



#PurposeMuthootBlue







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



Financial Presentation to the Board on 02nd February 2022 Quarter ended 31st Dec 2021

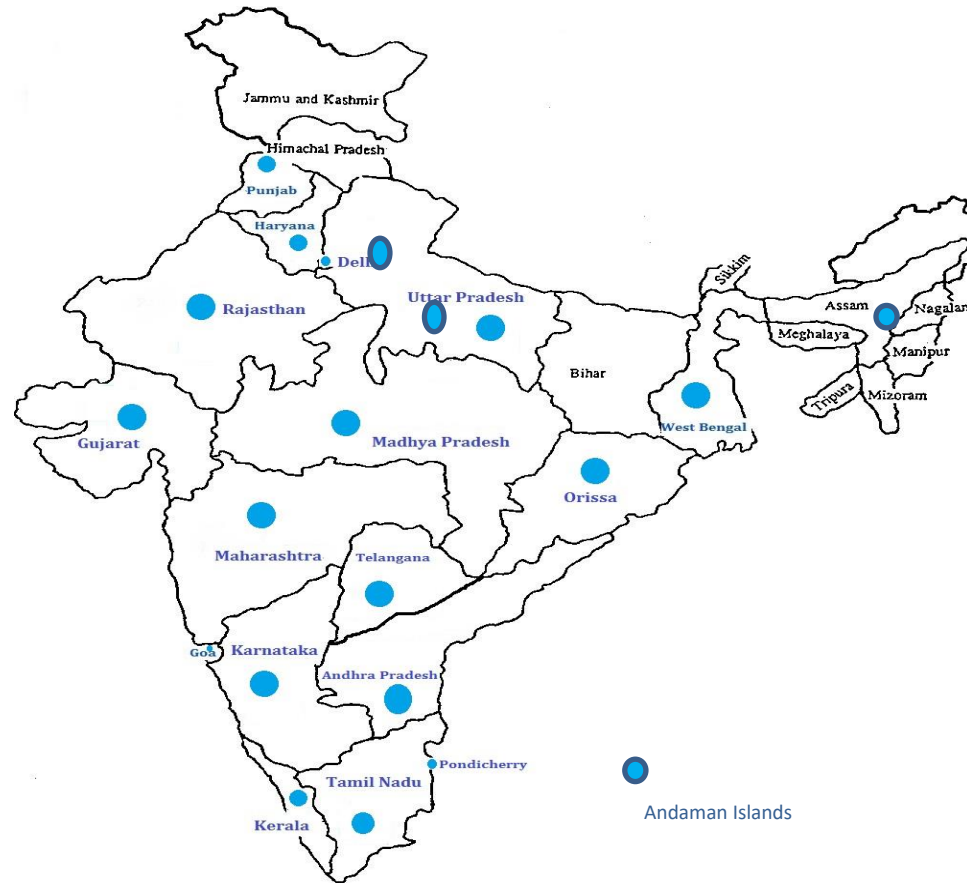


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OPERATIONAL SNAPSHOT

Quarter ended 31st December 2021



No of States- 20
AUM - ₹ 2020 Cr

New Customers
Q3 FY 22 : 45 275

Own book - old norms
Stage 3 : 20.5 %
Stage 3 (Net) : 11.5 %
Provision % : 13.1 %

CRAR : 28.95 %
D/E ratio (Ind AS): 3.2
ROA : 0.90%
ROE : 3.4%

Retail customers (Live)
-5 46 590

Disbursement -
Q3 FY 22: ₹ 332..44 Cr

Own book - new norms
Stage 3 : 27.8 %
Stage 3 (Net) : 18.6 %
Provision % : 13.1 %

PAT
Q3 FY 22: ₹ 4.5 Cr

KEY UPDATES ...

Operational Impact

- After sharp decline in disbursements & collections due to wave 2, things began to improve after mid-June; moving towards normal. From Aug to November there has been ₹ 100 cr+ disbursement, and close to ₹ 100 crs in December.
- Monthly Collections of HYP loans dipped from ~ 100% in Q4 21 to 70% in Q1FY22, improved to 95% in Q2FY22 and further to 96% in Q3FY22 with overall collections @ >100 % in Dec 21
- Monthly Collections from corporate customers which was at 98% in Q4 21, was seen at 91 % in Q1 FY22 and 94% in Q2FY22 was steady at 92.5% in Q3FY22
- With Ground movement improving, collection became possible physically and outsourced agencies were used , increased cost , up from 1.5% in Q1 to 4.4% in Q2 and further to 4.7% in Q3FY22. To ensure controlled costs, the large buckets of 0 and 1 is largely handled by in-house team / tele agencies.

Liquidity Position

- Cash position of the Company is comfortable with ~ ₹ 544 crs as at end Dec 21
- ~ 965 crs was rolled over in Q3FY 22 from 22 facilities.
- All rollovers for the quarter done, some with lower interest rates, **cost of borrowings down to 8.73%, but inched up in Dec.**
- **The Company continued FD sourcing & raised ₹ 5.77 Cr in Q3FY22. Avg cost < 8% p.a.(31st Dec 2021- ₹ 61.19 Crs).**

KEY UPDATES ...

Credit costs

- Due to issues faced by customers in making payment during 2nd wave, Company restructured 36 793 loan accounts (6.5%) valuing ₹ 128.12 Cr in Q1. 446 accounts has closed since then , on balance a minimum of 10% provision is carried , else based on the buckets they fall into.
- As per RBI Circular dated 12th Nov 2021, upgradation of NPA is done, provisioning continues based on ECL norms and is based on the buckets in which these additional NPA accounts lie.
- **No accounts restructured after Q1 FY22**
- NPA rose **in July** and thereafter has remained steady till Sep 21. Rose further in Oct & November which led to **credit costs being @ 3.99% (annualized)** against @ 7.2% for Q2 FY22 as against 2.0% as in Q3FY21. **Has stabilized in Dec.**
- **Loan Loss Provision for Q3 FY22 is ₹ 7.3 Cr** as against ₹ 30.7 Cr in Q2FY 22 and ₹ 11.7 Cr in Q3 FY 21. The Company is confident of reversing this trend from the 4th Quarter and reporting normal NPA levels thereafter.
- **Provision on overall own book as on 31.12.21 - 13.1 % v/s 12.8 % as on 30.09.21 and 9.2% as on 31.12.20**

Operational costs control

- The Company has started fresh recruitments in place of staff who had left but not been replaced last year, to follow BAU.
- The main operational costs are being strictly monitored and is in line with the budgeted costs.
- Most of the other operational costs are under control and monitored on a regular basis

KEY UPDATES

Impact of COVID

- 342 employees impacted by Covid and we lost 2 of our colleagues.
- 2nd wave had impacted the rural and semi urban . From July onwards, lockdown had been lifted in various parts and vaccination drive has gathered momentum ; we are optimistic about future. 94% of the MCSL staff has been vaccinated - one or both doses.
- With the 3rd wave many of the staff are getting mild infections and has impacted some of the front end staff too. We expect situation to improve in the coming days and things to be normal from February.

Heading towards

- Disbursements has almost returned to pre Wave 2 levels, even better at branches and dealerships
- Expect further improvement and disbursements and collections getting normalized to pre- covid levels
- There is no concern on Liquidity with enough liquidity to meet increased disbursements planned in the coming months

FINANCIAL PERFORMANCE- QUARTERLY & YEARLY

₹. In Crores

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

Quarterly Trend			
Q3 FY 22	Q3 FY 21	Y-o-Y	Q2 FY 22
332.44	304.39	9%	310.3
-	22	-100%	0.2
332.44	326.39	2%	310.5
2011.3	2199.6	-9%	1980.5
2019.3	2245.7	-10%	1960.1
93.0	120.7	-23%	99.3
36.3	44.9	-19%	39.3
56.7	75.8	-25%	60.0
43.3	45.6	-5%	39.9
7.3	11.7	-38%	30.7
6.1	18.5	-67%	-10.6
4.5	14.0	-67%	-8.1

Yearly Trend		
9M FY22	9M FY21	Y-o-Y
778.3	426.96	82%
.8	32.5	-98%
779.0	459.46	70%
2011.3	2199.6	-9%
2002.2	2378.7	-16%
290.2	395.6	-27%
115.8	145.2	-20%
174.4	250.4	-30%
110.4	109.5	1%
88.4	83.6	6%
-24.5	57.3	-143%
-18.3	43.3	-142%

- **Interest Income lower on account of income reversal of ₹ 12.8 Cr (Q3 FY 21- ₹ (0.50 Cr) , Q2 FY22- ₹ 6.86 Cr)
- *** Opex to NII has increased to 76.4% v/s 66.5% in Q2 FY22 because of the fall in NII and increased OPEX cost

	Q3 FY 22	Q3 FY 21	Q2 FY 22
Total Opex to NII***	76.4%	60.1%	66.5%
Return on Avg. AUM	0.9%	2.5%	-1.7%
Earnings per Share	2.68	8.4	-4.91

	9M FY22	9M FY21
	63.3%	43.8%
	-1.2%	2.4
	-11.37	25.8

STATEMENT OF SOURCES AND APPLICATION OF FUNDS

₹. In Crores

Sources	31-Dec-21	30-Sep-21	31-Dec-20	Application	31-Dec-21	30-Sep-21	31-Dec-20
Share Capital	16.4	16.4	16.4	Fixed Assets	2.2	2.4	4.1
Reserve & Surplus	524.9	520.3	534.1	Investments	64.8	91.5	103.5
Shareholders Funds	541.3	536.7	550.6	Deferred Tax Assets	56.2	46.5	23.1
Bank Debts	1212.0	1322.6	1295.6				
Securitizations Pool	98.7	166.6	364.3	Hypothecation Loan	1,658.2	1,623.1	1792.9
Sub debt / Debentures	324.7	352.1	347.2	Loan Buyout(Retail loans)	17.0	15.0	12.1
Public Deposit/ICD	63.7	63.4	58.2	Term Loans	31.4	42.6	132.5
Loan From Directors	7.6	7.6	10.2	Other Loans	6.7	7.3	10.7
Interest Accrued on Loans	2.6	2.5	3.5	Interest Accrued on Loans	21.9	23.6	27.7
Total Borrowings	1709.3	1914.8	2079.0	Total Loans *	1,735.2	1,711.5	1975.9
Trade Payable	31.7	30.7	36.6	Cash & Cash Equivalents	419.8	632.9	547.4
Provisions	8.1	8.9	4.6	Other Financial Assets	12.6	10.9	32.3
Other Financial Liabilities	19.1	21.6	36.5	Other Non-Financial Assets	21.1	18.0	24.3
Other Non-Financial Liabilities	2.5	1.5	1.7	Derivative Financial Instruments	0.0	0.3	
Derivative Financial Instruments		-	1.1				
Total	2311.9	2514.1	2710.2	Total	2,311.9	2,514.1	2710.2

