



**Board Presentation dated 13<sup>th</sup> January 2018**  
**Quarter ended 31<sup>st</sup> December 2017**

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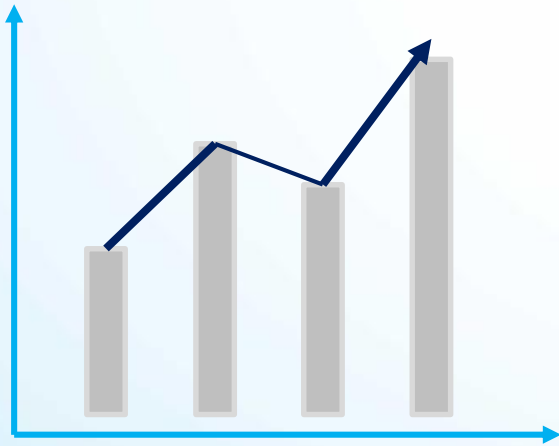
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# PERFORMANCE ANALYSIS



# FINANCIALS

₹. In Crores

## Quarterly Trend

	Q2 FY 18	Q3 FY 18	Q-o-Q	Q3 FY 17	Y-o-Y
Disbursement :					
Hyp Loans	449.9	485.8	8%	271	79%
Other Loans	27.3	40.2	47%	42.9	-6%
<b>Total Disbursements</b>	<b>477.2</b>	<b>526.0</b>	<b>10%</b>	<b>313.9</b>	<b>68%</b>
AUM at the end of the period*	1426.4	1703.6	19%	1111.2	53%
Average AUM **	1360.2	1579.7	16%	1125.8	40%
Total Interest and Fee Income	94.6	105.2	11%	70.1	50%
Finance Expenses	30.3	32.1	6%	26.6	21%
<b>Net Interest Income(NII)</b>	<b>64.4</b>	<b>73.0</b>	<b>13%</b>	<b>43.5</b>	<b>68%</b>
Operating Expenses	41.7	41.7	0%	27.9	50%
Loan Losses & Provisions	6.8	7.1	4%	5.7	25%
<b>Profit Before Tax</b>	<b>15.9</b>	<b>24.3</b>	<b>53%</b>	<b>9.9</b>	<b>144%</b>
<b>Profit After Tax</b>	<b>10.4</b>	<b>15.7</b>	<b>51%</b>	<b>6.4</b>	<b>143%</b>

## Yearly Trend

	9M FY 17	9M FY 18	Y-o-Y
	776.9	1276.3	64%
	97.8	98.7	1%
	<b>874.7</b>	<b>1375.0</b>	<b>57%</b>
	1111.2	1703.6	53%
	1080.4	1393.26	29%
	204.4	279.3	37%
	78.2	90.5	16%
	<b>126.2</b>	<b>188.8</b>	<b>50%</b>
	80.2	116.3	45%
	16.8	23.0	37%
	<b>29.3</b>	<b>49.6</b>	<b>69%</b>
	19.0	32.2	69%

### Q2FY18

### Q3FY18

### Q3FY17

**Total Opex to NII**

64.8% 57.1% 64.1%

**Loan Loss Prov. To Avg AUM**

2.0% 1.8% 2.0%

**Return on Avg. AUM**

3.0% 4.0% 2.3%

**Earnings per Share**

7.6 (Restated)10.4 4.7

### 9M FY17

### 9M FY18

63.5% 61.6%

2.1% 2.2%

2.3% 3.1%

13.8 (Restated)22.7

\* Total AUM including managed portfolio of ₹ 275.9 crores is ₹ 1 979.5 crs ( Q-oQ-13 % up) (Y-o-Y- 56% up)

\*\* Avg AUM including managed Portfolio is ₹ 1 865.2 crores (Q-o-Q- 15% up) (Y-o-Y 54%)

\*\*\*Figures are annualized

# STATEMENT OF SOURCES AND APPLICATIONS

₹. In Crores

Sources	As At			Applications	As At		
	31-Dec-16	30-Sep-17	31-Dec-17		31-Dec-16	30-Sep-17	31-Dec-17
Share Capital	12.5	13.7	16.5	Fixed assets	2.3	2.8	2.7
Reserves & Surplus	154.4	180.7	356.0	Investments*	24.7	32.8	31.0
Bank Borrowings	747.6	1004.7	1066.5	Deferred Tax Assets	6.9	9.1	9.9
Debentures	1.5	0.6	0.3	Other Long term Loans & adv.	0.5	0.4	0.4
Sub Debt	33.6	57.4	60.0	Hypothecation Loan	957.9	1227.4	1488.0
Public Deposit	116.6	93.1	90.2	Loan Buyout	9.3	2.0	0.6
Loan from Directors	13.6	17.4	4.8	Term Loans	122.7	171.0	184.2
Intercompany Loan	1.5	1.6	1.5	Other Loans	8.1	4.4	3.5
Commercial Paper			46.0				
Interest. Accrued on Loans	11.8	13.8	14.9	Interest Accrued on Loans	13.2	21.7	27.3
<b>Total Borrowings</b>	<b>926.2</b>	<b>1188.6</b>	<b>1284.2</b>	<b>Total Loans</b>	<b>1111.2</b>	<b>1426.4</b>	<b>1703.7</b>
Securitization Dues Payable	18.7	40.9	36.6	Cash and Cash Equivalents	1.9	1.4	1.7
Other Liabilities	39.2	58.0	53.8	Short Term Loans and Adv.	5.1	3.8	5.7
Provisions	20.8	28.4	33.6	Other Assets	19.2	33.8	25.5
<b>Total</b>	<b>1171.80</b>	<b>1510.3</b>	<b>1780.6</b>	<b>Total</b>	<b>1171.8</b>	<b>1510.3</b>	<b>1780.6</b>

\* Includes Cash Collateral Deposit of ₹ 8.54 Crores, SLR Deposit-₹ 4.78 Crores SLR Investments- ₹ 14.3 Crores & Others - ₹ 3.4 Crores as on 31.12.17

# DELIVERABLES

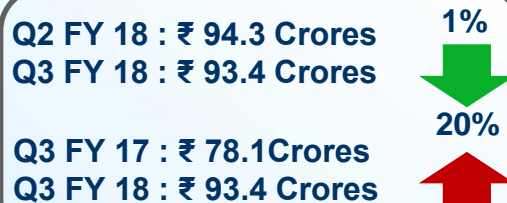
## Disbursement



## Borrowing Cost



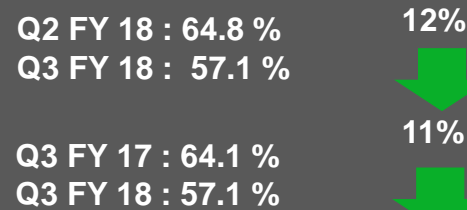
## NPA



## Gross AUM



## Opex to NII



## PAT



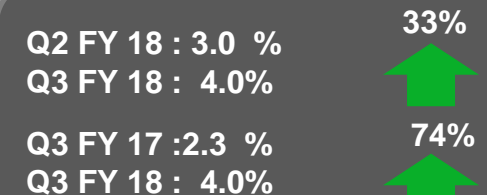
## Revenue



## Loan Losses & Provision



## ROA



# ASSET QUALITY

₹. In Crores

	Q3 FY 17	Q2 FY 18	Q3 FY 18
Loan Book Size (On Book)	1111.2	1426.2	1703.6
GNPA	7.0%	* 6.6%	*5.5%
NNPA	5.6%	5.0%	4.0%
Provision	16.8	24.1	26.7
Coverage Ratio	22%	26%	28.6%

\* Based on 3M Norm. Company was following 4M norm in previous year.

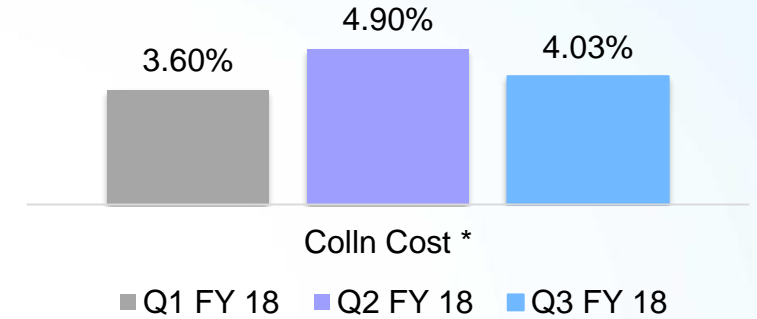


# OTHER EXPENSE – SPLIT UP

₹. In Crores

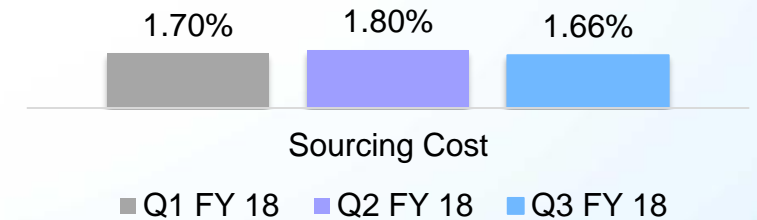
	Q2 FY 18	Q3 FY 18	Q-o-Q	Q3 FY 17	Y-o-Y
<b>Collection Charges:</b>	<b>12.4</b>	<b>11.2</b>	<b>-10%</b>	<b>4.1</b>	<b>176%</b>
Collection Charges-MFL	1.3	1.3	-3%	1.2	13%
Collection Charges-MMM	0.0	0.00	-25%	0.0	-61%
Collection Agency Payout	10.8	9.4	-13%	2.9	225%
ECS/ NACH/E-auction	0.3	0.5	75%	0.0	1906%
<b>Business Sourcing Incentive:</b>	<b>8.3</b>	<b>8.1</b>	<b>-3%</b>	<b>4.7</b>	<b>71%</b>
Dealer Incentive	5.5	4.9	-11%	3.4	47%
Business Sourcing Incentive- MML	0.0	0.0	-37%	0.00	71%
Business Sourcing Incentive - MFL	1.7	2.1	20%	0.8	141%
Business sourcing expense- Marketing	1.1	1.1	1%	0.5	118%
<b>Investigation and Professional Charges</b>	<b>1.8</b>	<b>1.4</b>	<b>-20%</b>	<b>1.2</b>	<b>26%</b>
FI Charges - Autoloan	0.2	0.2	-8%	0.2	26%
Professional Charges	0.8	0.7	-13%	0.2	329%
Legal Charges	0.7	0.5	-32%	0.8	-38%
Rent	0.9	1.0	3%	0.9	8%
Back Office Processing	0.3	0.6	80%	0.2	162%
Other Expenses	2.3	3.3	38%	2.8	11%
	<b>26.1</b>	<b>25.6</b>	<b>-2%</b>	<b>13.9</b>	<b>87%</b>

