

# Board Presentation dated 25<sup>th</sup> January 2020

## Quarter ended 31<sup>st</sup> December 2019



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No of States / UT  
currently operating in  
– 20

Disb – ₹ 465.8 Cr

New Customers  
74,950

AUM – ₹ 2751 Cr  
Live Customers –  
727,533

# SNAPSHOT

Quarter ended 31<sup>st</sup> December 2019

Own book (Ind AS)-  
Stage 3 –6.0 %  
Stage 3 (Net) –3.6 %

Securitization sanctions  
Q3 FY 20 -₹ 278 Cr

CRAR –21.5 %  
D/E ratio (Ind AS): 4.5

## Quarterly Trend

₹. In Crores

| Financial Statement Metrics     | Q3 FY 20     | Q2 FY 20     | Q-o-Q      | Q3 FY 19     | Y-o-Y       |
|---------------------------------|--------------|--------------|------------|--------------|-------------|
| <b>Disbursement :</b>           |              |              |            |              |             |
| Hyp Loans                       | 460.7        | 463.2        | -1%        | 493.1        | -7%         |
| Other Loans                     | 5.1          | 24.6         | -79%       | 9.0          | -43%        |
| <b>Total Disbursements</b>      | <b>465.8</b> | <b>487.8</b> | <b>-5%</b> | <b>502.1</b> | <b>-7%</b>  |
| AUM at the end of the period *  | 2677.7       | 2672.1       | 0.2%       | 2402.1       | 11%         |
| Average AUM                     | 2678.8       | 2588.4       | 3%         | 2327.7       | 15%         |
| Total Interest and Fee Income   | 150.9        | 145.0        | 4%         | 135.2        | 12%         |
| Finance Expenses                | 58.0         | 57.9         | 0%         | 46.4         | 25%         |
| <b>Net Interest Income(NII)</b> | <b>92.9</b>  | <b>87.1</b>  | <b>7%</b>  | <b>88.8</b>  | <b>5%</b>   |
| Operating Expenses              | 51.8         | 48.9         | 6%         | 42.7         | 21%         |
| Loan Losses & Provisions **     | 15.6         | 15.7         | 0%         | 8.1          | 93%         |
| <b>Profit Before Tax</b>        | <b>25.5</b>  | <b>22.5</b>  | <b>13%</b> | <b>38.0</b>  | <b>-33%</b> |
| Profit After Tax***             | 19.0         | 14.0         | 36%        | 24.5         | -22%        |

## 9 Month Trend

₹. In Crores

|  | 9M FY 20      | 9M FY 19      | Y-o-Y       |
|--|---------------|---------------|-------------|
|  |               |               |             |
|  | 1375.2        | 1411.2        | -3%         |
|  | 65.4          | 118.2         | -45%        |
|  | <b>1440.6</b> | <b>1529.4</b> | <b>-6%</b>  |
|  | 2677.7        | 2402.1        | 11%         |
|  | 2613.2        | 2209.6        | 18%         |
|  | 439.9         | 381.3         | 15%         |
|  | 171.5         | 130.3         | 32%         |
|  | <b>268.4</b>  | <b>251.0</b>  | <b>7%</b>   |
|  | 145.2         | 115.4         | 26%         |
|  | 48.2          | 37.5          | 28%         |
|  | <b>75.0</b>   | <b>98.1</b>   | <b>-24%</b> |
|  | 46.6          | 63.5          | -27%        |

Q3 FY 20

Q2 FY 20

Q3 FY 19

9M FY 20

9M FY 19

Total Opex to NII

56.0%

56.0%

48.0%

54.0%

46.0%

Return on Avg. AUM

2.8%

2.2%

4.2%

2.4%

3.8%

Earnings per Share

11.5

8.5

14.9

28.3

38.6

- Total AUM including off book as on 31<sup>st</sup> Dec 19 is ₹ 2 751 crs ( Q-o-Q- 1 % down) (Y-o-Y- 6% up)

\*\* Includes additional Provision of ₹ 2.5 Crores

\*\*\* The tax computed for 9MF Y20 is 25.17% and 34..944% for 9M FY19 . The hit of deferred tax on account of rate reduction has been considered during 9M FY20.

## STATEMENT OF SOURCES AND APPLICATION OF FUNDS - IND AS

₹. In Crores

| Sources                          | 30-Sep-19     | 31-Dec-19     | Application                | 30-Sep-19     | 31-Dec-19     |
|----------------------------------|---------------|---------------|----------------------------|---------------|---------------|
| Share Capital                    | 16.4          | 16.4          | Fixed Assets               | 4.1           | 3.9           |
| Reserve & Surplus                | 458.4         | 477.4         | Investments                | 83.6          | 103.6         |
| <b>Shareholders Funds</b>        | <b>474.8</b>  | <b>493.8</b>  | Deferred Tax Assets        | 25.4          | 24.5          |
| Bank Debts                       | 1532.4        | 1547.8        |                            |               |               |
| Securitizations                  | 438.1         | 541.4         | Hypothcation Loan          | 2296.2        | 2359.6        |
| Sub debt / Debentures            | 65.7          | 66.7          | Loan Buyout                | 49.9          | 39.3          |
| Public Deposit/ICD               | 62.3          | 55.7          | Term Loans                 | 243.1         | 200.9         |
| Loan From Directors              | 10.2          | 10.2          | Other Loans                | 9.3           | 7.2           |
| Interest Accrued on Loans        | 4.5           | 3.5           | Interest Accrued on Loans  | 26.2          | 25.3          |
| <b>Total Borrowings</b>          | <b>2113.4</b> | <b>2225.3</b> | <b>Total Loans</b>         | <b>2624.6</b> | <b>2632.3</b> |
| Assigned Dues Payable            | 79.5          | 88.1          |                            |               |               |
| Trade Payable                    | 26.0          | 26.4          | Cash & Cash Equivalents    | 40.2          | 158.8         |
| Provisions                       | 108.6         | 114.0         | Other Financial Assets     | 25.6          | 25.5          |
| Other Financial Liabilities      | 14.0          | 15.5          | Other Non Financial Assets | 16.6          | 18.7          |
| Other Non Financial Liabilities  | 3.2           | 3.0           |                            |               |               |
| Derivative Financial Instruments | 0.8           | 1.2           |                            |               |               |
| <b>Total</b>                     | <b>2820.2</b> | <b>2967.3</b> | <b>Total</b>               | <b>2820.2</b> | <b>2967.3</b> |

