

# Board Presentation dated 5<sup>th</sup> November 2020

## Quarter and Half- Year ended 30<sup>th</sup> September 2020



**#PurposeMuthootBlue**

To transform the life of the common man  
by improving their financial well-being



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No of States / UT  
currently operating in  
– 20

Disbursement –  
Q2 FY 21: ₹ 116 Cr

New Customers  
Q2 FY 21 : 15 782

AUM – ₹ 2269 Cr  
Live Customers –  
6 28 429

# SNAPSHOT

Quarter ended 30<sup>th</sup> September 2020

Own book (Ind AS)-  
Stage 3 – 7.7 %  
Stage 3 (Net) – 4.4 %

NCD under TLTRO  
₹ 125 Cr  
Securitisation-₹ 101 Cr

CRAR – 28.3 %  
D/E ratio : 3.5 times

PAT  
Q2 FY 21: ₹ 15.7 Cr  
(H1 FY21: ₹ 29.3 Cr)

Liquidity  
of ~ ₹ 678  
crs in  
hand/  
undrawn

₹ 116 Cr  
Disbursement

85%  
Collection  
done  
during the  
quarter

Delinquent  
Assets  
reported -  
₹ 171 Cr

Additional  
COVID  
Provision  
₹ 84 Cr;  
4.9% of  
own book  
AUM excl  
PTC

## COVID 19 IMPACT ON MCSL In Q2FY21

Reported  
PAT –  
₹ 15.7 Cr

Prov. at  
8.8% of  
Own  
Book

₹ 125 Cr  
NCD  
(H1FY21  
₹ 175 Cr)

DPD  
as of Feb20;  
Provision  
covers 29<sup>th</sup>  
Feb +30 DPD

## ACTION TAKEN

## Operational Impact

- Since Jun 80%+ staff are in office, which continued in Q2, but for some intermittent localized disruption due to declaration of containment zone etc.
- Disbursements started from Jul 20 in a small way with gradual improvements. Sept volumes were about 50% of pre-covid levels; much better in Oct;
- Moratorium availed by retail customers and corporate customers reduced month on month; though in retail some moratorium request did continue; all corporate loan customers, barring 3, post moratorium settled the interest accumulated during moratorium.
- Monthly Collections of HYP loans increased from 34% in Apr '20 to 95% in Sep '20.
- Monthly Collections from corporate customers improved from 27% in April to above 100 % in Sep 20 and Oct 20
- Collection agencies engaged from June for harder buckets & also where quantum of accounts were large, seeing increase in collection costs .

## Liquidity Position

- Cash position of the Company is comfortable with ~ ₹ 678 crs as on Sep 20 ( **Not availed moratorium from Lenders**);
- The Company got sanctions for ₹ 125 Cr of NCDs, subscribed by IOB, UBI and BOI. The company raised ₹ 100.88cr through PTC transaction in July 20. All rollovers due for the quarter were done as normal, with lower interest rates. **3 PTCs transactions pre-closed during H1 FY21.**
- Company received sanction from **Tata Capital** for PTC transaction of **₹ 29 Cr in Oct 20**
- **The Company has aggressively started sourcing FDs and raised ₹ 18.4 Cr in Q2FY21.** Average cost of < 8% p.a.

## Credit costs

- The company has taken a conservative approach in estimating the delinquency post the moratorium, & provided additional **₹ 34 Cr** towards expected impact of COVID 19 in Q2. Now the total provision for COVID impact is **₹ 84 Cr (June 20- ₹ 50 Cr)**, which comes to **4.9% towards own book portfolio** excluding PTC, which is line with peers in the industry.
- The credit costs increased to 6.6% from the normal 2.5% range, with this additional provision of ₹ 34 Cr.
- Loan Loss Provision for Q2 FY21 - ₹ 38.50 Cr as against ₹ 33.38 Cr in Q1 FY21 and ₹ 15.7 Cr in Q2 FY 20
- Provision on overall own book as on 30.09.20 - **8.8% v/s 6.5% as on 30.06.20**.

## Operational costs control

- While no staff attritions is planned, new recruitments and increments currently on hold, till business bounces back.
- Variable costs linked to the business and collections automatically reduced, depending on the volume; slowly going up with business growing
- Other operating expenses being negotiated on a continuous basis
- New products currently on hold

