

Board Presentation dated 24th April 2019

Year ended 31st March 2019



BLUE SOCH.
HELPING MILLIONS SHAPE
THEIR TOMORROW.



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Additional Sanctions
₹ 190 Cr.(FY 505Cr.)

New Customers –
75,346 (FY 329,301)

Disb – ₹ 605.7 Cr
(FY 2135.1 Cr)

No of States / UT
currently operating in
– 20

SNAPSHOT

Quarter ended 31ST March 2019

AUM – ₹ 2741 Cr;
Live Customers –
697,374

Own book
GNPA – ₹113.1 Cr.
NNPA – ₹61.9 Cr.

*Securitization
sanctions in Q4 FY19-
₹ 441 Cr(FY 912 Cr)

CRAR – 21.9%;
D/E ratio: 3.3

* Include sanction of Rs 75 Cr. not drawn as on 31.03.2019

Quarterly Trend

Yearly Trend

₹. In Crores

Financial Statement Metrics	Q4 FY 19	Q3 FY 19	Q-o-Q	Q4 FY 18	Y-o-Y	FY 19	FY 18	Y-o-Y
Disbursement :								
Hyp Loans	444.0	493.1	-10.0%	482.1	-9%	1855.2	1758.3	6%
Other Loans	161.7	9.0	1697%	112.6	44%	279.9	211.3	32%
Total Disbursements	605.7	502.1	21%	594.7	2%	2135.1	1969.6	8%
AUM at the end of the period*	2084.2	2157.6	-3%	1916.0	9%	2084.2	1916.0	13%
Average AUM **	2147.2	2083.3	3%	1743.6	23%	2042.6	1479.6	38%
Total Interest and Fee Income	136.7	142.3	-4%	118.8	15%	535.3	398.1	34%
Finance Expenses	44.7	41.1	9%	32.4	38%	161.5	122.8	31%
Net Interest Income(NII)	92.0	101.2	-9%	86.4	6%	373.8	275.3	36%
Operating Expenses	53.0	52.7	0%	42.9	22%	197.7	159.2	24%
Loan Losses & Provisions***	10.8	12.4	-13%	10.6	3%	48.8	33.6	45%
Profit Before Tax	28.2	36.1	-22%	32.9	-14%	127.2	82.5	54%
Profit After Tax	18.3	23.3	-21%	21.5	-15%	82.4	53.7	54%

Q4 FY19

Q3 FY19

Q4 FY18

FY19

FY18

Total Opex to NII

57.6%

52.1%

49.7%

52.9%

57.9%

Loan Loss Prov. To Avg AUM****

2.0%

2.4%

2.4%

2.4%

2.3%

Return on Avg. AUM

3.4%

4.5%

4.9%

4.0%

3.6%

Earnings per Share

11.1

14.2

10.4

50.1

36.4

* Total AUM including managed portfolio of ₹ 656.8 crores - ₹ 2 741.0 crs (Q-o-Q-6 % up) (Y-o-Y- 22% up)

** Avg AUM including managed Portfolio for the Qtr is ₹ 2 576.5 crores (Q-o-Q- 2.0% up) (Y-o-Y 26% up). For the Year 2 439.4 (Y-o-Y – 39.0%)

***includes additional provision made ₹ 4cr in Q4FY18 ₹ 3.5 Cr , ₹ 2.4 Cr in Q3 FY 19 and ₹ 4.4 Cr in Q4 FY 19 , resulted in increased PCR of 45.3% against 43.1% in Q3 FY 19 & 35.0 % IN Q4 FY18

**** Loan loss prov to avg AUM excluding addtnl Prov is 1.2% in Q4FY19 v/s 1.5% for Q4 FY 18 and 1.7% for FY19 v/s 1.9% for FY18

STATEMENT OF SOURCES AND APPLICATION OF FUNDS

₹. In Crores




Sources	As At			Applications	As At		
	31-Mar-18	31-Dec-18	31-Mar-19		31-Mar-18	31-Dec-18	31-Mar-19
Share Capital	16.4	16.4	16.5	Fixed assets	2.5	2.1	1.9
Reserves & Surplus	377.5	441.6	459.9	Investments*	31.5	45.0	71.1
Shareholders Funds	393.9	458.0	476.4	Deferred Tax Assets	11.3	17.4	16.8
<i>Bank Borrowings</i>	1149.1	1475.5	1425.9	Other Long term Loans & adv.	1.1	1.1	1.1
<i>Sub Debt/Debentures</i>	60.6	58.5	58.7	<i>Hypothecation Loan</i>	1617.7	1872.6	1686.0
<i>Public Deposit</i>	82.3	62.0	61.6	<i>Loan Buyout</i>	0.6	6.8	52.1
<i>Commercial Paper</i>	145.2	0.0	0.0	<i>Term Loans</i>	252.6	224.6	286.2
<i>Loan from Directors</i>	5.8	5.8	10.2	<i>Other Loans</i>	14.3	19.2	29.9
<i>Inter corporate loan</i>	1.5	1.6	1.6	<i>Interest Accrued on Loans</i>	30.7	34.3	30.0
<i>Interest. Accrued on Loans</i>	14.3	15.4	14.3				
Total Borrowings	1458.8	1618.7	1572.3	Total Loans	1916.0	2157.6	2084.2
Securitization Dues Payable	44.2	57.3	71.7	Cash and Cash Equivalents	3.2	4.7	31.8
Trade Payable	15.6	22.8	21.8	Short Term Loans and Adv.	2.9	2.8	7.6
Other Liabilities	21.4	36.4	56.6	Other Assets	9.3	25.4	46.4
Provisions	43.8	62.9	62.2				
Total	1977.8	2256.1	2261.0	Total	1977.8	2256.1	2261.0

* Includes Cash Collateral Deposit of ₹ 50.45 Crores, SLR Deposit- ₹ 2.00 Crores SLR Investments- ₹ 14.25 Crores & Others - ₹ 4.4 Crores as on 31.03.19




Disbursement

Q3 FY 19 : ₹ 502.1 Cr		21%
Q4 FY 19 : ₹ 605.7 Cr		
Q4 FY 18 : ₹ 594.7 Cr		2%
Q4 FY 19 : ₹ 605.7 Cr		
FY 18 : ₹ 1969.6 Cr		8%
FY 19 : ₹ 2135.1 Cr		

Borrowing Cost

Q3 FY 19 : 9.7%		4%
Q4 FY 19 : 10.1%		
Q4 FY 18 : 9.3%		9%
Q4 FY 19 : 10.1%		
FY 18 : 9.8 %		2%
FY 19 : 9.6 %		




NPA

Q3 FY 19 : ₹ 122.8 Cr		8%
Q4 FY 19 : ₹ 113.1 Cr		
Q4 FY 18 : ₹ 87.9 Cr		29%
Q4 FY 19 : ₹ 113.1 Cr		
FY 18 : ₹ 87.9Cr		29%
FY 19 : ₹ 113.1 Cr		