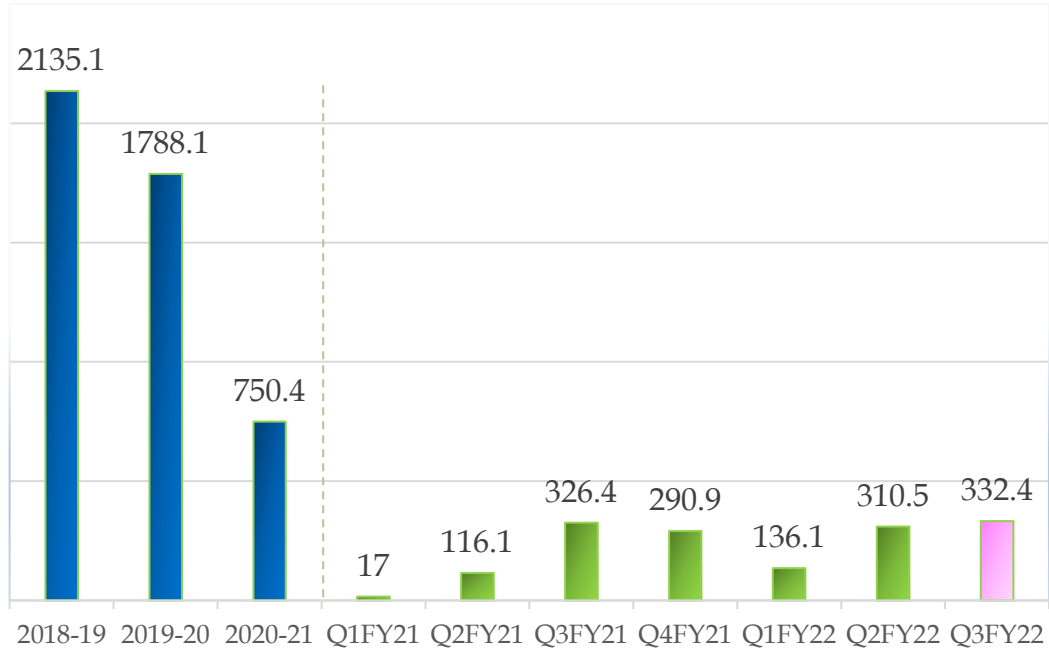
FINANCIAL SUMMARY

₹. In Crores

Year	Paid up Capital	Networth	Disbursements	AUM	Revenue	PAT	Market Capitalisation	Book Value
2013-14	12.5	118.6	588.6	690.6	158.8	22.2	120.3	94.9
2014-15	12.5	133.3	648.8	845.1	191.3	22.3	252.2	106.6
2015-16	12.5	147.9	928.0	1038.8	228.5	22.9	185.8	118.3
2016-17	12.5	178.0	1297.8	1439.7	284.2	30.1	342.9	142.4
2017-18	*16.5	393.9	1969.6	2238.0	398.1	53.7	1228.5	238.7
2018-19	16.5	476.4	2135.1	2741.0	535.3	82.4	1488.5	288.7
2019-20	16.5	507.3	1788.1	2650.0	586.8	60.2	412.9	307.5
2020-21	16.5	559.5	750.4	2088.0	505.0	52.2	602.1	339.1
9MFY22	16.5	541.3	779.0	2019.7	290.2	(18.3)	579.6	329.1

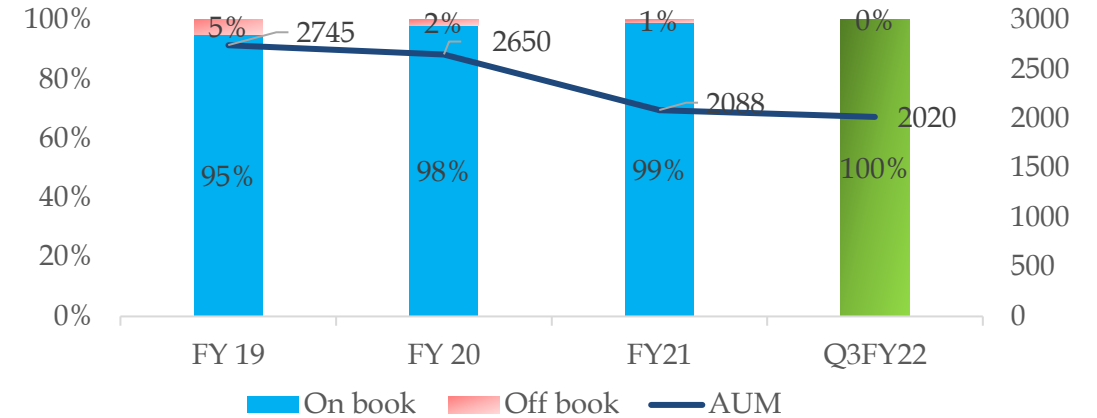
- * Bonus in Jun 2017

- *QIP done in November 2017

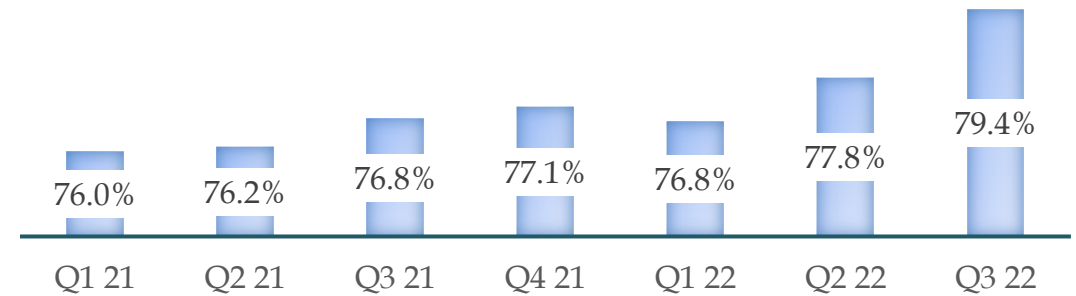
DISBURSEMENTS

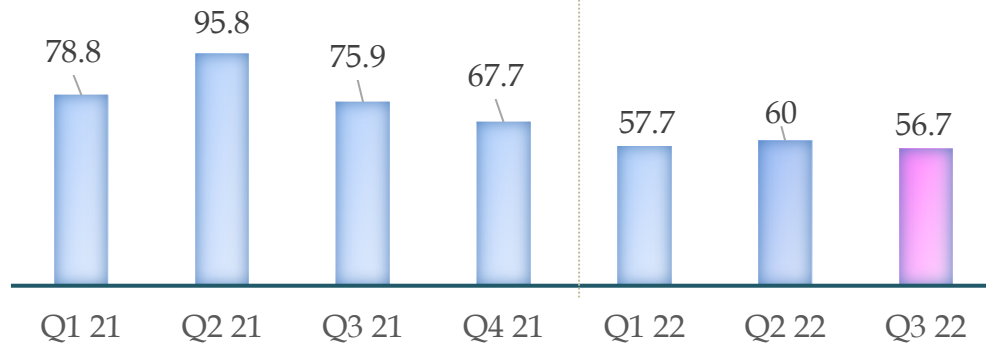
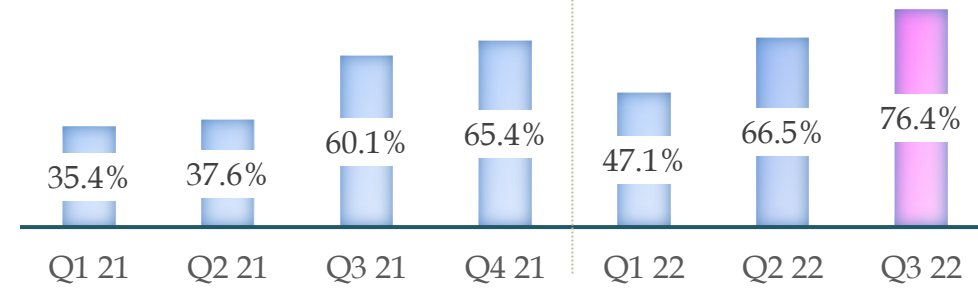
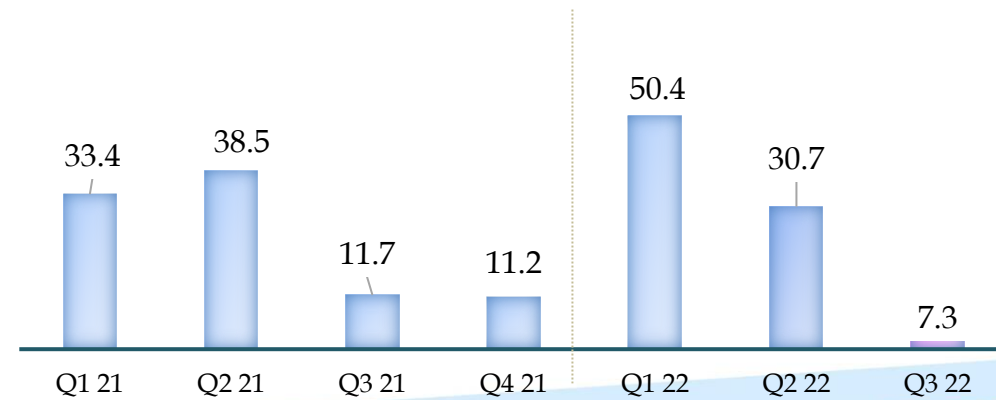
■ 2018-19 ■ 2019-20 ■ 2020-21 ■ Q1FY21 ■ Q2FY21
 ■ Q3FY21 ■ Q4FY21 ■ Q1FY22 ■ Q2FY22 ■ Q3FY22