## Restart Plan

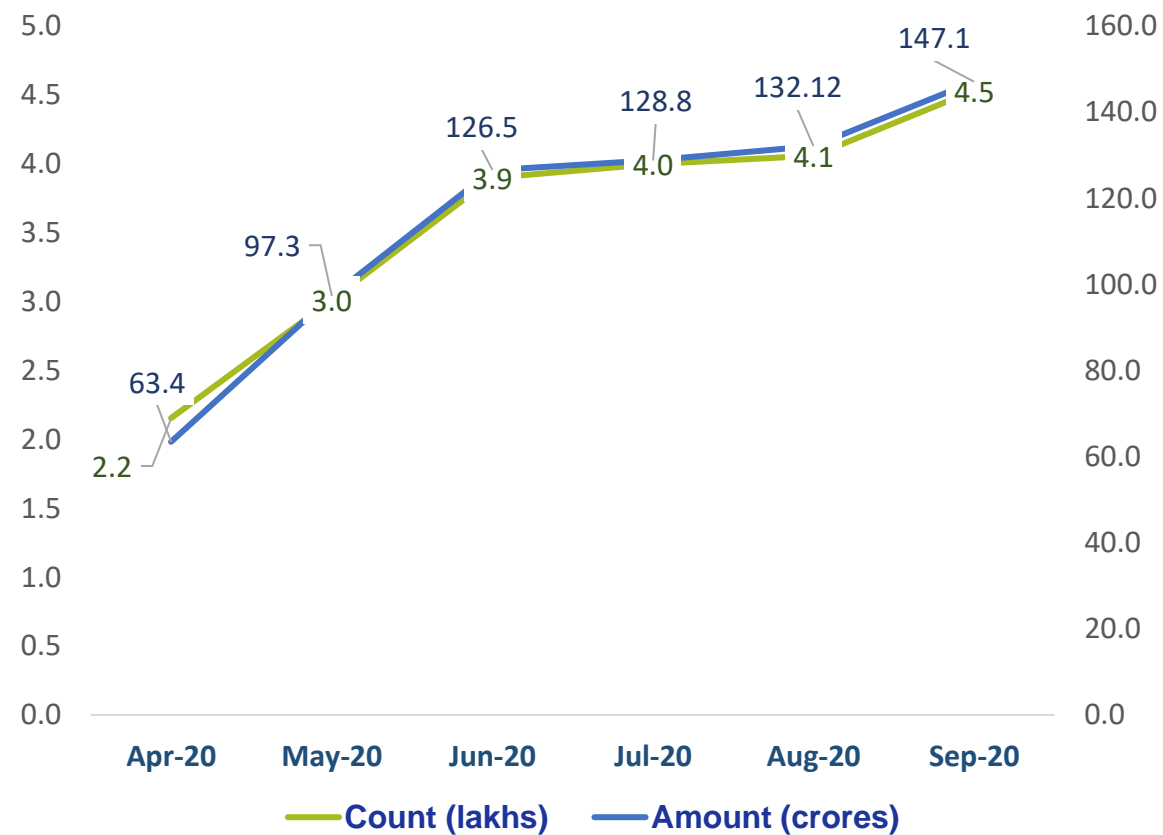
- All dealer points are functional as of date, and 70% of the counters were functional as of Sept 20
- Disbursement started from Jul 2020, steadily improved over the months and reached 65% of pre- Covid level in Oct 20.
- Collections have normalized by Sept 2020; improved further in October.



## HYP COLLECTION OVER LAST 8 MONTHS

₹. In Crores

Month	No of customers who paid	Amount
FEB	5 95 485	182.34
MAR	4 96 537	151.50
APR	2 15 370	63.41
MAY	3 01 128	97.29
JUN	3 89 763	126.53
JUL	3 99 902	128.80
AUG	4 05 888	132.12
SEP	4 53 196	147.10

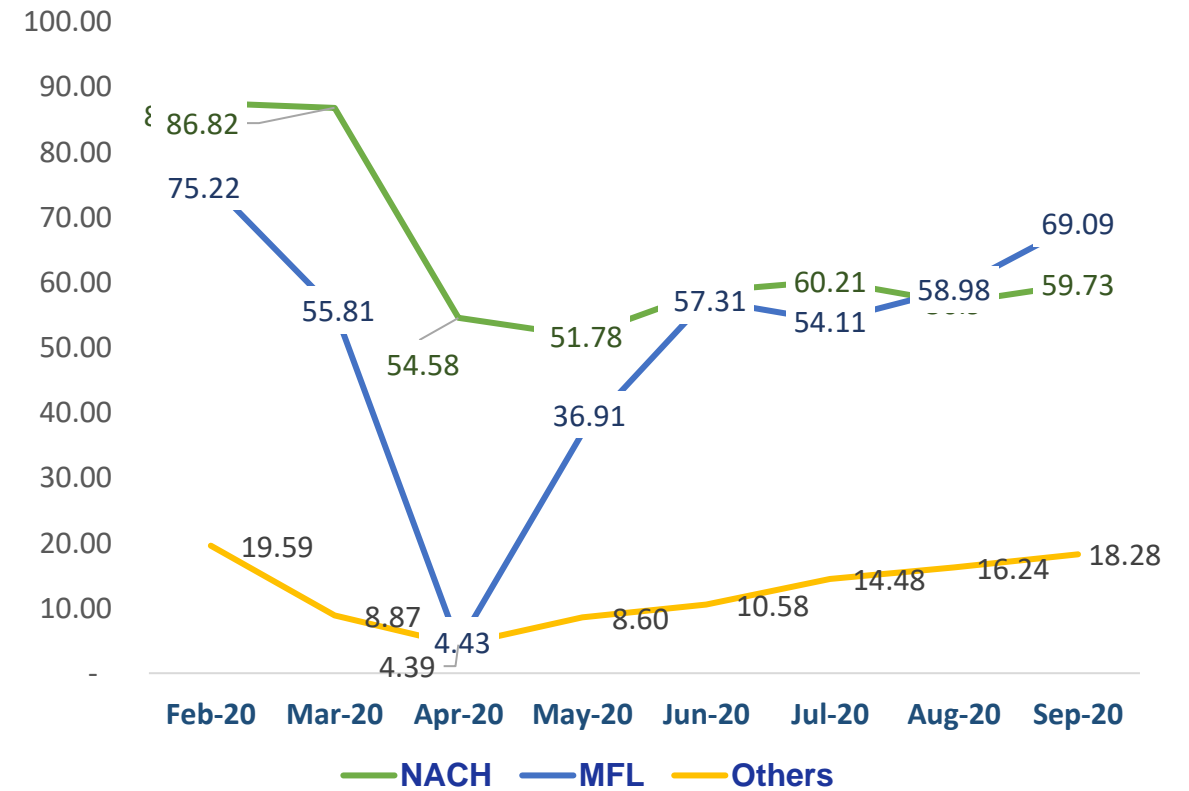


The amount collected and customers paying increased on a month on month basis

## MODE WISE COLLECTION OVER LAST 8 MONTHS

₹. In Crores

Month	NACH	CASH*	Other modes
FEB	87.54	75.22	19.59
MAR	86.82	55.81	8.87
APR	54.58	4.43	4.39
MAY	51.78	36.91	8.60
JUN	58.64	57.31	10.58
JUL	60.21	54.11	14.48
AUG	56.90	58.98	16.24
SEP	59.73	69.09	18.28

