



#PurposeMuthootBlue







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



# Financial Presentation to the Board on 19<sup>th</sup> Jun 2021 Quarter and Year ended 31<sup>st</sup> March 2021

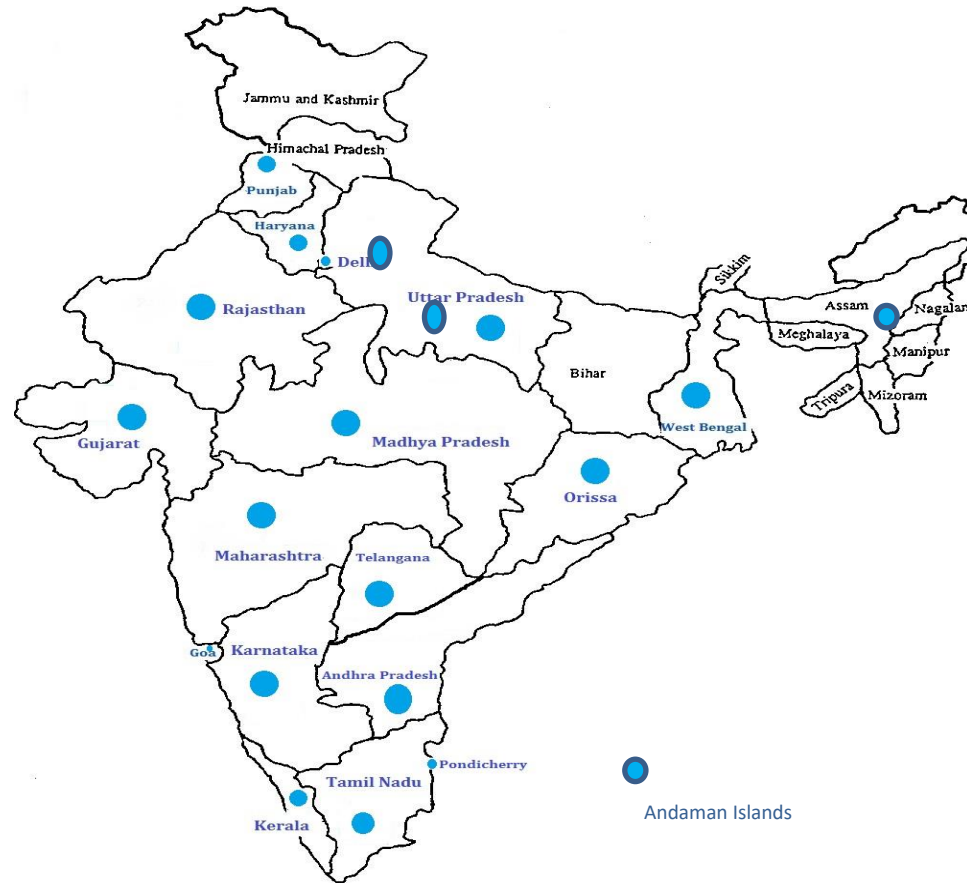


# CONTENTS

|   |   |              |
|---|---|--------------|
|    | <b>Operational Highlights</b>             | <b>3-9</b>   |
|    | <b>Performance Analysis</b>               | <b>10-21</b> |
|    | <b>Sales and Collection Analysis</b>      | <b>22-24</b> |
|    | <b>Asset Analysis</b>                     | <b>25-29</b> |
|    | <b>Liability Analysis</b>                 | <b>30-33</b> |
|  | <b>Management Discussion and Analysis</b> | <b>34-36</b> |

# OPERATIONAL SNAPSHOT

Quarter / Year ended 31<sup>st</sup> March 2021



No of States- 20  
AUM - ₹ 2088 Cr

New Customers  
Q4 FY 21 : 43,986  
(FY 21 : 1,06,342)

Own book (Ind AS)-  
Stage 3 - 11.7 %  
Stage 3 (Net) - 5.6 %  
Provision% -8.7%

CRAR - 30.25 %  
D/E ratio (Ind AS): 3.5  
ROA - 1.7% ( FY 21- 2.3%)  
ROE- 6.4% (FY 21- 9.8%)

Retail customers (Live)  
- 5,96,229

Disbursement -  
Q4 FY 21: ₹ 291 Cr  
(FY 21: ₹ 750 Cr)

Total sanctions  
Q4 FY 21 - ₹ 50 Cr  
(FY 21 - ₹ 565 Cr)

PAT  
Q4 FY 21: ₹ 8.9 Cr  
(FY 21 - ₹ 52.2 Cr)

## KEY UPDATES ...

### Operational Impact

- Since Oct 20, staff attendance is back to normal.
- Disbursements improved gradually from Sept with volumes being 50% of pre-covid levels; which further improved to 70% as of Dec 20 and to 70-75% as of March 21; Cautious approach on disbursements.
- The collections has been regularized both in the retail as well as corporate loan segments.
- Monthly Collections of HYP loans increased from 34% in Apr '20 to 95% in Sep '20, 97% in Dec 20 and improved to 100% by Q4FY21..
- Monthly Collections from corporate customers has improved in Q4FY21 to 98%.
- Collection agencies engaged from June for harder buckets & also for buckets where quantum of accounts was large, seeing significant increase in collection costs which has impacted OPEX ratio and PAT.

### Liquidity Position

- Cash position of the Company is comfortable with ~ ₹ 665 crs as at end Mar 21
- The Company got sanctions worth ₹ 50Cr from Banks for WCDL and TL Loans (CSB and IDBI (WCDL) - **₹ 25 Crs each**) in Q4 FY 21
- All rollovers due for the quarter were done as normal except for a sanction of ₹ 35 Cr, with lower interest rates **bringing down the cost of borrowings to 9.12%.** The downward trend is expected to continue in H1 FY22 also.
- **The Company is aggressively sourcing FDs and raised ₹ 6.03 Cr in Q4FY21.** Average cost continues at < 8% p.a.(31<sup>st</sup> March 2021- ₹ 55.64 Crs)

## KEY UPDATES ...

### Credit costs

- The company continues to be conservative in estimating the delinquency post moratorium & continues providing additional provision over the last few quarters. After the clarification on treatment of NPA also apart from providing for delinquent accounts, the surplus provision is at ₹ 14.8 Cr as on Mar 21 which comes to 0.8% towards own book portfolio excluding PTC. This is even after the Company wrote off portfolio of ₹ 27.6 Cr crores adjusting against the available provisions.
- The credit costs have increased to 2.8% for the quarter from 2.0% for Q3FY21 because of higher loss on repossessed assets sale, write off of ₹ 27.6 Cr of portfolio, and further drop in AUM.
- Loan Loss Provision for Q4 FY21 - ₹ 11.70 Cr as against ₹ 11.67 Cr in Q3 FY21 and ₹ 22.5 Cr in Q4 FY 20. This is considered sufficient because of prudent provisioning done in earlier quarters and fall in AUM.
- Provision on overall own book as on 31.03.21 - 8.7 % v/s 9.2% as on 31.12.20, after write off of ₹ 27.6 Cr , including which the total provision would have been 9.9%.

### Operational costs control

- Fresh recruitments continued to be on hold with limited additions mainly as replacements.
- With the disbursement volumes starting to rise and a reasonably large portion of collection happening through collection agencies, the costs have risen which is seen in higher OPEX to NII Ratio. This is necessitated by large quantum of NACH bounce and need to reduce overdues in harder buckets.
- Other operating expenses being monitored and controlled

# KEY UPDATES

## Heading towards

- Disbursements had started to slowly return to normal levels. With many of the verification process happening online with new technological arrangements, disbursements are likely to increase steadily; but then the 2<sup>nd</sup> wave came up...
- Expect to return to the normal levels by Q2FY22.
- Sufficient Liquidity is assured to meet the increase in disbursements in the coming months

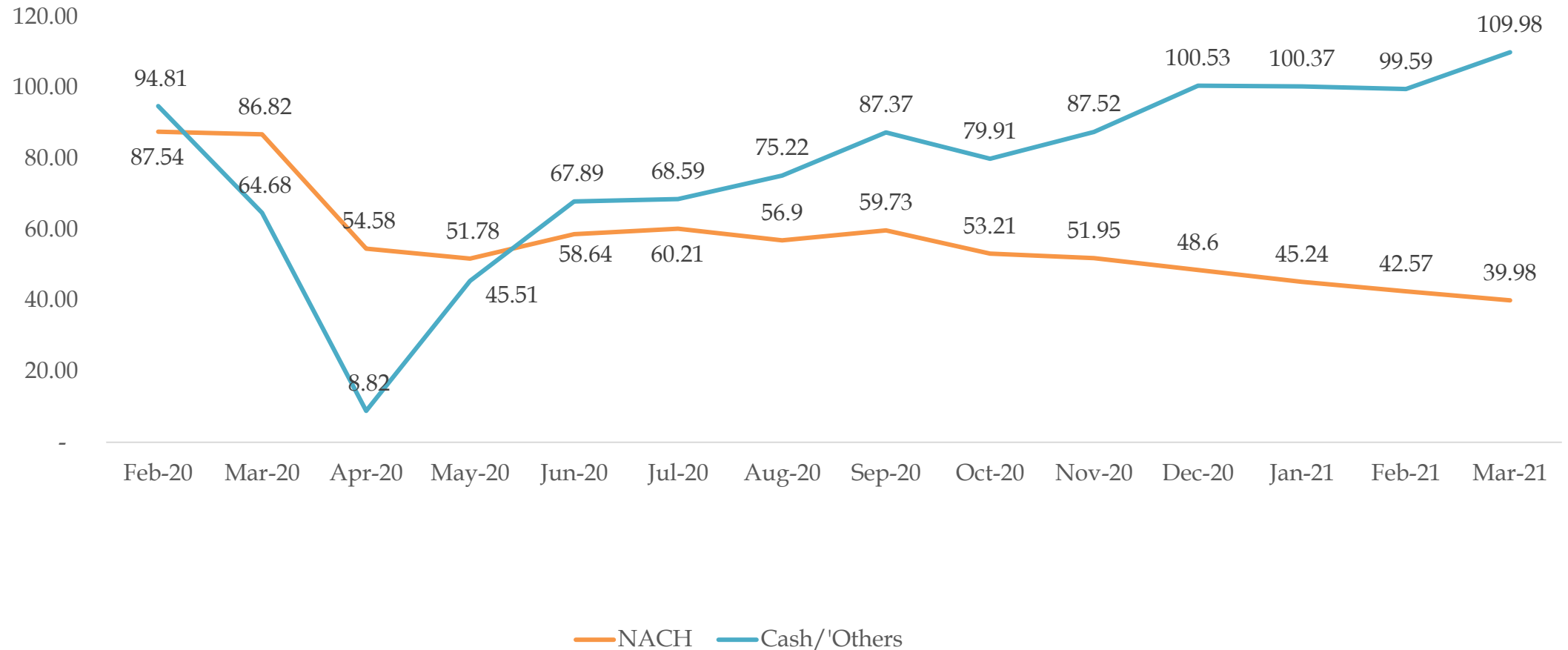
## Impact of COVID 2<sup>nd</sup> wave

- Disbursement came down to 50% of pre-covid in April and to about 15% in May.
- State- wide lockdowns has affected the collection of retail loans which came down to 83% in Apr and further down to ~ 60% in May 21.
- Collection from corporate customers are steady at above 90% during these months, without any new delinquencies.
- Liquidity has been strong at almost same levels as of March '21 as the collections were normal and disbursements were less in May 21.

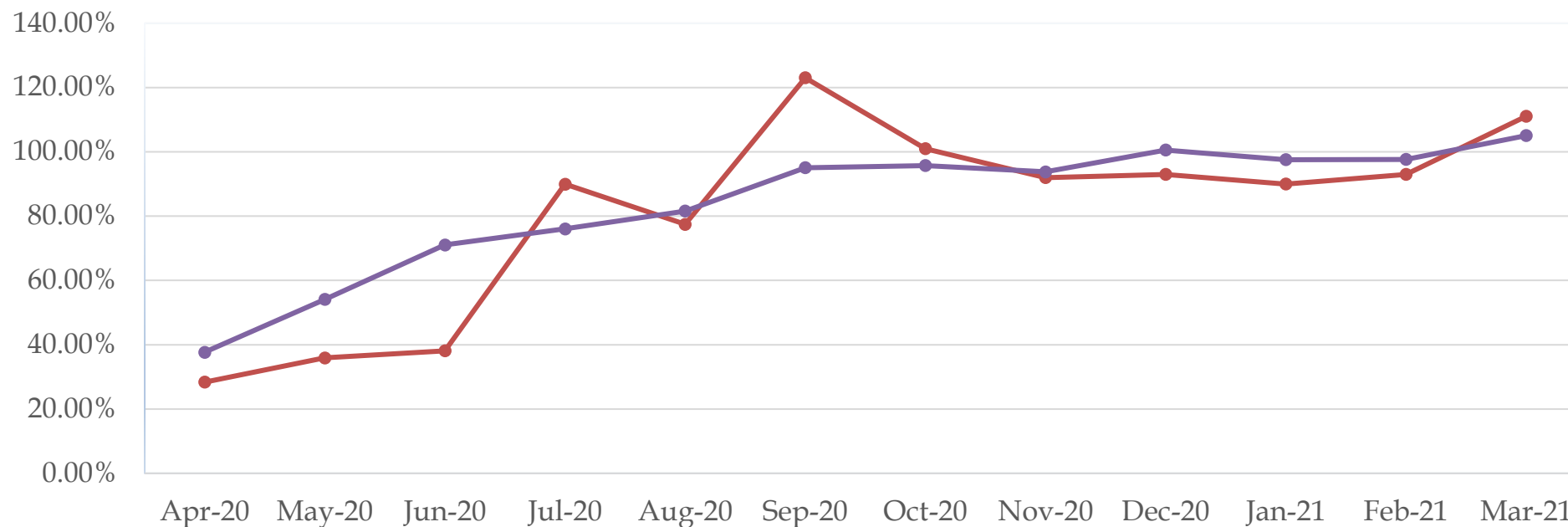


## MODE WISE COLLECTION OVER LAST 14 MONTHS (HYP)

₹. In Crores



## COLLECTION PERFORMANCE MONITORING



|                       | Apr-20 | May-20 | Jun-20 | Jul-20 | Aug-20 | Sep-20  | Oct-20  | Nov-20 | Dec-20  | Jan-21 | Feb-21 | Mar-21  |
|-----------------------|--------|--------|--------|--------|--------|---------|---------|--------|---------|--------|--------|---------|
| Corporate Collections | 28.39% | 35.92% | 38.14% | 89.95% | 77.48% | 123.03% | 101.00% | 92.00% | 93.00%  | 89.98% | 93.00% | 111.07% |
| HYP Collection        | 37.68% | 54.09% | 71.03% | 76.03% | 81.59% | 95.07%  | 95.75%  | 93.76% | 100.57% | 97.55% | 97.64% | 105.07% |