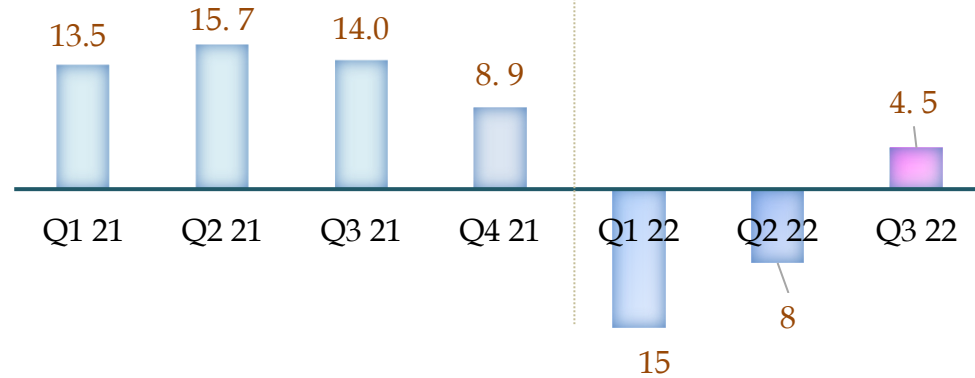
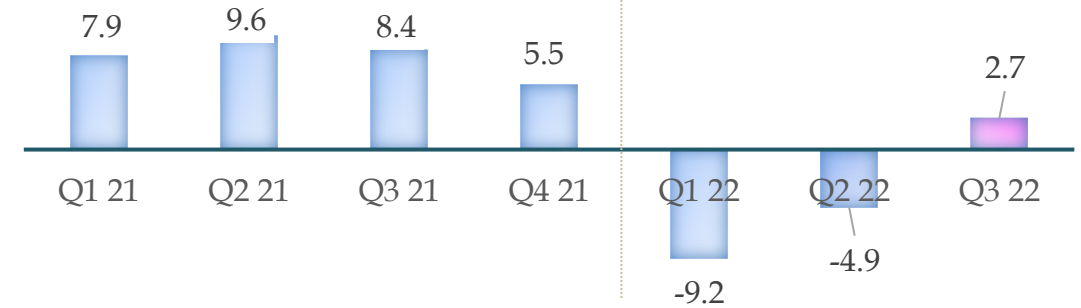
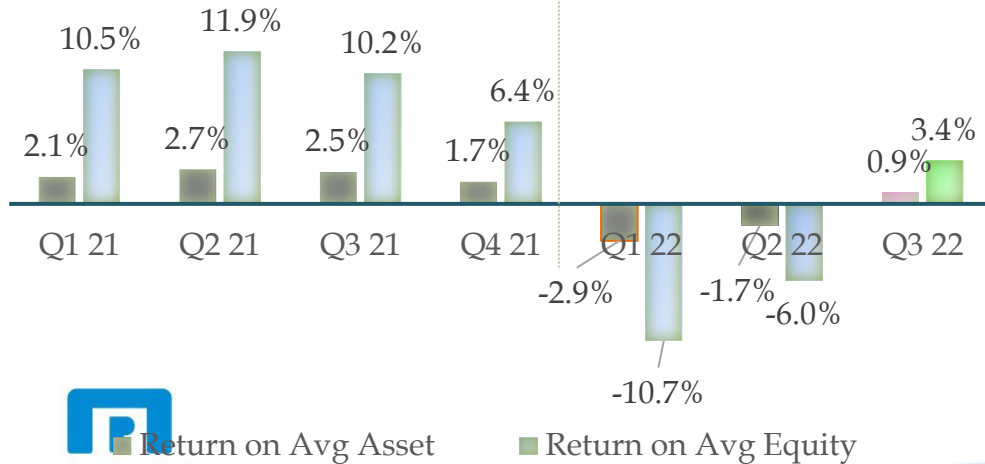
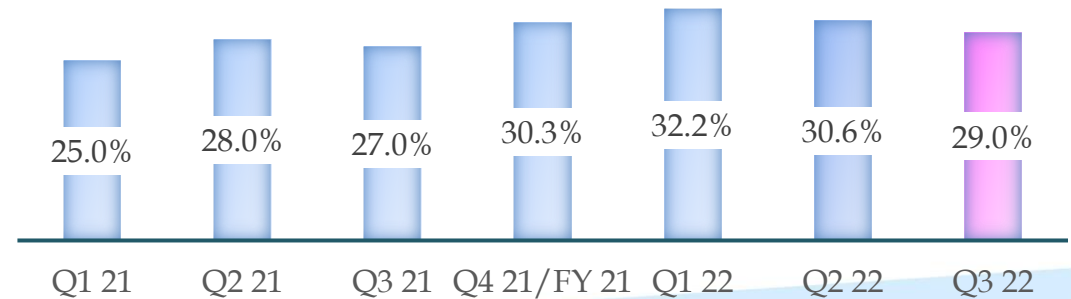
Growth (year)		8%	-16%	-58%
		2021	2022	
Growth (quarter)	Q1/Q2	Q2/Q3	Q3/Q4	Q4/Q1
	582%	181%	-11%	-53%
		Q1/Q2	Q2/Q3	
		128%	7%	

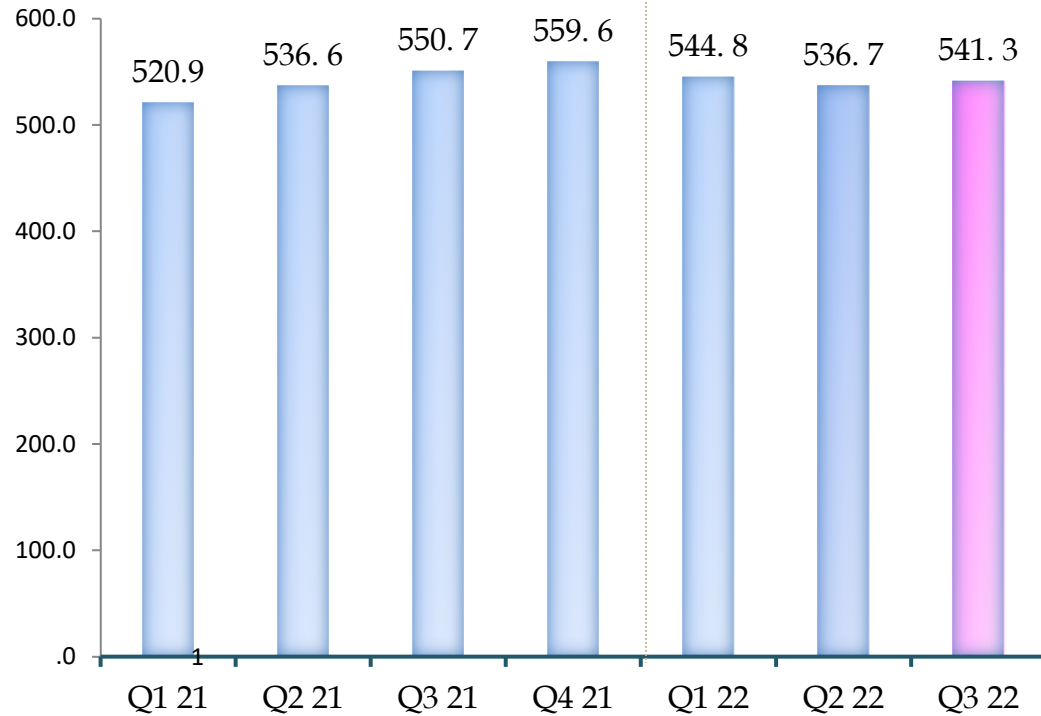
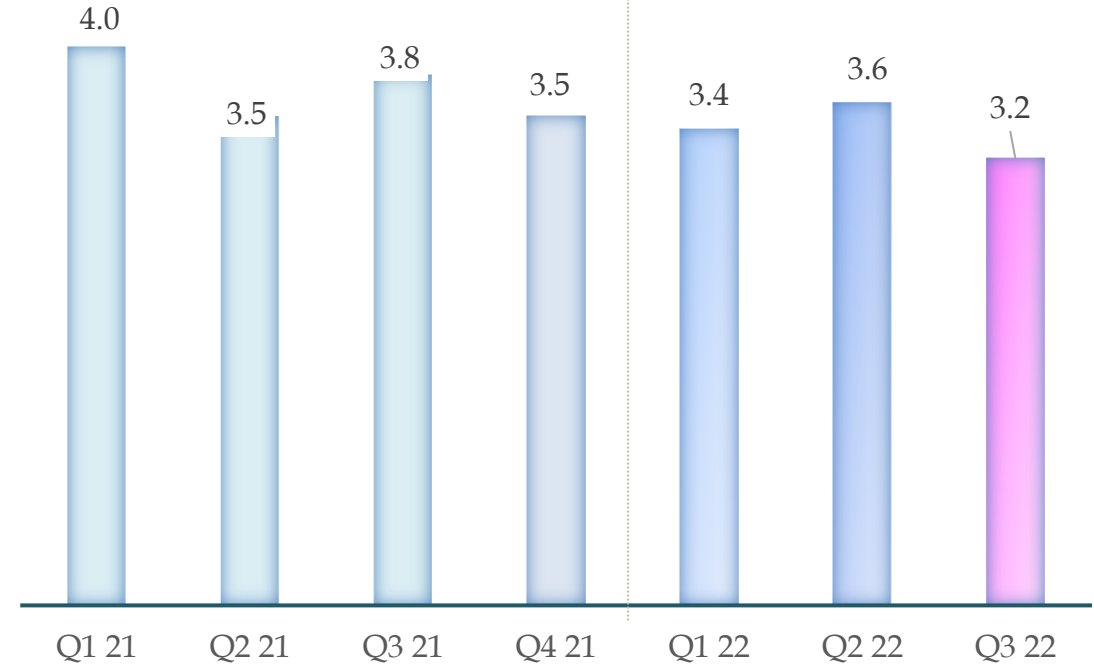
AUM