## Collection Cost as % of Collection



Colln Cost \*

## Sourcing Cost as % of Disbursement



Sourcing Cost

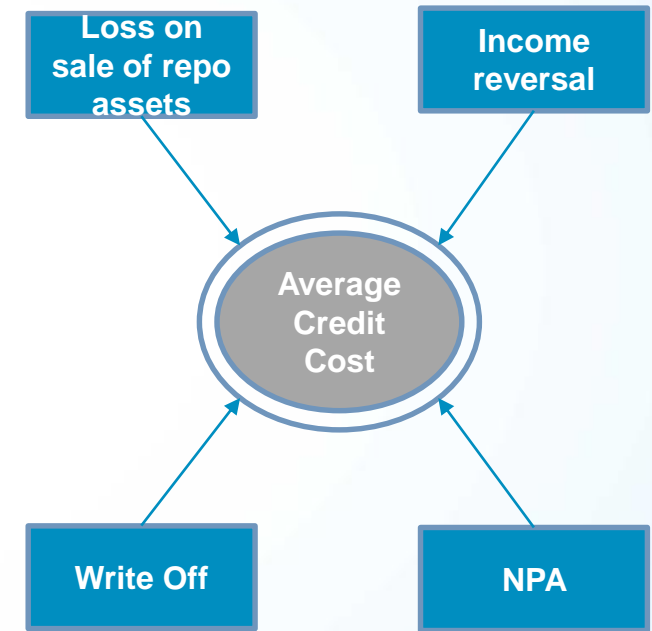
\* Including Incentive to Collection staff (Q1 FY 18: ₹1.5 Crores, Q2 FY 18: ₹ 2.0 Crores, Q3 FY 18: ₹ 1.8 Crores )



# MAIN FACTORS IMPACTING PROFITABILITY - DELINQUENCIES

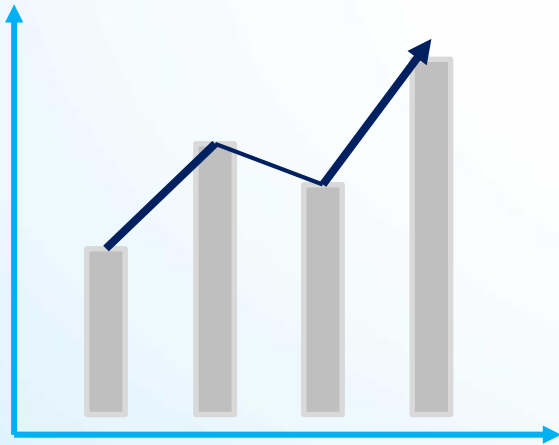
₹. In Crores

Particulars	For FY 16	For FY 17	Q1 FY 18	Q2 FY 18	Q3 FY 18
Unrealized Income reversed	3.1	2.3	2.0	0.1	0.0
Loss on sale + Provision for diminution in value of repo. assets	9.1	11.9	2.6	4.4	3.4
NPA write off	3.0	1.7	0	0	0
NPA Provision	4.0	7.6	5.6	1.9	2.6
<b>Total</b>	<b>19.2</b>	<b>23.5</b>	<b>10.2</b>	<b>6.4</b>	<b>5.6</b>
Avg AUM	882.3	*1046.0	*1272.7	*1360.2	*1579.7
% of Credit cost on Avg AUM (annualized)	2.2%	2.2%	3.2%	1.9%	1.5%






\*Average AUM is excluding managed portfolio

# SALES ANALYSIS






# ZONEWISE DISBURSEMENT (HYP LOANS) – Q- o -Q

₹. In Crores

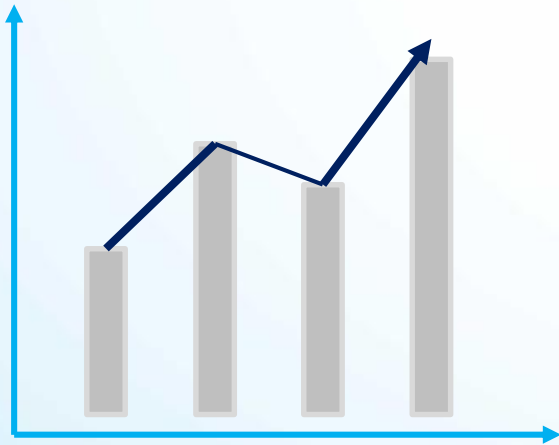
Zone	BRANCH  120%				DEALER  71%				TOTAL  79%				Growth%	Overall Share
	Q3 FY '17		Q3 FY ' 18		Q3 FY '17		Q3 FY ' 18		Q3 FY '17		Q3 FY ' 18			
	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value		
South	7 259	37.03	14 957	85.15	37 973	186.69	55 161	301.51	45 232	223.72	70 118	386.66	73%	80%
West	1 297	5.59	1 789	7.93	3 089	13.53	4 841	22.58	4 386	19.12	6 630	30.51	60%	6%
North	231	1.00	649	2.97	4 876	20.62	10 652	49.79	5 107	21.62	11 301	52.75	144%	11%
East	35	0.18	105	0.48	1 414	6.31	3 281	15.45	1 449	6.49	3 386	15.93	145%	3%
Overall	8 822	43.80	17 500	96.54	47 352	227.15	73 935	389.32	56 174	270.95	91 435	485.85	79%	100%

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

₹. In Crores

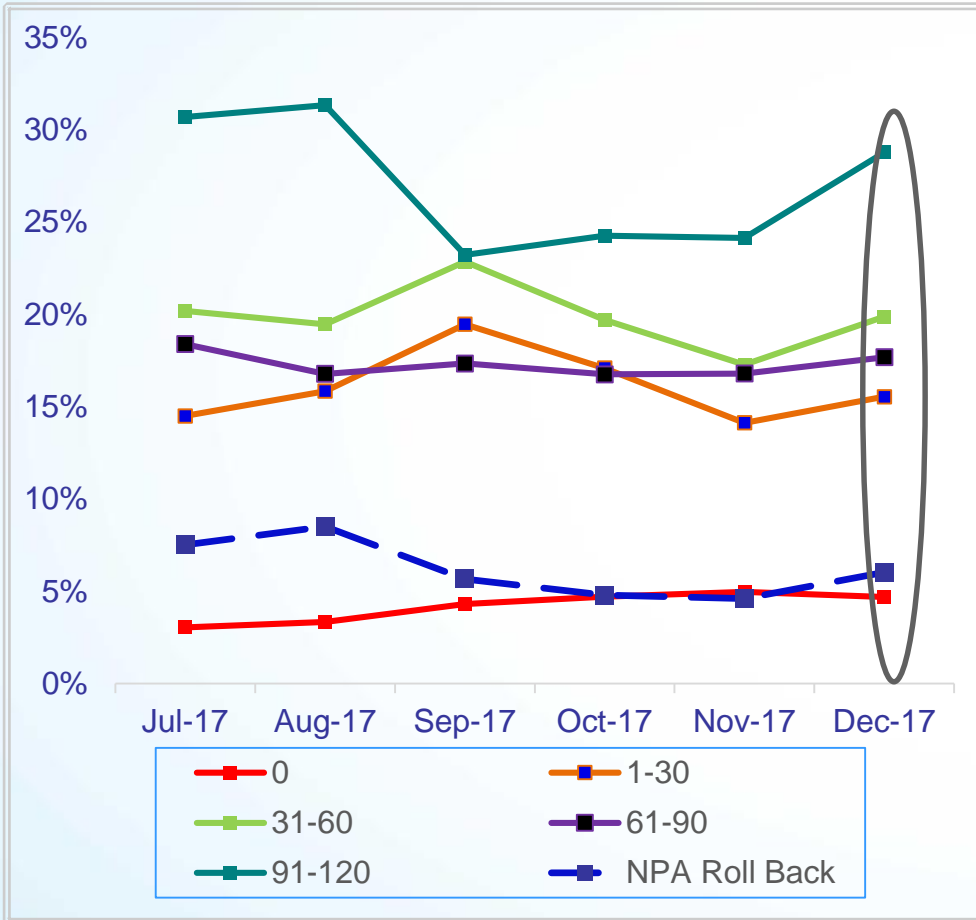
Zone	BRANCH  64%				DEALER  65%				TOTAL  64%				Growth %	Overall Share %
	9M FY 17		9M FY 18		9M FY 17		9M FY 18		9M FY 17		9M FY 18			
	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value		
South	24 712	124.4	37 604	208.7	1 14 395	557.2	1 57 657	837.9	1 39 107	681.7	1 95 261	1046.6	54%	82%
West	3 721	15.9	4 094	18.2	7 428	32.1	11 629	53.5	11 149	48.0	15 723	71.7	49%	6%
North	490	2.1	1 519	6.8	8 038	33.7	24 644	111.6	8 528	35.8	26 163	118.4	231%	9%
East	70	0.3	279	1.3	2 498	11.2	8 157	38.3	2 568	11.5	8 436	39.6	244%	3%
Overall	28 993	142.7	43 496	235.0	1 32 359	634.2	2 02 087	1041.3	1 61 352	776.9	2 45 583	1276.3	64%	100%

# COLLECTION ANALYSIS



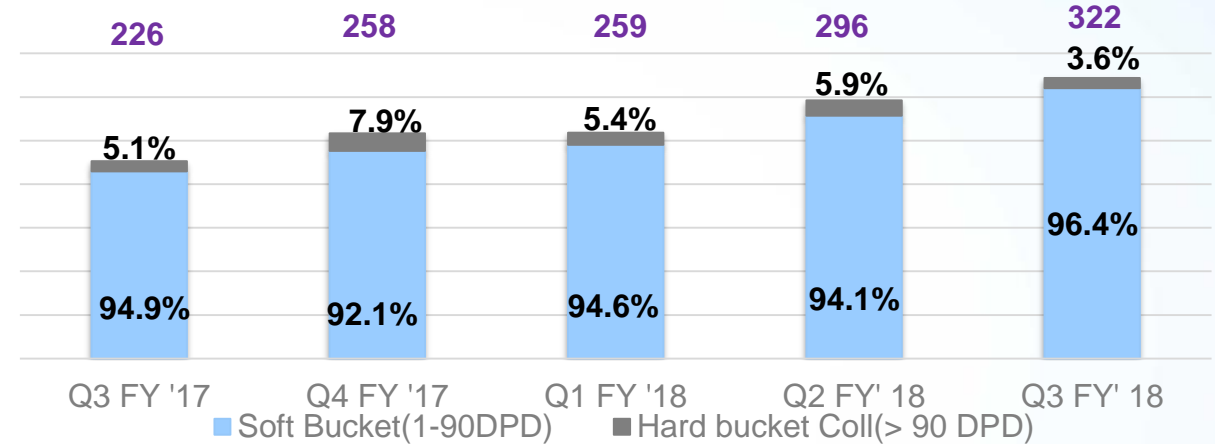
# COLLECTION PERFORMANCE MONITORING (HYP)