Gross AUM

Q3 FY 19 : ₹ 2595.5 Cr		6%
Q4 FY 19 : ₹ 2741.0 Cr		
Q4 FY 18 : ₹ 2238.0 Cr		22%
Q4 FY 19 : ₹ 2741.0 Cr		
FY 18 : ₹ 2238.0 Cr		22%
FY 19 : ₹ 2741.0 Cr		

Opex to Nil

Q3 FY 19 : 52.1 %		11%
Q4 FY 19 : 57.6 %		
Q4 FY 18 : 49.7 %		16%
Q4 FY 19 : 57.6 %		
FY 18 : 57.8 %		8%
FY 19 : 52.9 %		




PAT

Q3 FY 19 : ₹ 23.2 Cr		21%
Q4 FY 19 : ₹ 18.3 Cr		
Q4 FY 18 : ₹ 21.5 Cr		15%
Q4 FY 19 : ₹ 18.3 Cr		
FY 18 : ₹ 53.7 Cr		54%
FY 19 : ₹ 82.4 Cr		




Revenue

Q3 FY 19 : ₹ 142.3 Cr		4%
Q4 FY 19 : ₹ 136.7 Cr		
Q4 FY 18 : ₹ 118.8 Cr		15%
Q4 FY 19 : ₹ 136.7 Cr		
FY 18 : ₹ 398.1 Cr		35%
FY 19 : ₹ 535.3 Cr		

Loan Losses & Provision

Q3 FY 19 : ₹ 12.4 Cr		13%
Q4 FY 19 : ₹ 10.8 Cr		
Q4 FY 18 : ₹ 10.6 Cr		2%
Q4 FY 19 : ₹ 10.8 Cr		
FY 18 : ₹ 33.6 Cr		45%
FY 19 : ₹ 48.8 Cr		

ROA

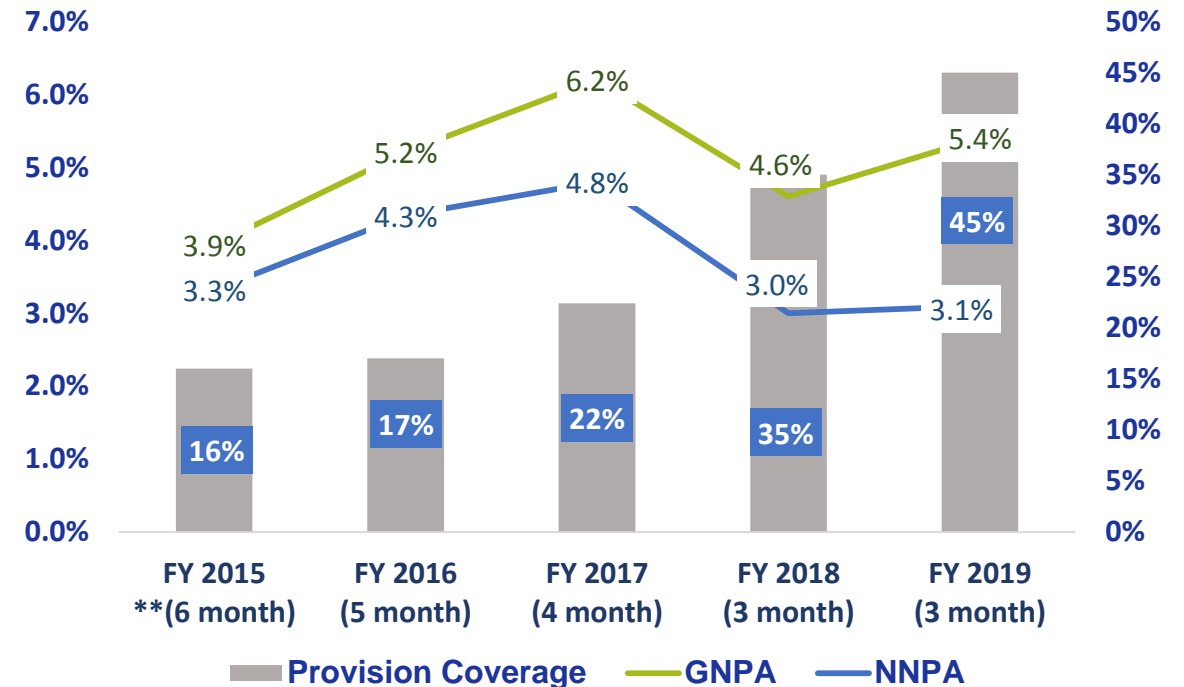
Q3 FY 19 : 4.5 %		13%
Q4 FY 19 : 3.4%		
Q4 FY 18 : 4.9 %		31%
Q4 FY 19 : 3.4 %		
FY 18 : 3.6%		11%
FY 19 : 4.0%		

ASSET QUALITY AND PROVISION COVERAGE

₹. In Crores

	As on 31.03.2018	As on 31.12.2018	As on 31.03.2019
Own Book Portfolio	1916.0	2157.6	2084.1
GNPA	4.6%	5.7%	5.4%
NNPA	3.0%	3.3%	3.1%
Provision*	30.9	53.0	51.2*
Coverage Ratio	35.0%	43.1%	45.3%

* Includes additional provision of ₹ 14 .1Cr made during FY 19 and ₹ 4 crs in FY 18