Growth 22% -3% -21% -5%

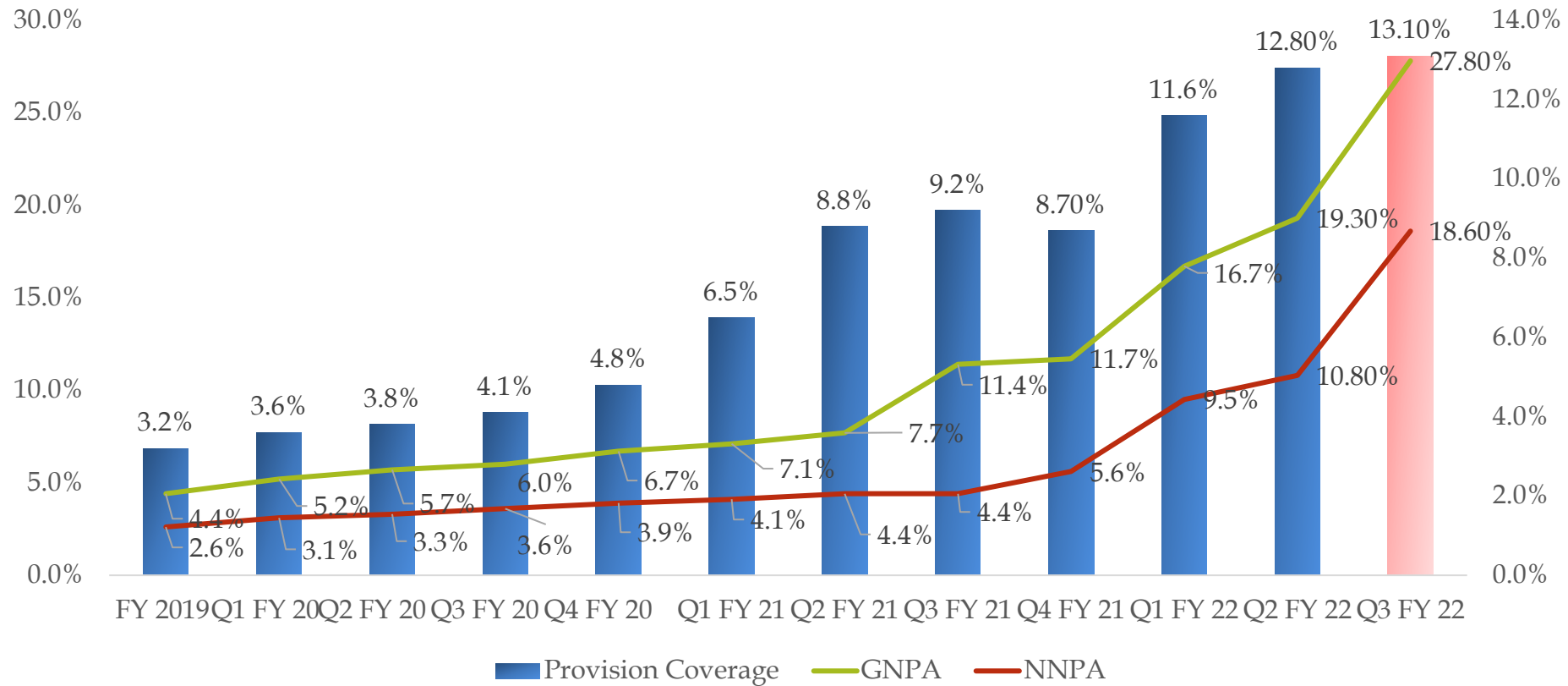
Average LTV

Net interest income (in Crores)**OPEX as a % of NII****Revenue (in ₹ crores)****Loan Loss Provisions and Write offs (in Crores)**

Profit after tax (in Crores)**Earning per Share (in ₹)****ROA and ROE****Capital Adequacy Ratio (%)**

Net worth (in Crores)**Debt Equity Ratio**

BV (₹)
316.72
326.27
334.80
340.21
331.25
326.33
329.1

ASSET QUALITY AND PROVISION COVERAGE

- Per RBI Circular of 12.11.21, we have flagged additional 43 290 accounts (below 90 DPD) as NPA as on 31.12.21 & considered in the GNPA & NNPA %.
- As per the old NPA roll back norms, the GNPA is 20.5% and NNPA is 11.5%.

As Per IND AS

As on
30.09.2020As on
31.03.2021As on
30.06.2021As on
30.09.2021As on
31.12.2021Prov as % of Loan
Book

8.8%

8.7%

11.6%

12.8%

13.1%

PROVISIONING AND ASSET QUALITY NORMS BASED ON RBI CIRCULAR ON NPA UPGRADATION

1. 43 290 accounts valuing Rs ₹ 146.76 Cr which slipped into 90+DPD post 12th Nov 2021 & still > 0DPD classified as **NPA** as on 31st Dec 2021
2. NPA as per IRACP norms and S3 as per Ind AS norms will match
3. To identify & report “90+ DPD NPAs” and “other NPAs” separately, split S3 in two categories “A” and “B”; “A” being the accounts which earlier would have been in S1 or S2 but now reported under S3 and “B” being what was S3 earlier also i.e. 90+ DPD accounts.
4. For the purpose of provisioning, for **S3 – Category A** it will be the same as it would have been, if we had reported the same under S1 or S2. Provision for **S3 – Category B** will be the same that S3 had earlier
5. On 43 290 accounts, the income will be recognised on realisation basis only . Income of ₹ 8.7 crs has not been recognised for Q3FY22
6. Against the provision requirement of 7.78% under IRACP the Company has provided an overall provision of 13.1%
7. The company has been conservative and not accounted any income on S3 accounts which comes to ~ ₹ 58.70 crs as on 31st Dec 21

EXPECTED CREDIT LOSS (ECL)**As on 31.12.2020****₹. In Crores**

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

As on 30.09.2021

Particulars	Outstanding	Provision	ECL %	IRACP%
Total	1980.55	253.86	12.8%	5.84%
S1 and S2 (Std assets)	1538.80	63.09	4.10%	0.40%
S3	358.29	*172.74	48.21%	27.21%
S1 and S2 Other Loans (Std Assets)	58.97	0.81	1.37%	0.39%
S3 Other Loans	24.49	17.22	70.31%	49.32%

As on 31.12.2021

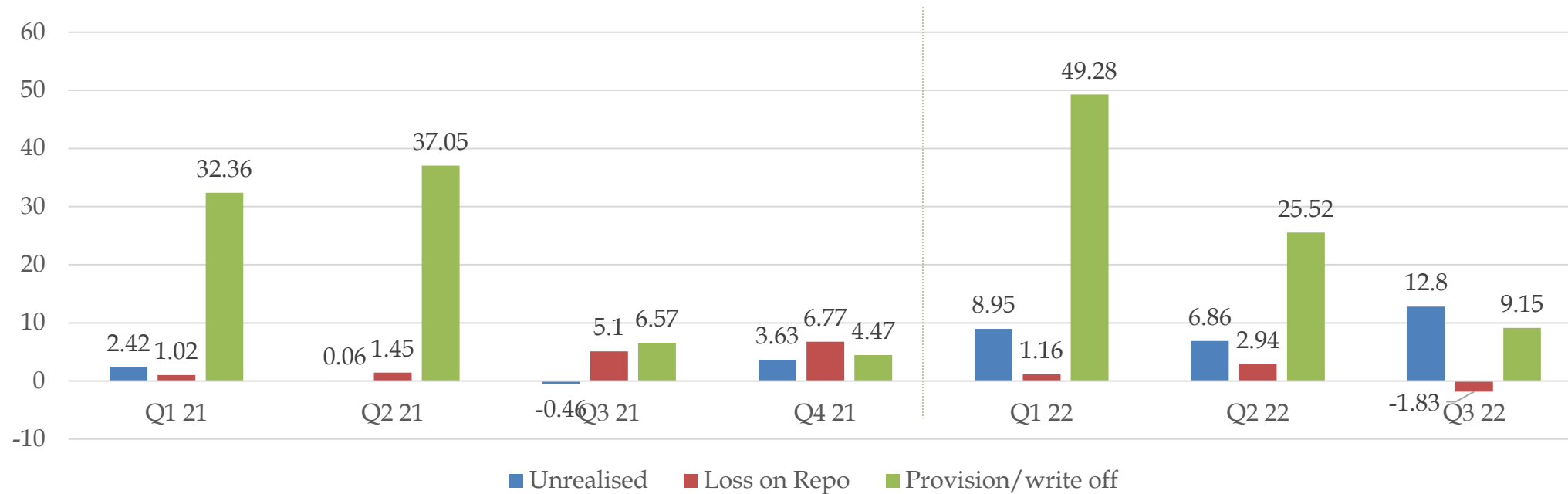
Particulars	Outstanding	Provision	ECL %	IRACP%
Total	2011.31	262.74	13.06%	7.78%
S1 and S2 (Std assets)	1402.59	35.94	2.56%	0.40%
S3	534.48	208.15	38.94%	25.96%
S1 and S2 Other Loans (Std Assets)	50.02	0.69	1.38%	0.54%
S3 Other Loans	24.22	17.96	74.15%	49.13%

* Per RBI circular of 12th Nov.21, we have flagged 43,290 accounts of < 90 DPD (₹ 146.76 Crs), as NPA as on 31st Dec 21.

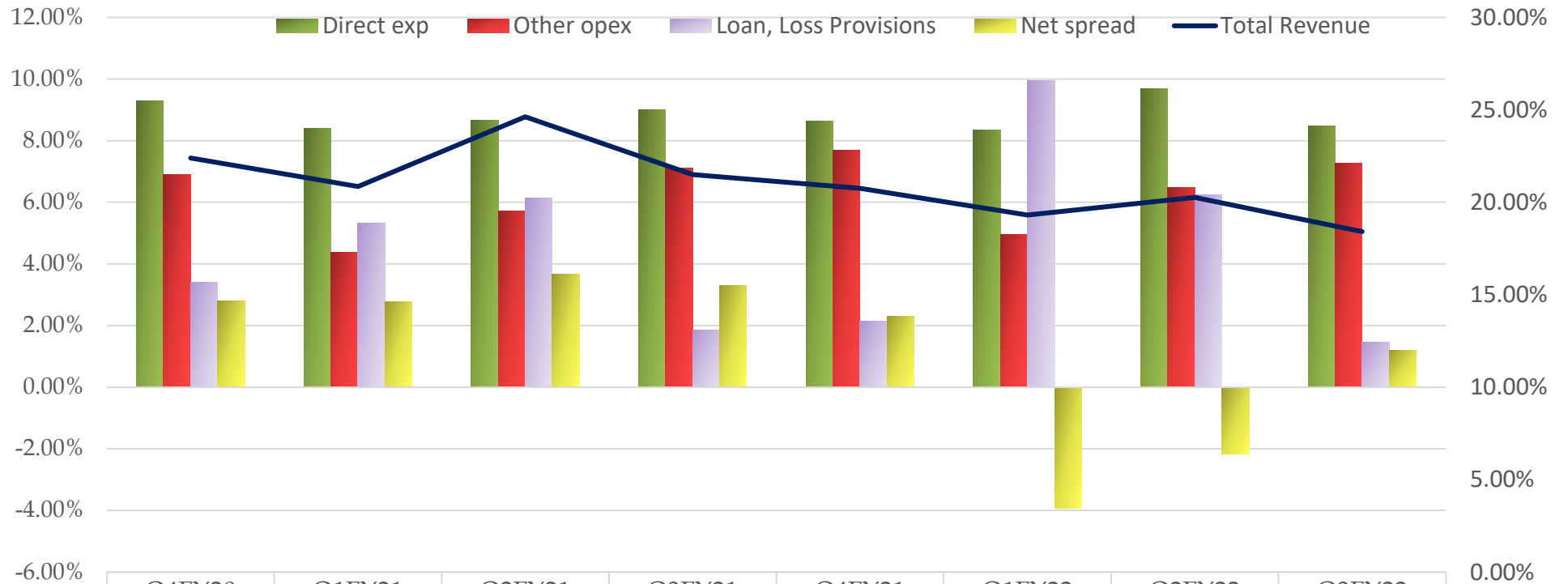
Following ECL norms for provisioning, on ₹ 146.76 Crs provisioning made based on the bucket of the accounts,.This has resulted in ECL % for S3 being lower than Q2FY22.