## Bucket-wise Flow



## Collection Performance

₹. In Crores



₹. In Crores

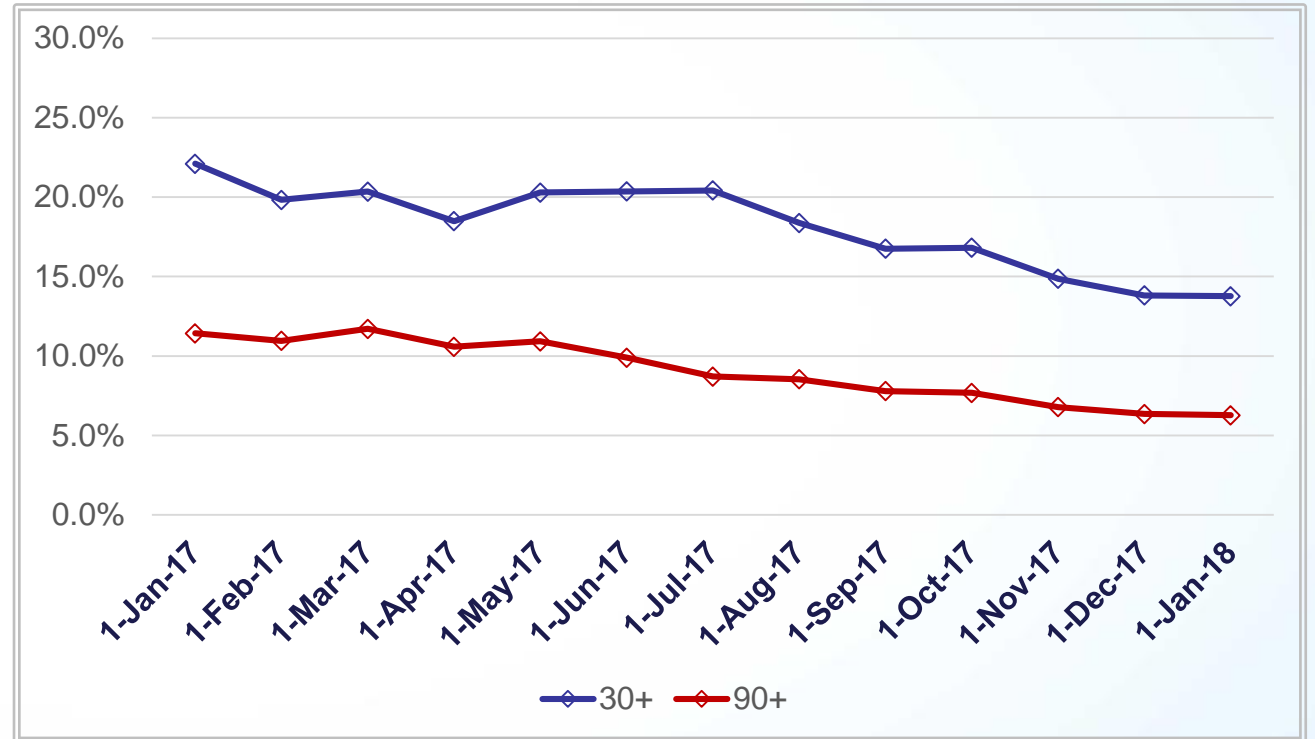
	Q3 FY 17	Q4 FY 17	Q1 FY 18	Q2 FY 18	Q3 FY 18
Soft Bucket (1-90)	214.7	238	245.2	278.6	310.2
Hard Bucket (>90)	11.5	20.3	13.9	17.5	11.7
<b>Total</b>	<b>226.2</b>	<b>258.3</b>	<b>259.1</b>	<b>296.1</b>	<b>321.9</b>

# PORTFOLIO TREND – HYPOTHECATION LOANS

₹.in Crores

Month	Hyp AUM	30+	90+	30+%	90+%
01-Jan-17	958.1	211.8	109.6	22.1%	11.4%
01-Feb-17	1 011.7	200.6	110.8	19.8%	11.0%
01-Mar-17	989.7	201.4	115.9	20.3%	11.7%
01-Apr-17	1 005.5	185.9	106.4	18.5%	10.6%
01-May-17	1 054.1	213.8	115.2	20.3%	10.9%
01-Jun-17	1 117.9	227.7	110.6	20.4%	9.9%
01-Jul-17	1 112.	227.1	96.9	20.4%	8.7%
01-Aug-17	1 171.6	215.3	100.1	18.4%	8.5%
01-Sep-17	1 234.4	206.8	96.2	16.8%	7.8%
01-Oct-17	1 227.9	206.4	94.3	16.8%	7.7%
01-Nov-17	1 377.3	204.6	93.5	14.9%	6.8%
01-Dec-17	1 462.5	202.1	92.9	13.8%	6.4%
01-Jan-18	1 488.8	204.9	93.4	13.8%	6.3%
Growth	55.4%	-3.3%	-14.7%		

## Portfolio Trend





# NPA MOVEMENT – HYP LOAN – Q3 FY '18

₹. In Crores

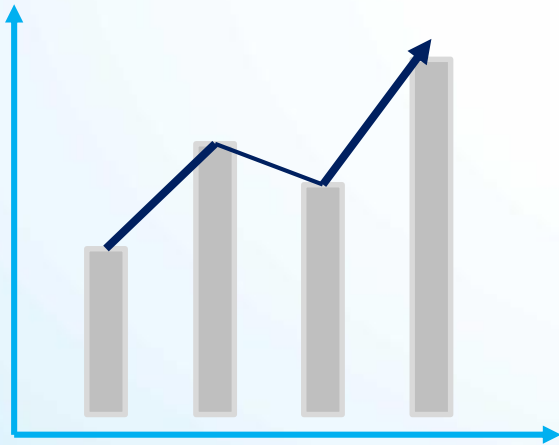
Particulars	HP Nos	Principal	Unrealised	Provision
<b>Balance as on 30.09.2017</b>	53 094	94.3	11.4	24.1
Add: Slipped to NPA for the month of Oct17 to Dec 17	7 593	14.2	1.4	4.5
Add: NPA recognised on soldout portfolio bought back (Sanada)	1 159	0.8	0.1	0.1
<b>Sub total</b>	<b>61 846</b>	<b>109.3</b>	<b>12.9</b>	<b>28.7</b>
Less: Rolled back from NPA for Oct 17 to Dec 17	6 882	8.1	0.5	1.1
Reposessed Asset sold during Oct 17 to Dec 17	1 461	4.9	0.6	0.9
Amount collected from NPA Accounts for Oct 17 to Dec 17	-	2.9	-	-
<b>Balance as on 31.12.2017</b>	<b>53 503</b>	<b>93.4</b>	<b>11.8</b>	<b>26.7</b>

# NPA MOVEMENT – HYP LOAN – ACROSS 9 QUARTERS

₹.in Crores

Particulars	Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3 '17	Q4' 17	Q1 '18	Q2 '18	Q3 '18
<b>Opening Balance</b>	<b>59.9</b>	<b>62.1</b>	<b>54.0</b>	<b>69.2</b>	<b>66.5</b>	<b>78.1</b>	<b>74.2</b>	<b>96.9</b>	<b>94.3</b>
Slippage due to NPA Recognition norm change	-	-	15.9	-	-	-	29.8	-	-
Fresh slippages during the period	13.6	9.6	12.7	11.8	20.1	13.9	16.1	15.4	14.2
NPA recognised on soldout portfolio bought back (Sanada)	-	-	-	-	-	-	-	-	0.9
<b>Sub Total</b>	<b>73.5</b>	<b>71.7</b>	<b>82.6</b>	<b>81.0</b>	<b>86.6</b>	<b>92.0</b>	<b>120.1</b>	<b>112.3</b>	<b>109.3</b>
Less: NPA Rolled Back	5.6	6.8	6.5	6.7	3.3	8.9	14.8	8.5	8.0
Less: Repossessed assets sold	3.7	5.4	3.8	5.0	3.2	4.8	3.6	6.7	4.9
Less: Write off	-	3.0	-	-	-	1.7	-	-	-
Less: Amount collected but not rolled back out of NPA	2.1	2.5	3.1	2.8	2.0	2.4	4.8	2.8	2.9
<b>Closing Balance</b>	<b>62.1</b>	<b>54.0</b>	<b>69.2</b>	<b>66.5</b>	<b>78.1</b>	<b>74.2</b>	<b>96.9</b>	<b>94.3</b>	<b>93.4</b>