## Disbursement

Q2 FY 20 : ₹ 487.8 Cr  
Q3 FY 20 : ₹ 465.8 Cr

 5%

Q3 FY 19 : ₹ 502.1Cr  
Q3 FY 20 : ₹ 465.8Cr

 7%

## Borrowing Cost

Q2 FY 20 : 10.3%  
Q3 FY 20 : 10.3%

 1%

Q3 FY 19 : 9.7%  
Q3 FY 20 : 10.3%

 6%

## PAT (Ind AS)

Q2 FY 20 : ₹ 14.0 Cr  
Q3 FY 20 : ₹ 19.0 Cr

 36%

Q3 FY 19 : ₹ 24.5 Cr  
Q3 FY 20 : ₹ 19.0 Cr

 22%

## Overall AUM

Q2 FY 20 : ₹ 2779.3 Cr  
Q3 FY 20 : ₹ 2751.4 Cr

 1%

Q3 FY 19 : ₹ 2593.6Cr  
Q3 FY 20 : ₹ 2751.4Cr

 6%

## Stage 3 (Ind AS)

Q2 FY 20 : ₹ 151.9 Cr  
Q3 FY 20 : ₹ 161.3 Cr

 6%

Q3 FY 19 : ₹ 122.6Cr  
Q3 FY 20 : ₹ 161.3 Cr

 32%

## ROA- (Ind AS)

Q2 FY 20 : 2.2%  
Q3 FY 20 : 2.8%

 28%

Q3 FY 19 : 4.2 %  
Q3 FY 20 : 2.8 %

 34%

## Revenue- (Ind AS)

Q2 FY 20 : ₹ 145.0 Cr  
Q3 FY 20 : ₹ 150.7 Cr

 4%

Q3 FY 19 : ₹ 135.2Cr  
Q3 FY 20 : ₹ 150.7Cr

 11%

## Loan Losses &amp; Provision (Ind AS)

Q2 FY 20 : ₹ 15.7 Cr  
Q3 FY 20 : ₹ 15.6 Cr

 0%

Q3 FY 19 : ₹ 8.1Cr  
Q3 FY 20 : ₹ 15.6Cr

 93%

## ROE- (Ind AS)

Q2 FY 20 : 12.0%  
Q3 FY 20 : 15.4 %

 28%

Q3 FY 19 : 23.8 %  
Q3 FY 20 : 15.4 %

 35%

## ASSET QUALITY AND PROVISION COVERAGE

₹. In Crores

### As Per IGAAP

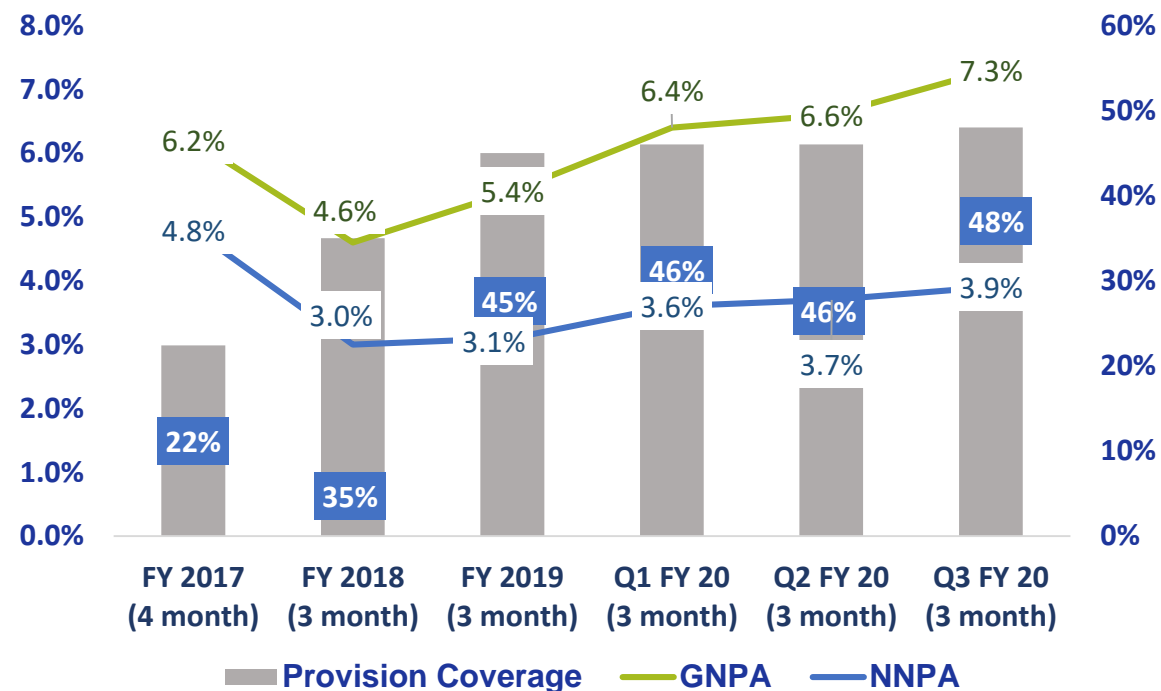
|                                | As on<br>31.12.2018 | As on<br>30.09.2019 | As on<br>31.12.2019 |
|--------------------------------|---------------------|---------------------|---------------------|
| <b>Own Book Portfolio</b>      | <b>2157.6</b>       | <b>2211.2</b>       | <b>2105.6</b>       |
| GNPA                           | 5.7%                | 6.6%                | 7.3%                |
| NNPA                           | 3.3%                | 3.7%                | 3.9%                |
| Total Provision                | 61.1                | 76.1                | 83.0                |
| <b>Prov. as % of Loan Book</b> | <b>2.8%</b>         | <b>3.4%</b>         | <b>3.9%</b>         |

₹. In Crores

### As Per IND AS

|                               | As on<br>31.12.2018 | As on<br>30.09.2019 | As on<br>31.12.2019 |
|-------------------------------|---------------------|---------------------|---------------------|
| <b>Own Book Portfolio</b>     | <b>2402.1</b>       | <b>2672.1</b>       | <b>2677.7</b>       |
| Stage 3                       | 5.1%                | 5.7%                | 6.0%                |
| Stage 3 (Net)                 | 3.1%                | 3.3%                | 3.6%                |
| ECL Provision                 | 87.4                | 102.8               | 108.8               |
| <b>Prov as % of Loan Book</b> | <b>3.6%</b>         | <b>3.8%</b>         | <b>4.1%</b>         |

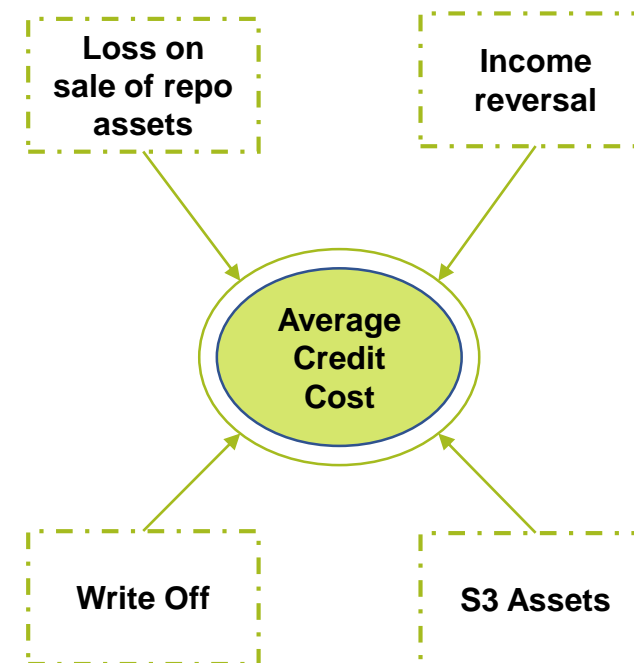
### As Per IGAAP



## MAIN FACTORS IMPACTING PROFITABILITY – DELINQUENCIES-( IGAAP)

₹. In Crores

| Particulars  | Q2 FY 19    | Q3 FY 19    | Q4 FY 19    | FY 19         | Q1 FY 20    | Q2 FY 20    | Q3 FY 20    |
|--|-------------|-------------|-------------|---------------|-------------|-------------|-------------|
| Unrealized Income reversed                                       | 1.6         | 1.0         | -0.7        | <b>3.4</b>    | 2.3         | 1.9         | 1.5         |
| Loss on sale + Provision for diminution in value of repo. Assets | 5.2         | 6.0         | 5.2         | <b>20.2</b>   | 5.7         | 7.3         | 8.9         |
| S3 write off   | 0           | 0           | 7.8         | <b>7.8</b>    | -           | -           | -           |
| S3 Provision   | 4.2         | 3.7         | -6.1        | <b>6.2</b>    | 5.9         | 5.5         | 6.1         |
| Addl S3 Provision  | 3.8         | 2.4         | 4.4         | <b>14.1</b>   | 5.1         | -           | -           |
| <b>Total</b>   | <b>14.8</b> | <b>13.1</b> | <b>10.6</b> | <b>51.7</b>   | <b>19.0</b> | <b>14.7</b> | <b>16.5</b> |
| Avg AUM*   | 1982.0      | 2083.3      | 2147.2      | <b>2042.6</b> | 2048.5      | 2131.9      | 2169.7      |
| % of Credit cost on Avg AUM (annualized)**                       | <b>3.0%</b> | <b>2.5%</b> | <b>2.0%</b> | <b>2.5%</b>   | <b>3.7%</b> | <b>2.8%</b> | <b>3.0%</b> |



\*Average AUM is excluding managed portfolio;

\*\* Credit Cost Excl Additional Prov: FY 18 -1.9%, Q1 FY 19 – 2.0% , Q2 FY 19- 2.2%, Q3 FY 19-2.1%,Q4 FY19-1.2%,FY 19- 1.8 %,Q1 FY20 – 2.7%.