MAIN FACTORS IMPACTING PROFITABILITY - DELINQUENCIES

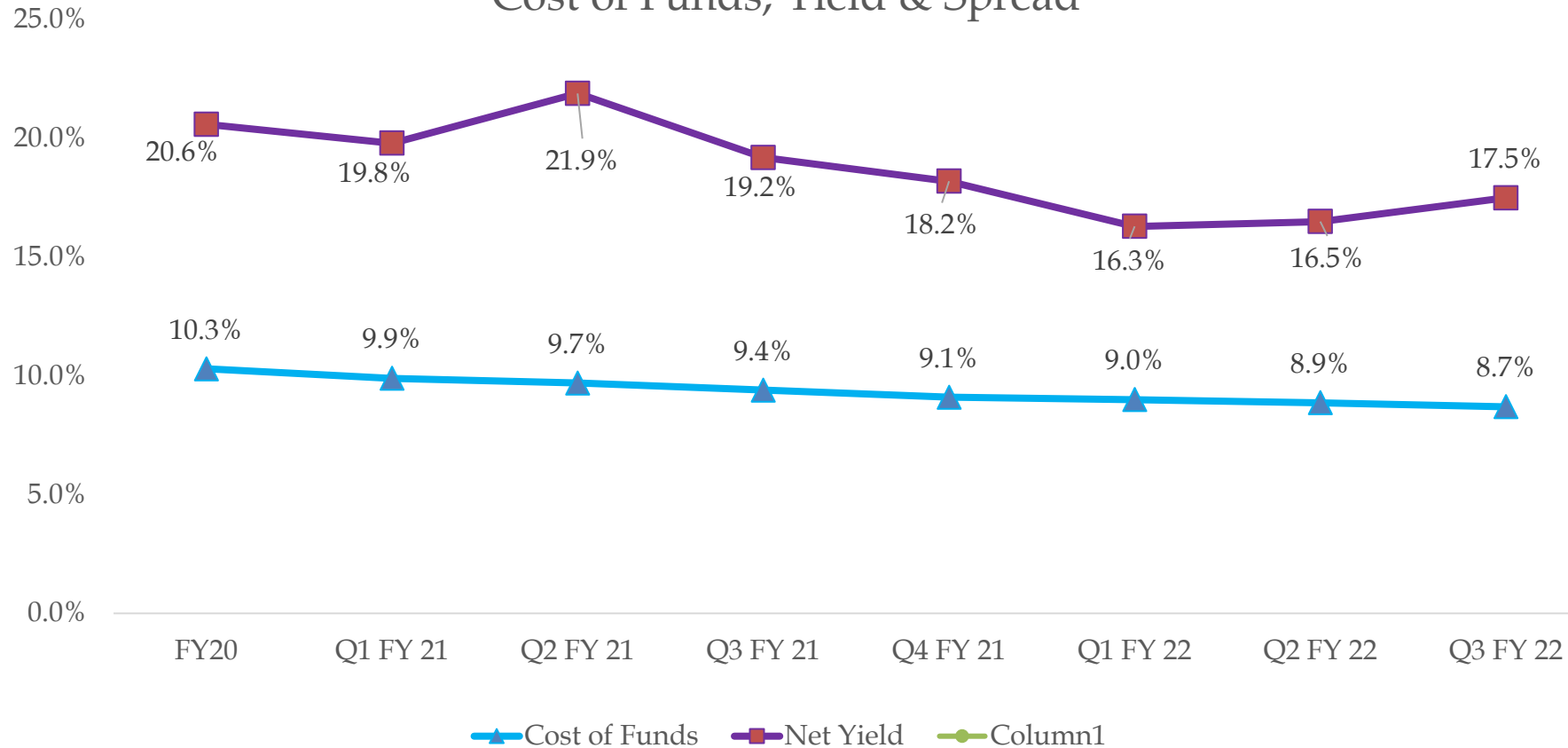
₹. In Crores



Particulars	FY 20	Q1 FY 21	Q2 FY 21	Q3 FY 21	Q4FY21	FY 21	Q1FY22	Q2FY22	Q3FY22
Total P&L Impact	78.68	35.8	38.56	11.21	14.87	100.44	59.39	35.32	* 20.12
Avg AUM	2613.9	2513.9	2332.5	2245.7	2112.5	2307.2	2027.8	1960.1	2019.3
% of Credit cost on Avg AUM (annualized)	3.0%	5.7%	6.6%	2.0%	2.8%	4.4%	11.7%	7.21%	3.99%

SPREAD ANALYSIS

	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22
Direct exp	9.30%	8.41%	8.65%	9.02%	8.64%	8.35%	9.68%	8.49%
Other opex	6.90%	4.38%	5.71%	7.11%	7.68%	4.94%	6.48%	7.28%
Loan, Loss Provisions	3.40%	5.31%	6.13%	1.86%	2.13%	9.95%	6.26%	1.45%
Net spread	2.80%	2.77%	3.67%	3.30%	2.30%	-3.93%	-2.17%	1.20%
Total Revenue	22.40%	20.86%	24.63%	21.50%	20.75%	19.31%	20.26%	18.42%

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

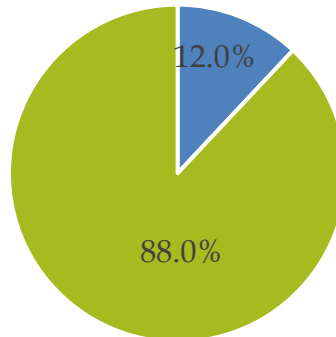
ZONEWISE DISBURSEMENT (RETAIL LOANS INCLUDING BUYOUTS) - Y-o-Y

₹. In Crores

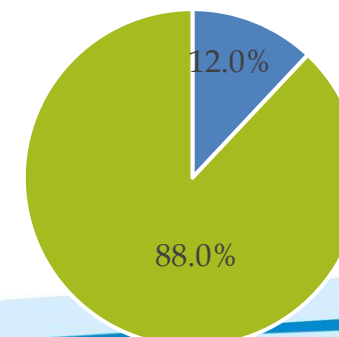
Zone	BRANCH				DEALER				TOTAL				Overall Share		
	Q3 FY '22		Q3 FY '21		Q3 FY '22		Q3 FY '21		Q3 FY '22		Q3 FY '21		Q3 FY '22		Q3 FY '21
	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Growth %		
South	3 525	29.43	3 618	27.69	22 591	180.30	22 890	166.31	26 116	209.73	26 508	194.01	8.11%	63.09%	63.74%
West	972	6.71	847	5.11	3 085	22.36	2 342	14.94	4 057	29.07	3 189	20.05	45.01%	8.75%	6.59%
North	202	1.41	159	1.04	6 789	46.01	6 559	40.27	6 991	47.43	6 718	41.32	14.78%	14.27%	13.57%
East	224	1.56	232	1.49	5 384	37.67	7 282	47.53	5 608	39.23	7 514	49.01	-19.96%	11.80%	16.10%
HO	-	-	-	-	-	-	-	-	2 503	6.98	-	-	100.00%	2.10%	0.00%
Overall	4 923	39.12	4 856	35.33	37 849	286.35	39 073	269.06	45 275	332.44	43 929	304.39	9.22%	100.00%	100.00%

