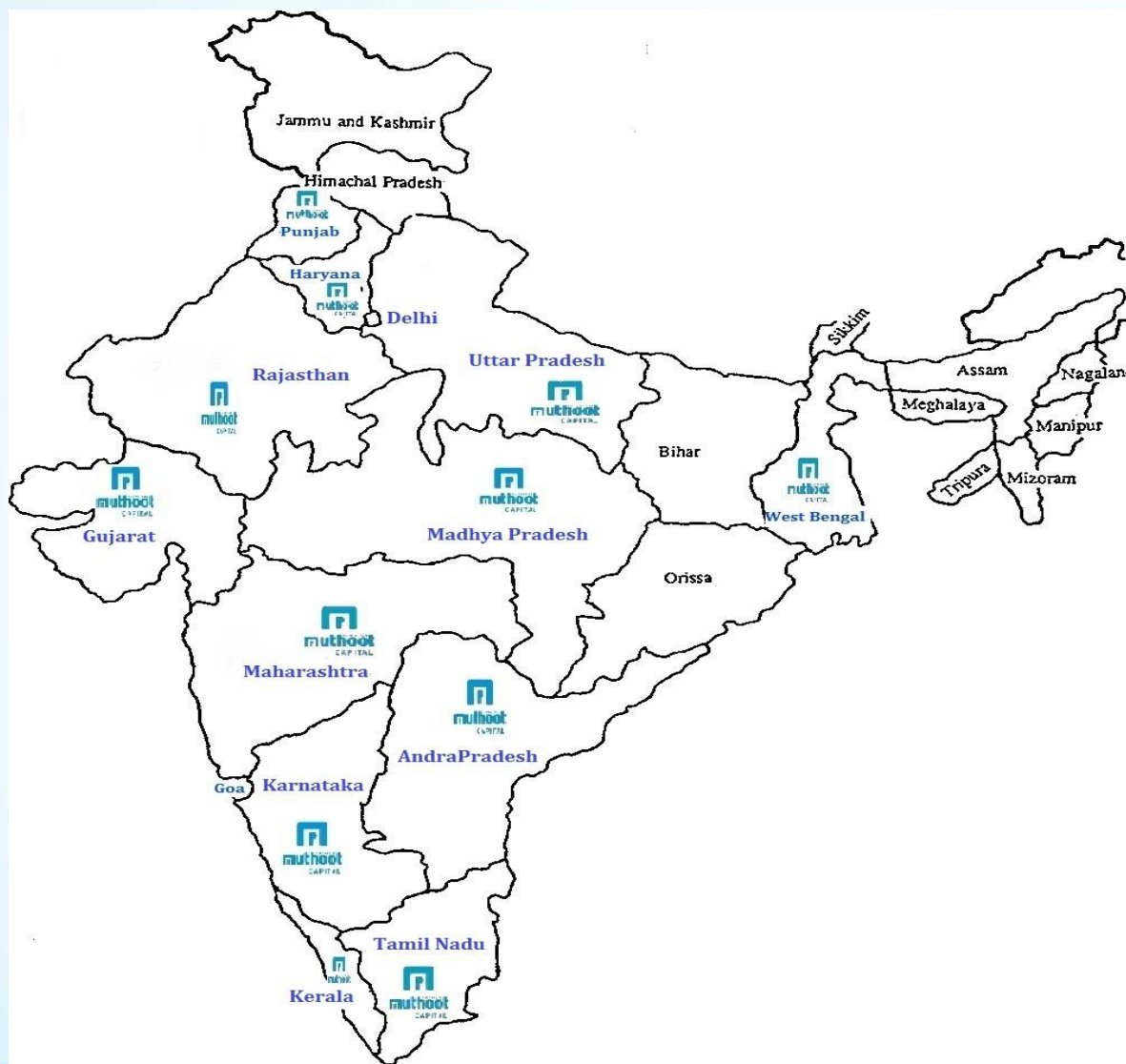


Capital Adequacy Ratio



ASSET ANALYSIS

MCSL GEOGRAPHIC OVERVIEW - HYP

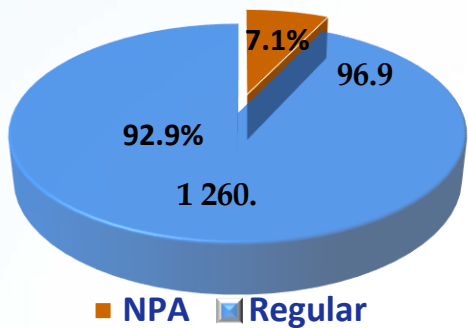


₹ in Crores

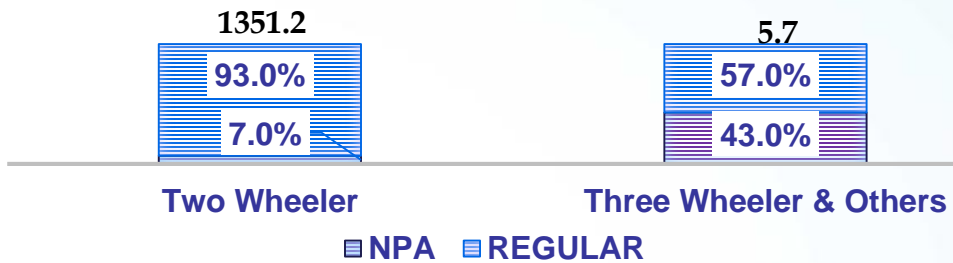
Zone	Active Clients	Regular	NPA	% of NPA
South India	3 86 882	1092.37	85.40	7.7%
Western India	28 655	67.23	10.10	13.9%
North India	21 331	73.80	1.16	1.7%
East India	6 612	26.61	0.23	0.9%
Overall	4 43 480	1260.01	96.89	7.6%