\*\*\* though MCSL moved over to IndAS, we continue to de recognize Unrealised income (as on 31<sup>st</sup> Dec 19 ₹20.4 crs)



## EXPECTED CREDIT LOSS (ECL)

As on 31.12.2018

₹. In Crores

| Particulars            | Outstanding    | Provision    | ECL%         | IGAAP* %     |
|------------------------|----------------|--------------|--------------|--------------|
| <b>Total</b>           | <b>2370.39</b> | <b>87.43</b> | <b>3.69%</b> | <b>2.83%</b> |
| S1 and S2 (Std assets) | 1995.92        | 37.19        | 1.86%        | 0.40%        |
| S3 (NPA)               | 122.60         | 49.23        | 40.15%       | 43.15%       |
| Other Loans            | 251.87         | 1.01         | 0.40%        | 0.40%        |

As on 30.09.2019

| Particulars            | Outstanding    | Provision     | ECL%         | IGAAP* %     |
|------------------------|----------------|---------------|--------------|--------------|
| <b>Total</b>           | <b>2640.73</b> | <b>102.77</b> | <b>3.89%</b> | <b>3.67%</b> |
| S1 and S2 (Std assets) | 2182.74        | 38.99         | 1.79%        | 0.40%        |
| S3 (NPA)               | 151.92         | 62.56         | 41.18%       | 46.09%       |
| Other Loans            | 306.07         | 1.22          | 0.40%        | 0.40%        |

As on 31.12.2019

| Particulars            | Outstanding    | Provision     | ECL%         | IGAAP* %     |
|------------------------|----------------|---------------|--------------|--------------|
| <b>Total</b>           | <b>2644.16</b> | <b>108.81</b> | <b>4.11%</b> | <b>3.94%</b> |
| S1 and S2 (Std assets) | 2232.52        | 38.71         | 1.74%        | 0.40%        |
| S3 (NPA)               | 161.3          | **68.58       | 42.5%        | 48.54%       |
| Other Loans            | 250.34         | **1.52        | 0.61%        | 0.40%        |

\*Based on the On Book AUM. \*\*₹ 2 crore additional provision in S3 and 0.50crs in Other loans

## TRANSITION IMPACT

₹. In Crores

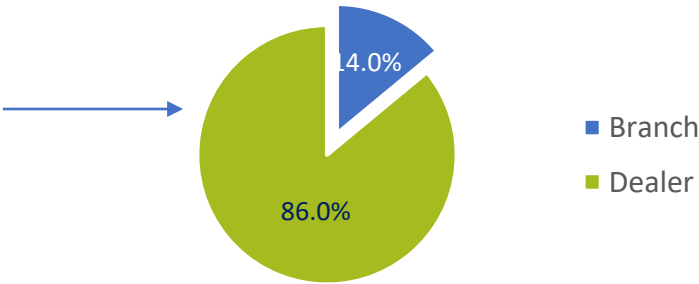
|  | As on 31.03.2018 | 2018-19       | Q1 FY 2020    | Q2FY20        | Q3FY20        |
|--|------------------|---------------|---------------|---------------|---------------|
| <b>Reserve/PBT as per IGAAP</b>                | <b>377.48</b>    | <b>127.25</b> | <b>21.50</b>  | <b>21.67</b>  | <b>16.88</b>  |
| <b>Expected Credit Loss addition</b>           | <b>(27.24)</b>   | <b>2.49</b>   | <b>(0.30)</b> | <b>(2.48)</b> | <b>0.36</b>   |
| Provision for Direct assignment gain           | 0.00             | (0.49)        | (0.24)        | 0.00          | 0.00          |
| ECL provision on Hypothecation Loan            | (27.24)          | 2.98          | (0.06)        | (2.48)        | 0.36          |
| <b>EIR on financial receivables</b>            | <b>(45.62)</b>   | <b>(2.89)</b> | <b>(0.95)</b> | <b>0.09</b>   | <b>0.86</b>   |
| HP management fee impact                       | (66.49)          | (10.38)       | (0.55)        | (1.09)        | 1.25          |
| Processing fee _ Income                        | (1.19)           | (0.93)        | (0.01)        | 0.27          | 0.30          |
| Insurance                                      |                  | 3.90          | (0.68)        | 0.81          | (0.03)        |
| Transaction cost                               | 22.06            | 4.51          | 0.28          | 0.10          | (0.66)        |
| <b>Securitization</b>                          | <b>9.31</b>      | <b>7.85</b>   | <b>5.05</b>   | <b>3.71</b>   | <b>7.58</b>   |
| <b>Assignment</b>                              | <b>11.08</b>     | <b>(6.56)</b> | <b>1.94</b>   | <b>(1.95)</b> | <b>(1.29)</b> |
| Direct assignment income- service asset        | 11.08            | (7.53)        | 2.16          | (2.52)        | (1.68)        |
| Direct assignment expense _collection cost     | 0.00             | 0.97          | (0.22)        | 0.57          | 0.39          |
| <b>EIR on Borrowings</b>                       | <b>1.76</b>      | <b>4.40</b>   | <b>(0.35)</b> | <b>1.48</b>   | <b>1.15</b>   |
| Processing Fees Bank                           | 1.41             | 2.74          | (0.33)        | 1.61          | (0.12)        |
| Securitisatation Expense                       | 0.36             | 1.66          | (0.02)        | (0.13)        | 1.27          |
| <b>Fair value changes on investments</b>       | <b>(0.00)</b>    | <b>0.37</b>   | <b>0.01</b>   | <b>0.00</b>   | <b>0.00</b>   |
| <b>Reserve/Profit before tax as per IND AS</b> | <b>326.78</b>    | <b>132.89</b> | <b>26.89</b>  | <b>22.53</b>  | <b>25.54</b>  |
| Deferred Tax/(Liability)                       | 17.72            | -             |               |               |               |
| <b>Reserve/Profit before tax as per IND AS</b> | <b>344.49</b>    | <b>132.89</b> | <b>26.89</b>  | <b>22.53</b>  | <b>25.54</b>  |

### ZONEWISE DISBURSEMENT (HYP LOANS)

₹. In Crores

| Zone    | BRANCH    |        |           |        | DEALER    |         |           |          | TOTAL     |         |           |         |         | Overall Share |           |
|---------|-----------|--------|-----------|--------|-----------|---------|-----------|----------|-----------|---------|-----------|---------|---------|---------------|-----------|
|         | Apr-Dec19 |        | Apr-Dec18 |        | Apr-Dec19 |         | Apr-Dec18 |          | Apr-Dec19 |         | Apr-Dec18 |         |         | Apr-Dec19     | Apr-Dec18 |
|         | Count     | Value  | Count     | Value  | Count     | Value   | Count     | Value    | Count     | Value   | Count     | Value   | Growth% |               |           |
| South   | 27 037    | 158.50 | 31 500    | 179.15 | 118 730   | 763.28  | 142 020   | 818.89   | 145 767   | 921.77  | 1 73 520  | 998.04  | -8%     | 67%           | 71%       |
| West    | 4 087     | 21.35  | 4 646     | 22.12  | 15 067    | 90.29   | 18 974    | 100.91   | 19 154    | 111.64  | 23 620    | 123.03  | -9%     | 8%            | 9%        |
| North   | 1 255     | 6.76   | 1 762     | 8.57   | 30 594    | 168.17  | 34 786    | 175.62   | 31 849    | 174.93  | 36 548    | 184.19  | 5%      | 13%           | 13%       |
| East    | 1 045     | 5.84   | 552       | 2.81   | 28 052    | 161.04  | 19 715    | 103.12   | 29 097    | 166.87  | 20 267    | 105.93  | 58%     | 12%           | 8%        |
| Overall | 33 424    | 192.45 | 38 460    | 212.65 | 1 92 443  | 1182.78 | 2 15 495  | 1 198.54 | 2 25 867  | 1375.23 | 2 53 955  | 1411.19 | -3%     | 100%          | 100%      |