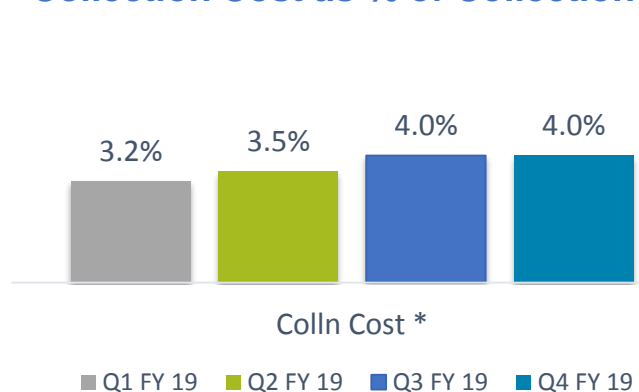
** NPA norm

₹. In Crores

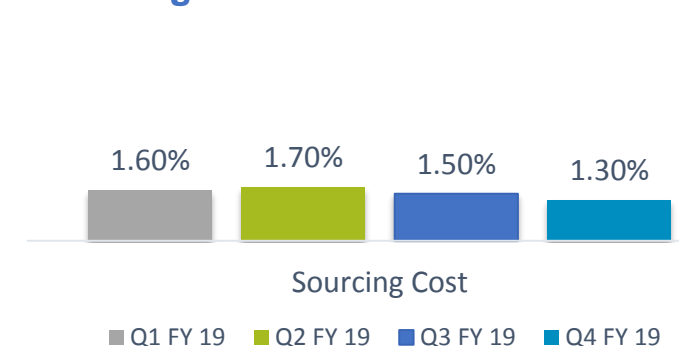
OTHER EXPENSES - SPLIT

	Q4 FY 19	Q3 FY 19	Q-o-Q	Q4 FY 18	Y-o-Y	FY 19	FY 18	Y-o-Y
Collection Charges:	18.7	17.1	9.4%	12.3	52.0%	61.4	43.8	40.2%
Collection Charges-MFL	1.4	1.3	7.7%	1.3	7.7%	5.2	5.0	4.0%
Collection Charges-MMM	0.0	0.0	0.0%	0.0	0.0%	0.0	0.0	0.0%
Collection Agency Payout	16.1	14.7	8.8%	10.4	53.8%	52.0	37.2	39.8%
ECS/ NACH/E-auction	0.6	0.6	0.0%	0.5	20.0%	2.4	1.4	71.4%
Tele calling	0.1	0.1	0.0%	0.1	0.0%	0.5	0.1	400.0%
Collection Agents	0.5	0.4	66.6%	0.0	0.0%	1.3	0.0	0.0%
Business Sourcing Incentive:	5.9	7.6	-22.4%	7.3	-19.2%	28.5	29.4	-3.1%
Dealer Incentive	4.0	5.7	-29.8%	4.4	-9.1%	20.0	18.9	5.8%
Business Sourcing Incentive- MML	0.0	0.0	0.0%	0.0	0.0%	0.00	0.0	0.0%
Business Sourcing Incentive – MFL	1.3	1.1	18.2%	2.0	-35.0%	5.4	6.7	-19.4%
Business sourcing expense- Marketing	0.7	0.8	-12.5%	1.0	-3.3%	3.1	3.8	-18.4%
Investigation and Professional Charges	1.3	1.5	-13.3%	1.0	30.0%	4.9	5.2	-5.8%
FI Charges - Autoloan	0.3	0.4	-25.0%	0.2	50.0%	1.4	0.8	75.0%
Professional Charges	0.7	0.7	0.0%	0.6	16.7%	2.6	2.6	0.0%
Legal Charges	0.2	0.3	-33.3%	0.2	0.0%	0.9	1.8	-50.0%
Rent	1.0	1.1	-9.1%	1.0	0.0%	4.1	3.9	5.1%
Back Office Processing	0.8	0.7	14.3%	0.6	33.3%	2.7	2.0	35.0%
Other Expenses	4.1	4.4	-6.8%	2.2	86.4%	17.3	9.8	77.6%
	31.7	32.4	-2.2%	24.5		118.8	94.1	26.2%

Collection Cost as % of Collection



Sourcing Cost as % of Disbursement

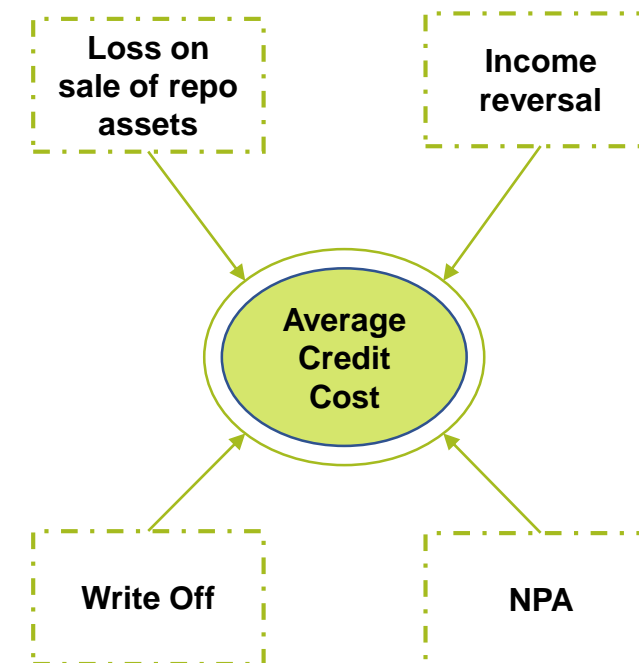


* Considering Incentive to Collection staff (Q1FY19: ₹0.5 Cr, Q2 FY 19- ₹0.6 Cr, Q3 FY 19: ₹0.8 Cr Q4FY19- ₹ 0.9Cr) but excluding collection staff salary

₹. In Crores

MAIN FACTORS IMPACTING PROFITABILITY - DELINQUENCIES

Particulars	For FY 18	Q1 FY 19	Q2 FY 19	Q3 FY 19	Q4 FY 19	FY 19
Unrealized Income reversed	1.7	1.5	1.6	1.0	-0.7	3.4
Loss on sale + Provision for diminution in value of repo. assets	14.2	3.8	5.2	6.0	5.2	20.2
NPA write off	1.6	0	0	0	7.8	7.8
NPA Provision	10.3	4.4	4.2	3.7	-6.1	6.2
Addl NPA Provision	4.0	3.5	3.8	2.4	4.4	14.1
Total	31.8	13.2	14.8	13.1	10.6	51.7
Avg AUM*	1479.6	1959.4	1982.0	2083.3	2147.2	2042.6
% of Credit cost on Avg AUM (annualized)**	2.1%	2.7%	3.0%	2.5%	2.0%	2.5%



*Average AUM is excluding managed portfolio;

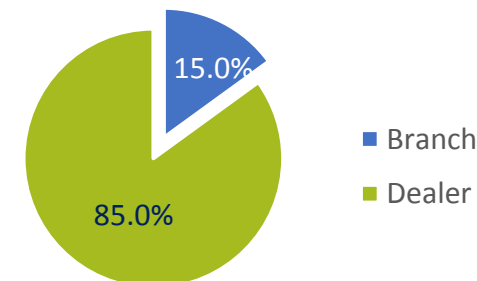
** Credit Cost Excl Additional Prov: FY 18 -1.9%, Q1 FY 19 – 2.0% , Q2 FY 19- 2.2%, Q3 FY 19-2.1%,Q4 FY19-1.2%,FY 19- 1.8 %