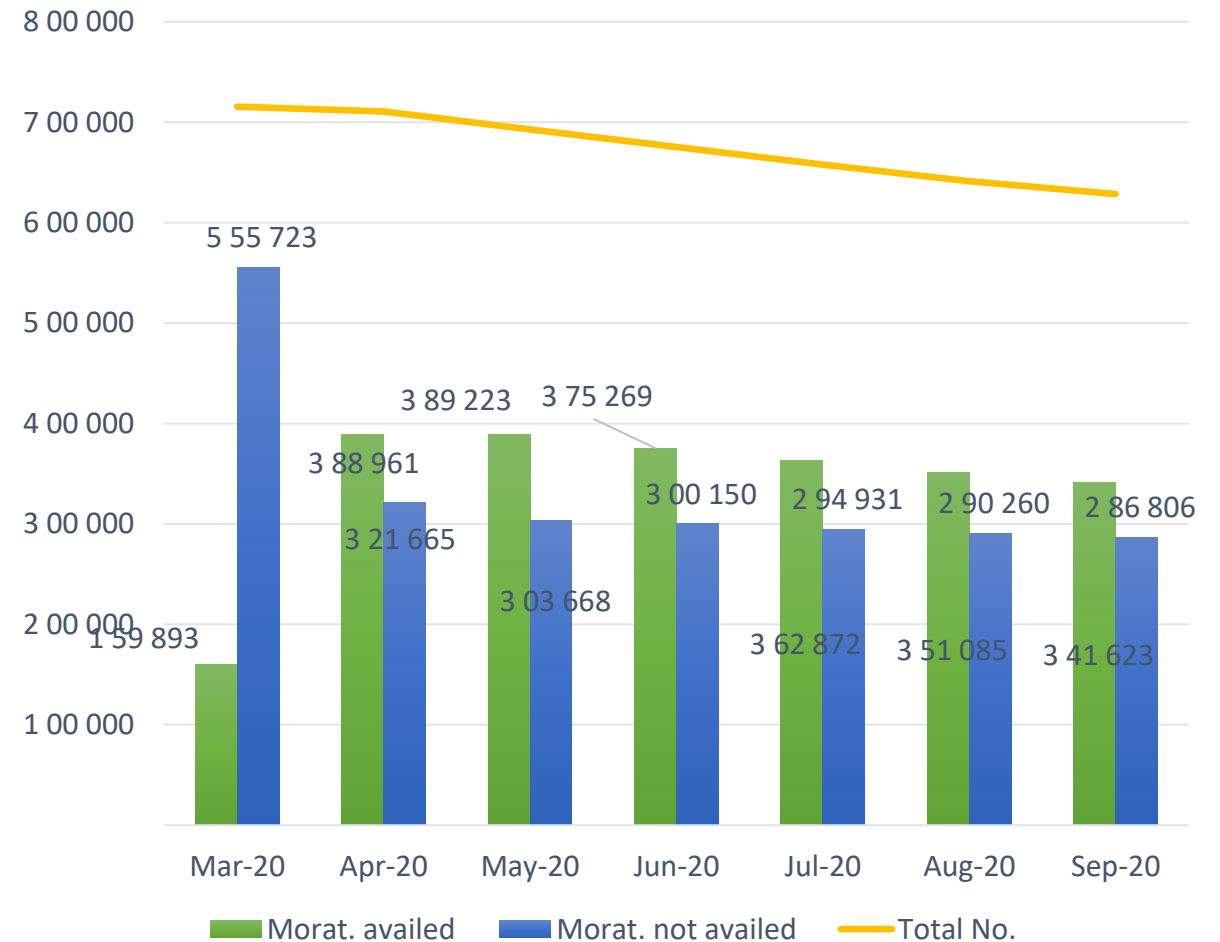


\* Directly at MFL branches/Collection by Company executives / outsourced agencies



## MORATORIUM STATUS ON HYP CUSTOMERS FOR LAST 7 MONTHS

Month	Total No of customers	Morat. Availed**	Morat. not availed *	% of morat.
MAR	7 15 616	1 59 893	5 55 723	<b>22%</b>
APR	7 10 626	3 88 961	3 21 665	<b>55%</b>
MAY	6 92 891	3 89 223	3 03 668	<b>56%</b>
JUN	6 75 419	3 75 269	3 00 150	<b>56%</b>
JUL	6 57 803	3 62 872	2 94 931	<b>55%</b>
AUG	6 41 345	3 51 085	2 90 260	<b>55%</b>
SEP	6 28 429	3 41 623	2 86 806	<b>54%</b>



- Customers belonging to 0 DPD category

\*\*even not paying for 1 month was considered as being a “morat” customer.