Share of Branch and Dealer of zone-wise disbursement

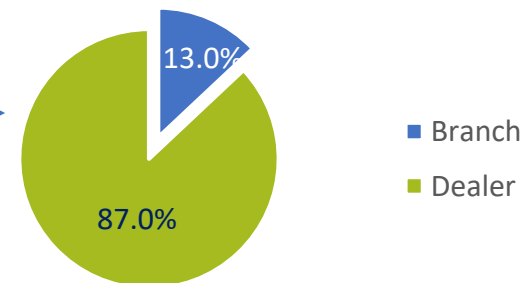


## ZONEWISE DISBURSEMENT (HYP LOANS) – Y- o -Y

₹. In Crores

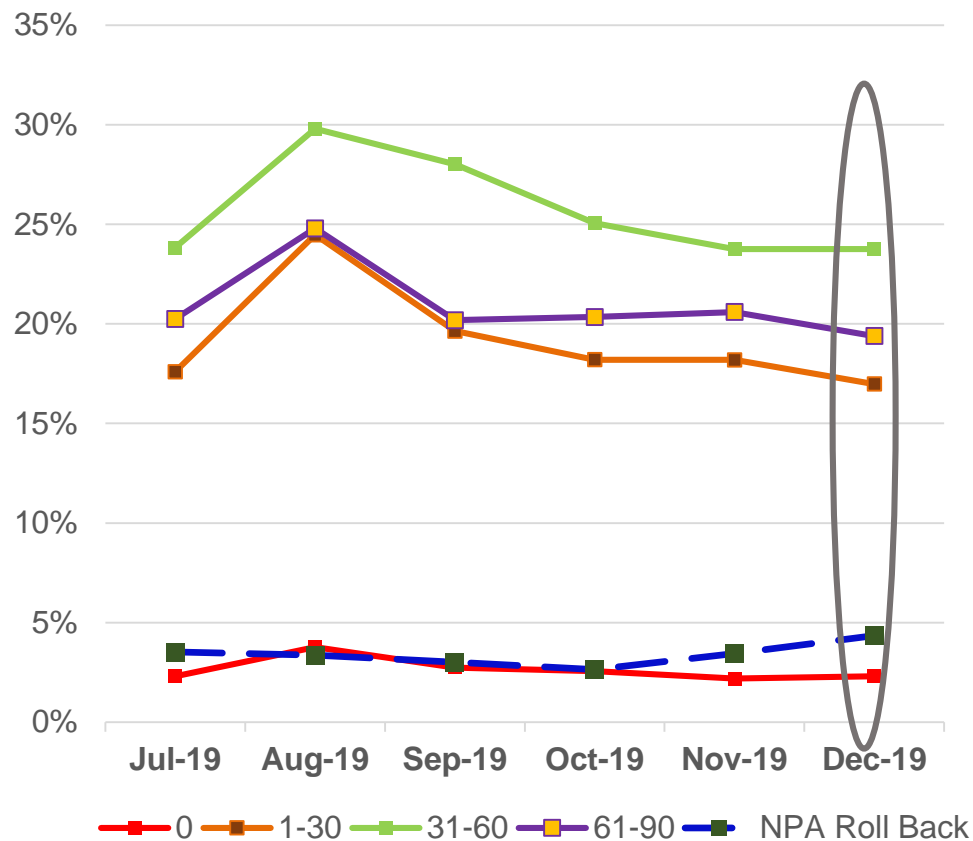
| Zone    | BRANCH    |       |           |       | DEALER    |       |           |       | TOTAL     |       |           |       |         | Overall Share |           |
|---------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|---------|---------------|-----------|
|         | Q3 FY '20 |       | Q3 FY '19 |       | Q3 FY '20 |       | Q3 FY '19 |       | Q3 FY '20 |       | Q3 FY '19 |       |         | Q3 FY '20     | Q3 FY '19 |
|         | Count     | Value | Count     | Value | Count     | Value | Count     | Value | Count     | Value | Count     | Value | Growth% |               |           |
| South   | 8 286     | 48.1  | 8 565     | 50.4  | 37 310    | 243.2 | 43 207    | 262.1 | 45 596    | 291.3 | 51 772    | 312.5 | -7%     | 63%           | 63%       |
| West    | 1 602     | 8.5   | 1 548     | 7.8   | 5 653     | 34.3  | 7 672     | 43.4  | 7 255     | 42.9  | 9 220     | 51.2  | -16%    | 9%            | 10%       |
| North   | 345       | 1.9   | 424       | 2.2   | 11 486    | 64.4  | 13 994    | 75.9  | 11 831    | 66.3  | 14 418    | 78.1  | -15%    | 14%           | 16%       |
| East    | 369       | 2.0   | 196       | 1.1   | 9 899     | 58.1  | 9 020     | 50.2  | 10 268    | 60.2  | 9 216     | 51.3  | 17%     | 13%           | 10%       |
| Overall | 10 602    | 60.6  | 10 733    | 61.5  | 64 348    | 400.1 | 73 893    | 431.6 | 74 950    | 460.7 | 84 626    | 493.1 | -7%     | 100%          | 100%      |