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

₹. In Crores

Zone	BRANCH		DEALER				TOTAL				Overall Share				
	FY 18		FY 19		FY 18		FY 19		FY 18		FY 19		FY 19	FY18	
	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Count	Value	Growth %		
South	51 935	288.8	40 744	233.3	2 13 710	1 143.0	1 83 051	1 070.0	2 65 645	1 431.8	2 23 795	1 303.2	-9%	70%	81%
West	5 488	24.3	5 731	27.7	17 373	81.2	23 612	127.6	22 861	105.5	29 343	155.3	47%	8%	6%
North	2 071	9.3	2 267	11.3	33 587	153.2	44 417	228.0	35 658	162.6	46 684	239.3	47%	13%	9%
East	411	2.0	923	4.8	11 973	56.5	28 556	152.5	12 384	58.4	29 479	157.3	169%	9%	4%
Overall	59 905	324.4	49 665	277.1	2 76 643	1 433.9	2 79 636	1 578.1	3 36 548	1 758.3	3 29 301	1 855.2	6%	100%	100%

Share of Branch and Dealer of zone-wise
disbursement

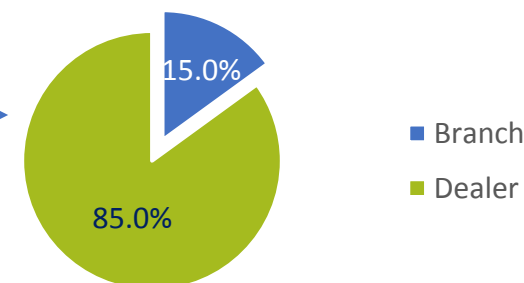


ZONEWISE DISBURSEMENT (HYP LOANS) – Q- o -Q

₹. In Crores

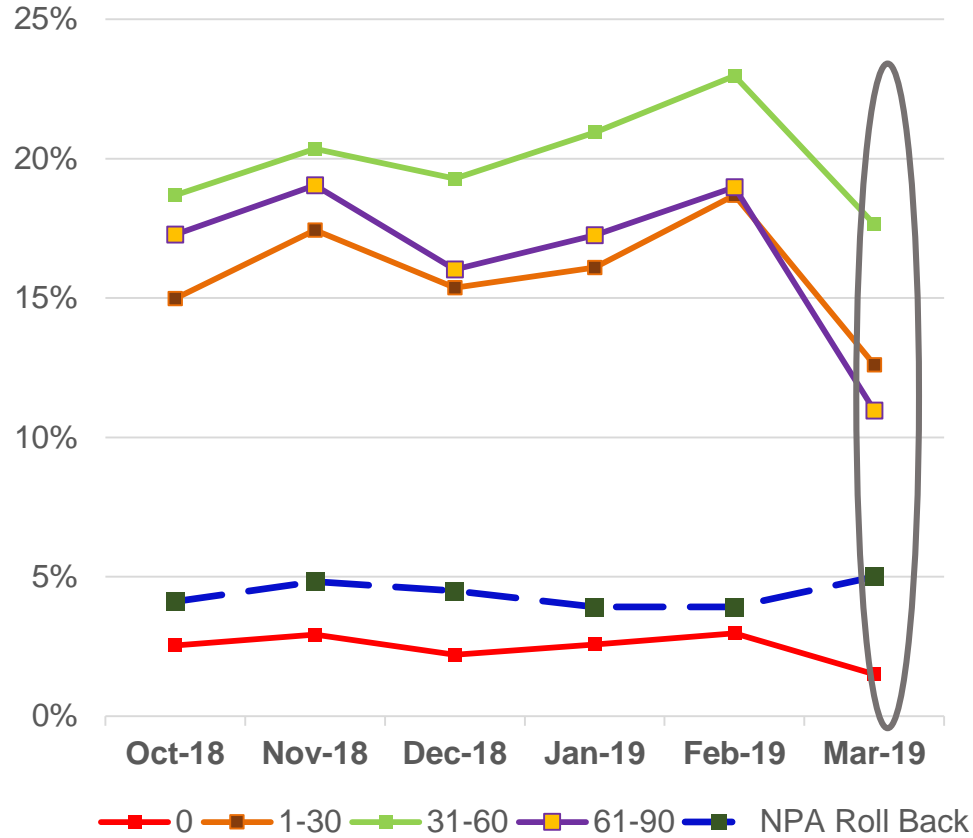
Zone	BRANCH		DEALER		TOTAL		Overall Share		Growth%	Q4 FY '19	Q4 FY'18				
	Q4 FY '18	Q4 FY '19	Q4 FY '18	Q4 FY '19	Q4 FY '18	Q4 FY '19	Q4 FY '19	Q4 FY'18							
	Count	Value	Count	Value	Count	Value	Count	Value							
South	14 331	80.1	9 244	54.1	56 053	305.1	41 031	251.1	70 384	385.2	50275	305.2	-21%	69%	80%
West	1 394	6.2	1 085	5.6	5 739	27.7	4 638	26.7	7 133	33.8	5723	32.2	-5%	7%	7%
North	552	2.5	505	2.7	8 943	41.6	9 631	52.4	9 495	44.2	10136	55.1	25%	12%	9%
East	132	0.6	371	2.0	3 816	18.2	8 841	49.4	3 948	18.8	9212	51.5	173%	12%	4%
Overall	16 409	89.5	11 205	64.4	74 551	392.6	64 141	379.6	90 960	482.0	75346	444.0	-8%	100%	100%

Share of Branch and Dealer of zone-wise disbursement



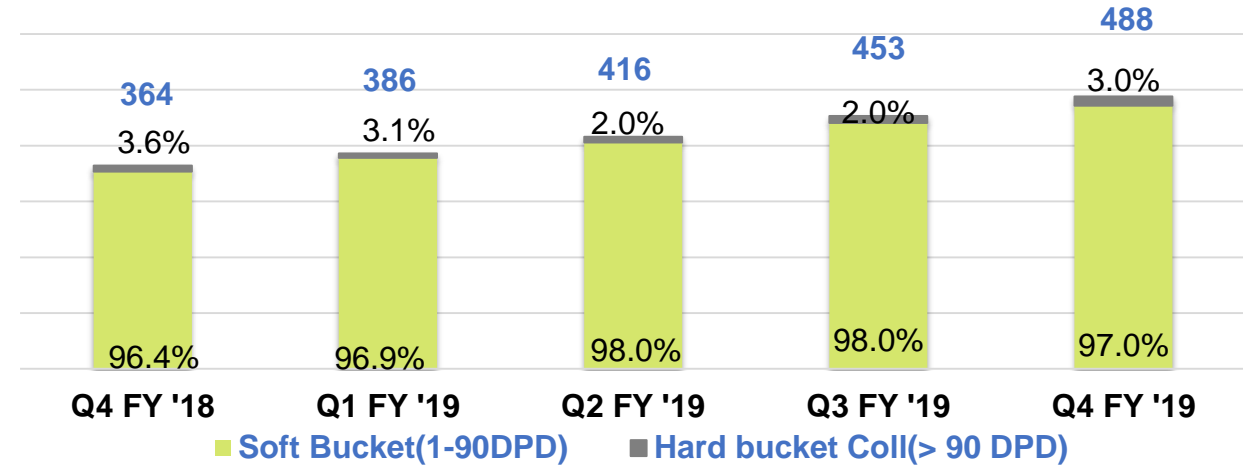
COLLECTION PERFORMANCE MONITORING (HYP)