Corporate Collections      HYP Collection

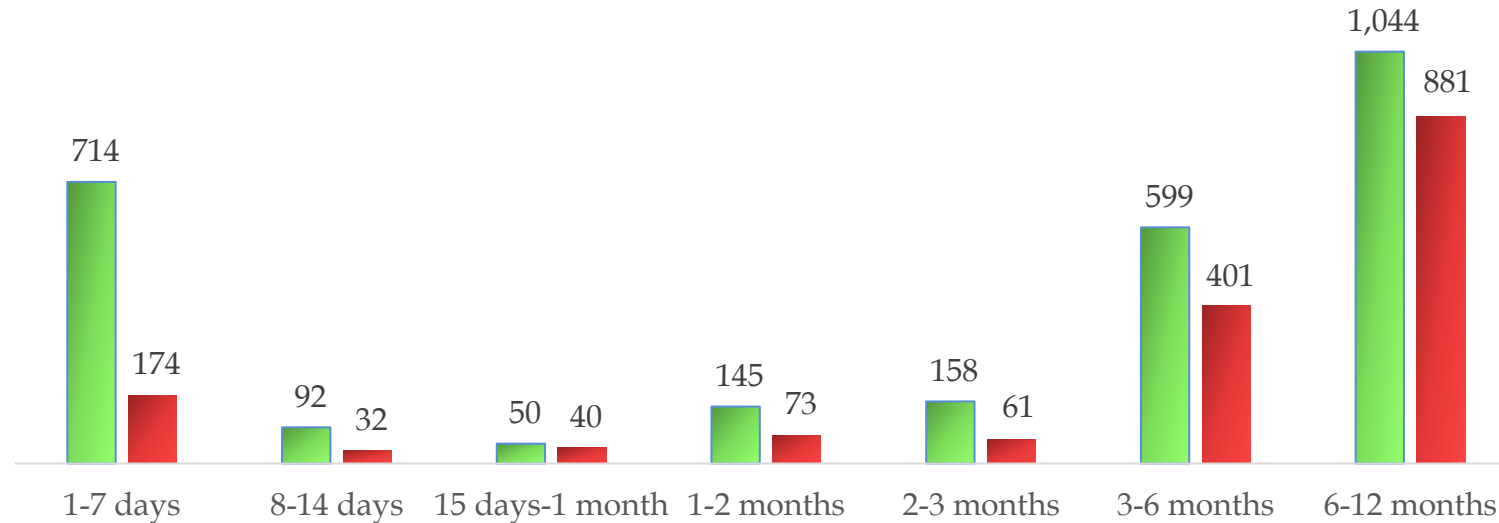
- The spike in Sep & Mar collections on Corp Loans was due to preclosures, remittance of interest accrued during morat period and settlement of prior period EMIs..
- The collection from HYP loans includes collections from regular EMI, pre-closures , overdues and other charges
- The collections has been full in respect of all the corp loan borrowers except in case of 3 stressed accounts.



**STRUCTURAL LIQUIDITY AS ON 31.03.2021**

■ Cumulative Inflows (Rs. Cr) ■ Cumulative Outflows (Rs. Cr)

₹. In Crores



|                         |      |       |       |      |       |      |       |
|-------------------------|------|-------|-------|------|-------|------|-------|
| Cumulative Positive Gap | 540  | 600   | 610   | 683  | 780   | 978  | 1,142 |
| Cumulative %            | 311% | 1857% | 1537% | 942% | 1286% | 244% | 130%  |

- A detailed ALM and Structural Liquidity statement as required by RBI prepared and submitted to RBI.
- Loans in the form on CC/WCDL get renewed and hence considered as 'inflow' and 'outflow' in the same period; As of 31.03.21 there was "undrawn sanctions+ Bank Balance" of ₹ 665 Cr + to meet any requirement.
- While the overall conditions prevailing has not been conducive for raising funds, there is a steady flow of funds through different modes.

## FINANCIAL PERFORMANCE- QUARTERLY &amp; YEARLY

₹. In Crores

| Financial Statement Metrics     |
|---------------------------------|
| <b>Disbursement : ***</b>       |
| Retail Loans                    |
| Other Loans                     |
| <b>Total Disbursements</b>      |
| AUM at the end of the period *  |
| Average AUM                     |
| Total Interest and Fee Income** |
| Finance Expenses                |
| <b>Net Interest Income(NII)</b> |
| Operating Expenses              |
| Loan Losses & Provisions        |
| <b>Profit Before Tax</b>        |
| <b>Profit After Tax</b>         |

## Quarterly Trend

| Q4 FY 21     | Q4 FY 20     | Y-o-Y       | Q3 FY 21     |
|--------------|--------------|-------------|--------------|
|              |              |             |              |
| 290.7        | 329.9        | -12%        | 304.4        |
| 0.2          | 17.6         | 99%         | 22.0         |
| <b>290.9</b> | <b>347.5</b> | <b>-16%</b> | <b>326.4</b> |
| 2071.9       | 2598.1       | -20%        | 2199.6       |
| 2112.5       | 2616.1       | -19%        | 2245.7       |
| 109.6        | 146.8        | -25%        | 120.7        |
| 41.9         | 56.2         | -25%        | 44.9         |
| <b>67.7</b>  | <b>90.7</b>  | <b>-25%</b> | <b>75.9</b>  |
| 44.3         | 49.7         | -11%        | 45.6         |
| 11.2         | 22.5         | -50%        | 11.7         |
| <b>12.1</b>  | <b>18.5</b>  | <b>-35%</b> | <b>18.6</b>  |
| <b>8.9</b>   | <b>13.6</b>  | <b>-35%</b> | <b>14.0</b>  |

## Yearly Trend

| FY21         | FY20          | Y-o-Y       |
|--------------|---------------|-------------|
|              |               |             |
| 717.7        | 1726.7        | -58%        |
| 32.7         | 61.4          | -47%        |
| <b>750.4</b> | <b>1788.1</b> | <b>-58%</b> |
| 2071.9       | 2598.1        | -20%        |
| 2307.2       | 2613.9        | -12%        |
| 505.0        | 586.8         | -14%        |
| 187.0        | 227.7         | -18%        |
| <b>318.0</b> | <b>359.1</b>  | <b>-11%</b> |
| 153.7        | 194.9         | -21%        |
| 94.8         | 70.7          | 34%         |
| <b>69.5</b>  | <b>93.5</b>   | <b>-26%</b> |
| <b>52.2</b>  | <b>60.2</b>   | <b>-13%</b> |

Total Opex to NII\*\*\*\*

Return on Avg. AUM

Earnings per Share

| Q4 FY 21 | Q4 FY 20 | Q3 FY 21 | FY 21 | FY 20 |
|----------|----------|----------|-------|-------|
| 65.4%    | 54.8%    | 60.1%    | 48.3% | 54.3% |
| 1.7%     | 2.1%     | 2.5%     | 2.3%  | 2.3%  |
| 5.5      | 8.0      | 8.4      | 31.3  | 36.8  |

\* Total AUM including off book as on 31<sup>st</sup> Mar 21 is ₹ 2088 crs ( Q-o-Q- 6% down) (Y-o-Y- 21 % down)

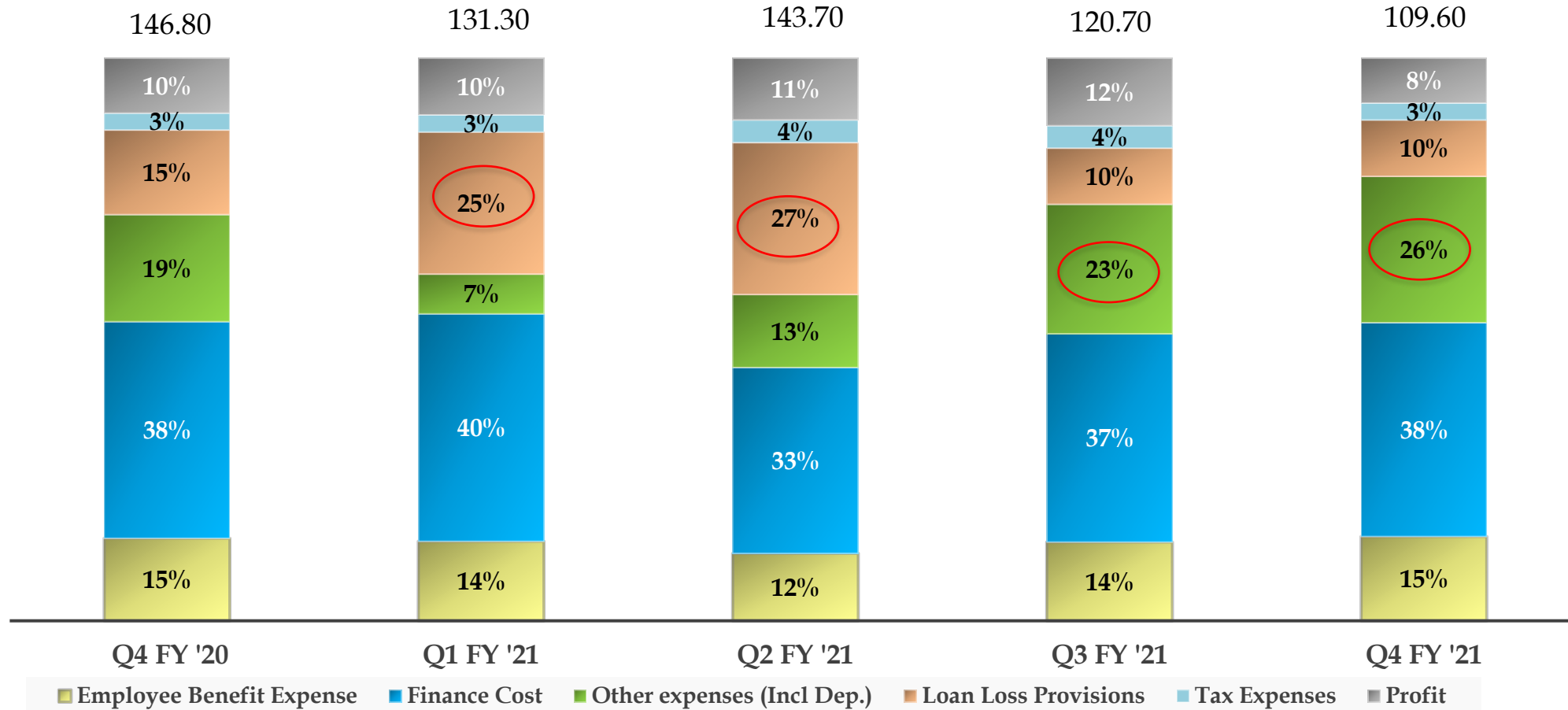
\*\* Interest Income lower than Q3 FY21 in view of the drop in AUM and Interest reversal on account of NPA recognition.

\*\*\* Disbursements are without considering capitalization of ₹ 125.82 Cr added to the AUM balance

\*\*\*\*FY 21 OPEX looks lower due to lack of operations for the major part of H1FY21 & employees being used for collection/ other activities between April-Aug 20.