Share of Branch and Dealer of zone-wise  
disbursement

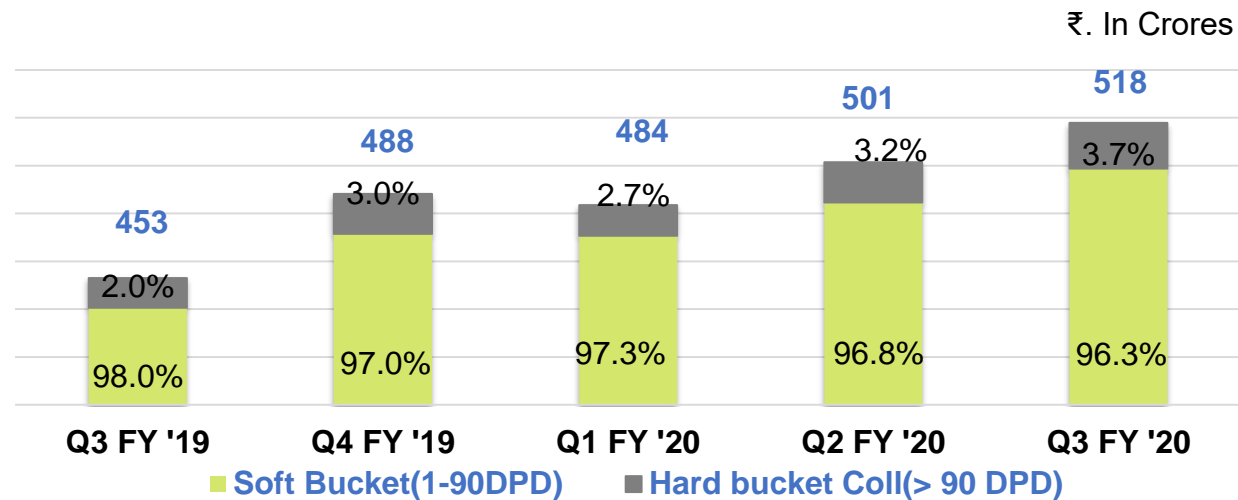


## COLLECTION PERFORMANCE MONITORING (HYP)

### Bucket- wise Flow



### Collection Performance

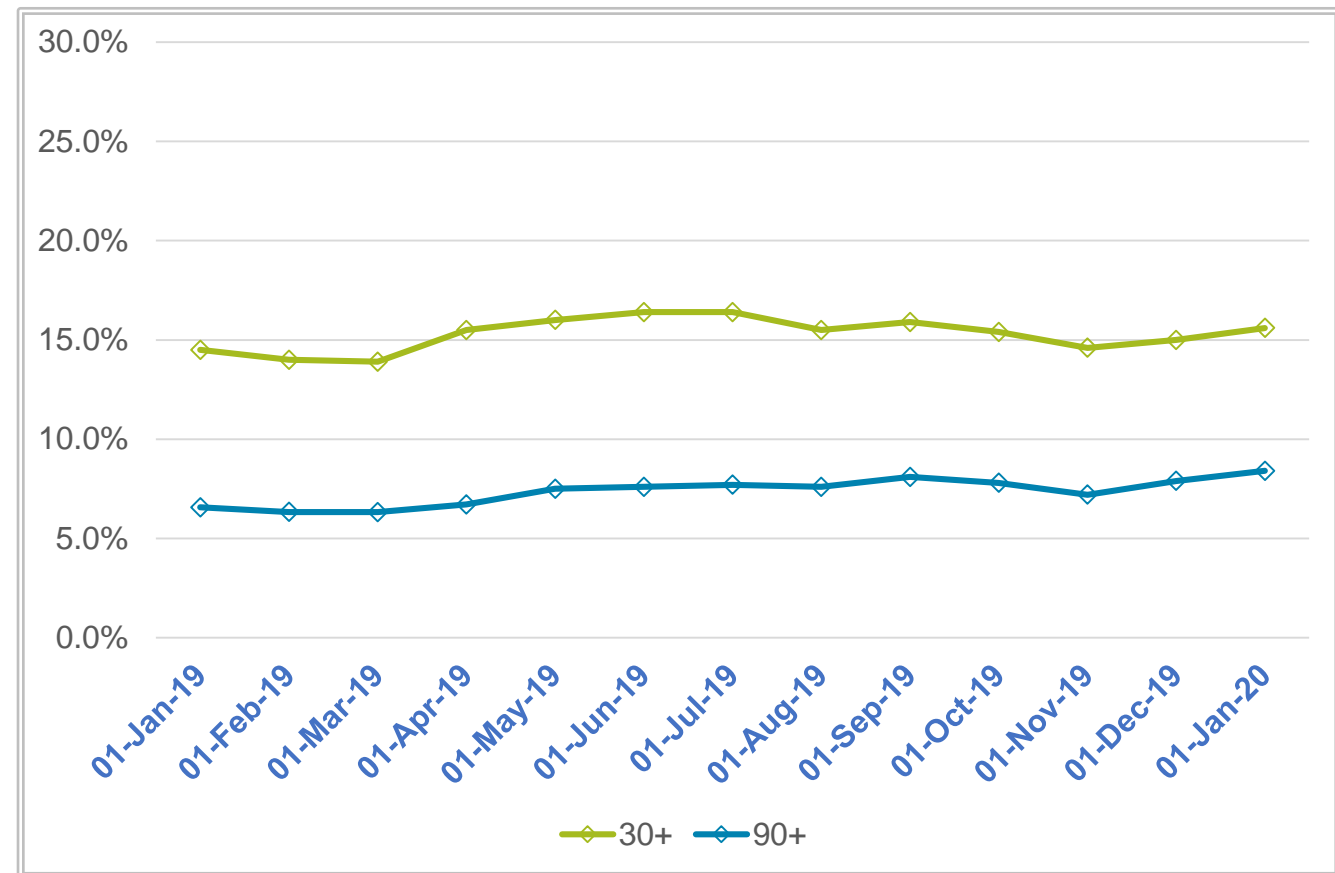


|                    | Q3 FY 19 Q4 FY 19 Q1 FY 20 Q2 FY 20 Q3 FY 20 |            |            |            |            |
|--------------------|--|------------|------------|------------|------------|
| Soft Bucket (1-90) | 441  | 471        | 471        | 485        | 499        |
| Hard Bucket (>90)  | 12   | 17         | 13         | 16         | 19         |
| <b>Total</b>       | <b>453</b>                                   | <b>488</b> | <b>484</b> | <b>501</b> | <b>518</b> |

## PORTFOLIO TREND – HYPOTHECATION LOANS- IGAAP

₹. In Crores

| Month     | Own<br>book<br>AUM | 30+   | 90+   | 30+%  | 90+% |
|-----------|--------------------|-------|-------|-------|------|
| 01-Dec-18 | 1 822.4            | 271.0 | 121.8 | 14.9% | 6.7% |
| 01-Jan-19 | 1 870.6            | 272.0 | 122.8 | 14.5% | 6.6% |
| 01-Feb-19 | 1 935.0            | 271.4 | 122.5 | 14.0% | 6.3% |
| 01-Mar-19 | 1 976.2            | 274.8 | 124.9 | 13.9% | 6.3% |
| 01-Apr-19 | 1 685.9            | 262.1 | 113.1 | 15.5% | 6.7% |
| 01-May-19 | 1 757.8            | 282.0 | 131.9 | 16.0% | 7.5% |
| 01-Jun-19 | 1 724.3            | 283.0 | 130.3 | 16.4% | 7.6% |
| 01-Jul-19 | 1 738.4            | 284.4 | 133.3 | 16.4% | 7.7% |
| 01-Aug-19 | 1 808.1            | 281.9 | 137.5 | 15.5% | 7.6% |
| 01-Sep-19 | 1 790.9            | 285.5 | 144.7 | 15.9% | 8.1% |
| 01-Oct-19 | 1 876.6            | 289.1 | 146.3 | 15.4% | 7.8% |
| 01-Nov-19 | 1 995.1            | 291.2 | 143.9 | 14.6% | 7.2% |
| 01-Dec-19 | 1 922.5            | 289.1 | 152.8 | 15.0% | 7.9% |
| 01-Jan-20 | 1 826.9            | 284.3 | 153.1 | 15.6% | 8.4% |



On an overall hyp book of ₹ 2467.8 Cr, 30+ is 13.4% & 90+ is 6.7%

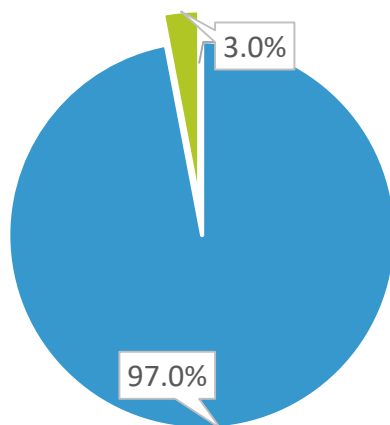
## NPA MOVEMENT – HYP LOAN – Q3 FY 2020- IGAAP

₹. In Crores

| Particulars   | OWN Book      |               |              |                   | PTC           |             | Total         |              |
|---|---------------|---------------|--------------|-------------------|---------------|-------------|---------------|--------------|
|   | HP Nos        | Balance stock | Provision    | Unrealised Income | Balance stock | Provision   | Balance stock | Provision    |
| Balance as on 30.09.2019  | 75 039        | 146.95        | 67.70        | 18.99             | 4.08          | 0.41        | 151.03        | 68.11        |
| Add: Addition during Oct to Dec 2019                              | 12 796        | 31.46         | 2.66         | 1.91              | 4.99          | 0.45        | 36.91         | 3.11         |
| Provision increased due to non payment of NPA a/cs during the Qtr |               | -             | 6.93         | 1.38              | -             | 0.01        | -             | 6.94         |
|   | <b>87 835</b> | <b>178.41</b> | <b>77.29</b> | <b>22.28</b>      | <b>9.07</b>   | <b>0.87</b> | <b>187.94</b> | <b>78.16</b> |
| Less: Moved out from NPA  | 8 516         | 10.23         | 1.46         | 0.65              | 0.69          | 0.07        | 10.92         | 1.53         |
| Less: Repossessed vehicle sold during Oct to Dec-19               | 2 851         | 12.4          | 1.63         | 1.02              | 0.71          | 0.02        | 13.02         | 1.65         |
| Less: Amount collected during Oct to Dec-19                       |               | 2.72          | 0.38         | 0.25              | 0.13          | 0.01        | 2.85          | 0.40         |
| <b>Balance as on 31.12.2019</b>                                   | <b>76 468</b> | <b>153.06</b> | <b>73.82</b> | <b>20.36</b>      | <b>7.55</b>   | <b>0.77</b> | <b>161.15</b> | <b>74.58</b> |

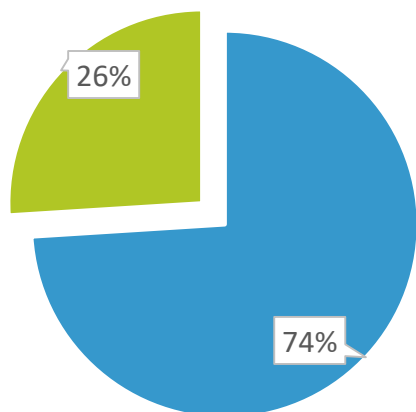
| Overall Provision as on 31 <sup>st</sup> Dec 2019 | Provision |
|---|-----------|
| As per IGAAP based on RBI guidelines              | 83.0      |
| As per IND AS                                     | 108.8     |