Bucket-wise Flow



Collection Performance

₹. In Crores



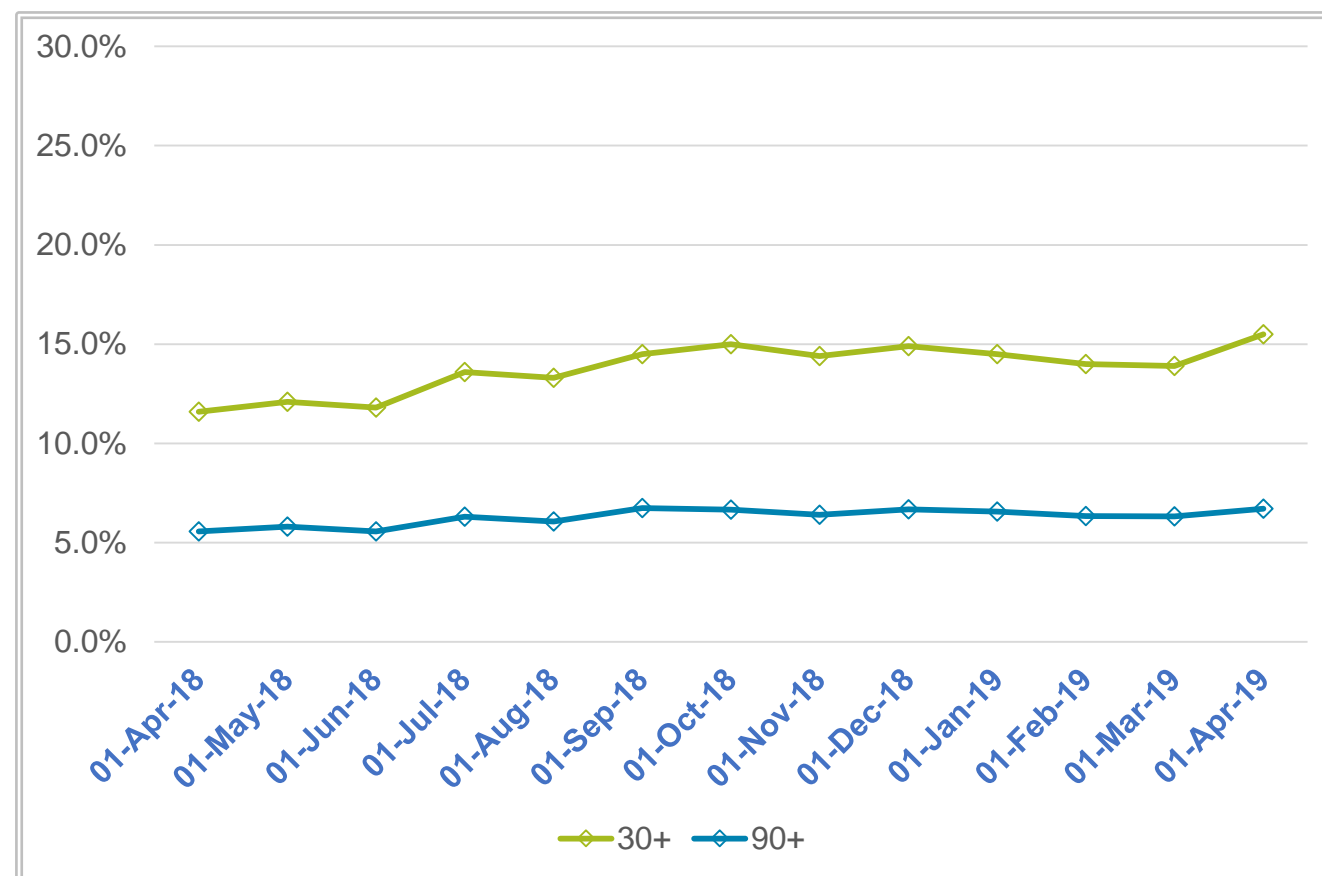
₹. In Crores

	Q4 FY 18	Q1 FY 19	Q2 FY 19	Q3 FY 19	Q4 FY 19
Soft Bucket (1-90)	353	378	405	441	471
Hard Bucket (>90)	11	8	11	12	17
Total	364	386	416	453	488

PORTFOLIO TREND – HYPOTHECATION LOANS

₹. In Crores

Month	Own book AUM	30+	90+	30+%	90+%
01-Apr-18	1 617.9	187.8	87.9	11.6%	5.6%
01-May-18	1 686.9	203.6	97.9	12.1%	5.8%
01-Jun-18	1 762.0	208.4	98.1	11.8%	5.6%
01-Jul-18	1 616.8	219.4	101.9	13.6%	6.3%
01-Aug-18	1 688.0	224.8	102.4	13.3%	6.1%
01-Sep-18	1 770.1	256.5	119.4	14.5%	6.7%
01-Oct-18	1 772.5	266.7	118.1	15.0%	6.7%
01-Nov-18	1 858.7	267.6	119.2	14.4%	6.4%
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%