Share of Branch and Dealer of zone-wise disbursement

Q3FY21

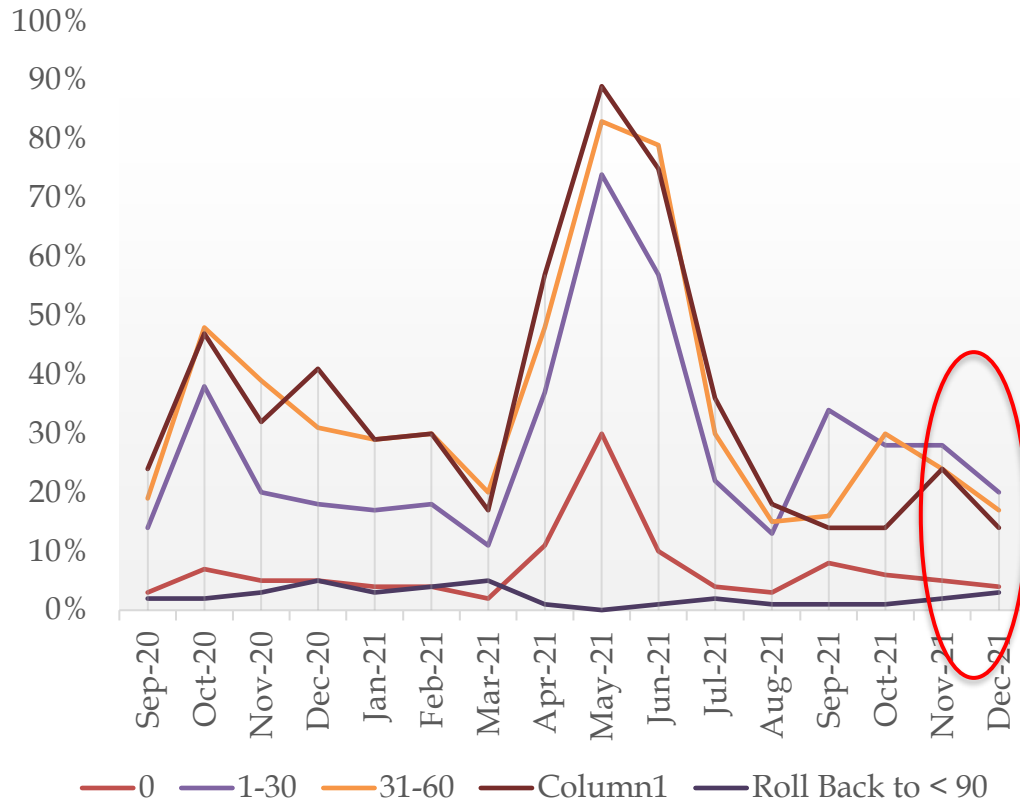


Q3FY22



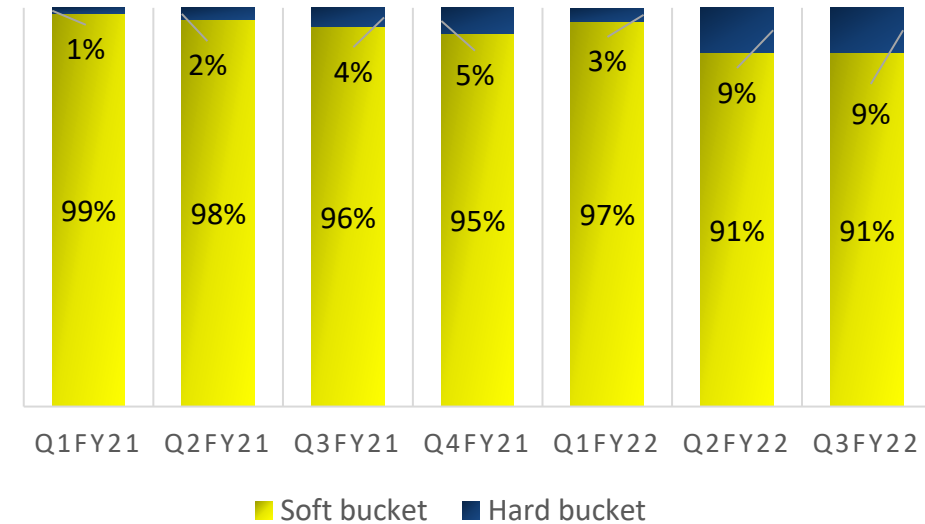
COLLECTION PERFORMANCE MONITORING (HYP)

₹. In Crores

Bucket-wise Flow

Only post moratorium period considered

Collection Performance

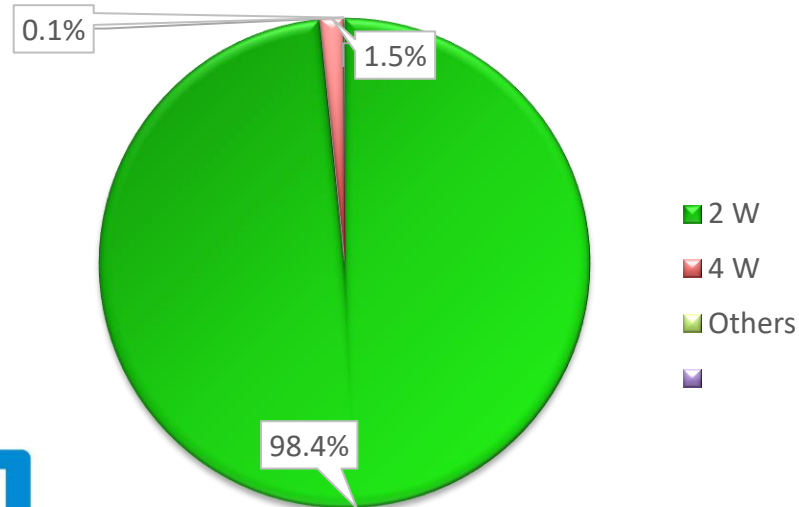


₹. In Crores

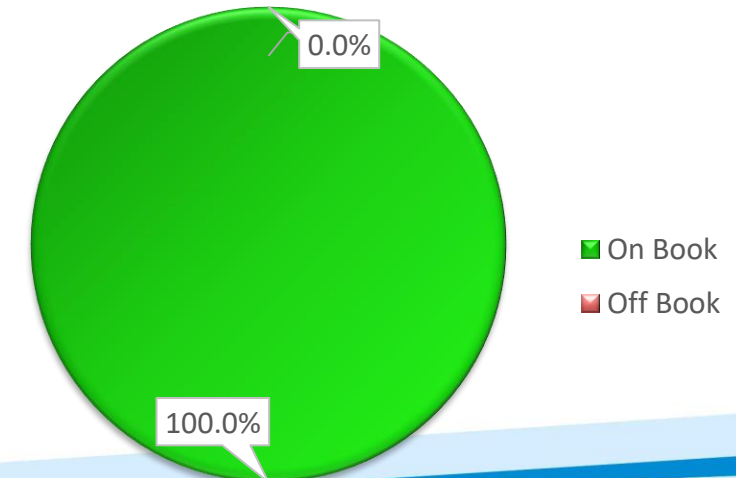
	Q1 FY 21	Q2 FY 21	Q3 FY 21	Q4 FY 21	Q1 FY 22	Q2 FY 22	Q3 FY 22
Soft Bucket (1-90)	274	363	392	391	274	304	316
Hard Bucket (>90)	3	9	16	21	8	30	31
Total	277	372	408	412	282	334	347

RETAIL PORTFOLIO SPLIT AS ON 31st DECEMBER 2021

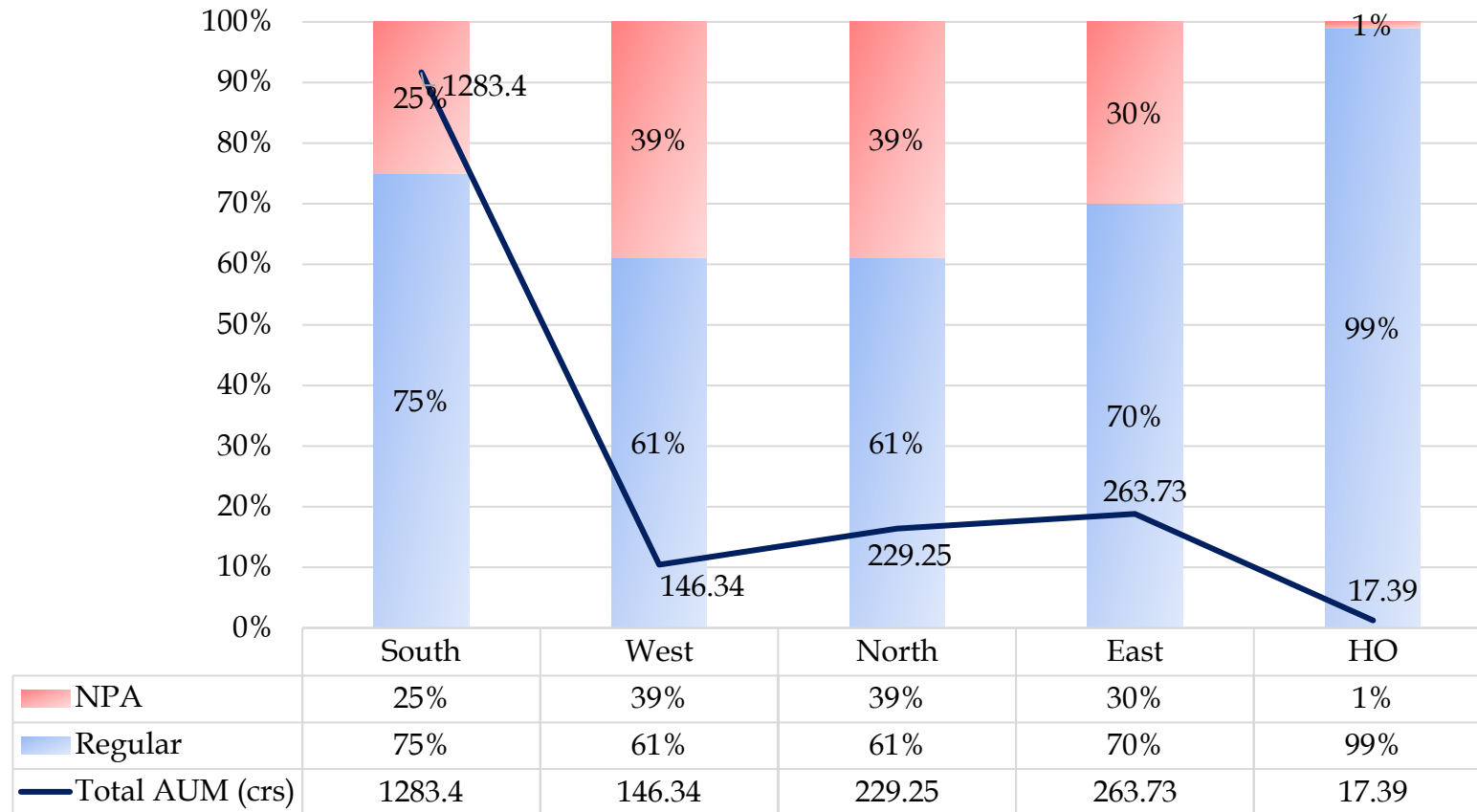
Segment wise	No . of loans	Amount
2 W	5 43 827	1909.01
4 W	1 811	29.47
Others	952	1.63
Total	5 46 590	1940.11



Transaction Type	No of Transactions	Amount
Securitized (part of own book)	4	146.03
Direct Assignment	9	9.59
Own Portfolio excl securitized		1784.49
		Ind AS
Off Book		8.41
On Book		1931.70
Total Portfolio		1940.11