## REVENUE AND EXPENSE AS A % OF REVENUE - Q-o-Q

₹. In Crores



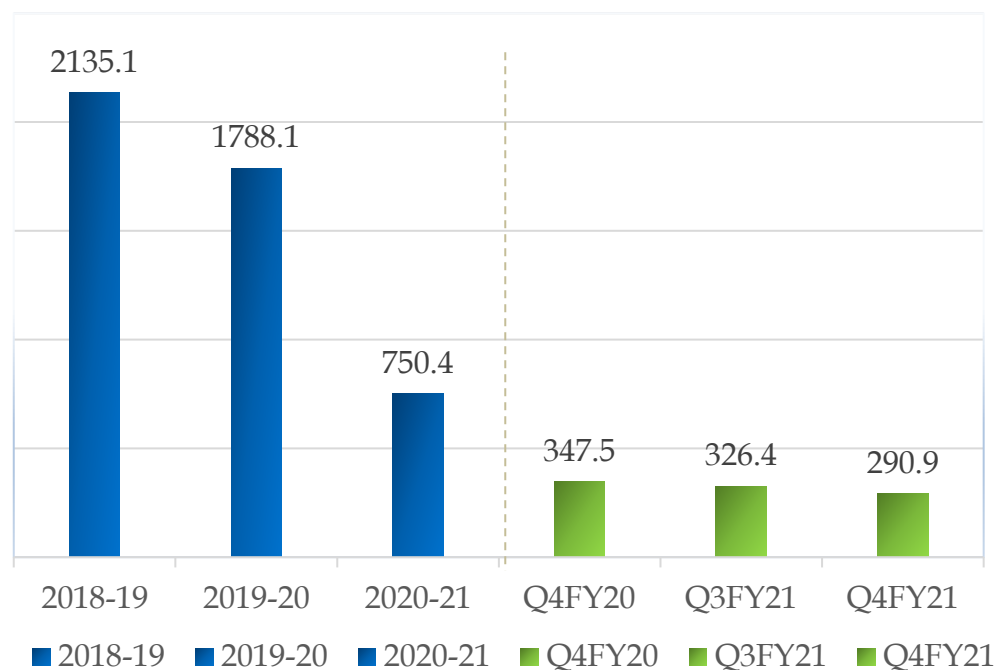
## STATEMENT OF SOURCES AND APPLICATION OF FUNDS

₹. In Crores

| Sources                          | 31-Mar-21     | 31-Dec-20     | 31-Mar-20     | Application                | 31-Mar-21     | 31-Dec-20     | 31-Mar-20     |
|----------------------------------|---------------|---------------|---------------|----------------------------|---------------|---------------|---------------|
| Share Capital                    | 16.4          | 16.4          | 16.4          | Fixed Assets               | 2.8           | 4.1           | 3.5           |
| Reserve & Surplus                | 543.1         | 534.1         | 490.9         | Investments                | 85.4          | 103.5         | 128.9         |
| <b>Shareholders Funds</b>        | <b>559.5</b>  | <b>550.6</b>  | <b>507.3</b>  | Deferred Tax Assets        | 21.4          | 23.1          | 27.1          |
| Bank Debts                       | 1311.2        | 1295.6        | 1493.6        |                            |               |               |               |
| Securitizations Pool             | 215.4         | 364.3         | 733.6         | Hypothecation Loan         | 1706.1        | 1792.9        | 2185.3        |
| Sub debt / Debentures            | 351.6         | 347.2         | 66.0          | Loan Buyout(Retail loans)  | 28.3          | 12.1          | 29.7          |
| Public Deposit/ICD               | 55.6          | 58.2          | 47.3          | Term Loans                 | 102.5         | 132.5         | 172.2         |
| Loan From Directors              | 10.2          | 10.2          | 10.2          | Other Loans                | 9.1           | 10.7          | 18.4          |
| Interest Accrued on Loans        | 3.0           | 3.5           | 4.1           | Interest Accrued on Loans  | 25.5          | 27.7          | 22.0          |
| <b>Total Borrowings</b>          | <b>1947.0</b> | <b>2079.0</b> | <b>2354.8</b> | <b>Total Loans *</b>       | <b>1871.6</b> | <b>1975.9</b> | <b>2427.7</b> |
| Trade Payable                    | 22.5          | 36.6          | 16.1          | Cash & Cash Equivalents    | 540.9         | 547.4         | 286.4         |
| Provisions                       | 6.1           | 4.6           | 12.7          | Other Financial Assets     | 14.3          | 32.3          | 20.0          |
| Other Financial Liabilities      | 21.6          | 36.5          | 19.7          | Other Non-Financial Assets | 23.4          | 24.3          | 19.6          |
| Other Non-Financial Liabilities  | 1.7           | 1.7           | 2.6           |                            |               |               |               |
| Derivative Financial Instruments | 1.4           | 1.1           | 0             |                            |               |               |               |
| <b>Total</b>                     | <b>2559.8</b> | <b>2710.2</b> | <b>2913.2</b> | <b>Total</b>               | <b>2559.8</b> | <b>2710.2</b> | <b>2913.2</b> |

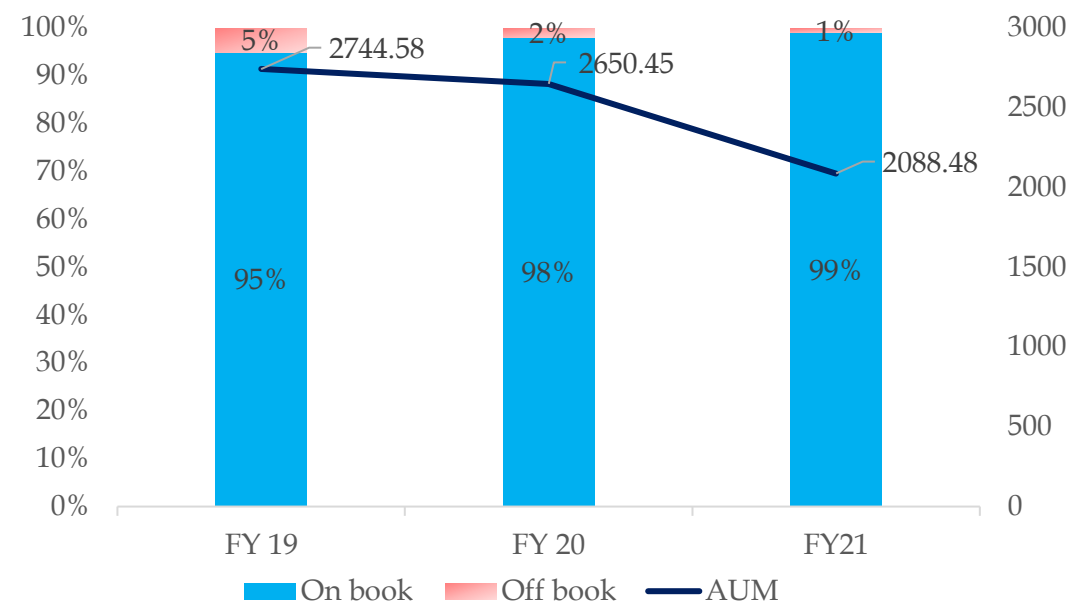
\* The loans reported are net of provisions made of ₹. 126.8Cr, ₹. 202.5 Cr and ₹. 179.4 Cr as on Mar 20, Dec 20 and Mar 21 respectively

## DISBURSEMENTS



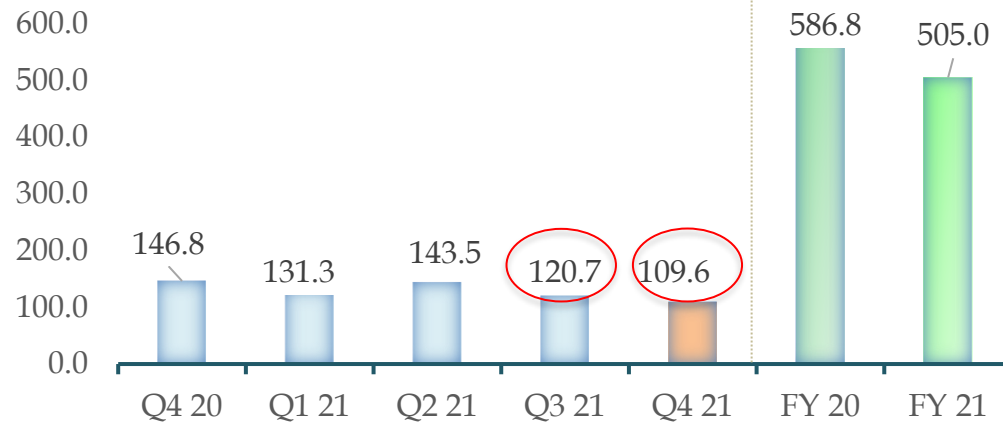
| Growth (year) | 8% | -16% | -58% |
|---------------|----|------|------|
|---------------|----|------|------|

## AUM

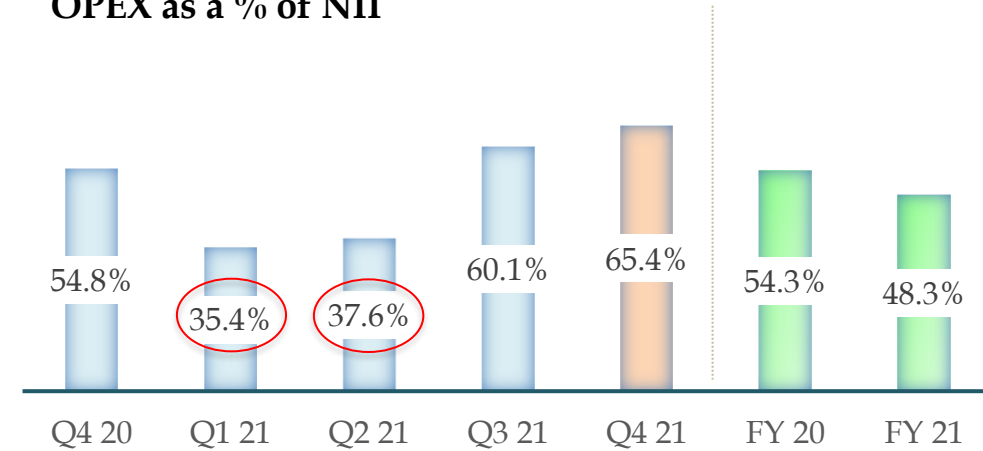


| Growth | 22% | -3% | -21% |
|--------|-----|-----|------|
|--------|-----|-----|------|

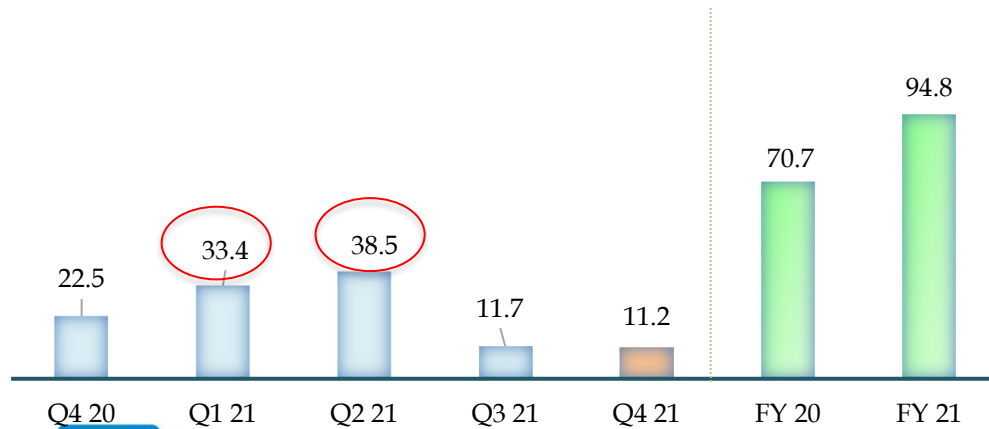
## Revenue (in Crores)



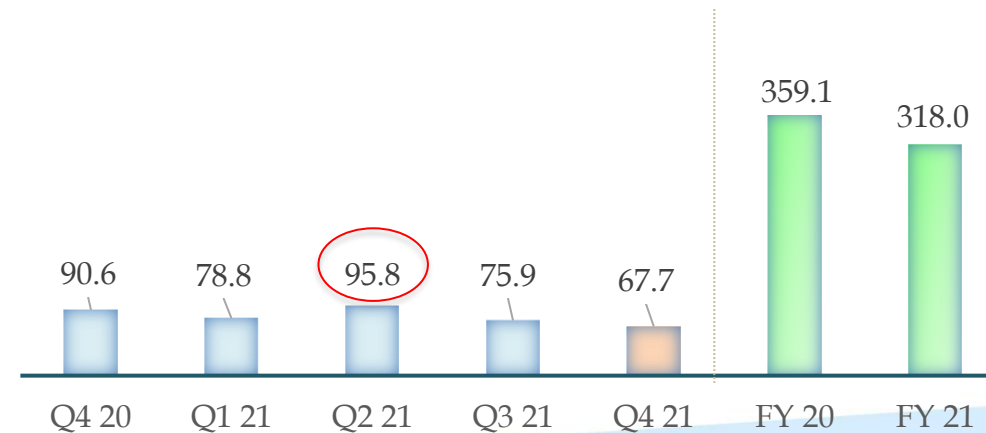
## OPEX as a % of NII



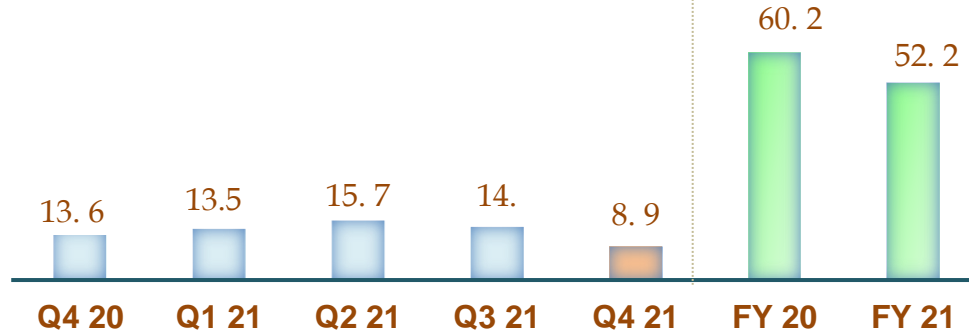
## Loan Loss Provisions and Write offs (in Crores)



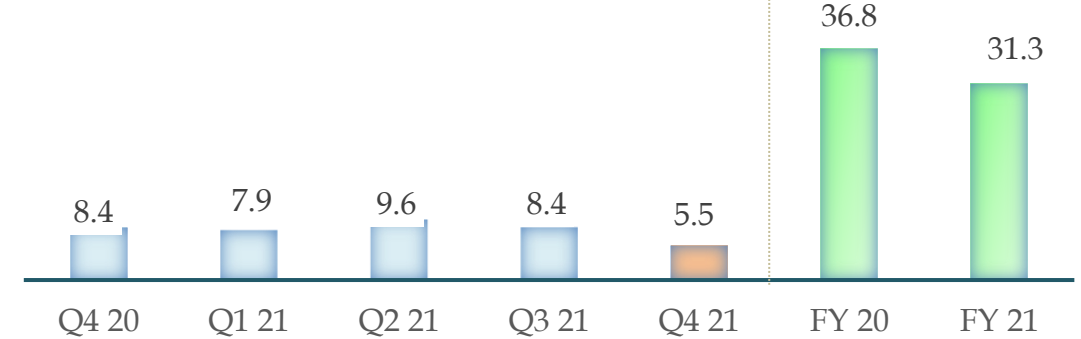
## Net interest income (in Crores)