On an overall ownbook of ₹ 2342.9Cr, 30+ is 11.87% & 90+ is 4.9%

NPA MOVEMENT – HYP LOAN – Q4 FY 2019

₹. In Crores

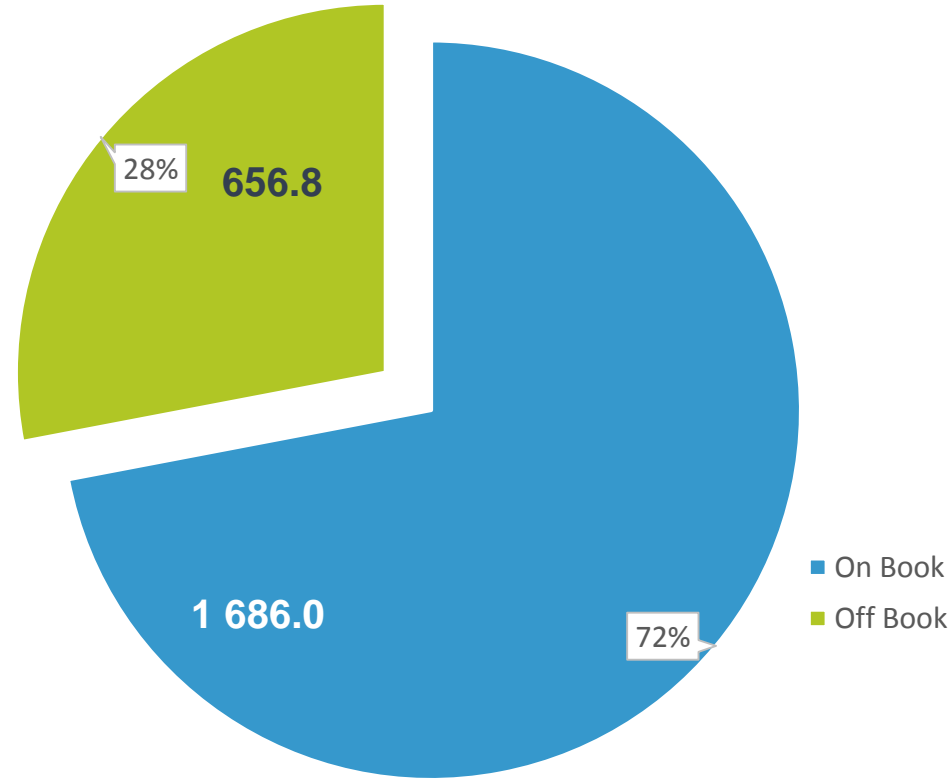
Particulars	HP Nos	Principal	Provision	Unrealized
Balance as on 31.12.2018	67 426	122.8	52.2	15.4
Add: Slipped to NPA for the month of Jan 19 to Mar 19	8 914	17.8	2.5	1.3
Add: NPA recognised on sold-out portfolio bought back	1 423	1.5	0.1	0.1
Add: Prov. Increased due to non payment of NPA			3.7	1.0
Add: Additional Prov. In the quarter			4.4	
Sub total	77 763	142.1	62.9	17.8
Less: Rolled back from NPA/adjustments between Jan 19 to Mar 19	8 923	12.3	2.3	0.7
Repossessed Asset sold during Jan 19 to Mar 19	1 633	6.4	1.4	0.8
Written Off during Jan 19 to Mar 19	3 978	7.8	7.6	1.3
Amount collected from NPA Accounts for Jan 19 to Mar 19		2.5	0.4	0.3
Balance as on 31.03.2019	63 229	113.1	51.2	14.7

NPA MOVEMENT – HYP LOAN – ACROSS 9 QUARTERS

₹. In Crores

Particulars	Q4' 17	Q1 '18	Q2 '18	Q3 '18	Q4 '18	Q1 '19	Q2 '19	Q3 '19	Q4'19
Opening Balance	78.1	74.2	96.9	94.3	93.4	87.9	101.9	118.1	122.8
Slippage due to NPA Policy change	-	29.8	-	-	-	-	-	-	-
Fresh slippages during the period	13.9	16.1	15.4	14.2	12.7	24.3	30.7	26.7	17.8
NPA recognised on soldout portfolio bought back	-	-	-	0.9	-	1.0	-	1.4	1.5
Sub Total	92.0	120.1	112.3	109.3	106.1	113.2	132.6	146.2	142.1
Less: NPA Rolled Back/adjustments	8.9	14.8	8.5	8.0	8.0	4.1	6.7	10.4	12.3
Less: Repossessed assets sold	4.8	3.6	6.7	4.9	5.9	5.3	5.4	10.3	6.4
Less: Write off	1.7	-	-	-	1.6	-	-	-	7.8
Less: Amount collected but not rolled back out of NPA	2.4	4.8	2.8	2.9	2.7	1.9	2.4	2.7	2.5
Closing Balance	74.2	96.9	94.3	93.4	87.9	101.9	118.1	122.8	113.1
Provision Coverage Ratio	22.4	23.0	25.6	28.6	35.2	38.2	39.7	43.2	45.3

HYP PORTFOLIO SPLIT AS ON MARCH 31ST 2019



₹. In Crores

PTC transactions

DCB (Pratab)	26.7
IDFC & HLF (Rancis)	80.4
DCB (Carolina)	71.4
Kotak Mahindra (Glen)	57.4
HDFC Mutual Funds (Travis)	196.5
ICICI (Minerva)	54.0
DCB & Northern Arc(PTU)	34.1