## Quarterly Trend

₹. In Crores

Financial Statement Metrics	Q2 FY 21	Q1 FY 21	Q-o-Q	Q2 FY 20	Y-o-Y
<b>Disbursement :</b>					
Hyp Loans	106.1	16.5	544%	463.2	-77%
Other Loans	10.0	0.5	1900%	24.6	-59%
<b>Total Disbursements</b>	<b>116.1</b>	<b>17.0</b>	<b>584%</b>	<b>487.8</b>	<b>-76%</b>
AUM at the end of the period *	2235.4	2429.7	-8%	2672.1	-16%
Average AUM	2332.5	2513.9	-7%	2588.4	-10%
Total Interest and Fee Income	143.7	131.3	9%	145.0	-1%
Finance Expenses	47.8	52.5	-9%	57.9	-17%
<b>Net Interest Income(NII)</b>	<b>95.9</b>	<b>78.8</b>	<b>22%</b>	<b>87.1</b>	<b>10%</b>
Operating Expenses	36.1	27.9	29%	48.9	-26%
Loan Losses & Provisions **	38.5	33.4	15%	15.7	145%
<b>Profit Before Tax</b>	<b>21.3</b>	<b>17.5</b>	<b>22%</b>	<b>22.5</b>	<b>-5%</b>
<b>Profit After Tax(after OCI)</b>	<b>15.7</b>	<b>13.5</b>	<b>16%</b>	<b>14.0</b>	<b>12%</b>

## Half - Yearly Trend

₹. In Crores

	H1 FY 21	H1 FY 20	Y-o-Y
	122.6	914.5	-87%
	10.5	60.2	-83%
	<b>133.0</b>	<b>974.7</b>	<b>-86%</b>
	2235.4	2672.1	-16%
	2416.7	2580.3	-6%
	274.9	289.0	-5%
	100.3	113.6	-12%
	<b>174.6</b>	<b>175.4</b>	<b>0%</b>
	63.9	93.4	-32%
	71.9	32.6	121%
	<b>38.8</b>	<b>49.4</b>	<b>-21%</b>
	<b>29.3</b>	<b>27.6</b>	<b>6%</b>

Q2 FY 21

Q1 FY 21

Q2 FY 20

H1 FY 21

H1 FY 20

Total Opex to NII

37.6%

35.4%

56.2%

36.6%

53.3%

Return on Avg. AUM

2.7%

2.1%

2.2%

2.4%

2.1%

Earnings per Share

9.6

7.9

8.5

17.4

16.8

• Total AUM including off book as on 30<sup>th</sup> Sep 20 is ₹ 2 269 crs ( Q-o-Q- 8% down) (Y-o-Y- 18 % down)

\*\* Includes additional provisions during the year that could arise from COVID 19 of ₹ 34 Cr for Q2FY 21 and ₹ 32 Cr for Q1FY21 .

## STATEMENT OF SOURCES AND APPLICATION OF FUNDS

Sources	30-Sep-19	30-Jun-20	30-Sep-20	Application	30-Sep-19	30-Jun-20	30-Sep-20
Share Capital	16.4	16.4	16.4	Fixed Assets	4.1	3.4	4.1
Reserve & Surplus	458.4	504.5	520.2	Investments	85.1	121.1	102.2
<b>Shareholders Funds</b>	<b>474.8</b>	<b>520.9</b>	<b>536.6</b>	Deferred Tax Assets	25.4	26.1	28.0
Bank Debts	1530.5	1322.4	1088.9				
Securitized	499.2	582.1	498.8	Hypothecation Loan	2185.8	1972.9	1817.3
Sub debt / Debentures	65.7	116.6	242.7	Loan Buyout	49.9	26.3	19.1
Public Deposit/ICD	62.3	45.1	55.1	Term Loans	243.1	165.0	146.2
Loan From Directors	10.2	10.2	10.3	Other Loans	9.3	15.0	11.1
Interest Accrued on Loans	4.5	5.4	3.0	Interest Accrued on Loans	32.0	*58.5	23.0
<b>Total Borrowings</b>	<b>2172.5</b>	<b>2081.8</b>	<b>1898.7</b>	<b>Total Loans *</b>	<b>2519.9</b>	<b>2237.6</b>	<b>2016.7</b>
Trade Payable	26.0	22.5	28.2	Cash & Cash Equivalents	40.0	225.1	312.7
Provisions	3.9	14.6	5.4	Other Financial Assets	22.3	21.3	17.0
Other Financial Liabilities	32.6	12.0	24.6	Other Non-Financial Assets	16.7	17.7	14.7
Other Non-Financial Liabilities	3.9	0.6	1.8				
Derivative Financial Instruments			0.1				
<b>Total</b>	<b>2713.7</b>	<b>2652.4</b>	<b>2495.4</b>	<b>Total</b>	<b>2713.7</b>	<b>2652.4</b>	<b>2495.4</b>

\* The loans reported are net of provisions made which comes to ₹. 102.8Cr, ₹. 159.2 Cr and ₹. 196.2 Cr respectively as on Sep 19, Jun 20 and Sep 20