MCSL GEOGRAPHIC OVERVIEW – RETAIL LOANS INCLUDING LOAN BUYOUTS

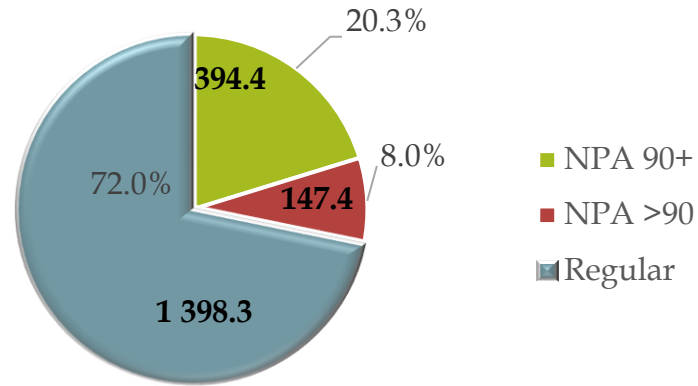


Zone	Active Clients	Total AUM (crs)	Zone wise AUM %	Zone wise NPA %
South India	3 56 266	1 283.40	66%	59%
Western India	41 916	146.34	8%	11%
North India	68 301	229.25	12%	16%
East India	73 198	263.73	14%	14%
HO	6 909	17.39	1%	-
Overall	5 46 590	1 940.11	100%	100%

PORTFOLIO ANALYSIS - RETAIL LOANS INCLUDING LOAN BUYOUTS

₹. In Crores

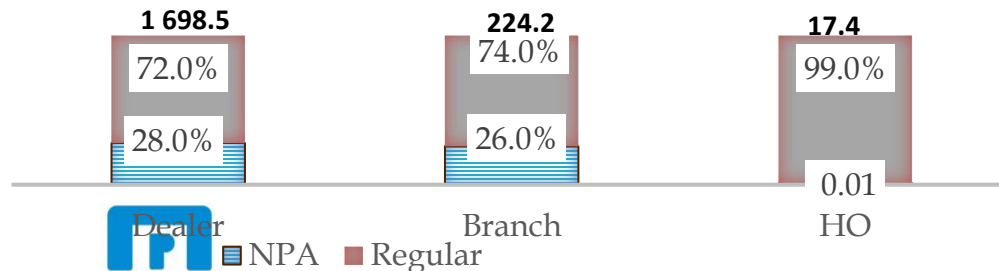
Portfolio Analysis



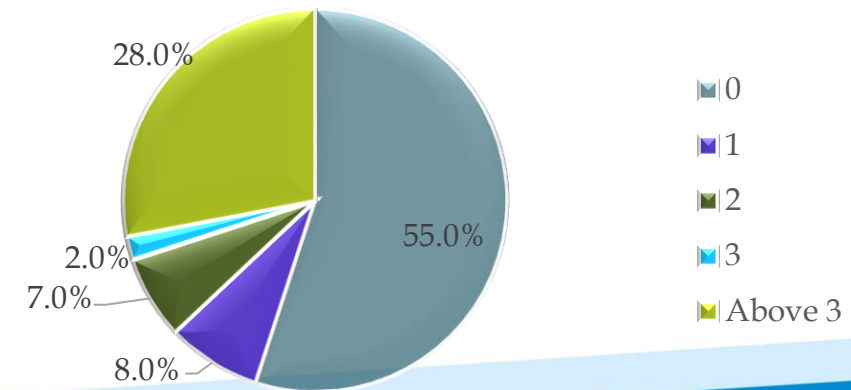
Segment - wise Analysis

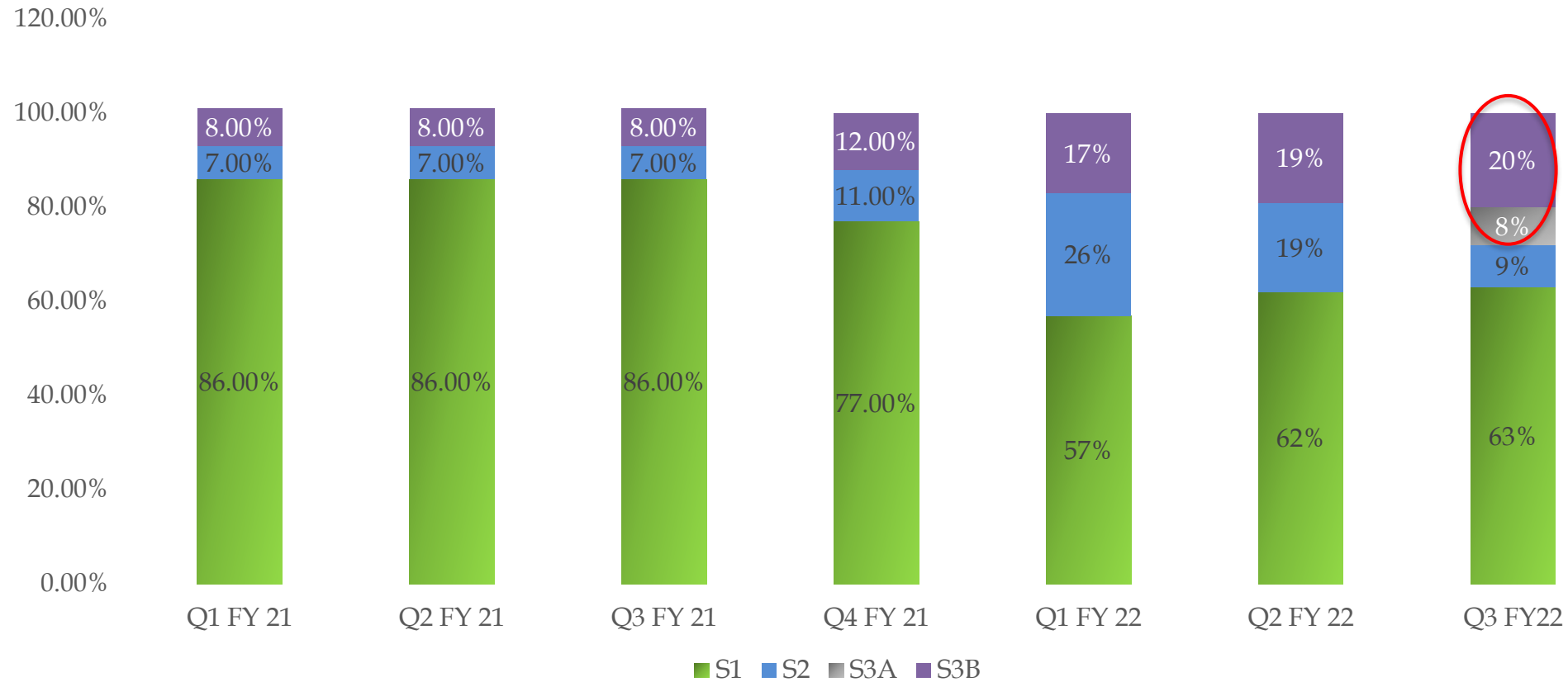


Source - wise Analysis



Bucket - wise Analysis



PORTFOLIO CREDIT QUALITY- RETAIL LOANS INCLUDING BUYOUTS

NPA MOVEMENT - OWN HYP LOAN - Q3 FY 2022

₹. In Crores

Particulars	HP Nos	Balance stock	Provision	Unrealised Income
Balance as on 30.09.2021	1 57 403	358.27	162.55	43.92
Add: Addition during Q3 FY 22	26 716	61.72	27.17	8.01
Add: Addition due to new RBI guideline	43 290	146.76	21.22	6.71
	2 27 409	566.75	210.94	58.64
Less: Moved out from NPA during Q3FY22	15 238	24.09	10.84	1.47
Less: Amount collected during Q3 FY 22		9.20	4.14	0.44
Balance as on 31.12.2021	2 12 171	533.46	195.96	56.73

Overall Provision as on 31 st Dec 2021	Provision
Provision on HYP loans including additional provision and on standard accounts	244.09
Provision on Other Loan portfolio	18.65
Total Provision in books	262.74

SOURCES OF BORROWING

₹ 1850 Cr

Total Sanctioned facilities

Position as on 31st Dec 2021
NCD - ₹ 275 Cr
TL/CC/WCDL - ₹ 1575 Cr.