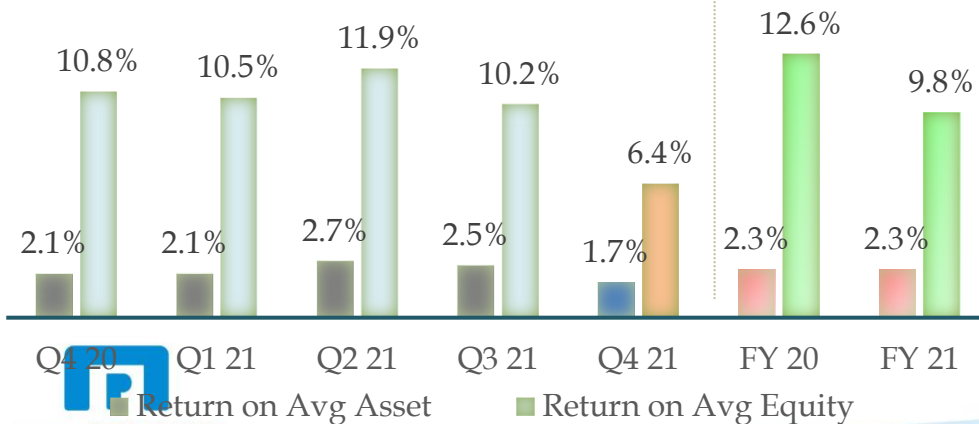
## Profit after Tax (in Crores)



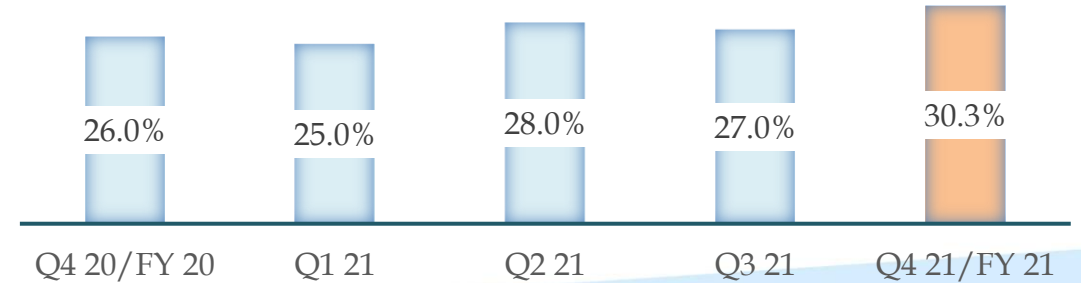
## Earning per Share (in ₹)



## ROA and ROE

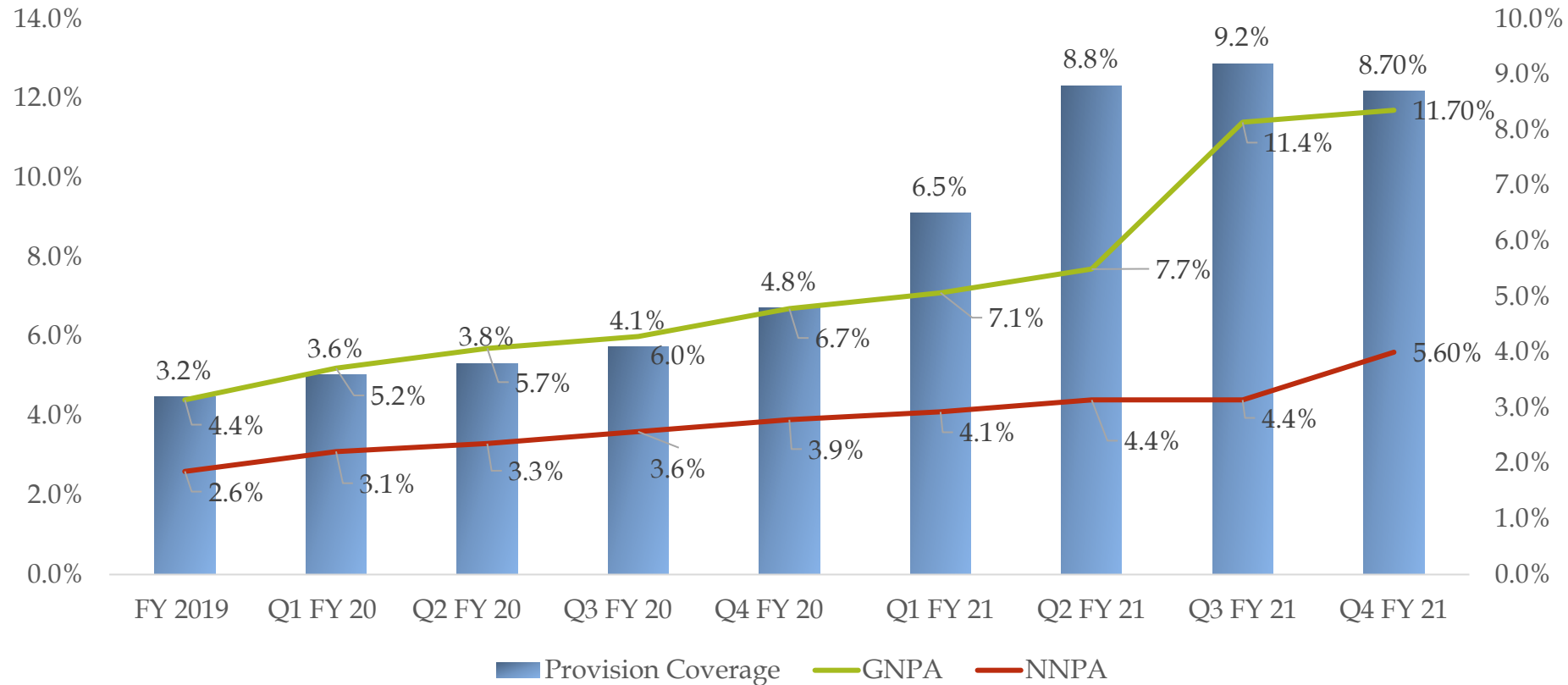


## Capital Adequacy Ratio (%)





## ASSET QUALITY AND PROVISION COVERAGE



As Per IND AS

As on  
31.03.2020As on  
31.12.2020As on  
31.03.2021Prov as % of Loan  
Book

4.8%

9.2%

8.7%

**EXPECTED CREDIT LOSS (ECL)****As on 31.03.2020**

₹. In Crores

| Particulars              | Outstanding    | Provision     | ECL%         | IRACP%       |
|--------------------------|----------------|---------------|--------------|--------------|
| <b>Total</b>             | <b>2598.10</b> | <b>125.76</b> | <b>4.84%</b> | <b>2.35%</b> |
| S1 and S2 (Std assets)   | 2211.56        | 48.86         | 2.21%        | 0.40%        |
| S3 (NPA)                 | 163.56         | 71.61         | 43.78%       | 30.69%       |
| Other Loans (Std Assets) | 212.45         | 2.10          | 1.00%        | 0.40%        |
| Other Loans (S3 )        | 10.53          | 3.20          | 30.00%       | 10.0%        |

**As on 31.12.2020**

| Particulars                          | Outstanding   | Provision     | ECL %        | IRACP%       |
|--------------------------------------|---------------|---------------|--------------|--------------|
| <b>Total</b>                         | <b>2199.6</b> | <b>202.47</b> | <b>9.20%</b> | <b>3.79%</b> |
| S1 and S2 (Std assets)               | 1818.9        | 42.88         | 2.36%        | 0.40%        |
| S3 (includes Proforma NPA)           | 223.50        | 143.62        | 64.26%       | 32.68%       |
| S1 and S2 Other Loans (Std Assets)   | 128.44        | 3.20          | 2.5%         | 0.40%        |
| S3 Other Loans (includes Prof. NPA ) | 28.79         | 12.77         | 44.4%        | 8.93%        |

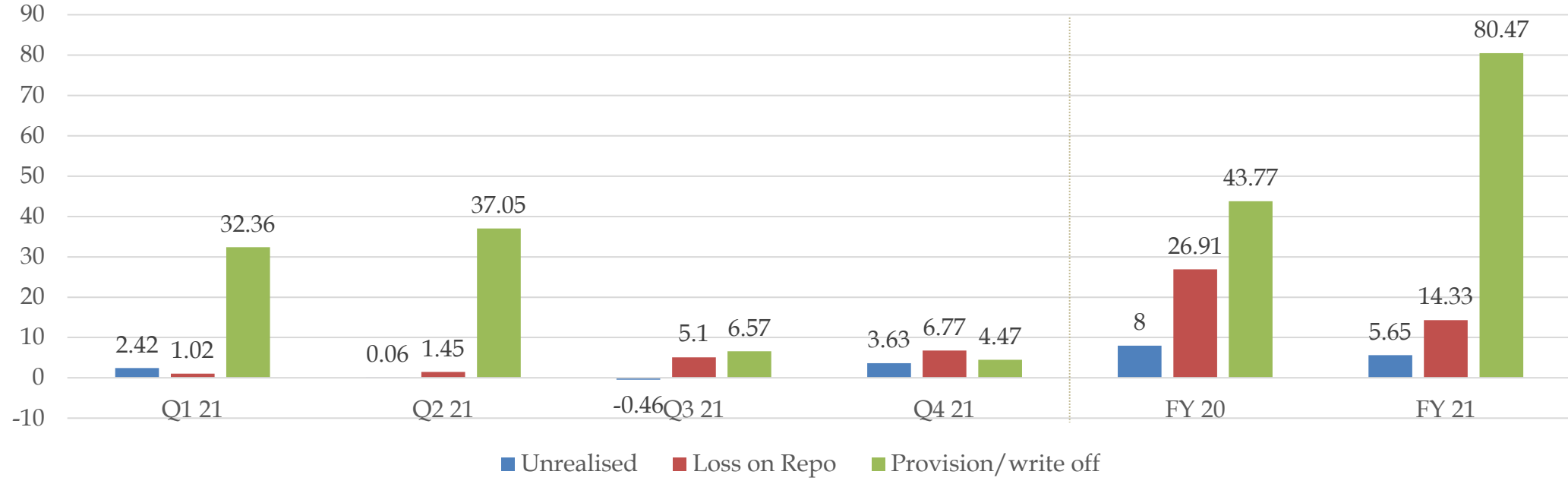
**As on 31.03.2021**

| Particulars                        | Outstanding    | Provision     | ECL %        | IRACP%       |
|------------------------------------|----------------|---------------|--------------|--------------|
| <b>Total</b>                       | <b>2071.85</b> | <b>179.35</b> | <b>8.66%</b> | <b>4.43%</b> |
| S1 and S2 (Std assets)             | 1704.25        | 42.68         | 2.50%        | 0.40%        |
| S3                                 | 226.68         | 118.75        | 52.40%       | 29.96%       |
| S1 and S2 Other Loans (Std Assets) | 124.52         | 2.06          | 1.65%        | 1.08%        |
| S3 Other Loans                     | 16.40          | 15.86         | 96.71%       | 95.85%       |

Additional provision of ₹ 14.8 Cr provided in towards S3 assets as on Q4FY21 towards COVID 19 impact

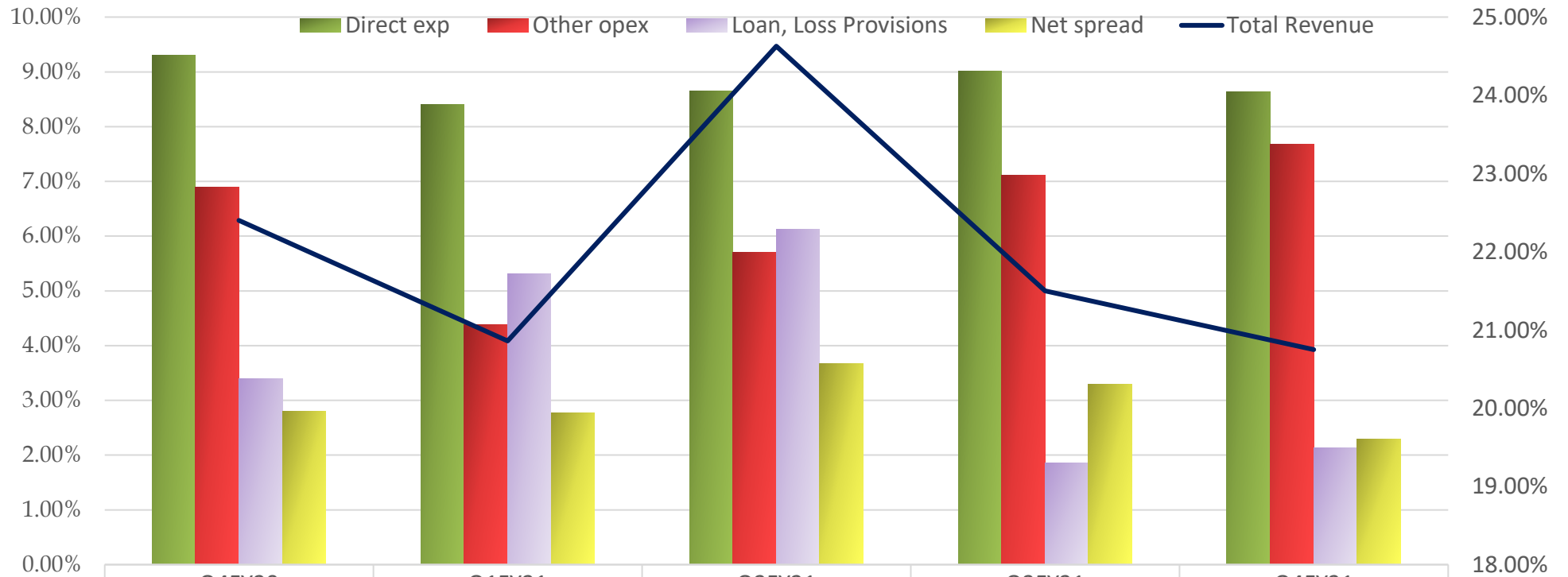
## MAIN FACTORS IMPACTING PROFITABILITY- DELINQUENCIES