## Disbursement

Q1 FY 21 : ₹ 17.0 Cr  
Q2 FY 21 : ₹ 116.6 Cr


 586%

Q2 FY 20 : ₹ 487.8 Cr  
Q2 FY 21 : ₹ 116.6Cr

 76%

## Borrowing Cost

Q1 FY 21 : 9.88%  
Q2 FY 21 : 9.67%

 10%

Q2 FY 20 : 10.3%  
Q2 FY 21 : 9.67%

 6%

## PAT

Q1 FY 21 : ₹ 13.5 Cr  
Q2 FY 21 : ₹ 15.7 Cr

 16%

Q2 FY 20 : ₹ 14.1 Cr  
Q2 FY 21 : ₹ 15.7 Cr


 11%

## Gross AUM

Q1 FY 21 : ₹ 2474 Cr  
Q2 FY 21 : ₹ 2269 Cr


 8%

Q2 FY 20 : ₹ 2779 Cr  
Q2 FY 21 : ₹ 2269 Cr

 18%

## Stage 3 –Own book

Q1 FY 21 : ₹ 171.7 Cr  
Q2 FY 21 : ₹ 171.2 Cr


 1%

Q2 FY 20 : ₹ 151.9 Cr  
Q2 FY 21 : ₹ 171.2 Cr

 13%

## ROA

Q1 FY 21 : 2.1%  
Q2 FY 21 : 2.7%

 29%

Q2 FY 20 : 2.2%  
Q2 FY 21 : 2.7%

 23%

## Revenue

Q1 FY 21 : ₹ 131.3 Cr  
Q2 FY 21 : ₹ 143.7 Cr

 9%

Q2 FY 20 : ₹ 145.0Cr  
Q2 FY 21 : ₹ 143.7 Cr

 1%

## Loan Losses &amp; Provision

Q1 FY 21 : ₹ 33.4 Cr  
Q2 FY 21 : ₹ 38.5 Cr

 15%

Q2 FY 20 : ₹ 15.7 Cr  
Q2 FY 21 : ₹ 38.5 Cr

 145%

## ROE

Q1 FY 21 : 10.5 %  
Q2 FY 21 : 11.9 %

 13%

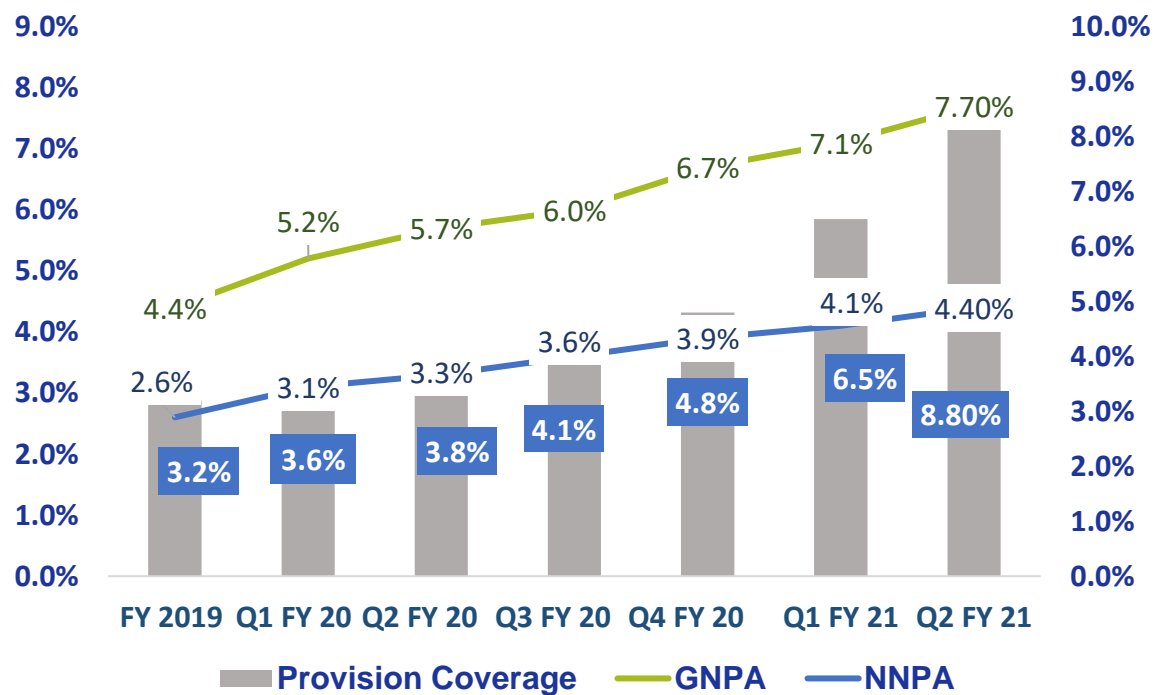
Q2 FY 20 : 12.0%  
Q2 FY 21 : 11.9 %

 1%

## ASSET QUALITY AND PROVISION COVERAGE

₹. In Crores

<u>As Per IND AS</u>	As on 30.09.2019	As on 30.06.2020	As on 30.09.2020
<b>Own Book Portfolio</b>	<b>2672.1</b>	<b>2429.7</b>	<b>2235.3</b>
Stage 3	5.7%	7.1%	7.7%
Stage 3 (Net)	3.3%	4.1%	4.4%
ECL Provision	102.8	158.1	196.3
<b>Prov as % of Loan Book</b>	<b>3.8%</b>	<b>6.5%</b>	<b>8.8%</b>





## EXPECTED CREDIT LOSS (ECL)

As on 30.09.2019

₹. In Crores

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

As on 30.06.2020

Particulars	Outstanding	Provision	ECL %
<b>Total</b>	<b>2429.69</b>	<b>158.13</b>	<b>6.51%</b>
S1 and S2 (Std assets)	2057.15	*79.85	3.88%
S3 (NPA)	161.17	70.50	43.74%
Other Loans (Std Assets)	200.84	*3.51	1.75%
Other Loans (S3 )	10.53	4.28	40.6%

As on 30.09.2020

Particulars	Outstanding	Provision	ECL %
<b>Total</b>	<b>2235.35</b>	<b>196.25</b>	<b>8.78%</b>
S1 and S2 (Std assets)	1893.71	108.73	5.74%
S3 (NPA)	160.68	71.97	44.80%
Other Loans (Std Assets)	170.43	*10.28	6.03%
Other Loans (S3 )	10.53	5.27	50.0%

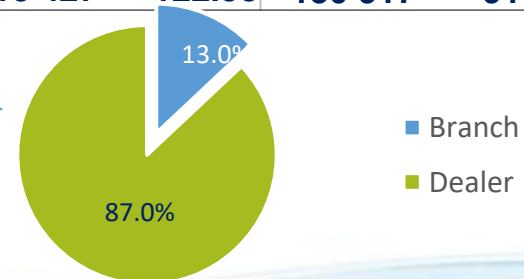
\* Additional provision of ₹ 18 Cr and ₹ 32 Cr and ₹ 34.3 Cr provided in S1 and S2 category in Q1FY20 ,Q1FY21 and Q2FY21 respectively towards COVID 19 impact