PORTFOLIO ANALYSIS

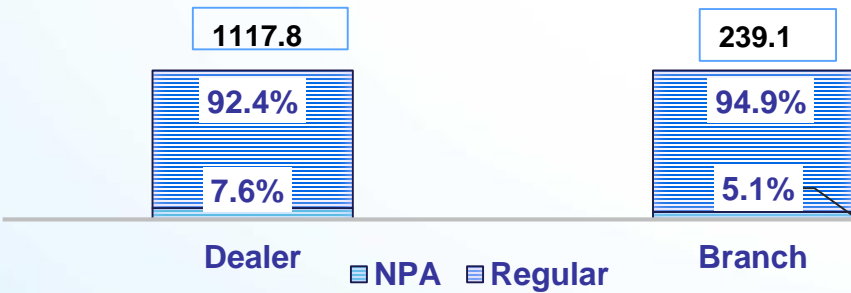
PORTFOLIO ANALYSIS



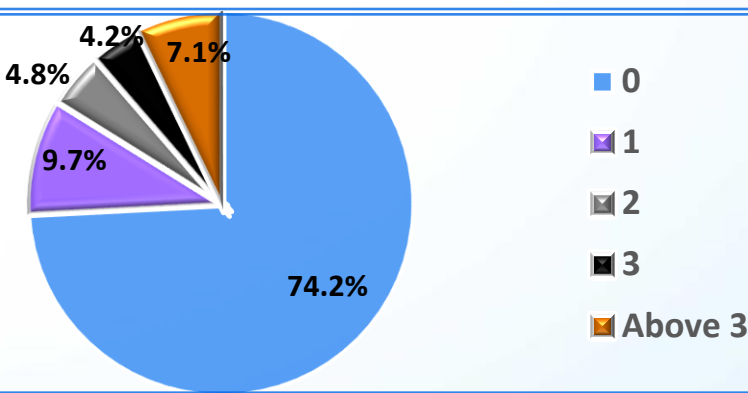
SEGMENT WISE ANALYSIS



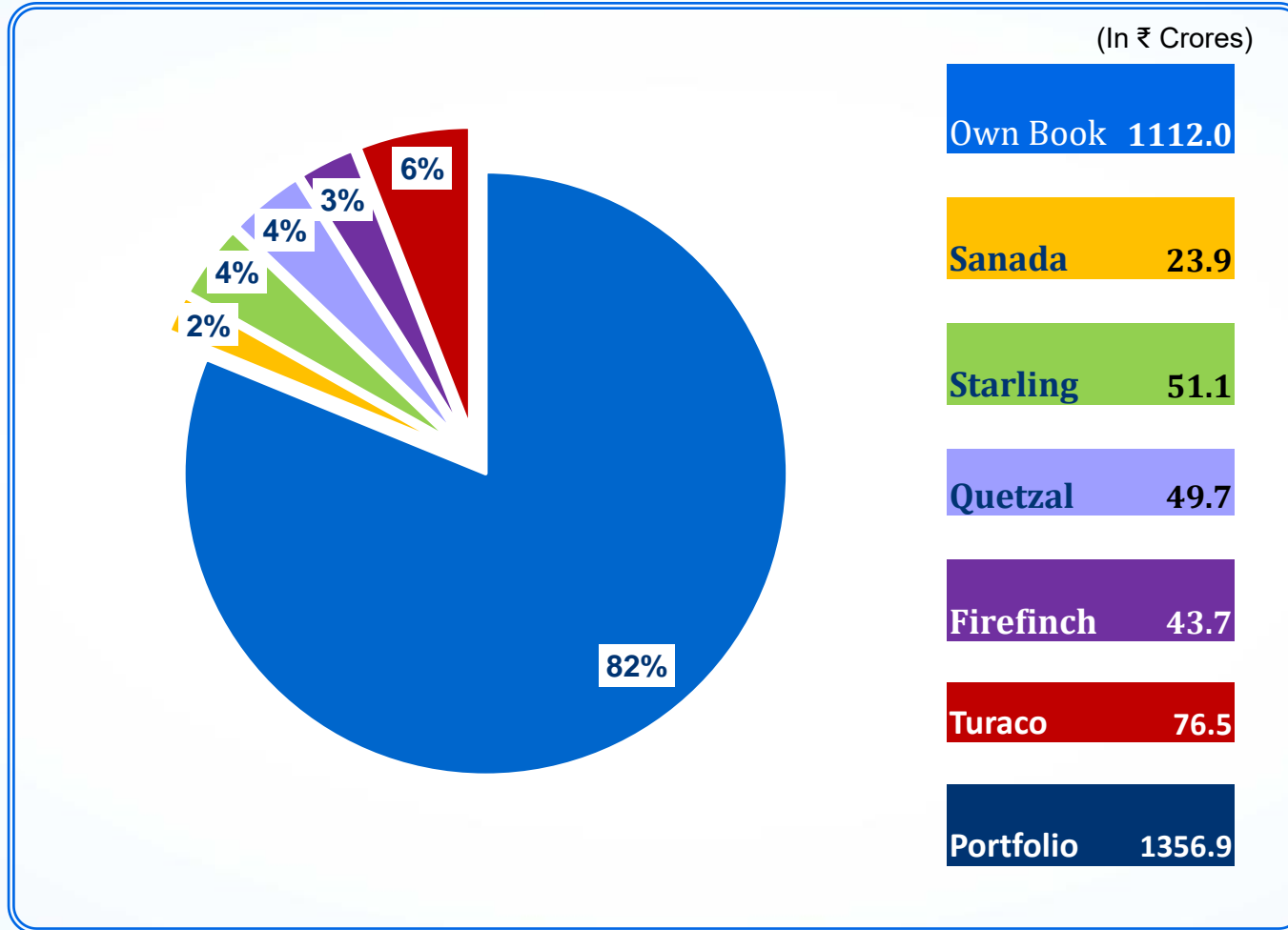
SOURCE WISE ANALYSIS



BUCKET WISE ANALYSIS



HYP PORTFOLIO SPLIT AS ON JUNE 30TH 2017

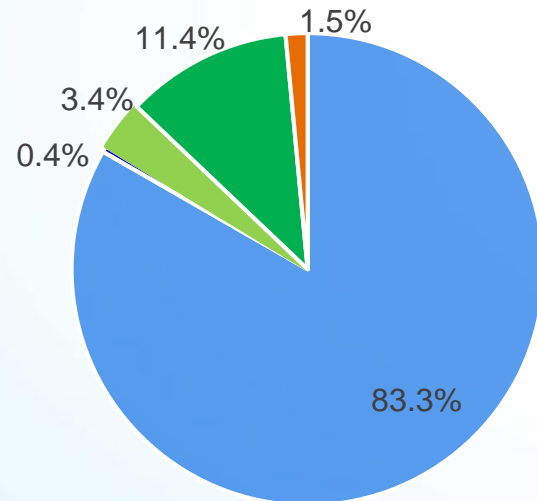


LIABILITY ANALYSIS

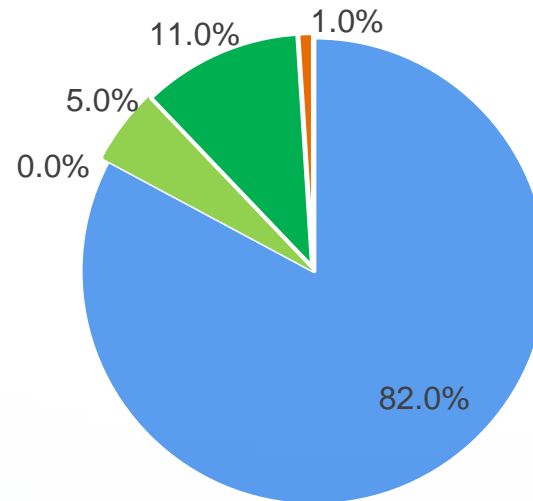
BORROWING PROFILE