520.4

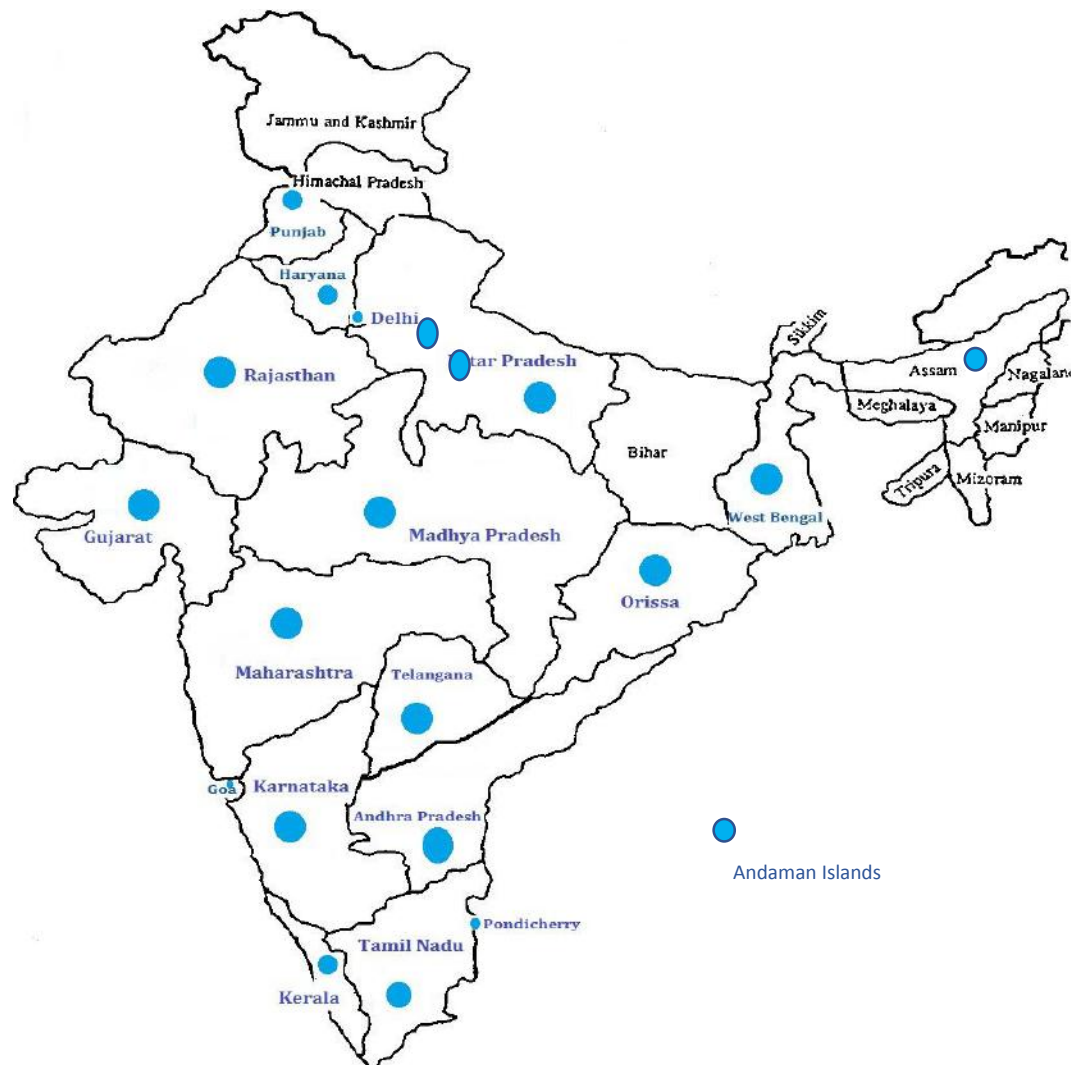
Direct Assignments

SBM(Toucan)	2.1
CSB(Ellaria)	12.6
Andhra DA 1	5.6
Andhra DA 2	6.9
LVB(Dnieper)	13.9
LVB (Dnyapro)	13.0
LVB (Cassuis)	49.3
CSB(Marin)	33.0

136.4

Off Book	656.8
Own Book	1686.0
Total	2342.9

MCSL GEOGRAPHIC OVERVIEW - HYP


MAR 31 2019

₹. In Crores

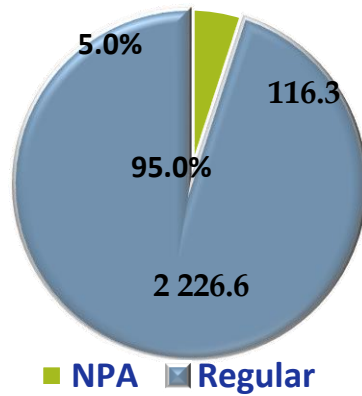
Zone	Active Clients	Regular	NPA	Total	Zone wise AUM %	% of NPA
South India	5 23 750	1 667.4	87.0	1 754.3	74.9%	5.0%
Western India	53 753	161.9	14.6	176.5	7.5%	8.3%
North India	78 325	242.3	12.3	254.6	10.9%	4.8%
East India	41 546	155.0	2.4	157.5	6.7%	1.6%
Overall *	6 97 374	2 226.6	116.3	2 342.9	100.0%	5.0%

*Includes securitized portfolio

PORTFOLIO ANALYSIS

₹. In Crores

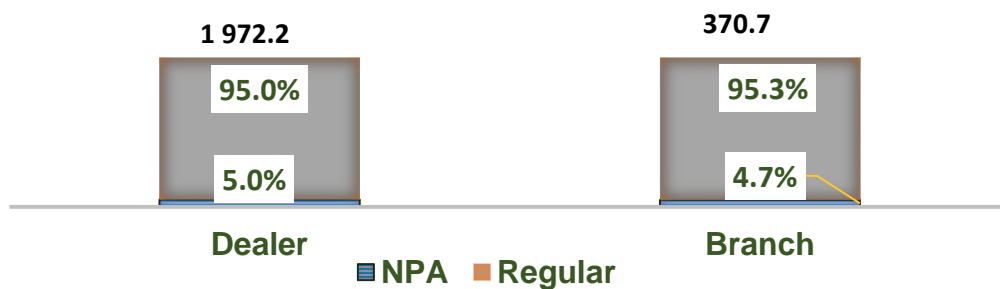
Portfolio Analysis



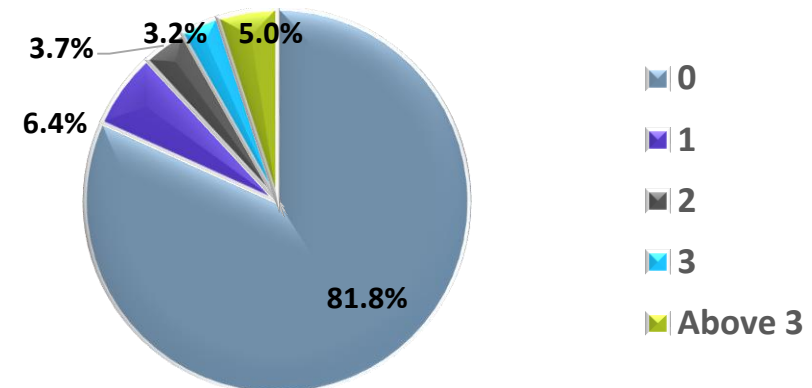
Segment – wise Analysis



Source - wise Analysis



Bucket – wise Analysis



SOURCES OF BORROWING

₹505 Cr

Additional bank sanctions
during the year

Total sanctions as on 31 Mar 2019 amounting to ₹2005 Cr. with 3 new banking & 1 NBFC relationships

₹912.4 Cr

Securitization/ DA done in
FY 2018-19 (net of MRR)

- Mobilized ₹1626.7 Cr to date through 21 transactions
- ₹656.8 Cr outstanding as on 31 Mar 2019.

₹30.4 Cr

Collections of Sub-debt
and Public Deposit

- Public Deposits collected ₹29.7 Cr., of which ₹15.5 Cr. is renewal
- Raised Sub-Debt of ₹0.7 Cr.

Bank funding - 64% of total borrowing as
on 31 Mar 2019

Securitization/ DA sanctions
received in Q4 ₹441 Cr

₹366 Cr

Raised in Q4 FY19 through
4 main investors

- From HDFC mutual fund, ICICI Bank, Kotak Mahindra Bank and DCB

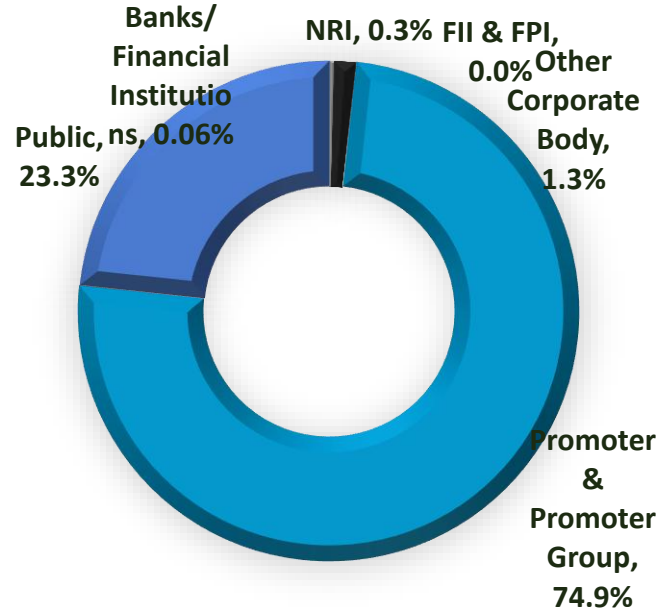
10.1%

Cost of borrowing for Q4
FY 2018-19

Quarter on Quarter increase in cost of borrowing – Overall cost of borrowing for FY 2018-19 – 9.60%