Bank funding – 89 % of total borrowing
as on 31 Dec 2021

₹ 5.95CrCollections of Public
Deposit/Sub debts

In Q3FY22 Public Deposits collected
₹ 5.77 Cr., of which ₹ 1.34 Cr.
renewal

No new Sanctions in Q3FY22

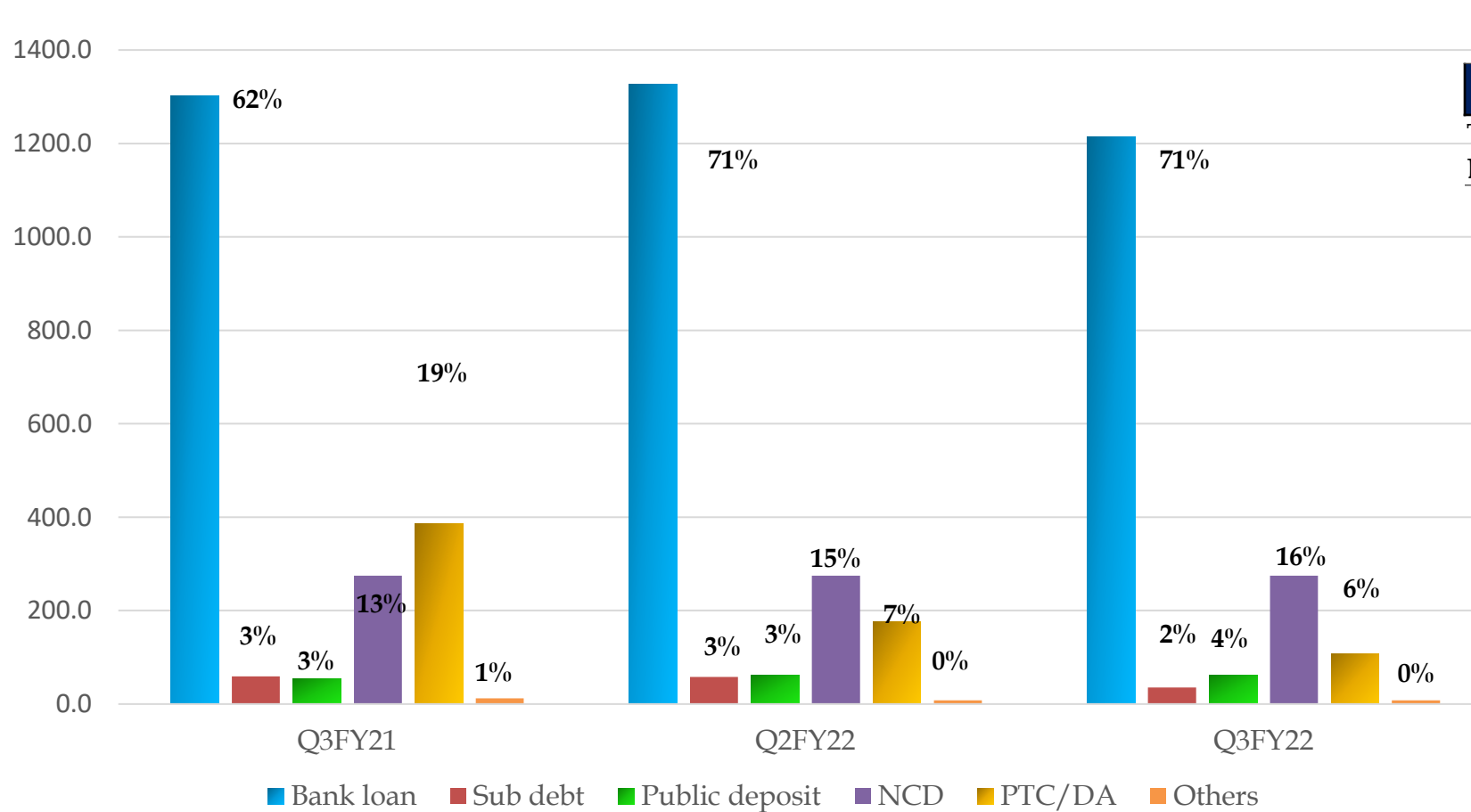
₹ 965 Cr

WCDL roll over

In Q3FY22, ₹ 965 Cr rolled over from
22 facilities

8.7%Cost of borrowing for
Q3 FY 22

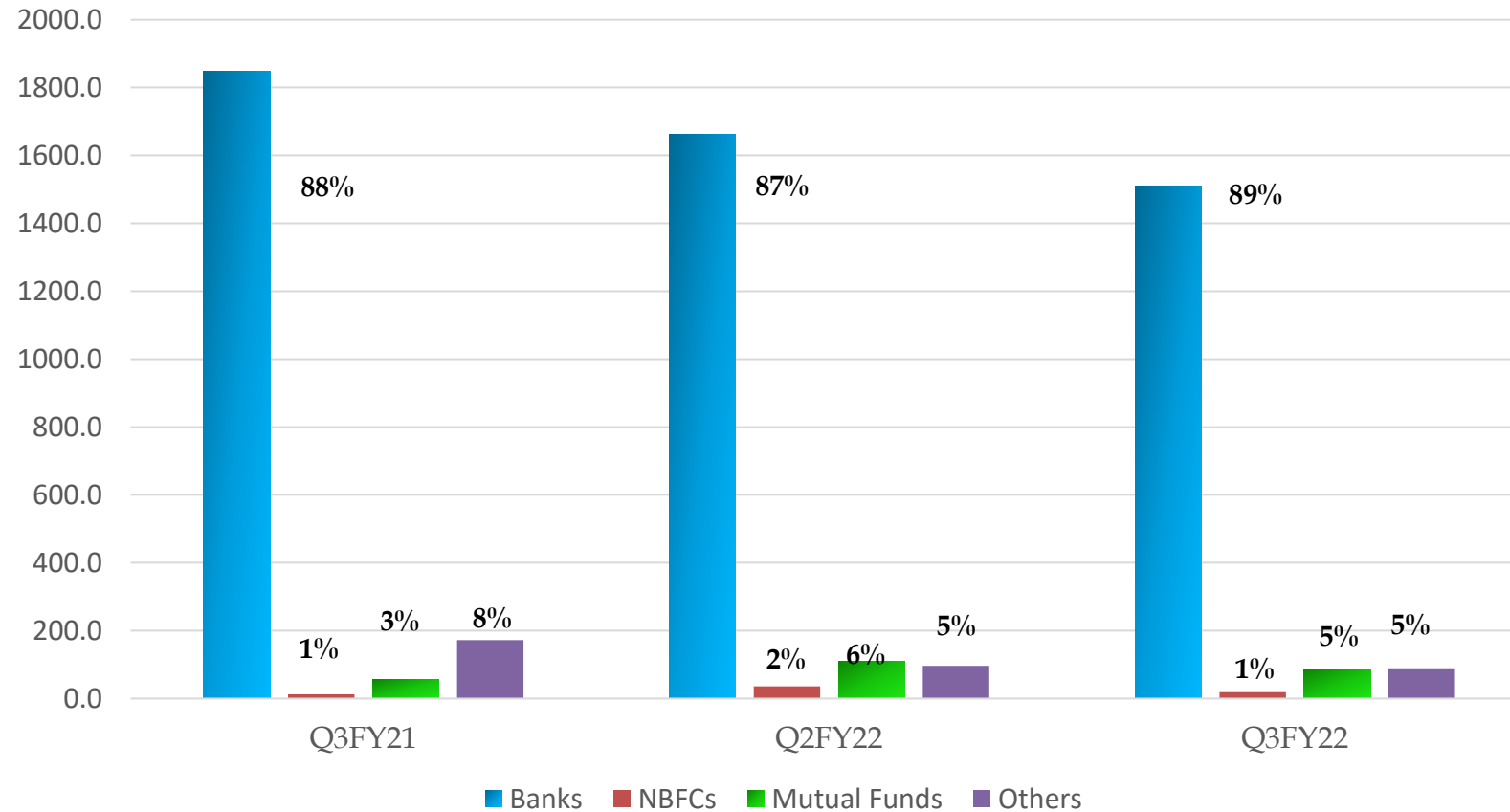
Quarter on Quarter decrease in cost
of borrowing from 8.87% for Q2FY22
to 8.73%.

BORROWING PROFILE – by Instrument

Particulars	Q3FY21	Q2FY22	Q3FY22
Total Borrowings	2090.1	1905.3	1702.4

COST- by Instrument

Particulars	Q3FY21	Q2FY22	Q3FY22
Bank Loan	9.1%	8.6%	8.5%
Sub debt	11.7%	11.7%	11.5%
Public Deposit	7.6%	7.5%	7.7%
NCD	9.4%	9.4%	9.4%
Securitization	10.2%	9.7%	8.2%
Others	11.4%	11.0%	11.0%
Total	9.4%	8.9%	8.7%

BORROWING PROFILE – by Investor Profile**COST– by Investor**

Particulars	Q3FY21	Q2FY22	Q3FY22
Banks	9.4%	8.7%	8.6%
Mutual Funds	9.9%	7.4%	7.4%
NBFCs	9.9%	11.7%	11.7%
Others	9.9%	8.9%	8.7%
Total	9.4%	8.9%	8.7%

**Disbursement
& Collection**

- After improvement in Q2 v/s Q1, Q3 disbursements improved further ; though Dec was lower
- Industry has seen an Increase of 20% in Q3 FY 22 V/s Q2 FY22 in respect of retail regn of 2W
- Non-South disb. share was 36%; South revived from 2nd wave first & hence larger share of biz, showing potential for growth. South volumes have picked up very well, other zones yet to come to their full potential.
- Overall collections that went down to 70% efficiency in Q1 FY22, improved to 94% v/s billing in Q2; improved further to 96% as Dec collection was >100%.

NPA

- NPA @ ₹ 559 Cr (27.8 %) (Q3FY22) v/s 19.3% in (Q2 FY22); based on earlier norms 20.5% (Q3 FY22)
- Under IND AS overall provision is @ 13.1 % of On-book portfolio.
- 36,793 accounts restructured with 4-month moratorium; of the same 446 nos closed, 9 % continued in 0 bucket, 16 % moved to 1st bucket and 27 % to bucket 2, 26% in 3rd, 22 % > 3rd.
- Hard bucket collection @ 9 % in Q3, largely due to improved collection in December.

**Arbitration/
Other Legal
actions**

- Additional Staff and incentivized agencies deployed; steps taken at legal level for getting the dues cleared. Arbitration process has started again and would help collect the dues;
- Separate teams for collection from Repo loss / write off/ all EMIs paid but accounts not closed cases.
- Aggressive follow up with customers including asking for surrender of vehicles

**Diversity in
Funding**

- While we had avoided taking funds last year, have started looking at funds now.
- Looking at raising further funds through diversified means like bonds/ MLDs, beyond the normal sources.
- Public Deposits is focused on , which is long term funds from Depositors who trust the Group since long.

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, the cost of funds have gone down to 8.7 % for Q3 FY22 v/s 8.9% in Q2 FY22. Expected the cost to remain at this level for the next couple of quarters.

**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.
- Have restarted looking at options for securitization, which we are able to do at a very good all-in cost.

**Geographical
expansion**

- Had reduced rollout during the pandemic and then the 2nd wave ; slowly have restarted, till 3rd wave slowed things a bit.
- 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 ,Co-Lending/loan Buyouts 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 % in Q3 FY '22 v/s 1.73 % in Q2 FY 22.
- Lower Volumes have made dealers demand higher incentives, emphasizing on volumes through MFL branches to ward off this threat; in some of the schemes in high demand, Net IRR seeing a drop below budgeted Net IRR
- With Collections through outsourced entities picking up again, we have seen spike in collection costs up from 4.4 % in Q2 FY22 to 4.7 % in Q3 FY22; With focus on getting old dues this cost could spike in Q4.

**Repayment
Mode**

- With large number of good customers having closed their account, NACH bounce has increased, delayed linking attributed to low clearance through NACH, direct debit with individual banks being worked out
- Collection through the mobile app/PAYTM saw increase during the lockdown period and now after the 2nd wave is seeing sustained level of collection through digital means.
- Looking at Cash Mode repayment, where deposit at nearby MFL branches are possible; starting in Kerala.

**Overall
Profitability**

- Overall profitability is lower on account of overall lower AUM, higher provisioning on account of higher NPA, lower productivity and the higher OPEX.
- Also, the higher Operation costs of previous quarters, especially collection costs also a reason for -ve PAT figure
- Hopeful of improvement in the ground situation going forward with economy opening up and common man's burden being relieved.

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. First the 2nd and now the 3rd wave have only ensured that the sailing is not smooth; but everyday things seemingly improving, augurs well for the long term..
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THANK YOU