## HYP PORTFOLIO SPLIT AS ON DECEMBER 31<sup>ST</sup> 2019



As per IND AS

■ On Book  
■ Off Book



As Per IGAAP

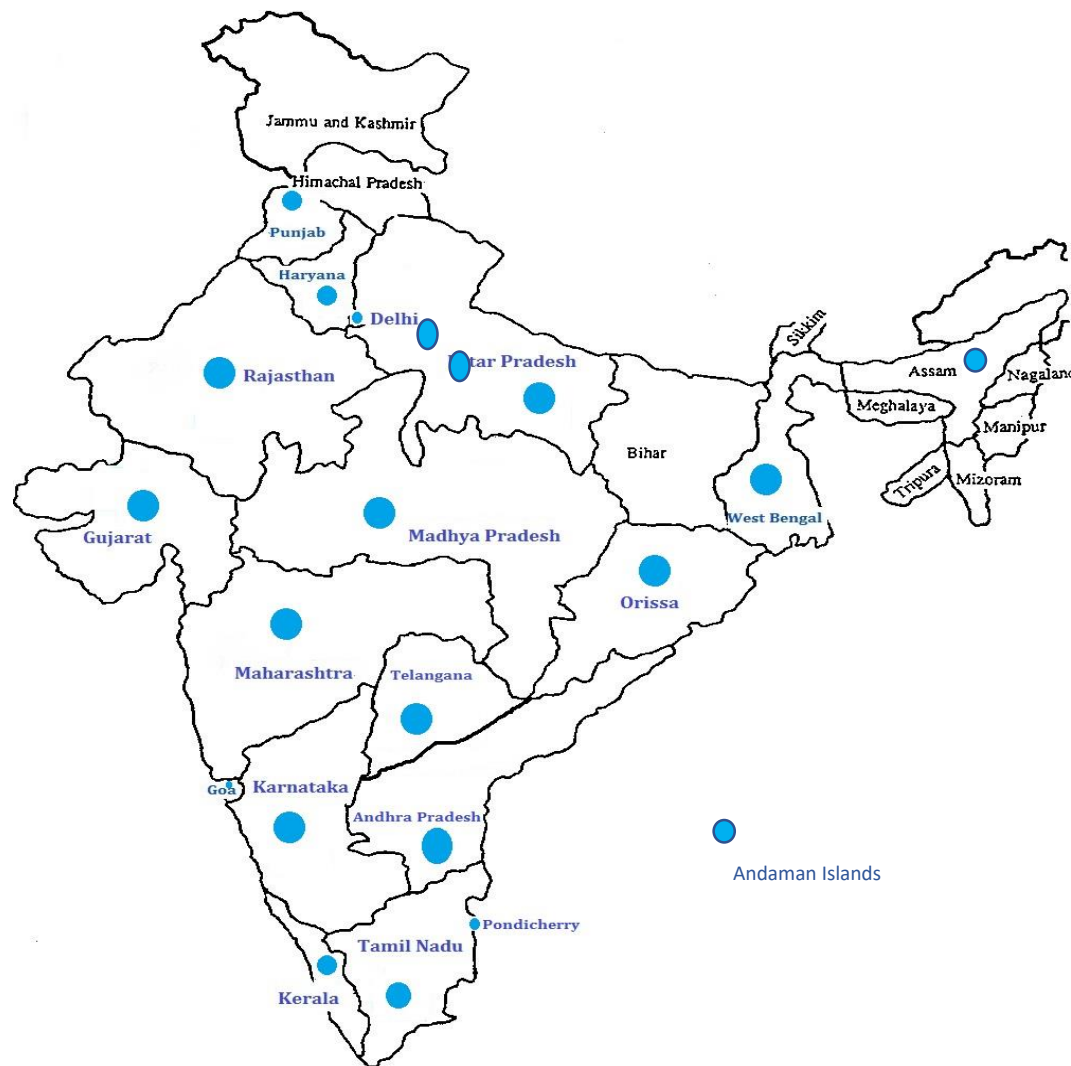
■ On Book  
■ Off Book

₹. In Crores

| Transaction Type  | No of Transactions | Amount |        |
|-------------------|--------------------|--------|--------|
| PTC               | 11                 | 567.3  |        |
| Direct Assignment | 9                  | 73.7   |        |
|                   |                    | Ind AS | IGAAP  |
| Off Book          |                    | 73.7   | 640.9  |
| On Book           |                    | 2394.2 | 1826.9 |
| Total Portfolio   |                    | 2467.8 | 2467.8 |



## MCSL GEOGRAPHIC OVERVIEW – HYP



DEC 31 2019

₹. In Crores

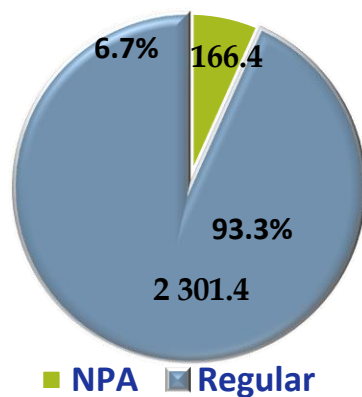
| Zone          | Active<br>Clients | Regular | S3    | Total   | Zone<br>wise<br>AUM % | % of<br>S3 |
|---------------|-------------------|---------|-------|---------|-----------------------|------------|
| South India   | 5 16 263          | 1 637.4 | 106.0 | 1 743.5 | 71.0%                 | 6.1%       |
| Western India | 59 558            | 171.2   | 27.9  | 199.1   | 8.0%                  | 14.0%      |
| North India   | 89 726            | 253.1   | 26.3  | 279.4   | 11.0%                 | 9.4%       |
| East India    | 61 986            | 239.7   | 6.2   | 245.9   | 10.0%                 | 2.5%       |
| Overall *     | 7 27 533          | 2 301.4 | 166.4 | 2 467.8 | 100.0%                | 6.7%       |

\*Includes securitized/ assigned portfolio

## PORTFOLIO ANALYSIS - HYP

₹. In Crores

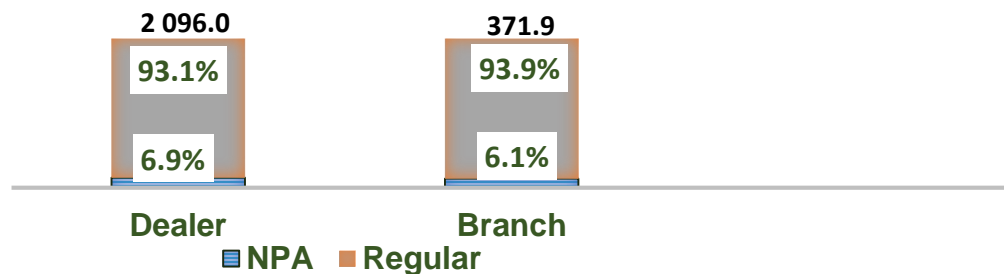
### Portfolio Analysis



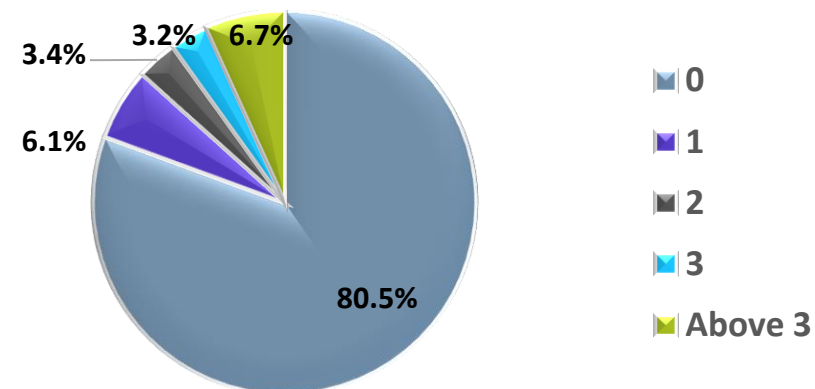
### Segment – wise Analysis



### Source - wise Analysis



### Bucket – wise Analysis



## SOURCES OF BORROWING

# ₹2.6 Cr

Collections of Public  
Deposit

- Public Deposits collected ₹2.6 Cr., of which ₹1.5 Cr. Is renewal

# ₹ 278 Cr

Securitization/ DA done in  
Q3 FY 20 (net of MRR)

- Mobilized ₹2205.6 Cr to date through 27 transactions
- ₹640.9 Cr outstanding as on 31<sup>st</sup> Dec 2019.