# ASSET ANALYSIS

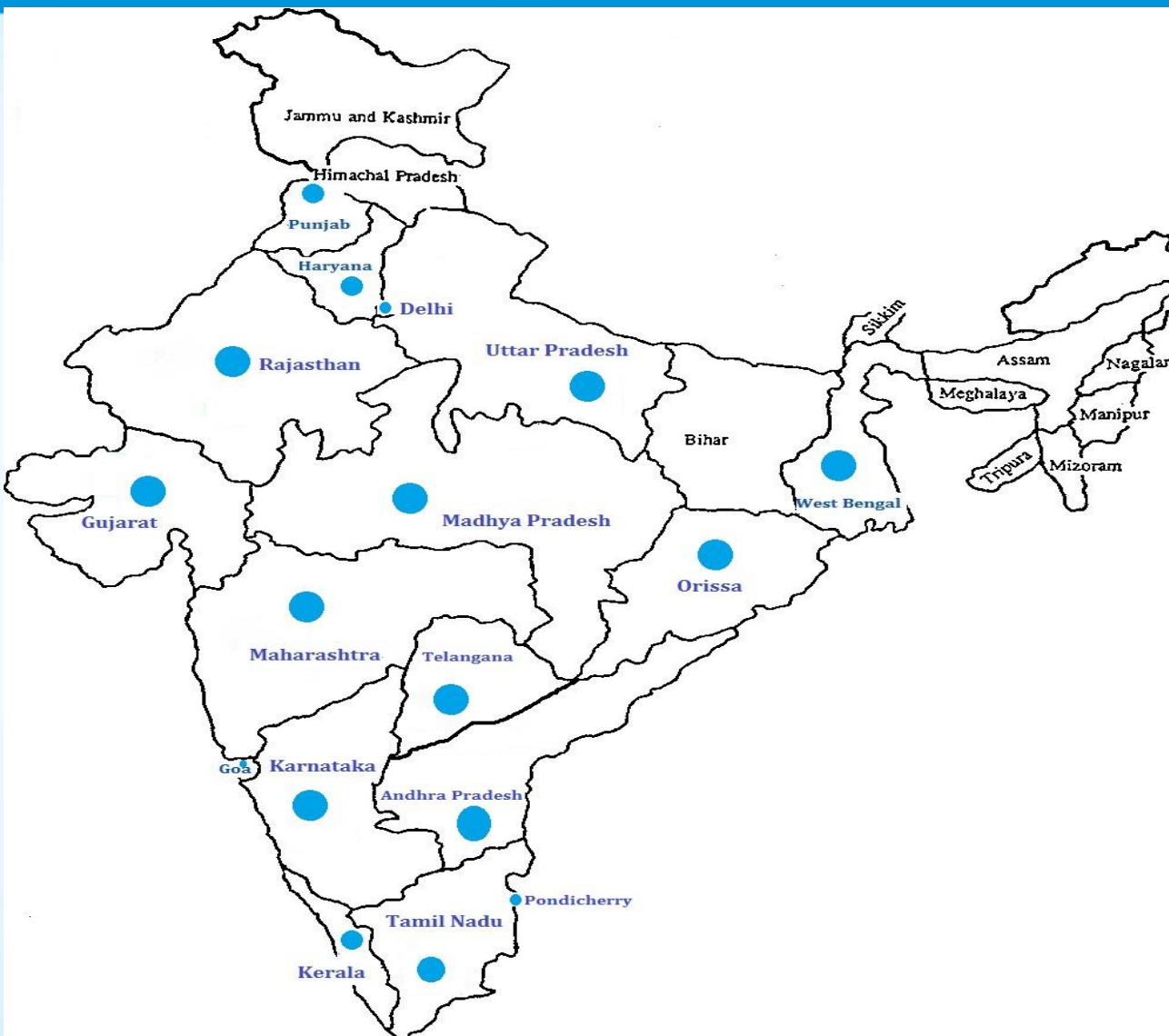


# MCSL GEOGRAPHIC OVERVIEW - HYP

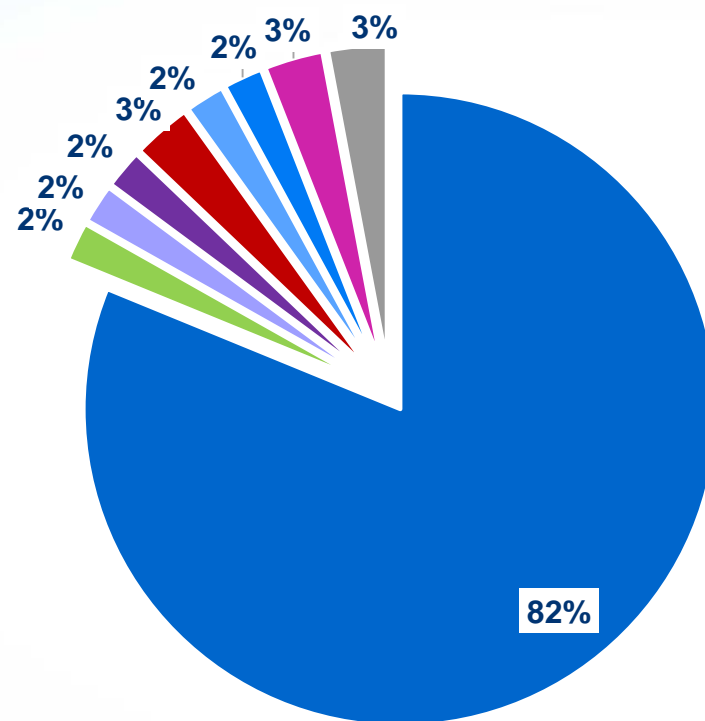
₹ in Crores

Zone	Active Clients	Regular	NPA	% of NPA
South India	4 40 316	1408.5	80.1	5.4%
Western India	33 851	88.7	10.2	10.3%
North India	38 105	125.5	3.9	3.0%
East India	12 593	46.8	1.0	2.2%
Overall *	5 24 865	1 669.5	95.2	5.4%

\*Includes securitized portfolio



# HYP PORTFOLIO SPLIT AS ON DECEMBER 31<sup>ST</sup> 2017



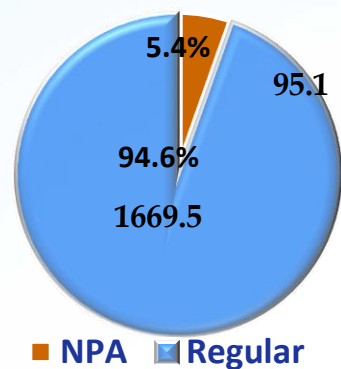
(In ₹ Crores)

Owned Portfolio	1444.6
Starling ( DCB )	27.4
Quetzal (Mahindra)	34.0
Fire finch (DCB)	33.0
Turaco (Indo Star )	53.4
Andhra DA	35.1
Toucan DA (SBM)	39.1
Bran (DCB)	50.3
Ellaria (CSB)	50.7
Total Loan Book	1764.7

- MRR portion included in sold portfolio

# PORTFOLIO ANALYSIS

Portfolio Analysis



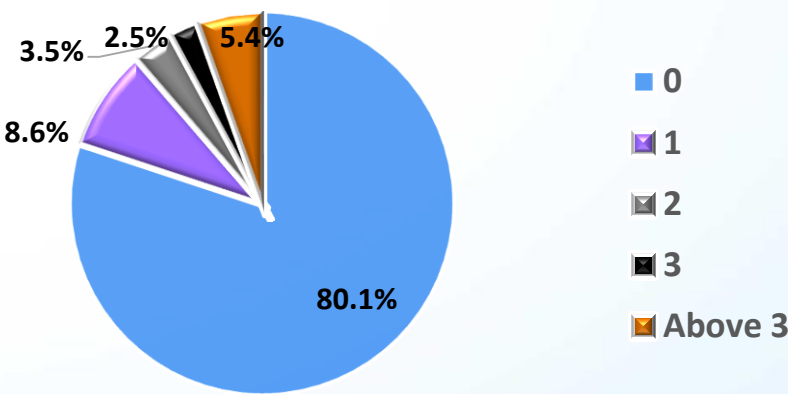
Segment – wise Analysis



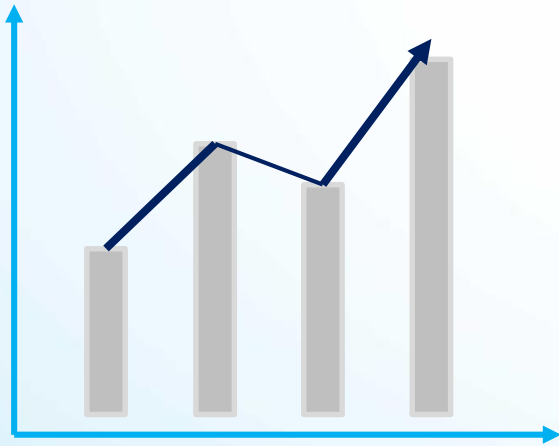
Source - wise Analysis



Bucket – wise Analysis



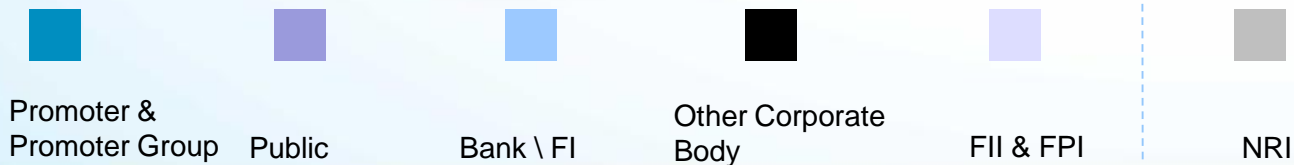
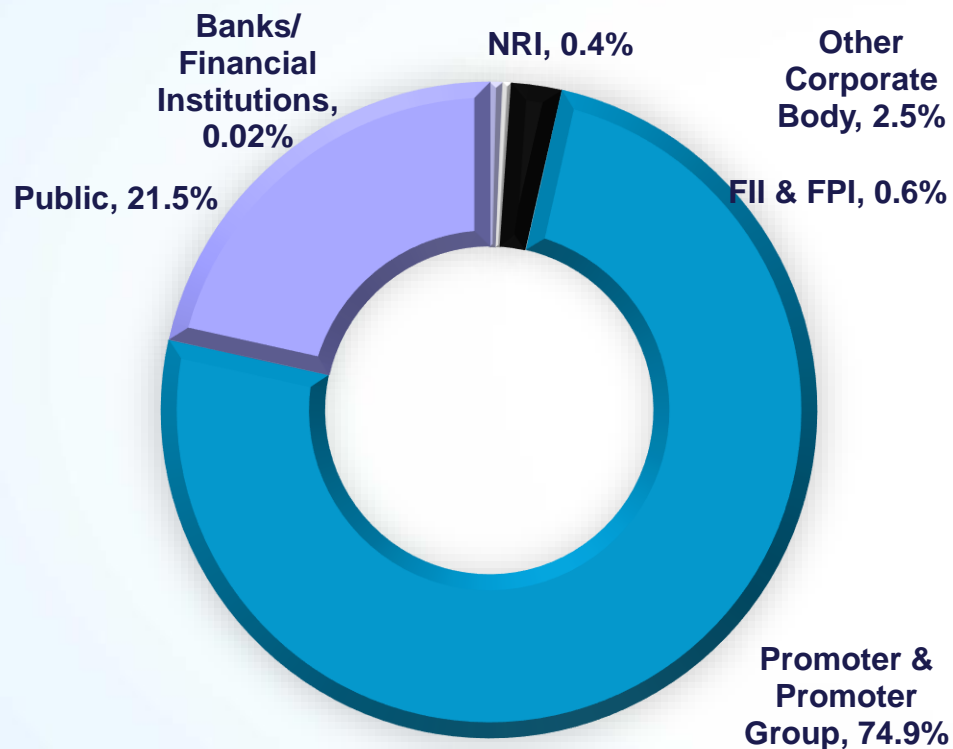
# LIABILITY ANALYSIS