₹. In Crores

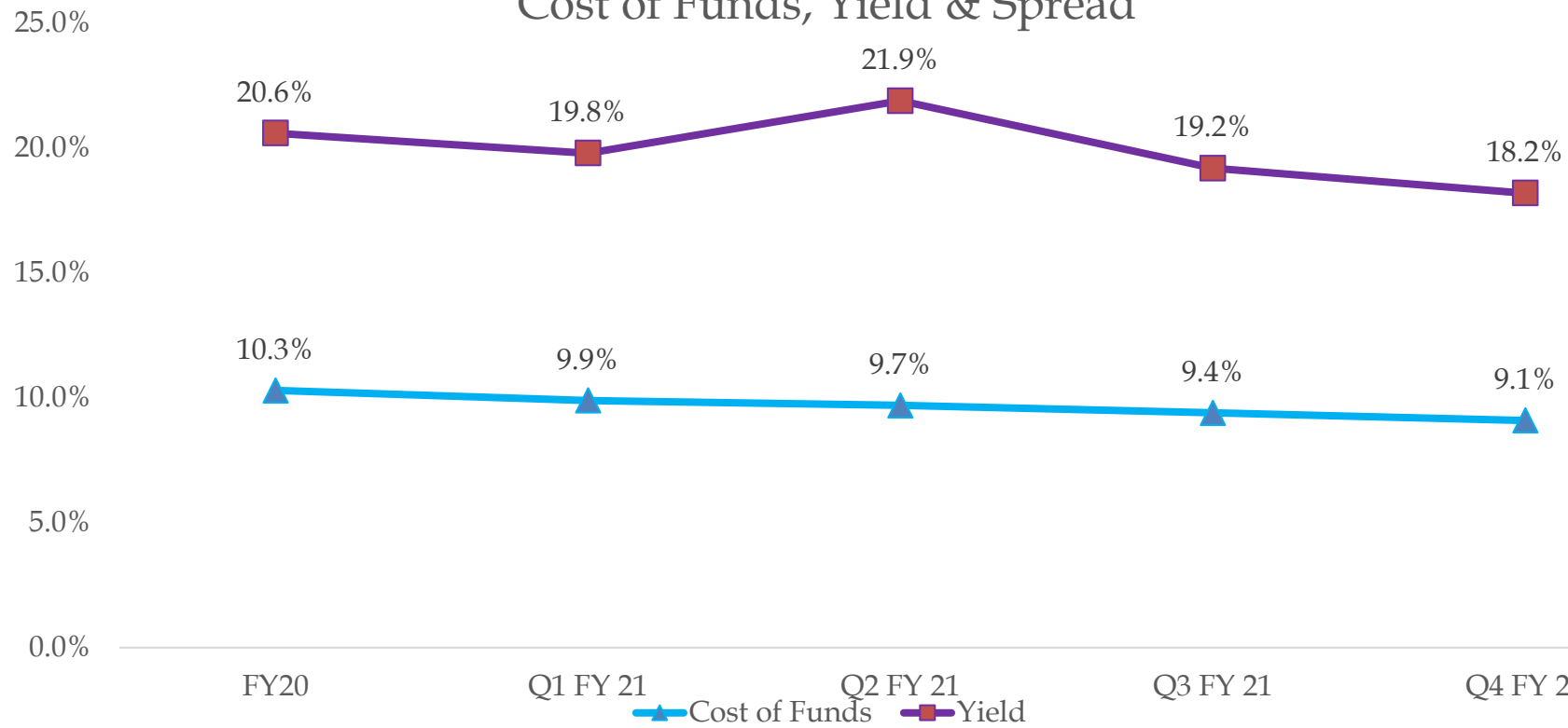


| Particulars                              | FY 20  | Q1 FY 21 | Q2 FY 21 | Q3 FY 21 | Q4FY21 | FY 21  |
|--|--------|----------|----------|----------|--------|--------|
| Total P&L Impact                         | 78.68  | 35.8     | 38.56    | 11.21    | 14.87  | 100.44 |
| Avg AUM                                  | 2613.9 | 2513.9   | 2332.5   | 2245.7   | 2112.5 | 2307.2 |
| % of Credit cost on Avg AUM (annualized) | 3.0%   | 5.7%     | 6.6%     | 2.0%     | 2.8%   | 4.4%   |

## SPREAD ANALYSIS



|                       |        |        |        |        |        |
|-----------------------|--------|--------|--------|--------|--------|
| Direct exp            | 9.30%  | 8.41%  | 8.65%  | 9.02%  | 8.64%  |
| Other opex            | 6.90%  | 4.38%  | 5.71%  | 7.11%  | 7.68%  |
| Loan, Loss Provisions | 3.40%  | 5.31%  | 6.13%  | 1.86%  | 2.13%  |
| Net spread            | 2.80%  | 2.77%  | 3.67%  | 3.30%  | 2.30%  |
| Total Revenue         | 22.40% | 20.86% | 24.63% | 21.50% | 20.75% |

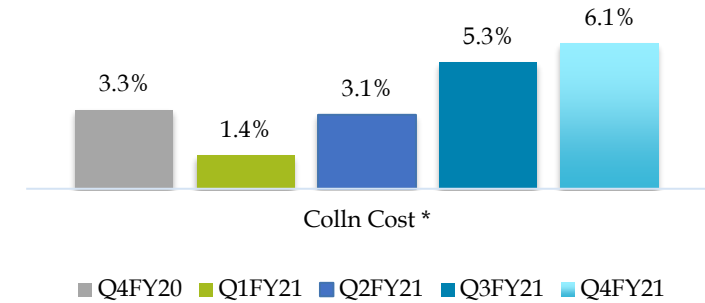
**ANALYSIS OF COST & YIELD****Cost of Funds, Yield & Spread**

## OTHER EXPENSES - SPLIT- QUARTERLY

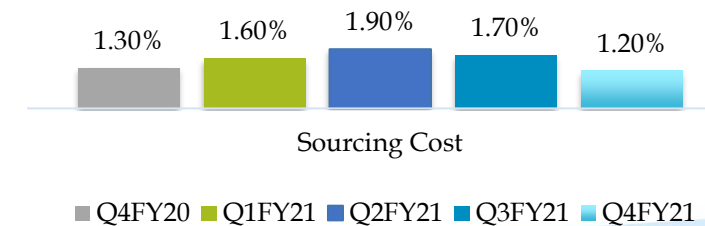
₹. In Crores

| Expense heads                                 | Q4 FY 21    | Q4 FY 20    | Y-o-Y          | Q3 FY 21    | Q-o-Q         |
|---|-------------|-------------|----------------|-------------|---------------|
| <b>Collection Charges:</b>                    | <b>25.7</b> | <b>16.8</b> | <b>53.2%</b>   | <b>22.3</b> | <b>15.2%</b>  |
| Collection Charges-MFL                        | 1.1         | 1.1         | 0.6%           | 1.1         | 2.5%          |
| Collection Agency Payout                      | 22.2        | 14.2        | 55.9%          | 18.7        | 18.9%         |
| ECS/ NACH/E-auction                           | 0.5         | 0.8         | -30.2%         | 0.4         | 37.7%         |
| Tele calling                                  | 0.7         | 0.2         | 340.1%         | 1.2         | -42.4%        |
| Collection Agents                             | 1.2         | 0.5         | 125.5%         | 1.0         | 20.6%         |
| Servicer Fee                                  |             |             |                |             | -             |
| <b>Business Sourcing Incentive:</b>           | <b>3.2</b>  | <b>4.2</b>  | <b>-23.3%</b>  | <b>5.3</b>  | <b>-39.1%</b> |
| Dealer Incentive                              | 2.2         | 3.2         | -30.7%         | 4.3         | -48.2%        |
| Business Sourcing Incentive - MFL             | 0.8         | 0.7         | 6.3%           | 0.8         | 0.1%          |
| Business sourcing expense- Marketing          | 0.2         | 0.3         | -14.9%         | 0.3         | -3.1%         |
| <b>Investigation and Professional Charges</b> | <b>0.9</b>  | <b>1.0</b>  | <b>-96.0%</b>  | <b>0.8</b>  | <b>3.9%</b>   |
| FI Charges - Autoloan                         | 0.2         | 0.3         | -160.4%        | 0.2         | -18.7%        |
| Professional Charges                          | 0.6         | 0.5         | -48.9%         | 0.5         | 25.6%         |
| Legal Charges                                 | 0.1         | 0.2         | -415.8%        | 0.1         | -50.3%        |
| <b>Rent</b>                                   | <b>1.5</b>  | <b>1.0</b>  | <b>-47.9%</b>  | <b>1.0</b>  | <b>51.7%</b>  |
| <b>Back Office Processing</b>                 | <b>0.4</b>  | <b>0.5</b>  | <b>-93.7%</b>  | <b>0.4</b>  | <b>3.3%</b>   |
| <b>Other Expenses</b>                         | <b>0.4</b>  | <b>1.2</b>  | <b>-175.4%</b> | <b>4.2</b>  | <b>-90.5%</b> |
| <b>Total</b>                                  | <b>32.1</b> | <b>24.7</b> | <b>-100.2%</b> | <b>34.1</b> | <b>-5.6%</b>  |
| Ind As Adjustments                            | -4.2        | 3.1         | -235.5%        | - 6.1       | 31.1%         |
| As per Financials                             | 27.9        | 27.8        | 0.1%           | 27.8        | 0.1%          |

## Collection Cost as % of Collection



## Sourcing Cost as % of Disbursement

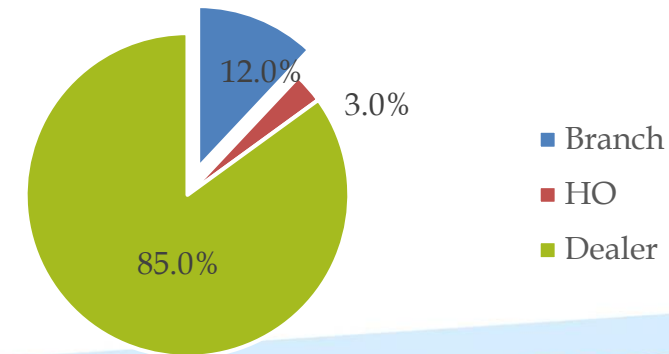


- Considering Incentive to Collection staff (Q4FY20-₹0.4 Cr, Q3FY21 ₹ 0.7Cr and Q4FY21-₹ 0.7Cr ) but excluding collection staff salary

## ZONEWISE DISBURSEMENT (RETAIL LOANS INCLUDING BUYOUTS) - FOR 12 MONTH PERIOD

| Zone    | BRANCH |       |        |       | DEALER |        |          |        | TOTAL    |        |          |        | Overall Share |       |       |
|---------|--------|-------|--------|-------|--------|--------|----------|--------|----------|--------|----------|--------|---------------|-------|-------|
|         | FY 21  |       | FY 20  |       | FY 21  |        | FY 20    |        | FY 21    |        | FY 20    |        | Growth%       | FY 21 | FY 20 |
|         | Count  | Value | Count  | Value | Count  | Value  | Count    | Value  | Count    | Value  | Count    | Value  |               |       |       |
| South   | 8 793  | 67.4  | 34 071 | 199.0 | 55 640 | 403.52 | 1 46 202 | 940.7  | 64 433   | 471.0  | 1 80 273 | 1139.7 | -59%          | 66%   | 66%   |
| West    | 1 510  | 9.16  | 5 008  | 26.3  | 4 294  | 27.41  | 17 890   | 107.0  | 5 804    | 36.57  | 22 898   | 133.3  | -73%          | 5%    | 8%    |
| North   | 368    | 2.34  | 1 521  | 8.2   | 13 122 | 79.86  | 37 886   | 208.5  | 13 490   | 82.20  | 39 407   | 216.7  | -62%          | 11%   | 13%   |
| East    | 499    | 3.19  | 1 378  | 7.7   | 15 798 | 101.90 | 35 854   | 207.7  | 16 297   | 105.10 | 37 232   | 215.5  | -52%          | 15%   | 12%   |
| HO      | -      | -     | -      | -     | -      | -      | -        | -      | 6 318    | 22.8   | 6 590    | 21.6   | 6%            | 3%    | 1%    |
| Overall | 11 170 | 82.1  | 41 978 | 241.2 | 88 854 | 612.70 | 2 37 832 | 1463.9 | 1 06 342 | 717.6  | 2 86 400 | 1726.7 | -58%          | 100%  | 100%  |