# 10.3%

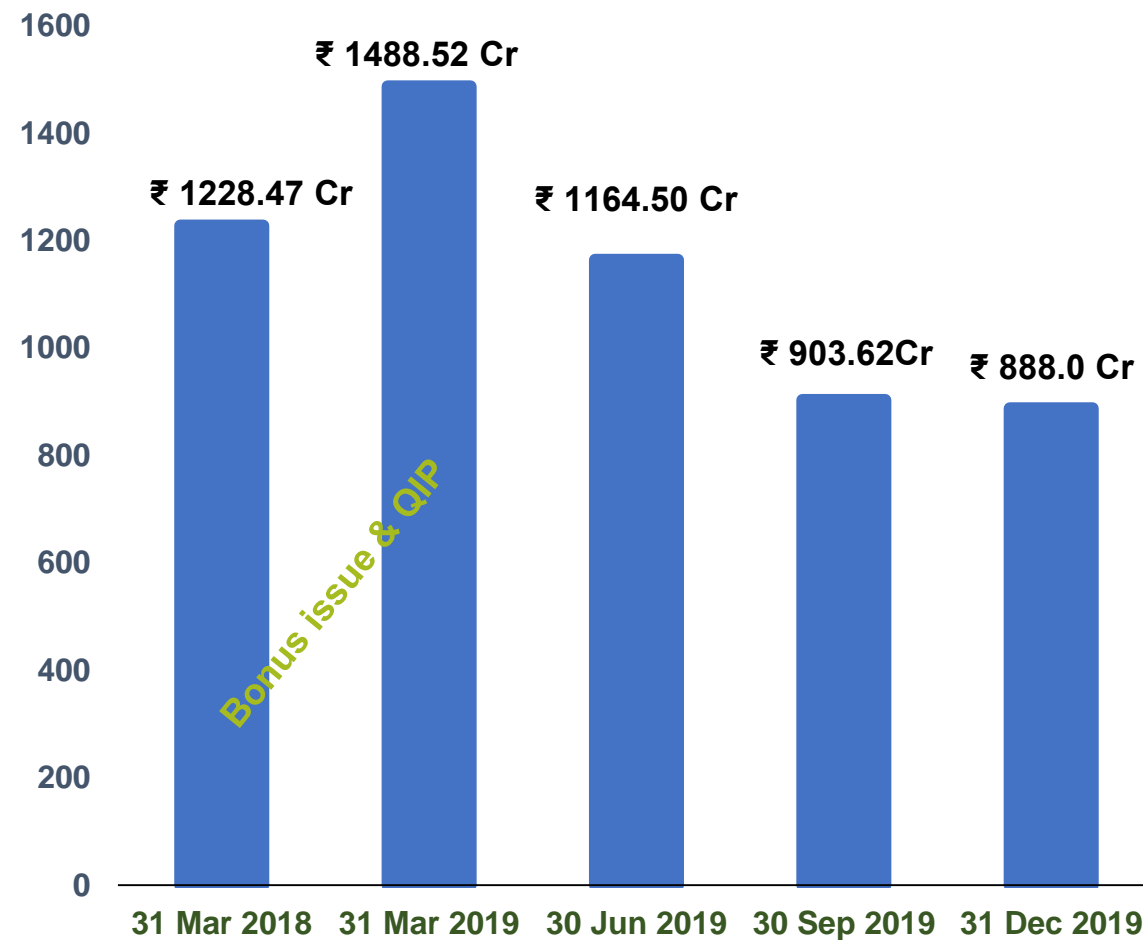
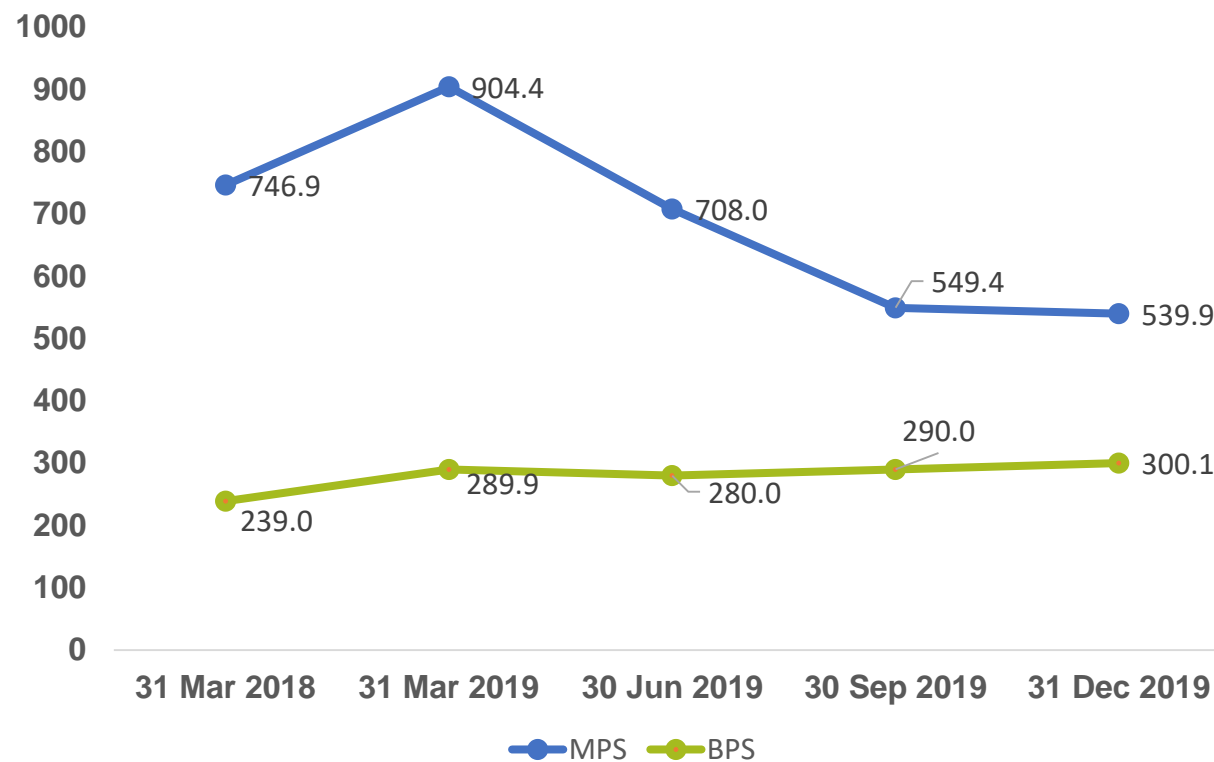
Cost of borrowing for  
Q3 FY 2019-20

Quarter on Quarter no increase in cost of borrowing

Bank funding - 67% of total borrowing as on 31<sup>st</sup> Dec 2019

Securitization/ DA sanctions received in Q3 FY 20 ₹ 278 Cr

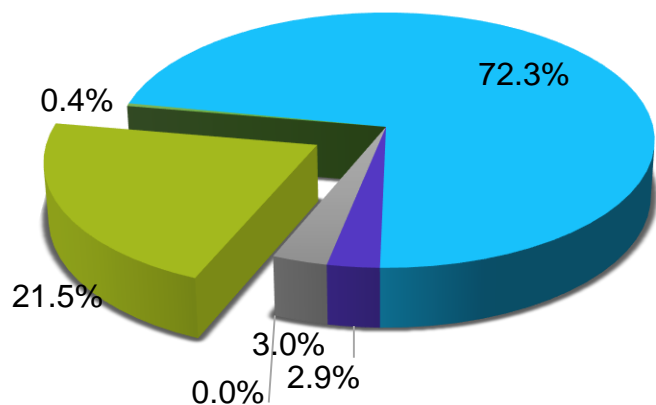
## MARKET CAPITALIZATION

Movement of Market Price per Share (MPS) vs.  
Book Value per Share (BPS)

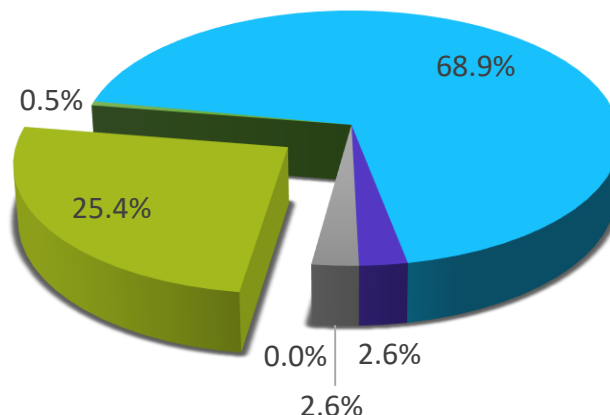
## BORROWING PROFILE – by Instrument

₹. In Crores

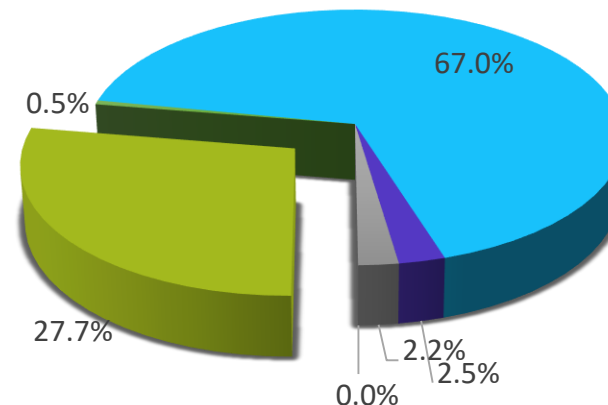
| Particulars      | Q3 FY '19     |             | Q2 FY '20     |              | Q3 FY '20     |              |
|------------------|---------------|-------------|---------------|--------------|---------------|--------------|
|                  | Amount        | Cost*       | Amount        | Cost*        | Amount        | Cost*        |
| Bank Loan        | 1475.5        | 9.8%        | 1536.3        | 10.3%        | 1551.0        | 10.2%        |
| Sub debt         | 58.5          | 11.4%       | 58.8          | 11.6%        | 58.8          | 11.5%        |
| Public Deposit   | 62.0          | 8.2%        | 57.0          | 8.3%         | 50.7          | 8.2%         |
| Commercial Paper |               | 8.7%        |               |              |               |              |
| Securitization   | 438.3         | 9.5%        | 565.3         | 10.4%        | 640.9         | 10.5%        |
| Others           | 7.4           | 11.0%       | 11.9          | 11.5%        | 11.9          | 11.5%        |
| <b>Total</b>     | <b>2041.7</b> | <b>9.7%</b> | <b>2229.3</b> | <b>10.3%</b> | <b>2313.3</b> | <b>10.3%</b> |



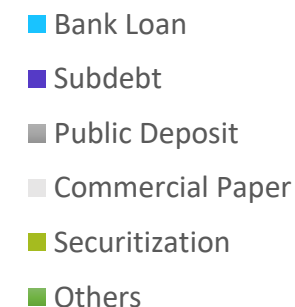
Q3 FY '19



Q2 FY '20



Q3 FY '20

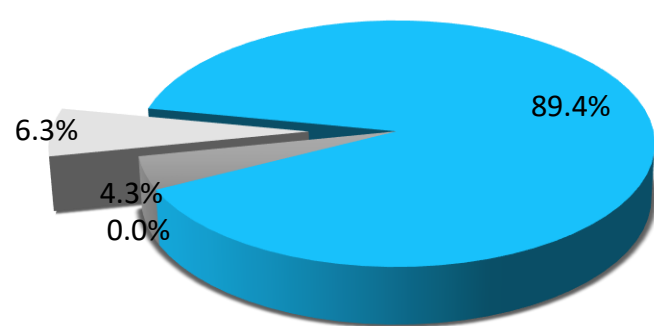


\* Cost is interest cost only and doesnot include processing fee, brokerage etc.