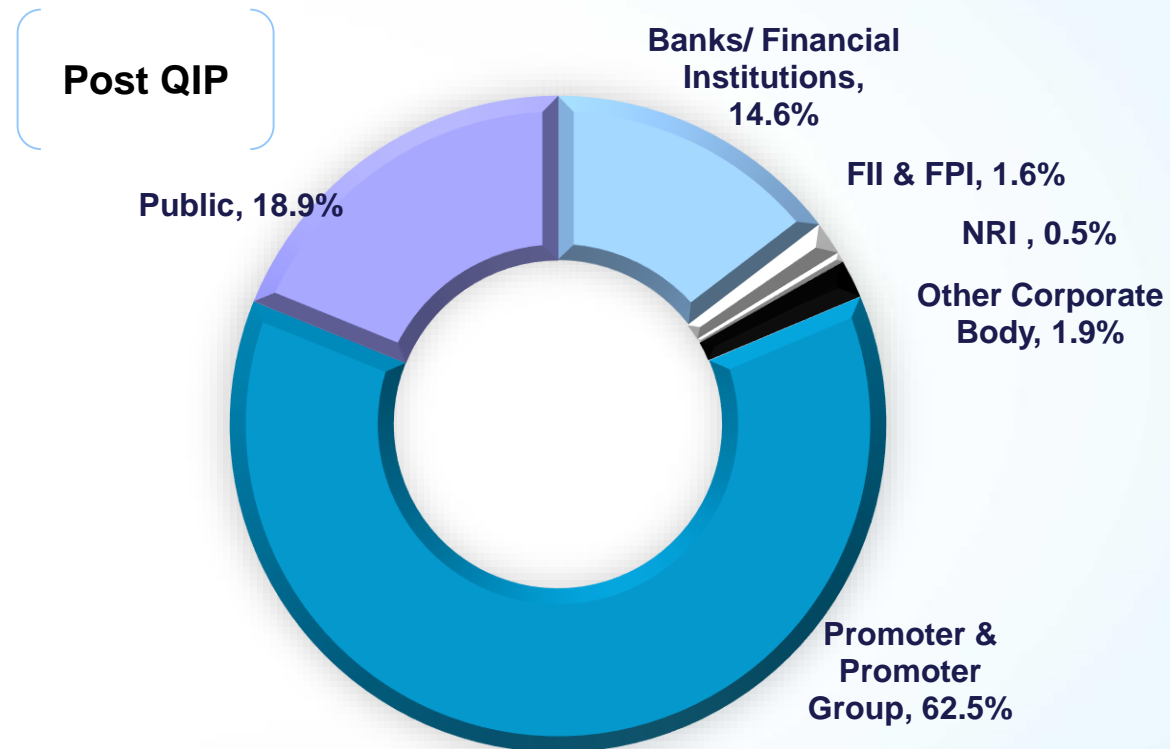


# SHAREHOLDING PATTERN

Q2 FY 18



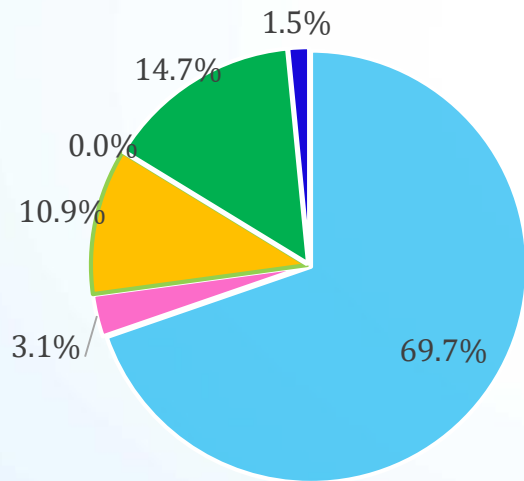
Q3 FY 18



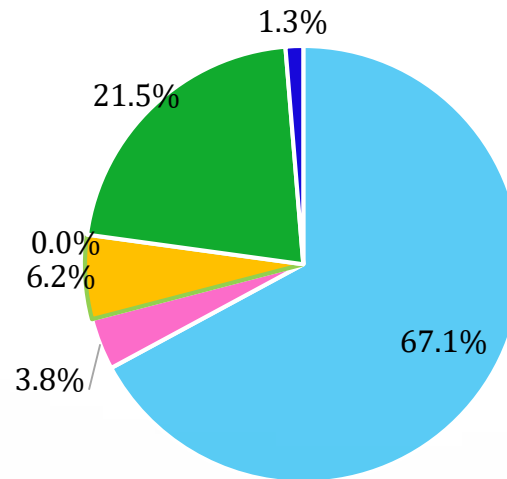
# BORROWING PROFILE

₹ in Crores

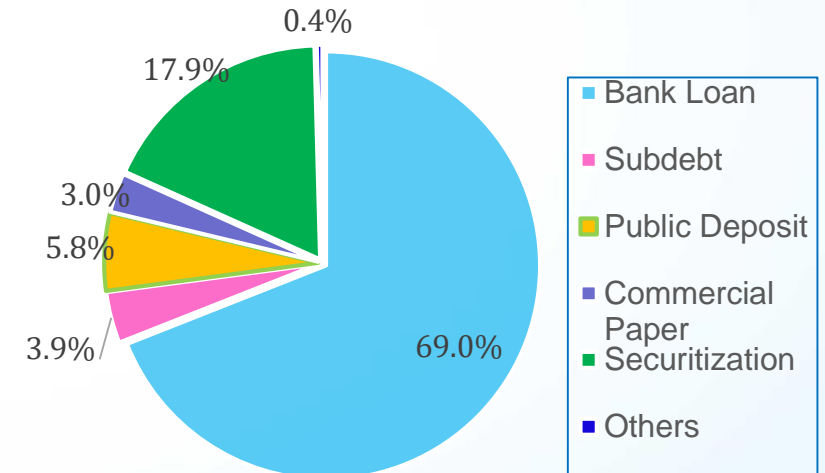
Particulars	Q3 FY '17		Q2 FY '18		Q3 FY '18	
	Amount	Cost	Amount	Cost	Amount	Cost
Bank Loan	747.6	10.9%	1 005.1	10.0%	1 066.5	9.5%
Sub debt	33.6	12.1%	57.4	11.8%	60.0	11.7%
Public Deposit	116.6	9.5%	93.1	8.8%	90.2	9.0%
Commercial Paper			.00	0.0%	46.0	8.7%
Securitization	157.9	11.1%	322.2	9.7%	275.9	9.7%
Others	16.6	11.8%	19.6	11.81%	6.5	11.4%
<b>Total</b>	<b>1 072.3</b>	<b>10.8%</b>	<b>1 497.5</b>	<b>9.9%</b>	<b>1 545.2</b>	<b>9.6%</b>



Q3 FY '17



Q2 FY '18



Q3 FY '18

# SUMMARY – SECURITISATION / DIRECT ASSIGNMENT TRANSACTION

Particulars	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	Total
Nature of the transaction	PTC	PTC	PTC	PTC	PTC	DA	DA	PTC	DA	
Investor Name	DCB & IFMR	Mahindra & Mahindra and IFMR	DCB & IFMR	Indo Star Capital Finance & IFMR	DCB & IFMR	Andhra Bank	SBM	DCB & IFMR	CSB	
Rating Agency	CRISIL	CRISIL	ICRA	CRISIL	ICRA	CRISIL	India Rating	ICRA	India Rating	
Month of transaction	Aug-16	Dec-16	Feb-17	Mar-17	Jun-17	Aug-17	Sep-17	Sep-17	Dec- 17	
Status	Closed	Live	Live	Live	Live	Live	Live	Live	Live	
Securitised pool	111.4	110.7	90.5	65.6	88.5	51.5	55.5	69.3	53.7	
Fund received from Investors	104.2	101.8	83.2	60.3	81.4	48.0	50.0	65.9	48.3	
MRR retained in MCSL books	7.2	8.9	7.2	5.6	7.1	3.6	5.6	3.5	5.4	
Cash Collateral	2.2	2.2	1.8	1.3	1.8	Nil	Nil	1.4	Nil	
Corporate Guarantee	5.1	8.8	3.2	3.8	2.9	Nil	Nil	3.5	Nil	27.3
Rate of interest	10.9%	10.6%	10.2%	10.2%	9.5%	9.9%	9.3%	9.3%	9.2%	
Overall cost	11.1%	10.9%	10.5%	10.4%	9.8%	9.9%	9.4%	9.6%	9.3%	

- Out of total fund received ₹ 643.10 crores, ₹. 325.23 crores invested by DCB Bank through 4 transactions.
- Recently CRISIL upgraded the 1<sup>st</sup> transaction from A-(SO) for A1 & BB+(SO) for A2 to AAA (SO) for A1 and BBB+ (SO) for A2.
- Also for the 2<sup>nd</sup> transaction, the rating was upgraded one notch for A1 & A2 to A(SO) and BBB+(SO) respectively

# HIGHLIGHTS – SECURITISATION / DIRECT ASSIGNMENT TRANSACTION

## Augmented Growth

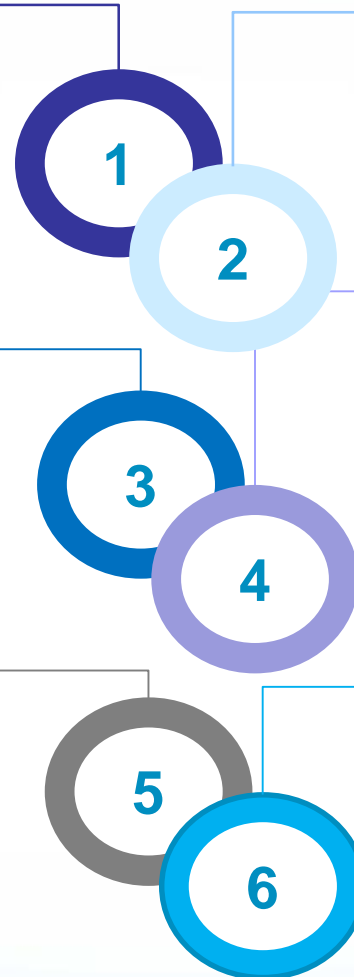
- Done 6 Securitization /3 Direct Assignment transactions totaling to ₹ 643.10 crores (net of MRR) to date
- Helped substantially grow the AUM
- Out of 6 securitization one transaction closed in December 2017

## Lower Costs

- The weighted average interest cost of the last transaction - 9.15% (weighted average cost of first transaction was 10.85%) - lower than the average bank fund cost of about 9.50% in December 2017

## Risks passed on

- Apart from the Credit Enhancements to be given, the risks are passed on to the Investor
- Lower Standard asset provisioning by ₹ 1.10 crores as on 31st December 2017 improves profitability



## Capital saving:

An off balance sheet transaction, helps in the CRAR by 2.52% as on 31<sup>th</sup> December 2017 without reducing the net income that was generated earlier

## Efficient use of funds

- Helps in repaying high cost funds
- Helps to use funds for other disbursements
- Helps negotiate with lenders better
- The overall profitability as a % of Revenue and/or ROE and ROA will substantially improve with increase in transaction.