Share of Branch and Dealer of zone-wise  
disbursement

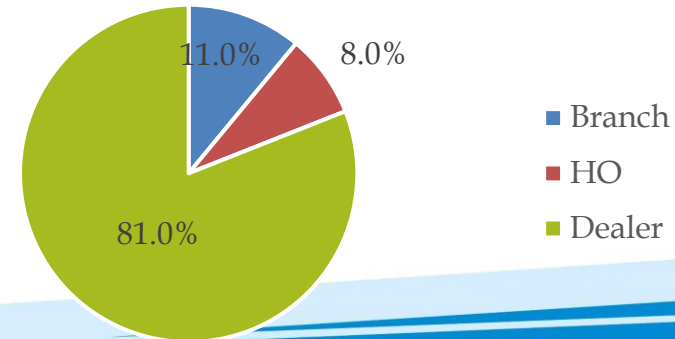




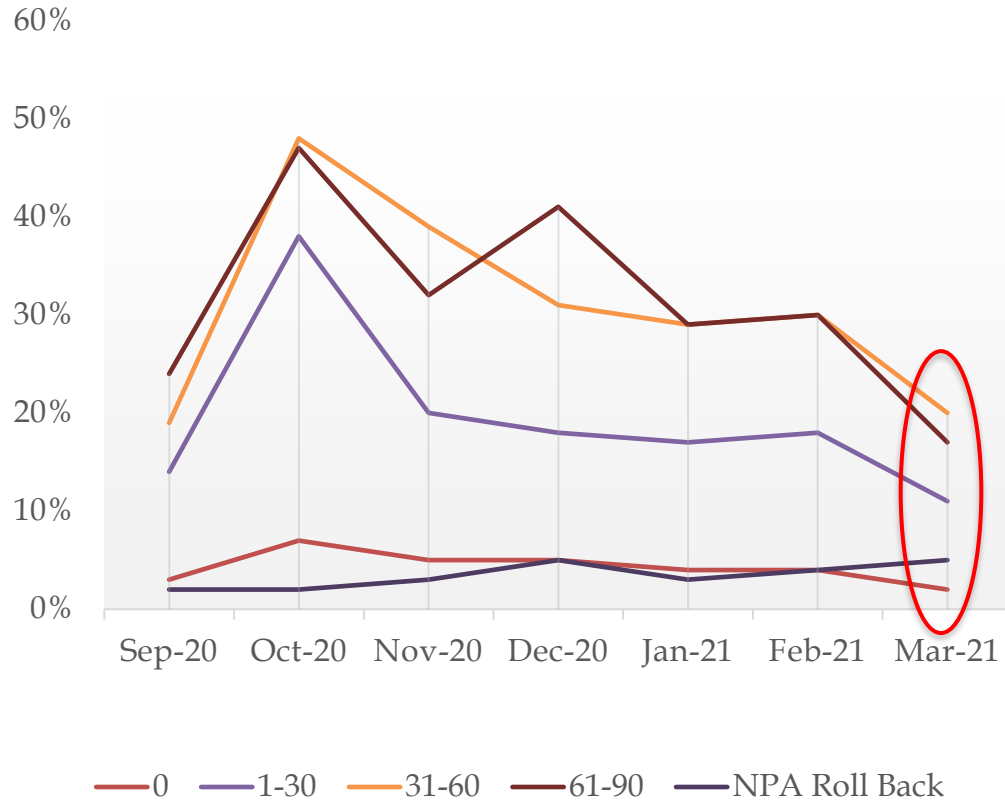
## ZONEWISE DISBURSEMENT (RETAIL LOANS INCLUDING BUYOUTS) - Y-o-Y

| Zone    | BRANCH    |       |           |       | DEALER    |        |           |       | TOTAL     |       |           |       | Overall Share |           |           |
|---------|-----------|-------|-----------|-------|-----------|--------|-----------|-------|-----------|-------|-----------|-------|---------------|-----------|-----------|
|         | Q4 FY '21 |       | Q4 FY '20 |       | Q4 FY '21 |        | Q4 FY '20 |       | Q4 FY '21 |       | Q4 FY '20 |       | Growth %      | Q4 FY '21 | Q4 FY '20 |
|         | Count     | Value | Count     | Value | Count     | Value  | Count     | Value | Count     | Value | Count     | Value |               |           |           |
| South   | 3 362     | 26.3  | 7 034     | 40.5  | 21 907    | 162.5  | 27 472    | 177.4 | 25 269    | 188.7 | 34 506    | 217.9 | -3%           | 65%       | 66%       |
| West    | 487       | 3.0   | 921       | 4.9   | 1 559     | 10.1   | 2 823     | 16.7  | 2 046     | 13.1  | 3 744     | 21.6  | -39%          | 5%        | 7%        |
| North   | 132       | 0.8   | 266       | 1.4   | 4 570     | 28.2   | 7 292     | 40.3  | 4 702     | 29.1  | 7 558     | 41.7  | -29%          | 10%       | 12%       |
| East    | 193       | 1.3   | 333       | 1.9   | 5 458     | 35.7   | 7 802     | 46.7  | 5 651     | 36.9  | 8 135     | 48.6  | -25%          | 12%       | 15%       |
| HO      | -         | -     | -         | -     | -         | -      | -         | -     | 6 318     | 22.8  | -         | -     | 100%          | 8%        | -         |
| Overall | 4 174     | 31.4  | 8 554     | 48.7  | 33 494    | 236 .5 | 45 389    | 281.1 | 43 986    | 290.6 | 53 943    | 329.9 | -12%          | 100%      | 100%      |

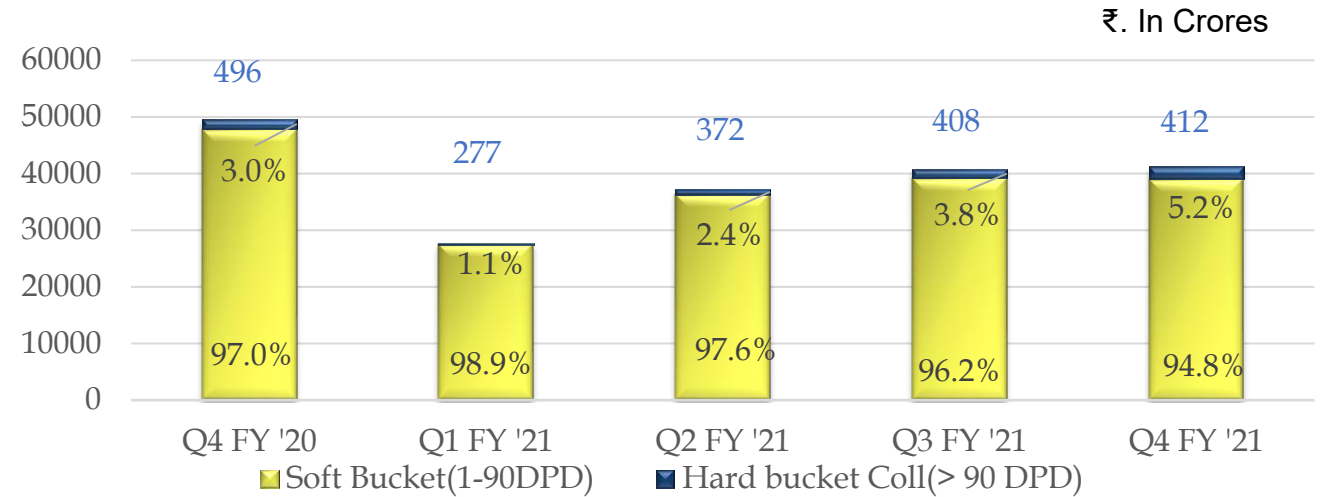
Share of Branch and Dealer of zone-wise disbursement



## COLLECTION PERFORMANCE MONITORING (HYP)

Bucket-wise Flow

## Collection Performance

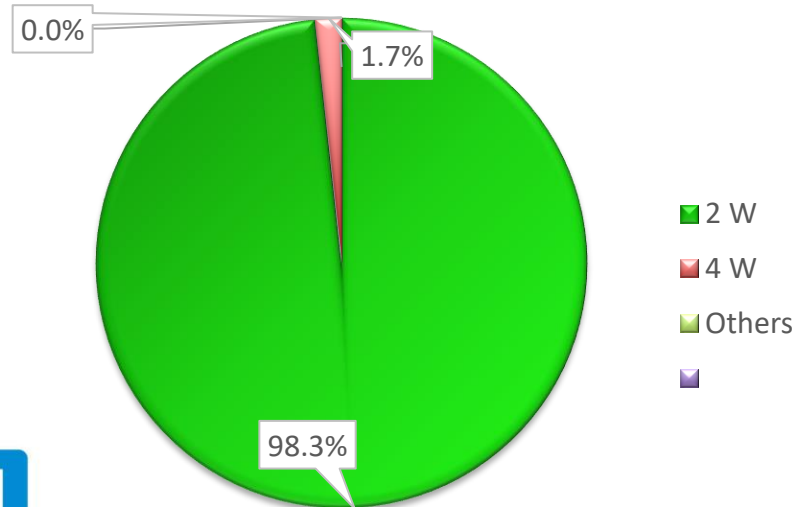


₹. In Crores

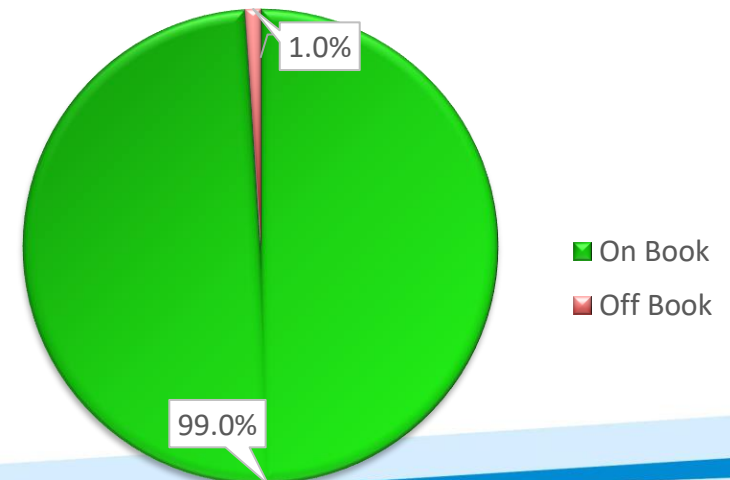
|                    | Q4 FY 20   | Q1 FY 21   | Q2 FY 21   | Q3 FY 21   | Q4 FY 21   |
|--------------------|------------|------------|------------|------------|------------|
| Soft Bucket (1-90) | 479        | 274        | 363        | 392        | 391        |
| Hard Bucket (>90)  | 17         | 3          | 9          | 16         | 21         |
| <b>Total</b>       | <b>496</b> | <b>277</b> | <b>372</b> | <b>408</b> | <b>412</b> |

RETAIL PORTFOLIO SPLIT AS ON 31<sup>st</sup> March 2021

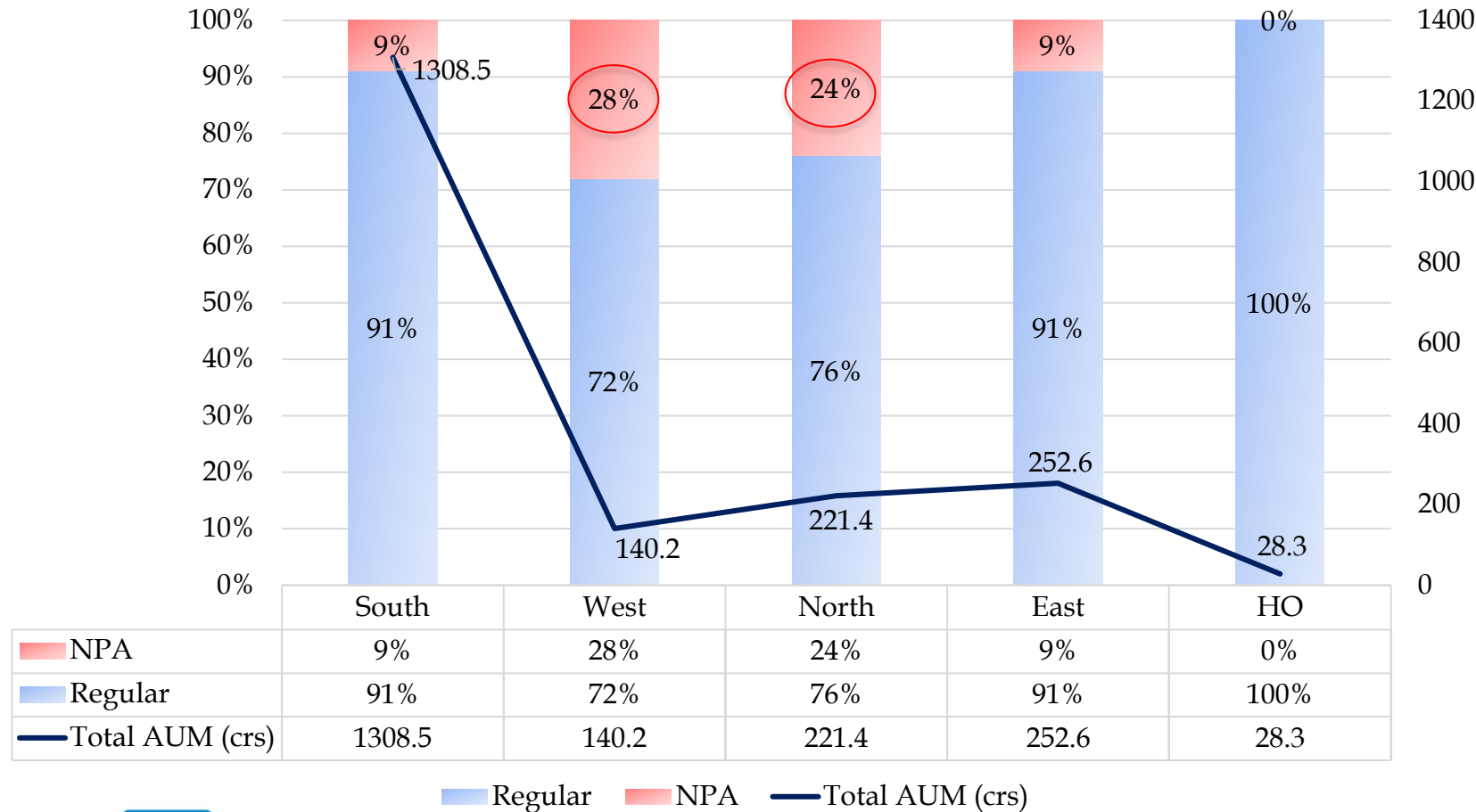
| Segment wise | No . of loans   | Amount        |
|--------------|-----------------|---------------|
| 2 W          | 5 93 396        | 1916.9        |
| 4 W          | 1 803           | 33.5          |
| Others       | 1 030           | 0.5           |
| <b>Total</b> | <b>5 96 229</b> | <b>1950.9</b> |



| Transaction Type               | No of Transactions | Amount        |
|--------------------------------|--------------------|---------------|
| Securitized (part of own book) | 9                  | 346.5         |
| Direct Assignment              | 9                  | 16.6          |
| Own Portfolio excl securitized |                    | 1585.3        |
|                                |                    | <b>Ind AS</b> |
| Off Book                       |                    | 16.6          |
| On Book                        |                    | 1934.3        |
| <b>Total Portfolio</b>         |                    | <b>1950.9</b> |