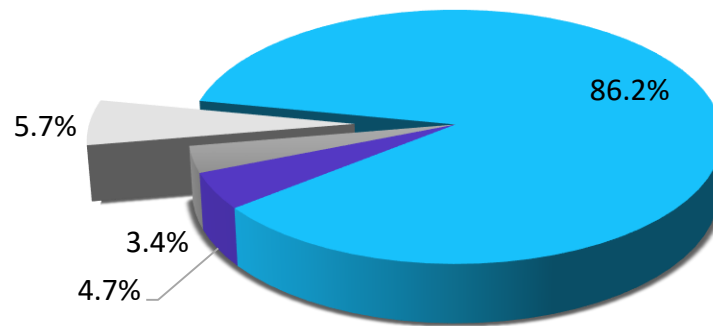
## BORROWING PROFILE – by Investor Profile

₹. In Crores

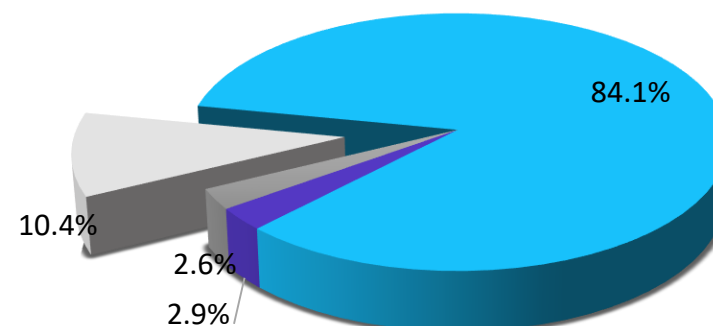
| Particulars  | Q3 FY '19     |             | Q2 FY '20     |              | Q3 FY '20     |              |
|--------------|---------------|-------------|---------------|--------------|---------------|--------------|
|              | Amount        | Cost        | Amount        | Cost         | Amount        | Cost         |
| Banks        | 1825.3        | 9.9%        | 1922.1        | 10.5%        | 1946.2        | 10.2%        |
| Mutual Funds |               | 8.9%        | 104.2         | 11.3%        | 66.3          | 11.3%        |
| NBFCs        | 88.6          | 10.4%       | 75.4          | 12.6%        | 60.7          | 10.6%        |
| Others       | 127.8         | 10.0%       | 127.7         | 9.6%         | 240.2         | 10.3%        |
| <b>Total</b> | <b>2041.7</b> | <b>9.7%</b> | <b>2229.3</b> | <b>10.3%</b> | <b>2313.3</b> | <b>10.3%</b> |



Q3 FY '19



Q2 FY '20



Q3 FY '20

■ BANK  
■ Mutual Fund  
■ NBFC  
■ Others

## Disbursement & Collection

- The –ve growth in the sector and economy has impacted MCSL as well; Q3 FY20 shows the y-o-y volumes lower by 11 %, and 9M FY20 lower by 11 % v/s the same period last year; Disbursements at same level, due to higher ticket size and LTV
- Industry saw a decline of 16 % in Q3 FY20 V/s Q3 FY19(16% decline -9M FY20 V/s 9M FY19), 9M Non-South disb. share was 33 %; South concentration reducing. Geographical derisking working well.
- Overall collections have been growing and was stable at ₹ 518 Cr in Q3 FY20 v/s ₹ 501 Cr in Q2 FY 20, but delinquencies have seen a rise, overall stress in some states at the ground etc. Hoping for a better Q4.

## NPA

- Company following 3M norm FY 18 has now moved to ECL model for provisioning;
- NPA seen rising in Q3 as well though growth was lower than previous quarters
- Teams beefed up in West, North and East to ensure better collection; South has started improving.
- Qtr. end NPA (net of DA) ₹ 162 crs ( 6 %) v/s ₹ 152 crs (5.7%) at the beginning of the qtr ; PCR was @ 48.54% under IGAAP on NPA; Under IND AS overall provision is @ 4.1 % of On-book portfolio.

## Arbitration/ Other Legal actions

- Apart from additional staff and incentivized collection agencies, steps taken at legal level for getting the dues cleared.
- Arbitration process has started again and would help collect the dues;
- Compelling of the defaulting borrowers to surrender their vehicles has increased in quantum, which is seen in the higher “loss on sale of repossessed assets”; efforts on to get the best price for the sold vehicles being made continuously

### Diversity in Funding

- In Q3 FY 20 got fresh sanctions of ₹ 278 crs; all PTC, but one new relationship (BACQ).
- Confidence that the lenders / investors have in the Company is high; seen through the traction on the fresh proposals that are being discussed with Banks
- Many potentials (existing and new) waiting for clarity on the NBFC/ Economy scenario to lend to the Company

### Borrowing Mix

- The borrowing has a healthy mix of Bank (Private & PSU) sanctions, Securitization/Direct assignment, Retail & corporate subordinated debts and Public Deposits .
- As per the guidance given, In view of adverse market conditions, interest costs of the Company for Q2 FY20 remained @ 10.25%, while a bit lower in Dec 19. Going forward the cost is expected to be lower.

### Securitization/ DA

- 3 PTCs valuing ₹ 278 crs (net of MRR) done during Q3 FY20, 27 transactions so far, 7 closed. Total amount collected ₹ 2205 crs . Current quarter did the BACQ transaction of Rs 128 crs with a AAA rating (1<sup>st</sup> time). Many similar transactions likely in the near future
- 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. The Govt initiative on the Partial Guarantee scheme for pool buyouts would help substantially. Helps in overall cost and getting funds when other means dry up.

### Geographical expansion

- In spite of lower demand the roll out to new areas in the states where present has not stopped. But cautious not to get into areas, though opportunity exists, into area where the incumbent financier has vacated for operational reasons, including delinquency .
- New Products , new geographies and digitization seen as the way forward for the next few years. Used Car is spreading to other locations, albeit slowly; Consumer Durables and e- rickshaws to start in Q4 FY20.



**Staff attrition &  
Cost Control**

- Monthly staff attrition at 3.54% in Q3 FY '20 v/s 2.96 % in Q2 FY 20 – still a large number of Counter Sales Reps in the form of Marketing Agents & Off-roll employees;
- Dealer incentives stable, @ 1.28 % for Q3 FY 20; Demand for higher pay-out, on the back of low sales at dealer points; the demand and therefore the cost could see a rise in Q4.
- Collections costs constantly rising with a aim to ensure that NPAs do not rise. Was at 4.4 % in Q3 FY20.

**Repayment  
Mode**

- Post demonetization 100% repayment for new customers through NACH and significant collections through NACH – Q3 FY 20 collections were about 49 % of the total collections, rising M-O-M. Will help bring down costs and delinquencies over a period of time.
- Collection through the mobile app has been increasing steadily; Increased collection thru other means will help reduce costs over time.

**Overall  
Profitability**

- Q3 FY20 PAT of ₹ 19.0 crores v/s ₹ 24.5 crores Q3 FY19 ; lower on account of overall lower volumes but increased costs and higher provisioning on account of higher NPA and movement to ECL model; Also additional provision of Rs 2 crs made in Q3 FY 20 towards delinquencies for higher PCR.
- Hopeful of improvement in the ground situation going forward with festive seasons now coming up and overall sentiments set to improve.

**Way Forward**

- In FY 19, the Company benefited from Geographical de-risking & grew its non-south market, helped survive the Kerala floods; with slowdown in the 2W segment, the emphasis is on growing new product lines like Used 4 W, E- RICKSHAWS and Consumer Durables.
- Are hopeful that the troubled phase of FY 19 and first 3 quarters of this year is behind us & future will be better. With so many initiatives announced confident that going forward, volumes will be better and ground situation more buoyant.

**THANK YOU**