## ZONEWISE DISBURSEMENT (HYP LOANS) HALF YEARLY

Zone	BRANCH				DEALER				TOTAL					Overall Share	
	H1 FY '21		H1 FY '20		H1 FY '21		H1 FY '20		H1 FY '21		H1 FY '20			H1 FY '21	H1 FY '20
	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Growth%		
South	1 813	13.49	18 751	110.4	10 843	74.75	81 420	520.1	12 656	88.24	100 171	630.5	-86%	72%	69%
West	176	1.02	2 485	13.2	393	2.38	9 414	56	569	3.40	11 899	68.7	-95%	3%	8%
North	77	0.48	910	5.1	1 993	11.32	19 108	103.8	2 070	11.80	20 018	108.6	-89%	10%	12%
East	74	0.45	676	3.7	3 058	18.70	18 153	102.8	3 132	19.15	18 829	106.7	-82%	16%	12%
Overall	2 140	15.43	22 822	132.4	16 287	107.15	128 095	782.7	18 427	122.58	150 917	914.5	-87%	100%	100%

Share of Branch and Dealer of zone-wise  
disbursement



## COLLECTION PERFORMANCE MONITORING

## HYP LOANS

₹. In Crores

Month	Monthly Collections	Monthly Billing	% of collection
Apr-20	67.28	178.54	37.68%
May-20	97.29	179.87	54.09%
Jun-20	118.96	167.48	71.03%
Jul-20	121.56	159.88	76.03%
Aug-20	124.70	152.83	81.59%
Sep-20	138.36	145.54	<b>95.07%</b>

## CORP LOANS

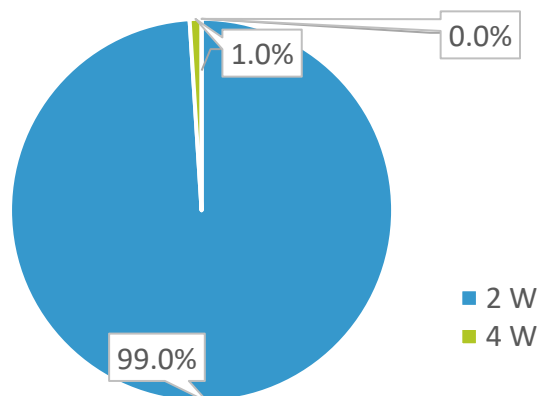
₹. In Crores

Month	Monthly Collections	Monthly Billing	% of collection
Apr-20	5.32	18.75	28.39%
May-20	6.33	17.61	35.92%
Jun-20	7.02	18.40	38.14%
Jul-20	14.19	15.78	89.95%
Aug-20	11.87	15.31	77.48%
Sep-20	18.94	15.39	<b>123.03%</b>

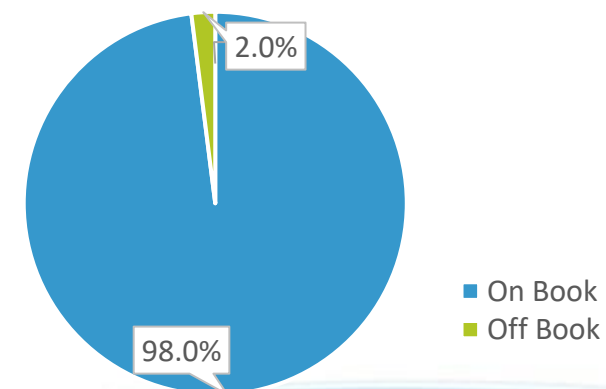
- The demand referred above is without considering the moratorium given to the borrowers .
- The collection % continues at the same trend for October 20 also for both HYP and Corp Loans
- On corporate loans , post April and May many started paying interest or EMI in full and post September both EMI and Moratorium interest

## HYP PORTFOLIO SPLIT AS ON 30<sup>th</sup> September 2020

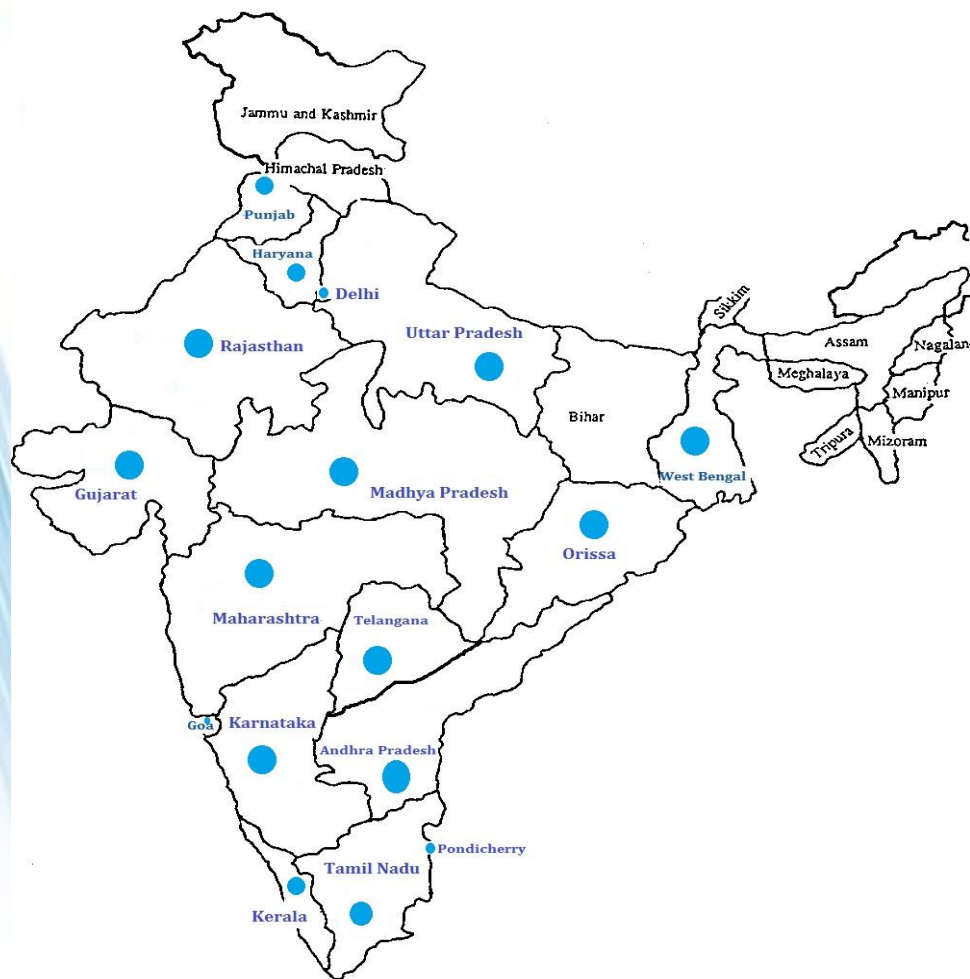
Segment wise	No . of loans	Amount
2 W	6 27 217	2037.9
4 W	1 052	21.1
Others	160	0.8
<b>Total</b>	<b>6 28 429</b>	<b>2059.8</b>