## MCSL GEOGRAPHIC OVERVIEW- RETAIL LOANS INCLUDING LOAN BUYOUTS

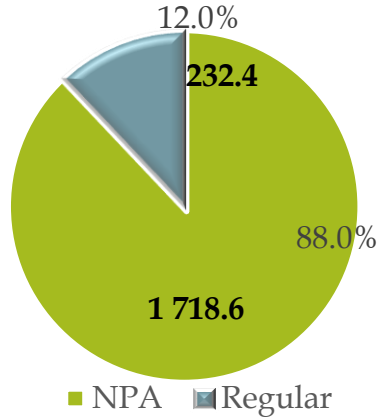


| Zone          | Active Clients | Total AUM (crs) | Zone wise AUM % | Zone wise NPA % |
|---------------|----------------|-----------------|-----------------|-----------------|
| South India   | 3 93 393       | 1308.5          | 67%             | 50.1%           |
| Western India | 44 895         | 140.2           | 7%              | 17.2%           |
| North India   | 72 803         | 221.4           | 11%             | 22.8%           |
| East India    | 70 327         | 252.6           | 13%             | 9.9%            |
| HO            | 14 811         | 28.3            | 1%              | -               |
| Overall       | 5 96 229       | 1950.9          | 100%            | 100%            |

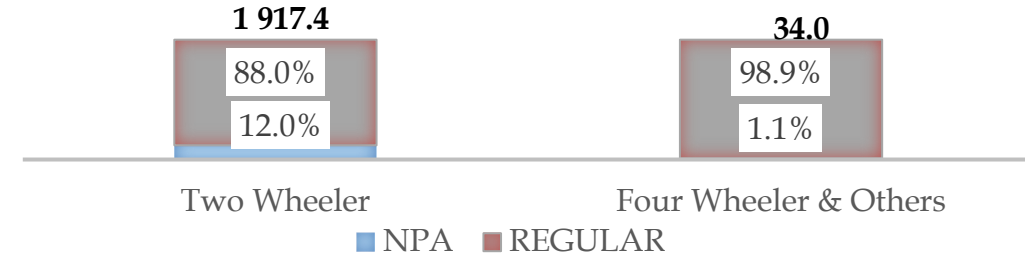
## PORTFOLIO ANALYSIS - RETAIL LOANS INCLUDING LOAN BUYOUTS

₹. In Crores

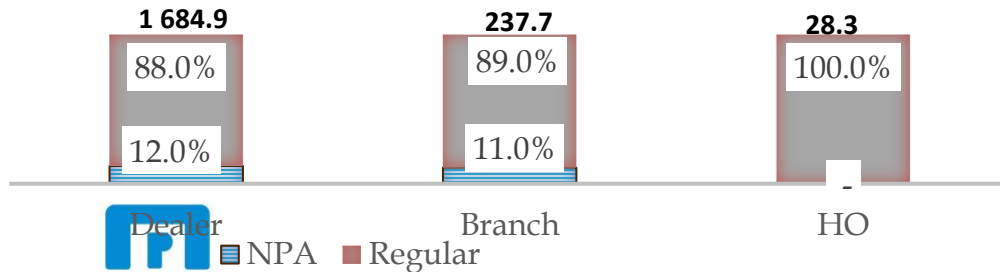
### Portfolio Analysis



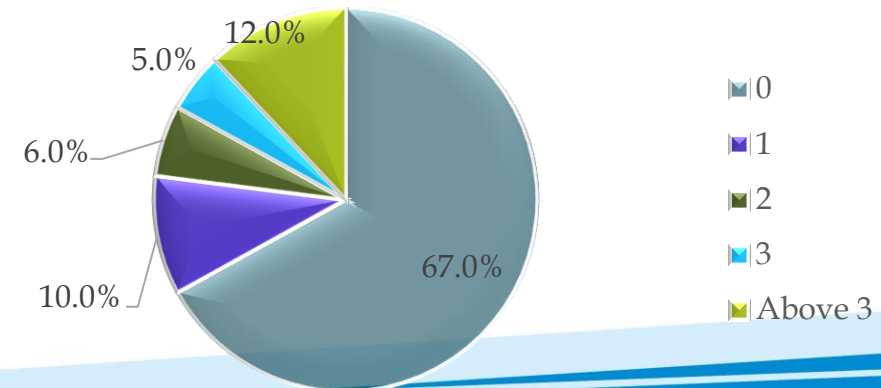
### Segment - wise Analysis

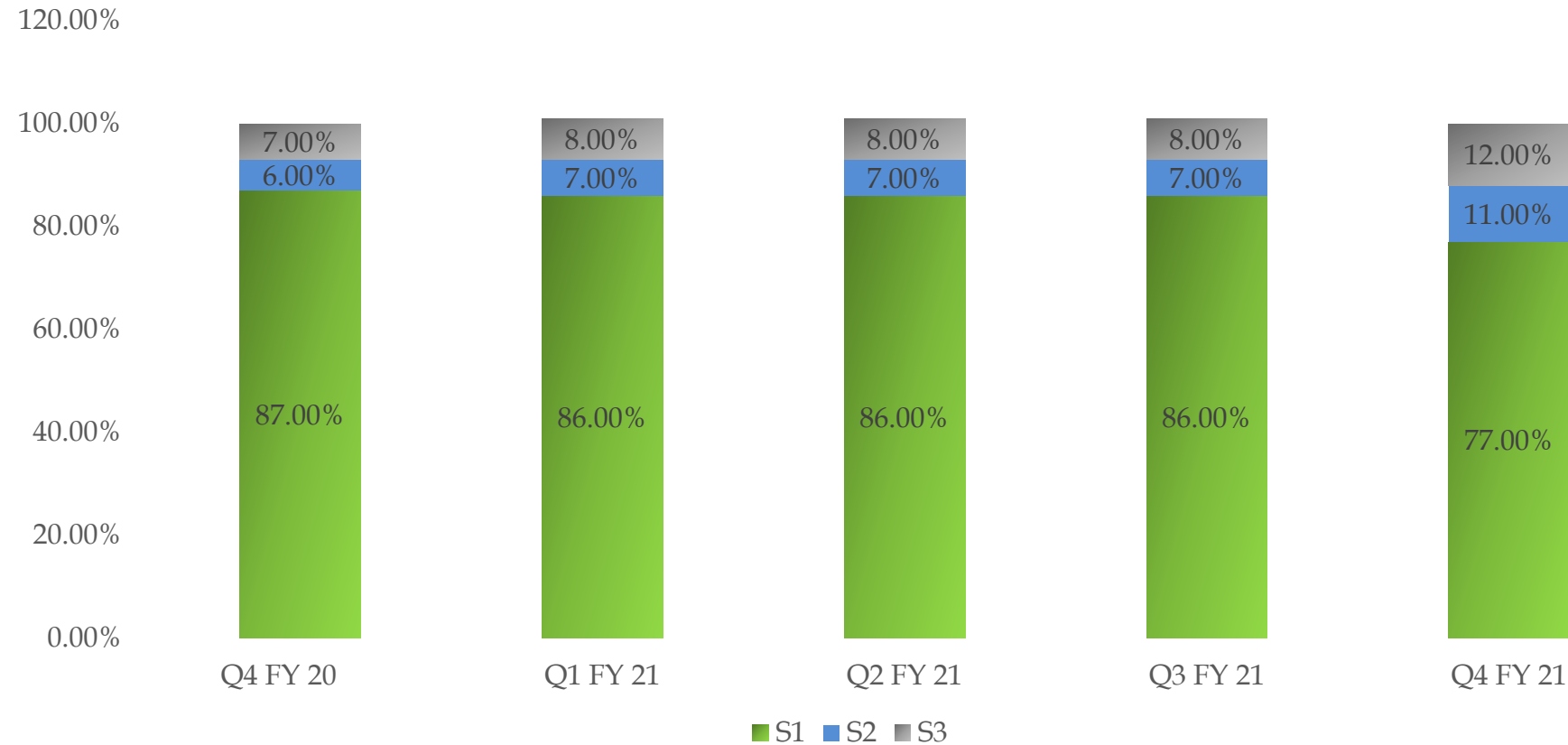


### Source - wise Analysis



### Bucket - wise Analysis



**PORTFOLIO CREDIT QUALITY- RETAIL LOANS INCLUDING BUYOUTS**

**NPA MOVEMENT - Own HYP LOAN - Q4 FY 2021**

₹. In Crores

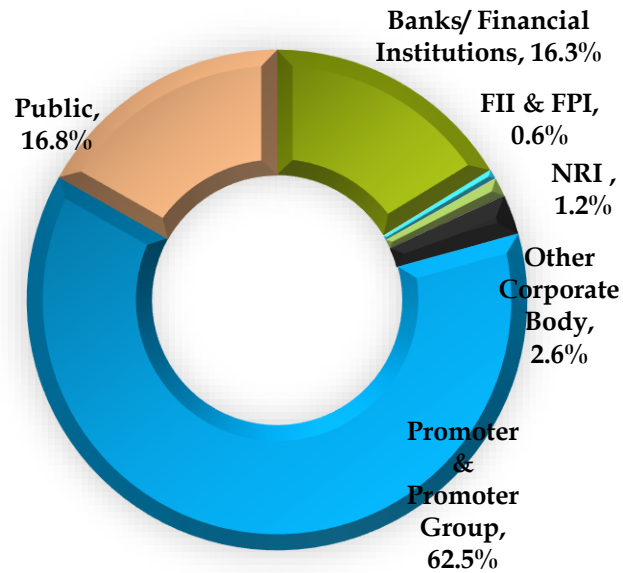
| Particulars   | HP Nos          | Balance stock | Provision     | Unrealised Income |
|---|-----------------|---------------|---------------|-------------------|
| Balance as on 31.03.2020                            | 86,201          | 166.35        | 89.61         | 22.70             |
| Add: Estimated addition during FY 21                | 57 704          | 116.72        | 52.86         | 12.51             |
| Add: Vehicles repossessed assets sold during FY 21  | 2 913           | 18.52         | -             | -                 |
|   | <b>1 46 818</b> | <b>301.59</b> | <b>142.47</b> | <b>35.21</b>      |
| Less: Moved out from NPA during FY21                | 20 369          | 17.82         | 7.85          | 1.20              |
| Less: Repossessed vehicle sold during FY 21         | 2 862           | 11.74         | 5.17          | 1.71              |
| Less: Vehicles repossessed assets sold during FY 21 | 2 913           | 18.52         | -             | -                 |
| Less: Amount collected during FY 21                 |                 | 4.90          | 2.16          | 0.26              |
| Less: Amount written off in FY 21                   | 12 022          | 21.94         | 9.66          | 3.69              |
| <b>Balance as on 31.03.2021</b>                     | <b>1 08 652</b> | <b>226.68</b> | <b>117.64</b> | <b>28.35</b>      |

| Overall Provision as on 31 <sup>st</sup> Mar 2021                              | Provision     |
|--|---------------|
| Provision on HYP loans including additional provision and on standard accounts | 161.43        |
| Provision on Other Loan portfolio  | 17.92         |
| <b>Total Provision in books</b>  | <b>179.35</b> |

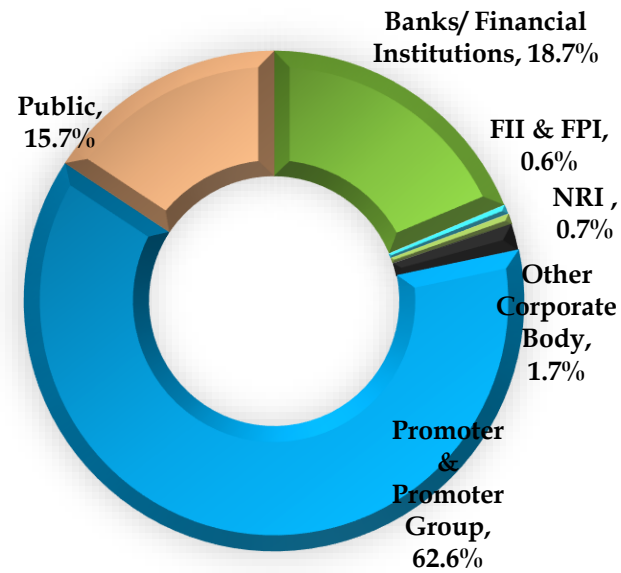


## SHAREHOLDING PATTERN

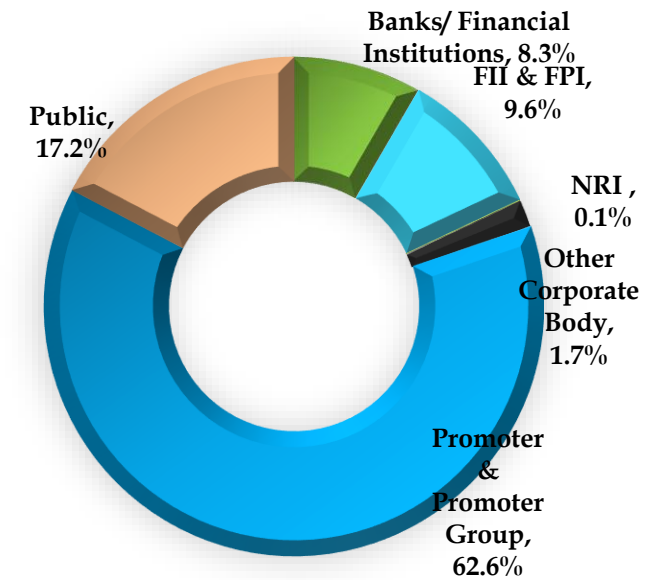
31 Mar 2019



31 Mar 2020



31 Mar 2021



## SOURCES OF BORROWING

**₹ 50 Cr**

Additional Facilities  
received during the quarter

NCDs raised in FY21 - ₹ 275 Cr  
TL/WCDL received - ₹ 160 Cr.  
PTC funds in FY 21 - ₹ 130 Cr  
Total - ₹ 565 Cr