## Improved profitability

- Company continues to earn income/interest spread on the securitized portfolio
- Improves the overall ROA
- As on 31<sup>st</sup> December ROA increased by 0.60% due to securitization and direct assignment transaction.

# ANALYSIS – 5 QUARTERS



# SPREAD ANALYSIS

₹. In Crores

Analysis on Avg loan book size	Dec-16		Mar-17		Jun-17		Sep-17		Dec-17	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Avg Loan Book Size</b>	<b>1115.0</b>		<b>1133.0</b>		<b>1272.7</b>		<b>1360.2</b>		<b>1579.7</b>	
Revenue from operations	68.6	24.6%	79.4	28.0%	79.2	24.9%	94.4	27.7%	104.7	26.5%
Direct exp.	32.4	11.6%	32.8	11.6%	34.3	10.8%	39.2	11.5%	40.8	10.3%
<b>Gross Spread</b>	<b>36.2</b>	<b>13.0%</b>	<b>46.6</b>	<b>16.4%</b>	<b>44.9</b>	<b>14.1%</b>	<b>55.1</b>	<b>16.2%</b>	<b>63.9</b>	<b>16.2%</b>
Personnel Expenses	13.7	4.9%	13.9	4.9%	14.7	4.6%	15.5	4.6%	15.9	4.0%
OPEX (incl. depreciation etc...)	8.2	2.9%	10.8	3.8%	12.2	3.8%	17.5	5.1%	17.2	4.3%
<b>Total Expenses</b>	<b>21.9</b>	<b>7.9%</b>	<b>24.7</b>	<b>8.7%</b>	<b>26.9</b>	<b>8.5%</b>	<b>33.0</b>	<b>9.7%</b>	<b>33.0</b>	<b>8.4%</b>
Pre Provision Profits	14.2	5.1%	21.9	7.7%	18.0	5.7%	22.1	6.5%	30.8	7.8%
Loan Loss and provisions	5.6	2.0%	5.3	1.9%	9.2	2.9%	6.8	2.0%	7.1	1.8%
<b>Net Spread</b>	<b>8.6</b>	<b>3.1%</b>	<b>16.5</b>	<b>5.8%</b>	<b>8.8</b>	<b>2.8%</b>	<b>15.4</b>	<b>4.5%</b>	<b>23.8</b>	<b>6.0%</b>

\* Excluding managed portfolio; Income excluding income from SLR investments

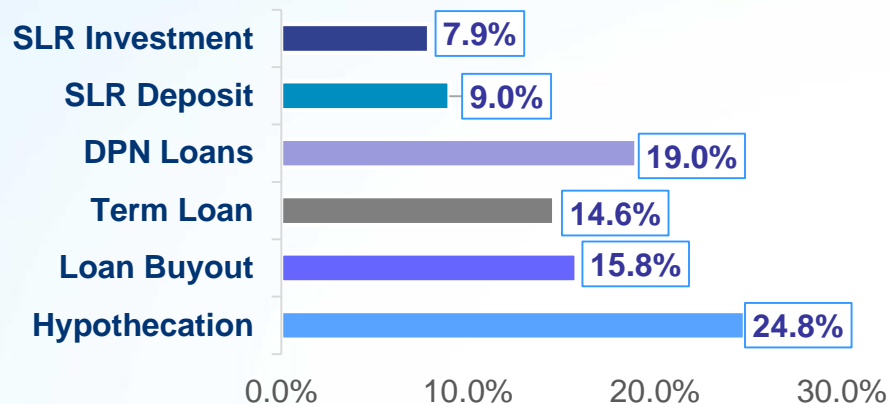
# ANALYSIS OF COST & YIELD

SL.No.	Description of Loan	EFFECTIVE RATE						
		Q1 FY '17	Q2 FY '17	Q3 FY '17	Q4 FY '17	Q1 FY '18	Q2 FY '18	Q3 FY '18
1	Hypothecation	25.3%	26.2%	24.3%	27.0%	24.3%	26.5%	24.8%
2	Loan Buyout	15.7%	15.5%	15.5%	15.8%	15.6%	15.6%	15.8%
3	Term Loan	15.7%	15.6%	15.3%	15.1%	14.8%	14.7%	14.6%
4	DPN Loans	21.1%	21.2%	21.5%	20.6%	20.6%	19.5%	19.0%
5	SLR Deposit	8.8%	9.1%	9.3%	9.4%	9.3%	9.6%	9.0%
6	SLR Investment (Govt Sec)	8.0%	8.0%	7.9%	8.0%	8.0%	8.0%	7.9%
Yield		24.0%	24.7%	23.1%	25.1%	22.7%	24.9%	23.5%
1	Secured Debenture	12.9%	13.0%	12.5%	12.8%	12.1%	11.7%	10.9%
2	Sub Debt	11.8%	12.1%	12.1%	12.1%	11.8%	12.0%	11.7%
3	Public Deposit	9.9%	9.5%	9.5%	9.3%	8.8%	8.8%	9.0%
4	Loan From Directors	12.0%	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%	9.0%
6	Bank Borrowings	11.1%	11.1%	10.9%	10.5%	10.2%	10.0%	9.5%
7	Commercial Paper							8.7%
Cost		11.0%	10.9%	10.8%	10.5%	10.1%	9.9%	9.6%
Interest Spread		13.1%	13.8%	12.3%	14.6%	12.6%	14.9%	13.9%