₹ in Crores

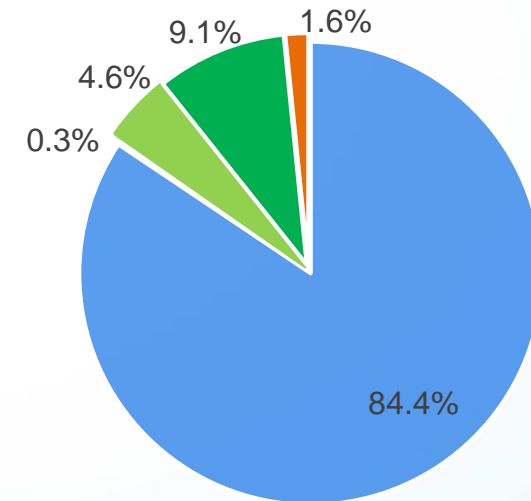
Particulars	Q1 FY '17		Q4 FY '17		Q1 FY '18	
	Amount	Cost	Amount	Cost	Amount	Cost
Bank Loan	768.1	11.1%	814.8	10.5%	919.7	10.2%
Debenture/ICD	3.8	11.3%	2.8	11.3%	2.6	10.8%
Sub Debt	31.4	11.8%	49.7	12.0%	50.6	11.8%
Public Deposit	105.5	9.9%	108.8	9.3%	99.6	8.8%
Loan From Directors	13.6	12.0%	13.6	12.0%	17.4	12.0%
Total	922.4	11.7%	989.7	10.5%	1 089.9	10.1%