**₹ 6.15Cr**

Collections of Public  
Deposit/Sub debts

In Q4FY21 Public Deposits collected  
₹ 6.03 Cr., of which ₹ 1.45 Cr. Is  
renewal  
₹ 43.09 Cr collected in FY21

Additional Facilities sanction -  
₹ 25 Cr from CSB - TL  
₹ 25 Cr from IDBI-WCDL

Bank funding - 90% of total borrowing  
as on 31 Mar 2021

**₹ 701 Cr**

WCDL roll over

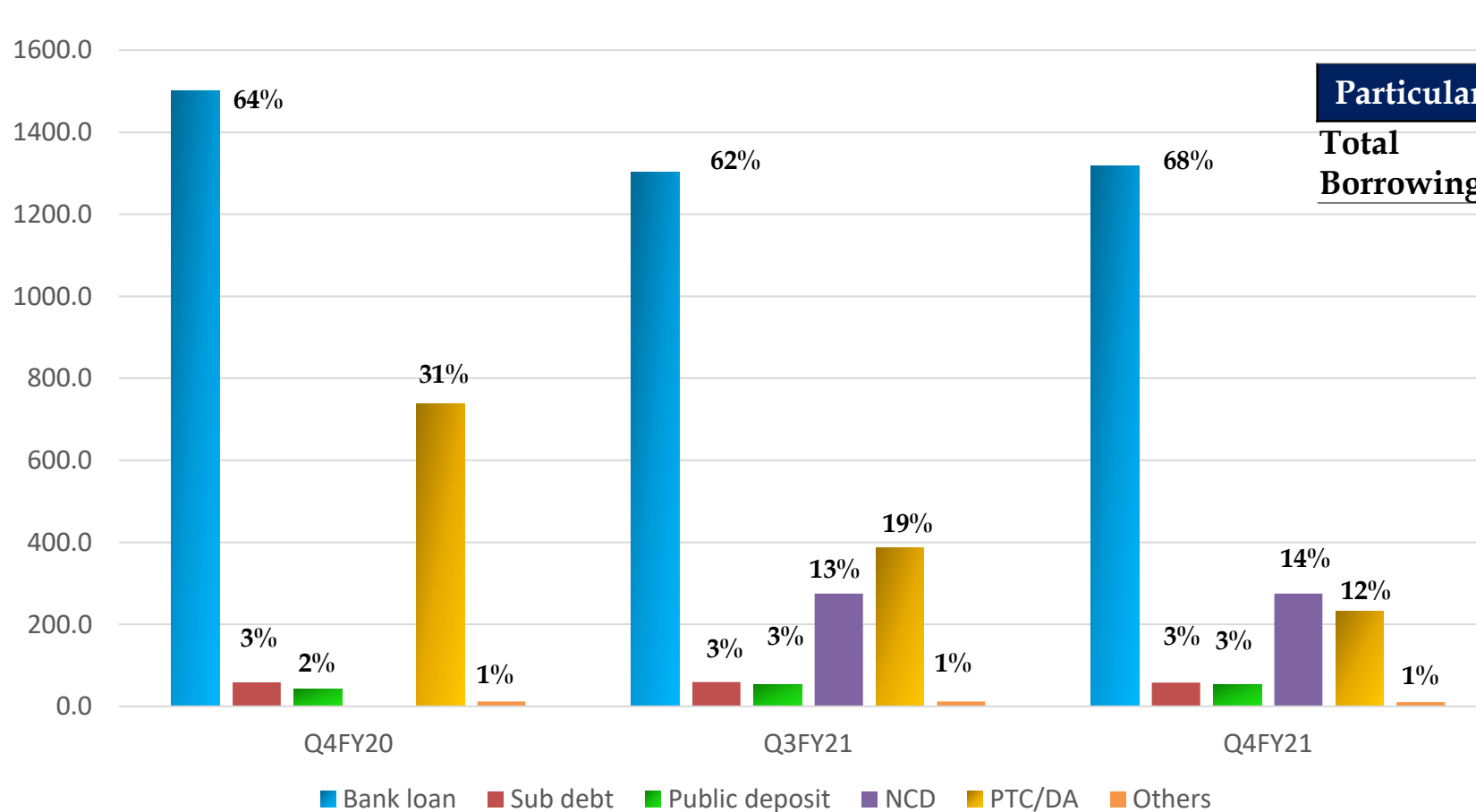
In Q4FY21, ₹ 701 Cr rolled over from  
15 facilities  
In FY21, ₹ 2706 Cr rolled over from 66  
facilities

**9.1%**

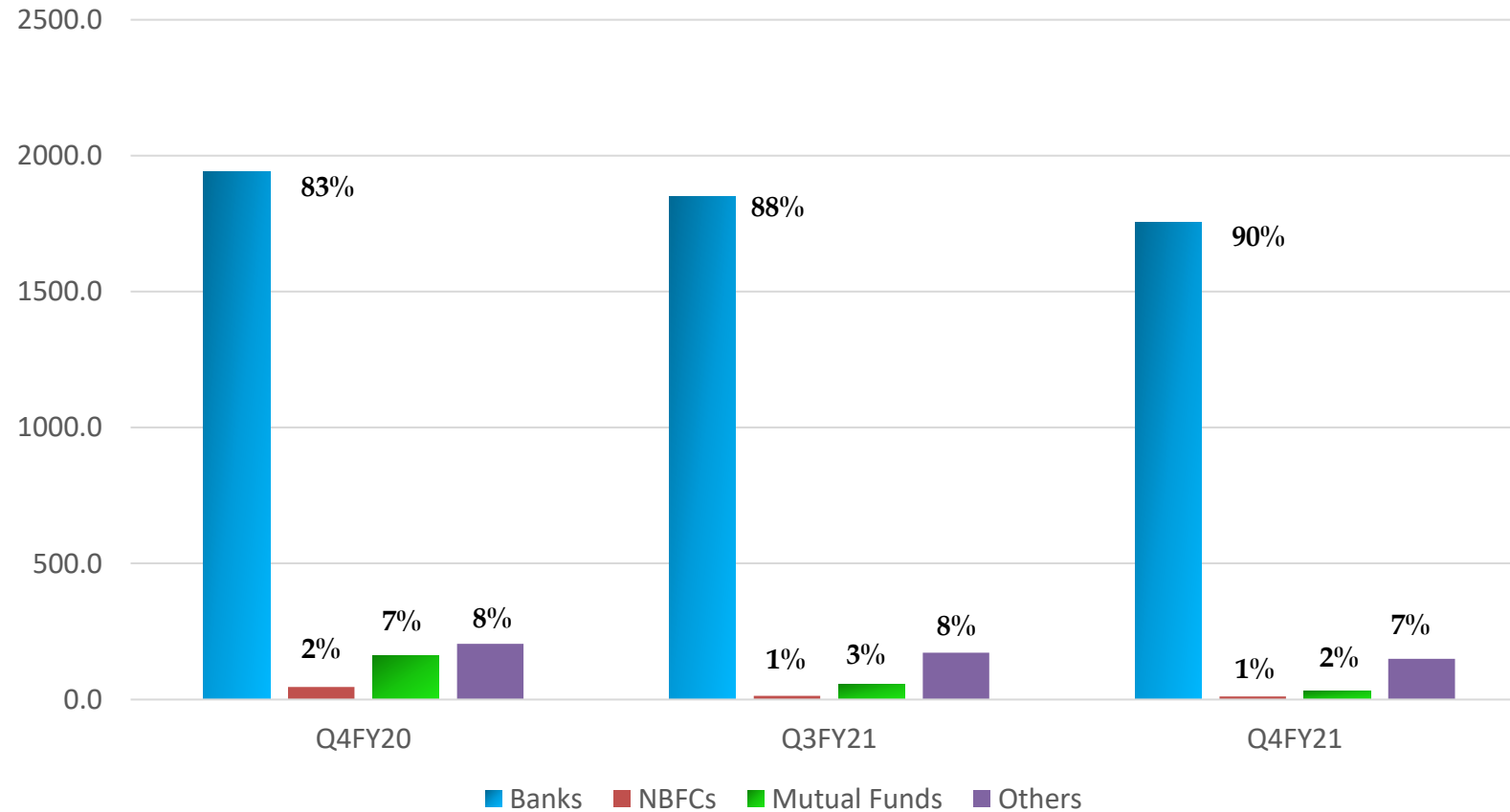
Cost of borrowing for  
Q4 FY 21

Quarter on Quarter decrease in cost  
of borrowing from 9.41% for Q3FY21.  
Cost for the year reduced to 9.5%  
from 10.3% as of Mar '20

## BORROWING PROFILE- By Instrument

COST- by Instrument

| Particulars    | Q4FY20        | Q3FY21      | Q4FY21      |
|----------------|---------------|-------------|-------------|
| Bank Loan      | 10.2%         | 9.1%        | 8.8%        |
| Sub debt       | 11.5%         | 11.7%       | 11.8%       |
| Public Deposit | 8.3%          | 7.6%        | 7.7%        |
| NCD            |               | 9.4%        | 9.4%        |
| Securitization | 10.2%         | 9.9%        | 9.7%        |
| Others         | 11.4%         | 11.4%       | 11.4%       |
| <b>Total</b>   | <b>10.17%</b> | <b>9.4%</b> | <b>9.1%</b> |

**BORROWING PROFILE- By Investor Profile****COST- by Investor**

| Particulars  | Q4FY20       | Q3FY21      | Q4FY21      |
|--------------|--------------|-------------|-------------|
| Banks        | 10.3%        | 9.4%        | 9.2%        |
| Mutual Funds | 10.3%        | 9.9%        | 10.1%       |
| NBFCs        | 10.5%        | 9.9%        | 9.9%        |
| Others       | 9.9%         | 9.9%        | 9.8%        |
| <b>Total</b> | <b>10.2%</b> | <b>9.4%</b> | <b>9.1%</b> |

**Disbursement  
& Collection**

- The post COVID volumes are seen rising in the 2 W segment, we have been cautious in terms of lending; tighter norms applied; don't want to rush and disburse for sake of generation of AUM; saw Q4 FY21 being 89% of the Q3 FY 21 and 16 % lower v/s Q4 FY20.
- Industry has seen a decrease of 22 % in Q4 FY 21 V/s Q4 FY20 in respect of retail regn of 2W
- Non-South disb. share was 35 %; South concentration reducing, augurs well for long term
- Overall collections seen growing in previous quarters, and Q4 continued the same way , NACH clearances reduced, leading to higher collection done thru cash/other feet on street team; Increased the cost of collection, could continue for a while, overall cost of collection @ 6.1%

**NPA**

- The provisioning was being done on delinquent accounts irrespective of whether it was classified as NPA or not and hence the classification as NPA did not alter the provisioning requirement;
- NPA including NPA seen @ ₹ 242.11Cr ( 11.7 %) as on 31.03.21 after a write off of ₹ 27.6 Cr in Q4 (₹ 22.2 Cr in retail loans and ₹ 5.4 Cr in other loans)
- Under IND AS overall provision is @ 8.7% 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;
- After holding on to any repossession during the moratorium period, the repossession has started again; would be useful in getting payment done by the defaulting customers; would help in reducing NPA accounts

**Diversity in  
Funding**

- With support of the initiatives taken by the Government and Reserve Bank through schemes like TLTRO/PCG etc., have been able to get substantial amount by way of NCDs. Q4 saw 2 banks giving fresh sanctions by way of Term loans.
- With lenders having confidence in the Company, the Company is confident of getting additional funds when there is a need for the same, through Bank sanctions / DA/ PTC as the case may be.
- Liquidity robust; pricing going down; demand for funds low and hence not raising additional money

**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, as per the guidance given the cost of funds have gone down to 9.1% for Q4 FY21, based on the reductions done post end of the quarter,

**Securitization/  
DA**

- Helped substantially in ploughing funds back into the business and growing the loan book ; Many more transactions can be done in the future as well, based on requirement.
- While based on the excellent performance of the pools there is a demand for fresh transactions, we have stayed away from it, due to low demand for funds.

**Geographical  
expansion**

- Had reduced rollout during the pandemic ; slowly restarted but with the 2<sup>nd</sup> wave stopped. Robust rollout planned in the year, once the pandemic tapers off
- 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; e- rickshaws disbursement has started , consumer durable to start in FY 21; Co-Lending as a form of sourcing also expected to start in FY22 in areas where our own presence is lower

**Staff attrition  
& Cost Control**

- Monthly staff attrition at 2.70 % in Q4 FY '21 v/s 2.26 % in Q3 FY 21.
- Dealer incentives has seen a rise @ 1.34 % for Q4FY 21; Demand for higher pay-out, on the back of low sales at dealer points and negatively impacted by COVID 19; therefore, the cost could see a rise going forward
- Collections costs constantly rising as NACH collections is seeing a decline and collection on the ground was difficult. Was at 6.1 % in Q4 FY21 v/s 3.3 % in Q4 FY 20 and 5.3 % as on Q3 FY21

**Repayment  
Mode**

- Post demonetization 100% repayment for new customers through NACH and significant collections through NACH - E-NACH has also started though volumes are low; but bounce has increased substantially.
- Collection through the mobile app/PAYTM saw increase during the lockdown period; but no growth seen since then, looking at increased thrust on the same to reduce the collection costs

**Overall  
Profitability**

- Overall profitability is lower on account of overall lower volumes and higher provisioning/ write off on account of higher NPA, contingency provision towards COVID 19 and higher cost of collection/ charge off on account of starting of a new software (Finnone- ₹ 1.62 Cr);
- Hopeful of improvement in the ground situation going forward with festive seasons in Q2 FY22 will improve the overall sentiments.

**Way Forward**

- The last 2 ½ years seen a lot of issues on the ground starting from the ILFS/DHFL issues, followed by economic downturn and finally followed by the pandemic of COVID 19. while things had started improving in Q3 FY21 and Q4 FY21, post the 2<sup>nd</sup> wave things have come to a standstill again. hoping that this passes off quickly and the FY22 business is a robust one.



# THANK YOU