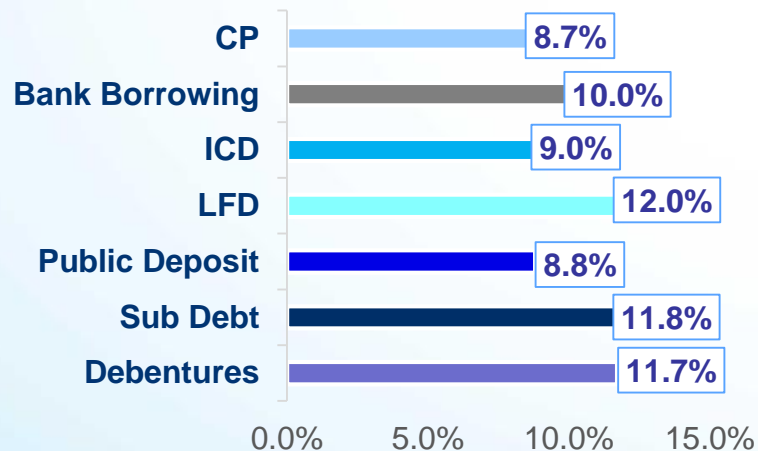


# ANALYSIS OF COST & YIELD – Q3 FY 18

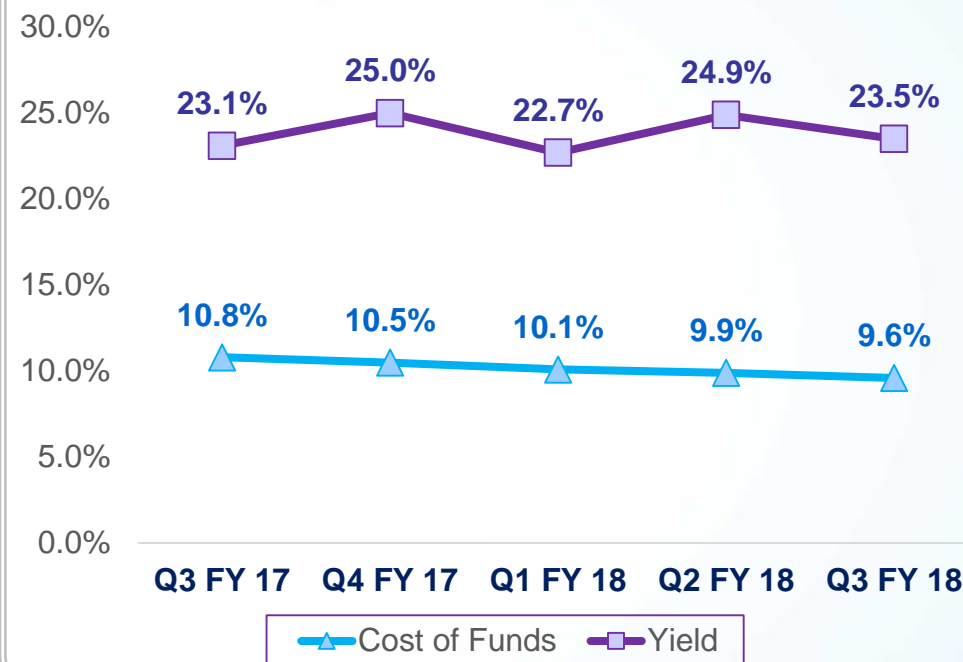
## Composition of Yield



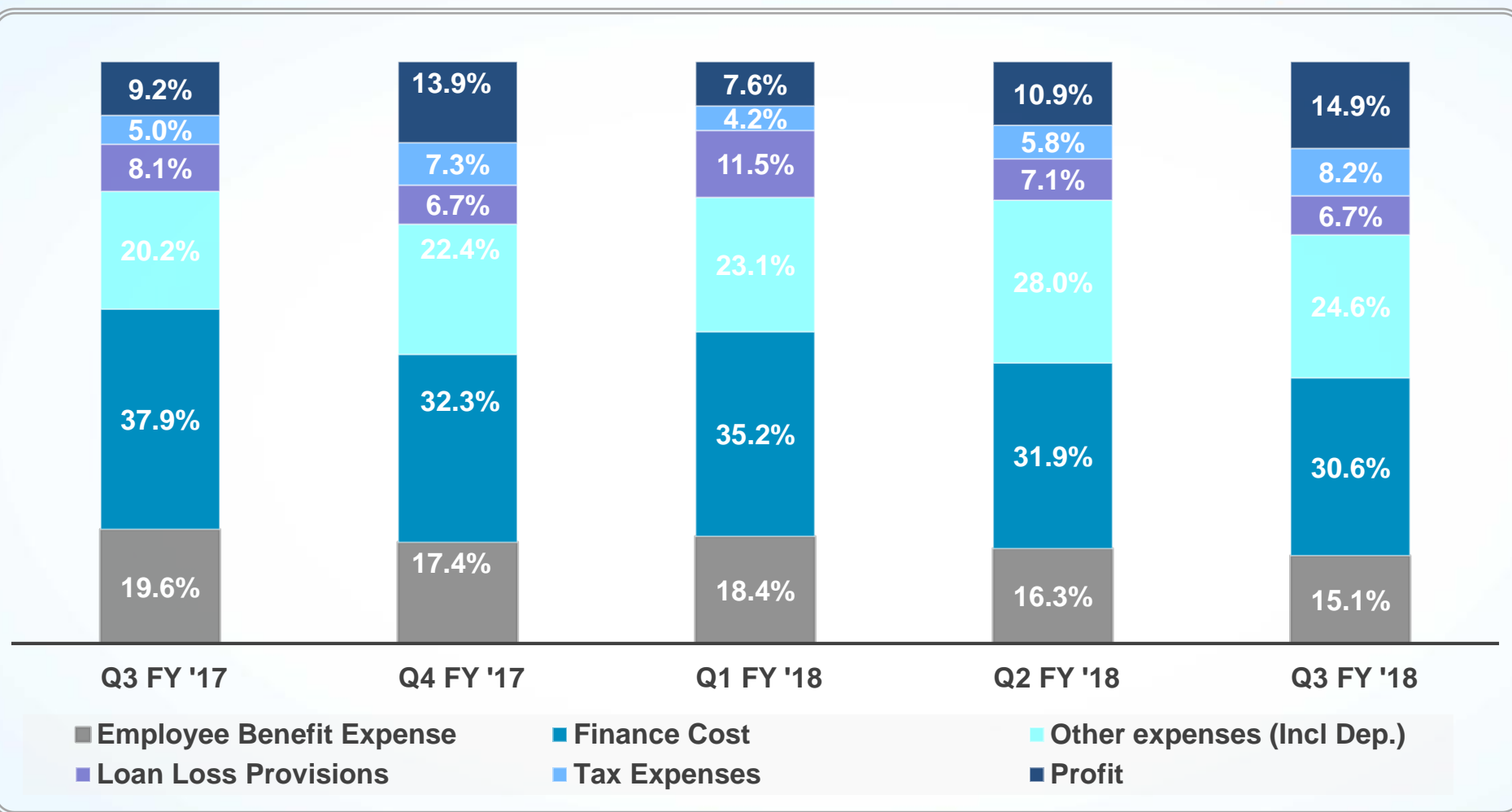
## Composition of Cost



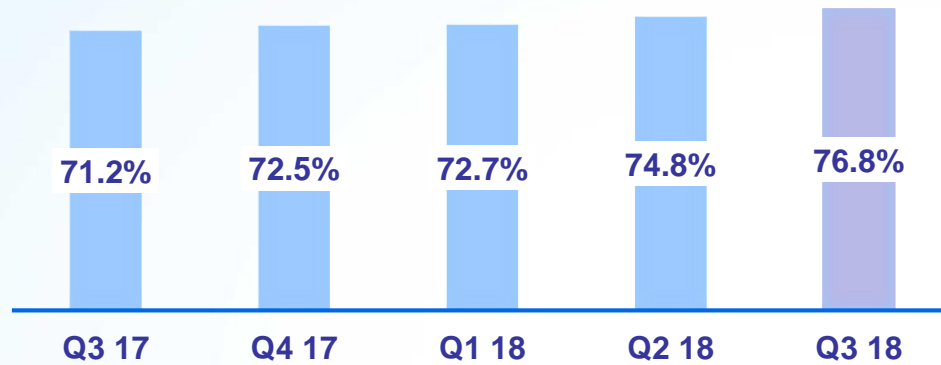
## Cost of Funds, Yield & Spread



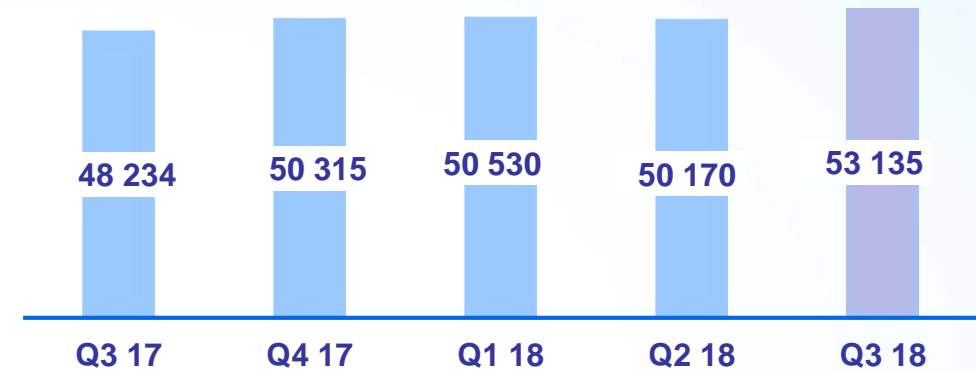
# EXPENSE AS PERCENTAGE OF REVENUE - Q – o - Q



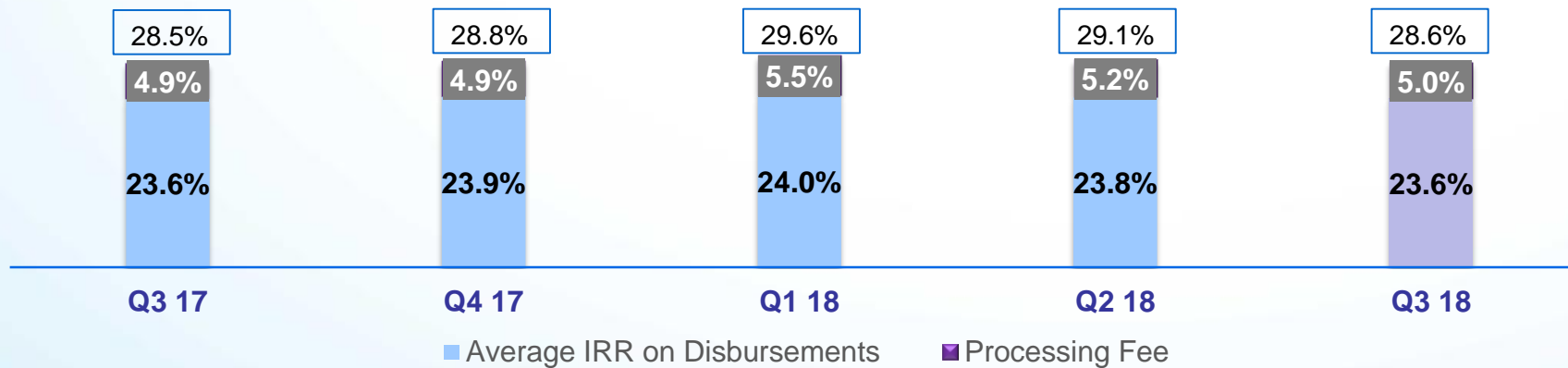
### Average LTV



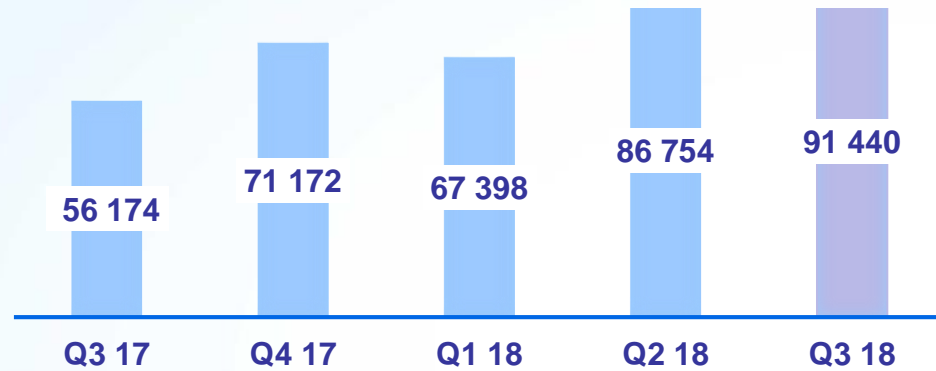
### Average Ticket Size



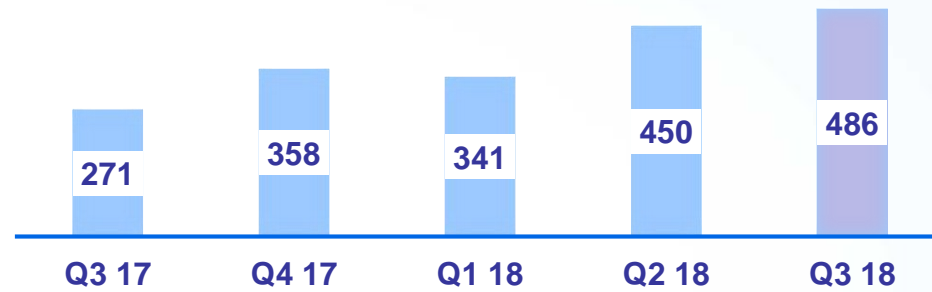
### Average IRR and Processing fee on disbursement



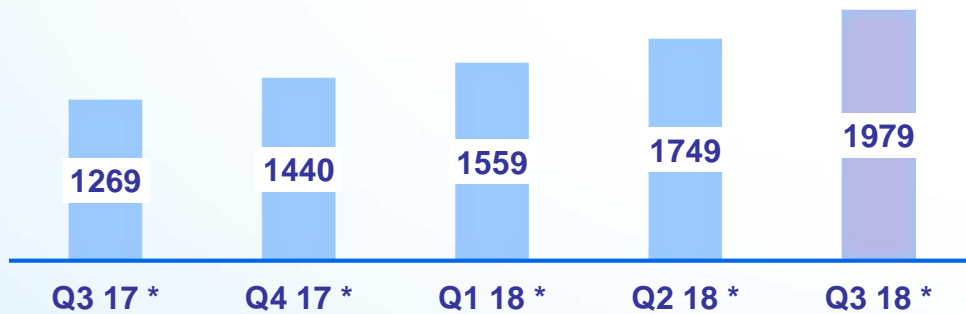
### Disbursement Count (Hypo Loan)