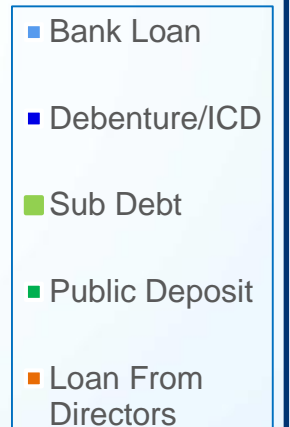
Q1 FY '17



Q4 FY '17



Q1 FY '18



MANAGEMENT DISCUSSION & ANALYSIS

MANAGEMENT DISCUSSION & ANALYSIS

- The Company continued its robust growth in disbursement, having a total disbursement of ₹ 371.8 crores in Q1 FY 18 v/s ₹ 423.1 crores Q4 FY 17 (Q4 is normally significantly higher than the subsequent 1st quarter) and ₹ 256.2 crores in Q1 FY17
- Compared to the corresponding quarter of the previous year, the growth was 46% with the dealer point growth at 52%. The new areas entered into in the previous year and half (North and East) saw huge growth
- As the Company has to move to a 3 MONTH norm for recognition of NPA from 31st March 18, Company moved to the same in the first MONTH itself. ₹ 29.9 crs added as NPA due to the same which was partially wiped out by end of Q1 FY 18.
- Collection in the harder buckets with a total collection of ₹ 13.9 crs or 5.4 % out of the ₹ 259 crs collected . The collection in harder buckets were lower than previous quarter, but expected to bounce high going forward.
- **Strong action on arbitration front 28,000 files given to legal firms for filing petitions, 11,225 awards passed, about 5,211 cases settled and ₹ 32.15 crs collected directly from about 12,198 nos. of customers and through repossession and sale of their vehicles. For the last couple of quarters the fresh arbitrations handing over were kept on hold to see the impact on the ones given. Will restart the process from current quarter.**

MANAGEMENT DISCUSSION & ANALYSIS GOING FORWARD...

- We did 1 more PTC transactions of ₹ 81.43 crs with investments from DCB Bank (3rd investment by them) ; helped reduce dependence on Bank funding and hence reduce overall cost.
- During the 1st quarter of FY 18 the Company has been able to get additional funding of a total of ₹ 250 crs from various sources showing the confidence that the lenders / investors have in the Company – ₹ 160 crs from Bank sanctions, ₹ 81.43 crores from Securitisation, ₹ 8.6 crs from retail subordinated debts and Public Deposits etc.
- Monthly staff attrition increased to 3 % in Q1 FY '18 v/s full year attrition at 2.43% in Q4 FY 17; the concept of Marketing agents is also working well;
- In spite of high competition, dealer incentives have remained under control at 1.35% for Q1 FY18; interest and finance charges on an overall basis was slightly lower at 10.14% v/s 10.46% in Q4 FY '17. With most of the banks reset date being in Q2/Q3 and fresh sources being aggressively looked at Company is confident of major cost reduction on the interest front over the next 2 quarters.
- **Securitization has helped CRAR grow and also negotiate better for funds. Others means including Equity infusion would need to be looked at for sustained aggressive growth.**
- The business and financial softwares are fully implemented and going forward will be explored extensively for generating MIS and automating overall transactions.

MANAGEMENT DISCUSSION & ANALYSIS GOING FORWARD...

- The Q1 FY 18 financials are better than the budget with a PAT of ₹ 6.1 crores v/s ₹ 4.1 crores budgeted. This is mainly on account of lower than expected NPA figures and employee costs. Finance expenses were in line with the budget while Other expenses were higher on account of higher collection costs.
- Geographical expansion –Network expansion on; Penetration in present states in South and West and in the new and existing areas in North and East helped growth and hope is for better and improved performance in FY18.
- New Products , new geographies and digitization seen as the way forward for the next few years. Budget for the next year in line with the same and much more
- **Post demonetization 100% repayment for new customers through NACH; NACH repayment is at 39% v/s 1% at end of June 16 quarter. Will help cut costs/ delinquencies in the medium term. The unlinked mandates is an area of concern, which is being attended to.**
- With emphasis on additional avenues for raising funds plan to look at Commercial Paper, NCDs and even Equity Infusion to fuel growth in the coming years.
- **Are bullish about the future and hopeful of achieving the budget for FY 18 in terms of disbursement , Loan book and profitability. Looking at support from all the stakeholders**

THANK YOU