Transaction Type	No of Transactions	Amount
Securitized (part of own book)	12	508.2
Direct Assignment	9	33.8
Own Portfolio excl securitized		1517.8
		<b>Ind AS</b>
Off Book		33.8
On Book		2026.0
<b>Total Portfolio</b>		<b>2059.8</b>



## MCSL GEOGRAPHIC OVERVIEW – HYP


**SEP 30<sup>th</sup> 2020**

₹. In Crores

Zone	Active Clients	Regular	S3	Total	Zone wise AUM %	% of S3
South India	4 36 186	1336.1	99.2	1435.3	70%	7%
Western India	50 457	130.7	28.3	159.0	8%	18%
North India	73 709	197.6	26.0	223.6	11%	12%
East India	68 077	231.1	10.9	242.0	12%	4%
Overall *	6 28 429	1895.4	164.3	2059.8	100%	8%

\*Includes securitized/ assigned portfolio

## SOURCES OF BORROWING

**₹ 125 Cr**

**Additional NCD raised  
during the quarter**

Total NCD raised as on 30 Sep 2020  
amounting to ₹ 175 Cr. –new mode  
of borrowing

**Bank funding - 81% of total borrowing  
as on 30 Sep 2020**

**₹ 18.5Cr**

**Collections of Sub-debt  
and Public Deposit**

In Q2FY21 Public Deposits collected  
₹ 18.4 Cr., of which ₹ 2.0 Cr. Is  
renewal