### Disbursement - Hypo Loan (in ₹ crores)



### Loan Book Size (in ₹ crores)



### Revenue (in ₹ crores)

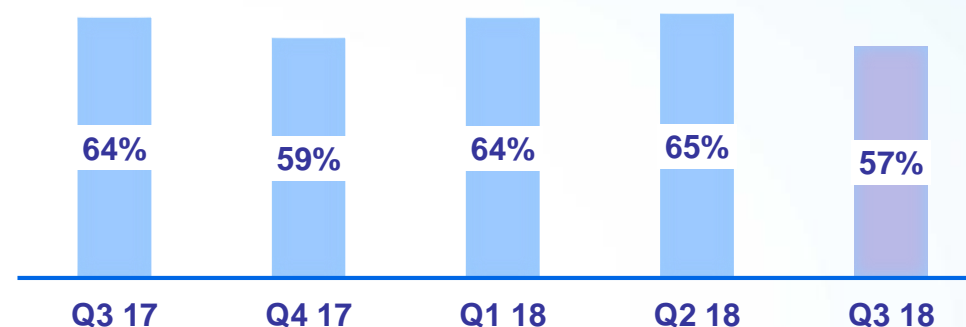


\* Including managed portfolio

### Net interest income (in Crores)



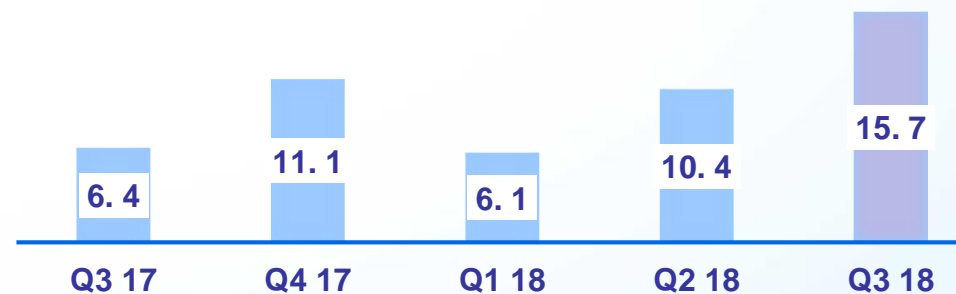
### OPEX as a % of NII



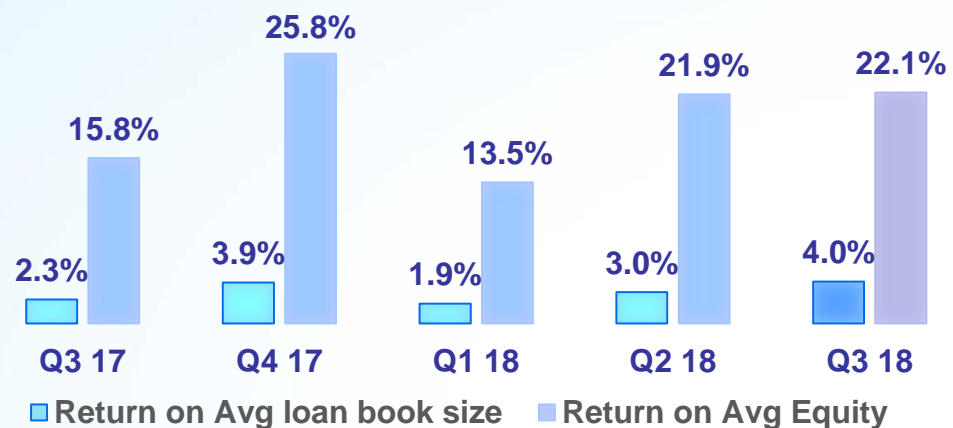
### Loan Loss Provisions and Write offs (in Crores)



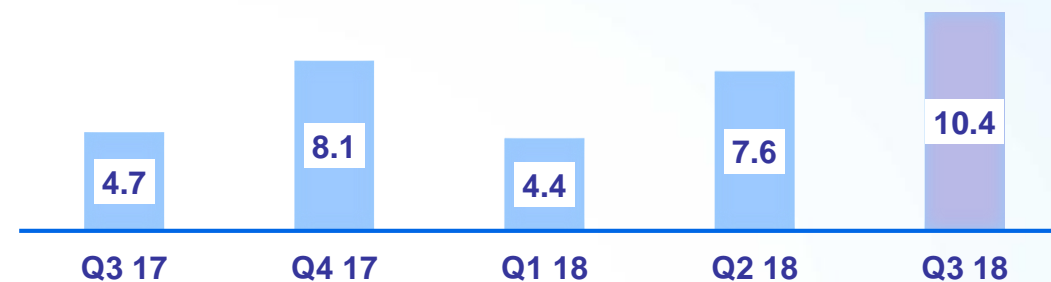
### Profit after Tax (in Crores)



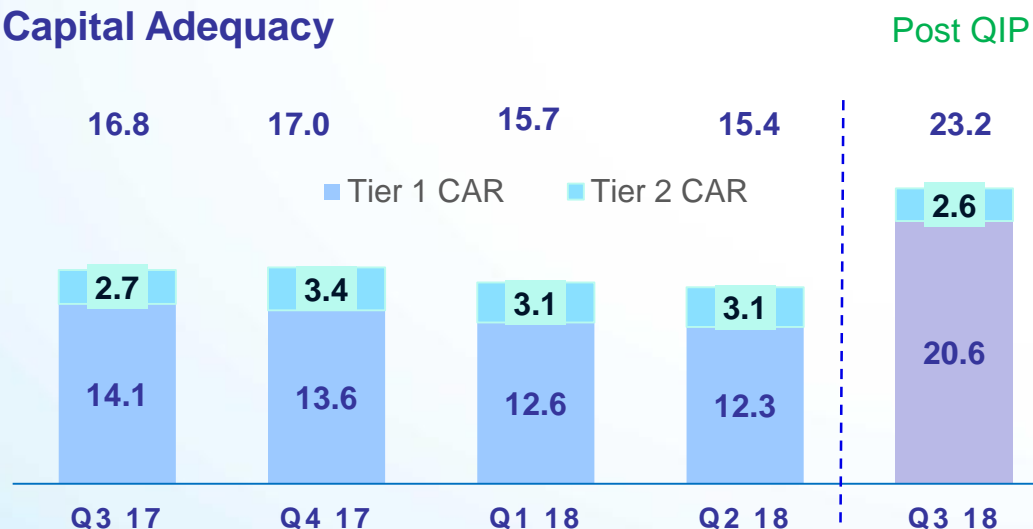
## ROA and ROE



## Earning per Share (in ₹)



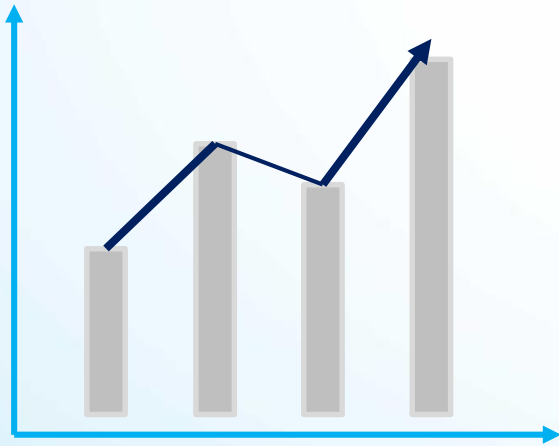
## Capital Adequacy



## Leverage



# MANAGEMENT DISCUSSION & ANALYSIS





# MANAGEMENT DISCUSSION & ANALYSIS

## Robust Growth in Disbursement & Collection

- Hyp. Loans - 79% growth from Q3FY17 to Q3FY18 & dealer point and MFL growth was 71% & 120%
- Total disbursement in Q3 FY18 - ₹ 526 Crores vs. ₹ 477.2 crores in Q2 FY 18 & ₹ 371.8 crores in Q1 FY18 - Disbursement in new areas of operation and North and East saw huge growth
- Overall collections have been growing and was at ₹ 322 in Q3FY18 v/s ₹ 296 in Q2 FY 18

## NPA

- Company followed 3M norm from current FY
- Emphasis on reducing NPA in current quarter, by focusing on lower buckets and ensuring less flow to later buckets
- Adopted new methods to control NPA figures at lower costs

## Arbitration

- Strong action on arbitration front
- Files given to legal firms – 30697 and Awards passed – 12924 and cases settled - 6401
- ₹ 40.4 crores collected directly from about 14662 nos. of customers and through repossession and sale of their vehicles

## QIP

- 1st QIP in November 2017
- 9 new reputed investors came in, bringing ₹ 165 crores
- Significantly improved CRAR, lower leverage and makes the company attractive to all forms of lenders/ investors.

# MANAGEMENT DISCUSSION & ANALYSIS

## Diversity in Funding

- In Q3 FY 18 the Company got additional funding of a total of ₹ 170 crores from various sources
- Increasing confidence that the lenders / investors have in the Company
- Company did it's 1st Commercial Paper transaction with Kotak Mutual Fund - ₹ 50 Crore

## Borrowing Mix

- ₹ 1066.5 crores from Bank sanctions, ₹ 275.9 crores from Securitization, ₹ 60 crores from retail & corporate subordinated debts and ₹ 90 crores from Public Deposits etc.
- Interest costs of the Company also came down to 9.56% and with other banks also lowering the costs, expected to go down further

## Securitization/ DA

- Securitization transaction for ₹ 48.3 Crore (net of MRR) done with Catholic Syrian Bank – 9<sup>th</sup> Securitization/ DA to date – totaling ₹ 643.1 Crore (net of MRR)
- Helped substantially in ploughing funds back into the business and growing the loan book
- Many more transactions are expected to happen in the future as well

## Geographical expansion

- 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

# MANAGEMENT DISCUSSION & ANALYSIS

## Staff attrition & Cost Control

- Monthly staff attrition has remained at 2.67 % in Q3 FY '18 v/s attrition at 3% in Q2 FY 18 - The concept of Marketing agents is also working well.
- Dealer incentives have remained under control at 1.33 % for Q3 FY18; interest and finance charges on an overall basis was slightly lower at 9.56% v/s 9.96% in Q2 FY '18.

## Repayment Mode

- Post demonetization 100% repayment for new customers through NACH and significant collections through NACH – Helps cut delinquencies
- NACH repayment is at 66% v/s 10 % at end of Dec'16 quarter. The unlinked mandates is an area of concern, which is being attended to.

## Overall Profitability

- 9M FY 18 PAT of ₹ 32.2 crores actual v/s ₹ 27.4 crores budgeted
- Lower than budgeted NPA figures (hence lower provisioning); significantly lower Finance costs and employee costs. Other expenses were higher on account of account of significantly higher collection costs.

## Way Forward

- Plans are being worked out to see what would be the most effective way of controlling this cost, some of which has already happened in Q3 FY 18.
- We 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**