**₹ 560 Cr**

**WCDL roll over**

In Q2FY21, ₹ 560 Cr rolled over from  
16 facilities

**Securitization transaction done  
Q2 FY 21 -₹ 101 Cr. (DCB)  
Sanction - Tata Capital (PTC) ₹ 29 Cr**

**9.67%**

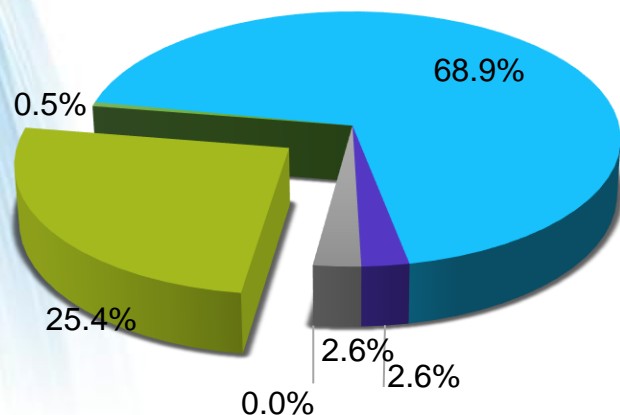
**Cost of borrowing for  
Q2 FY 21**

Quarter on Quarter decrease in cost  
of borrowing from 9.88% for Q1FY21

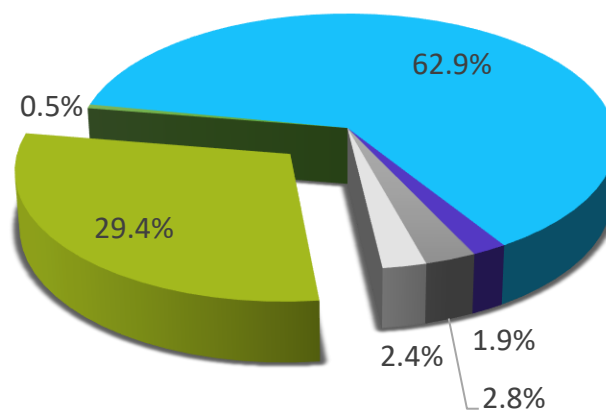


## BORROWING PROFILE – by Instrument

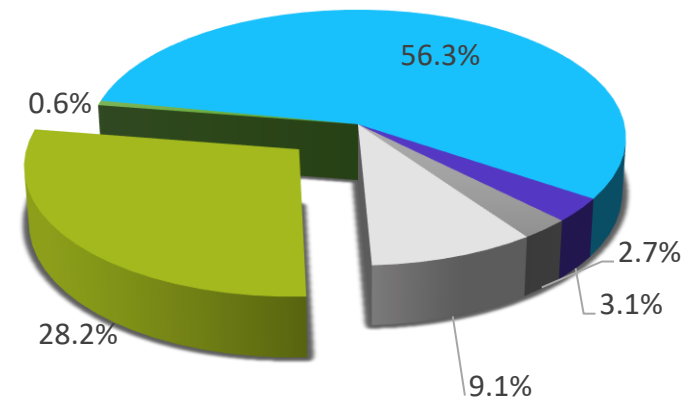
Particulars	Q2 FY '20		Q1 FY '21		Q2 FY '21	
	Amount	Cost*	Amount	Cost*	Amount	Cost*
Bank Loan	1536.3	10.3%	1330.1	9.80%	1081.9	9.47%
Sub debt	58.8	11.6%	59.0	11.48%	58.9	11.71%
Public Deposit	57.0	8.3%	41.0	7.80%	50.9	7.53%
NCD			50.0	9.98%	175.0	9.49%
Securitization	565.3	10.4%	621.5	10.10%	542.0	10.23%
Others	11.9	11.5%	12.0	11.40%	12.0	11.4%
<b>Total</b>	<b>2229.3</b>	<b>10.3%</b>	<b>2113.5</b>	<b>9.92%</b>	<b>1920.7</b>	<b>9.67%</b>



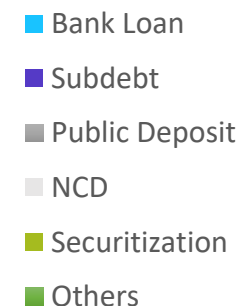
Q2 FY '20



Q1 FY '21



Q2 FY '21



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



**Disbursement &  
Collection**

- The –ve growth in the sector, down trend in economy and then COVID 19 impacted MCSL ; Q2 shows the y-o-y volumes lower by 79 %, and YTD FY21 lower by 88 % v/s the same period last year; Disbursements have started only in August and has seen picking up post that on a weekly basis. Not seen as a –ve as the Company being conservative had kept disbursements on hold till situation improves.
- Industry is back at same levels as of Q2FY 20 ( 40 % decline - YTD FY21 V/s YTD FY20 );
- Overall collections was growing on a month on month basis, since April 20; both in % of billing terms and in absolute terms.

**NPA**

- The Company has been following the classification of accounts based on the Feb 29 DPD. While the moratorium ceased to exists, based on the Hon'ble SC order, the DPD which should have moved post 31<sup>st</sup> Aug 20 , has still not moved. With this the total GNPA reported was ₹ 176 Cr i.e. 7.8% of the total AUM.
- While the classification is still based on the 29<sup>th</sup> Feb DPD, the provisioning have been made in form of additional COVID 19 provisions to cover for any shortfall if the DPD had moved.

**Arbitration/  
Other Legal  
actions**

- During the lockdown period and post that during moratorium these activities were done on a low-key basis, but since September slowly going to normal levels.
- Arbitration process has started again and would help collect the dues;
- Compelling of the defaulting borrowers to surrender their vehicles has started again but not moved to the same pre-covid levels

**Diversity in  
Funding**

- In Q1 & Q2 FY 21 got fresh sanctions of ₹ 326 Cr; 1 PTC/ 1 Bank sanction / 4 NCDs WITH banks, at attractive rates
- Confidence that the lenders / investors have in the Company is high; seen through the traction on the fresh proposals that are being discussed
- Government/RBI initiatives is helping get sanctions faster; liquidity position is very good with Bank balance and undrawn sanctions together totaling to ₹ 678 Cr

**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 Q1 FY21 was at 9.67 % down from 10.3% for the year FY 20.

**Securitization/  
DA**

- 31 PTC/DA transactions done so far, 10 closed, 3 in the last 2 quarters. Total amount collected ₹ 2637Cr .
- 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 PCG scheme for pool buyouts would help substantially. Helps in overall cost and getting funds when other means dry up.

**Geographical  
expansion**

- Reduced rollout once the pandemic spread was being witnessed. Now with everything opening up, the roll out will start again.
- 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 FY 21, once situation improves

**Staff attrition &  
Cost Control**

- Monthly staff attrition at 1.97 % in Q2 FY '21 v/s 2.9 % in Q1 FY 21
- Dealer incentives have started after business restarted in last couple of months; higher demand of the dealerships could increase the dealer Incentive cost.
- Collections costs constantly rising to ensure that NPAs do not rise & whatever is uncollected during moratorium, now gets collected . While the same was lower in Q1 as collection happened thru own staff, the amount is increasing from Q2 and could rise further due to larger number of accounts in 60+ DPD.

**Overall  
Profitability**

- Q2 FY21 PAT of ₹ 15.7 Cr v/s ₹ 14 Cr Q2 FY20 ; in the current quarter the fact that there was no major volume of disbursement and the fact that higher provisions were made to take care of issues that could come up due to Covid 19 , post moratorium ending.
- The provisioning for the COVID 19 - very conservative. Provisioning done for retail loans & also for a couple of wholesale loans where, though standard, some stress was felt & in one case where an alleged fraud was committed by some employees of that company.
- Hopeful of improvement on ground with festive seasons coming up and overall sentiments set to improve. Also with moratorium ending, expecting collection from accounts where no payments were received during moratorium period to start paying up paving way to reduce the provision for covid 19 impact.

**Way Forward**

- The last couple of years has brought up several issues both natural and man-made. The Company has survived all these and have kept adequate buffer to ensure that it can meet all challenges. The COVID 19 is seen as an opportunity to relook at all processes and take corrective action and make the organization operationally nimble to move faster; the emphasis on online/ mobile app collections will bring down operational costs, renegotiations on costs will improve the OPEX/Nil ratio and once the normalcy returns, hoping to be on the growth path .

# THANK YOU