SHAREHOLDING PATTERN

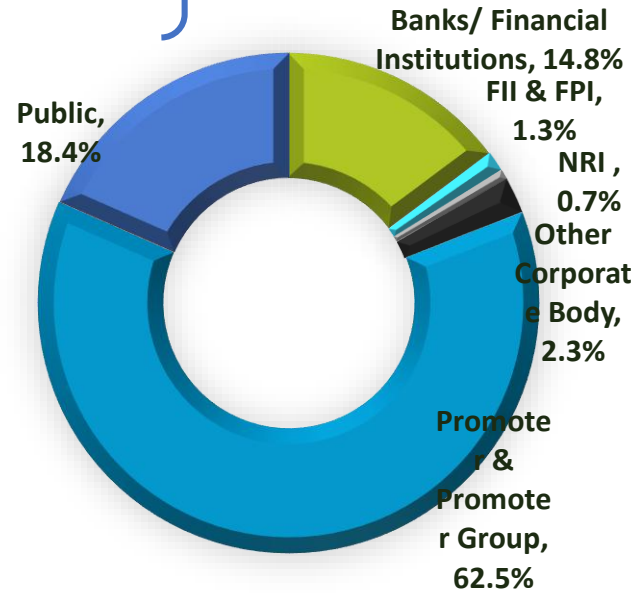
31 Mar 2017



Shares outstanding: 1.24 Crores

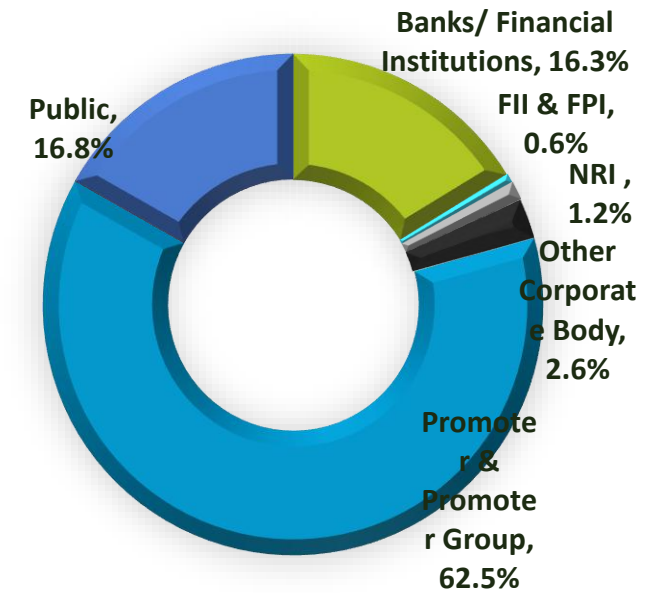
31 Mar 2018

Post QIP



Shares outstanding: 1.64 Crores

31 Mar 2019

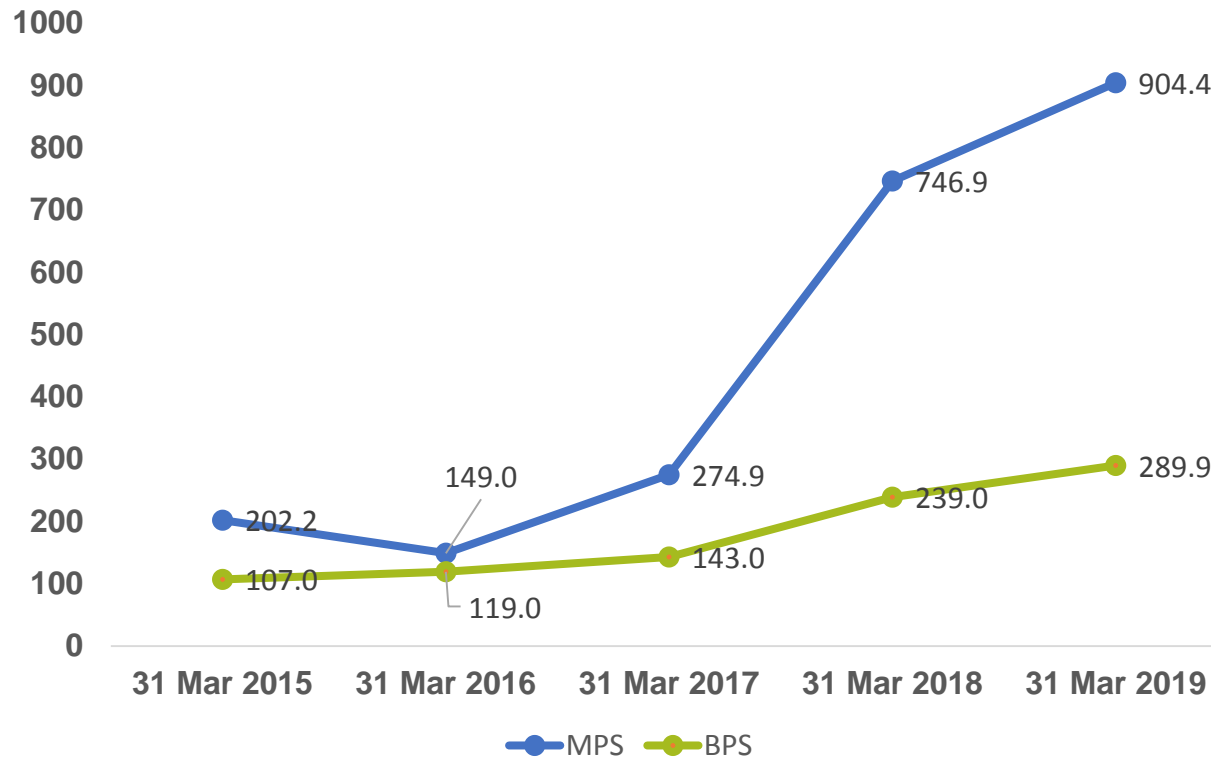


Shares outstanding: 1.64 Crores

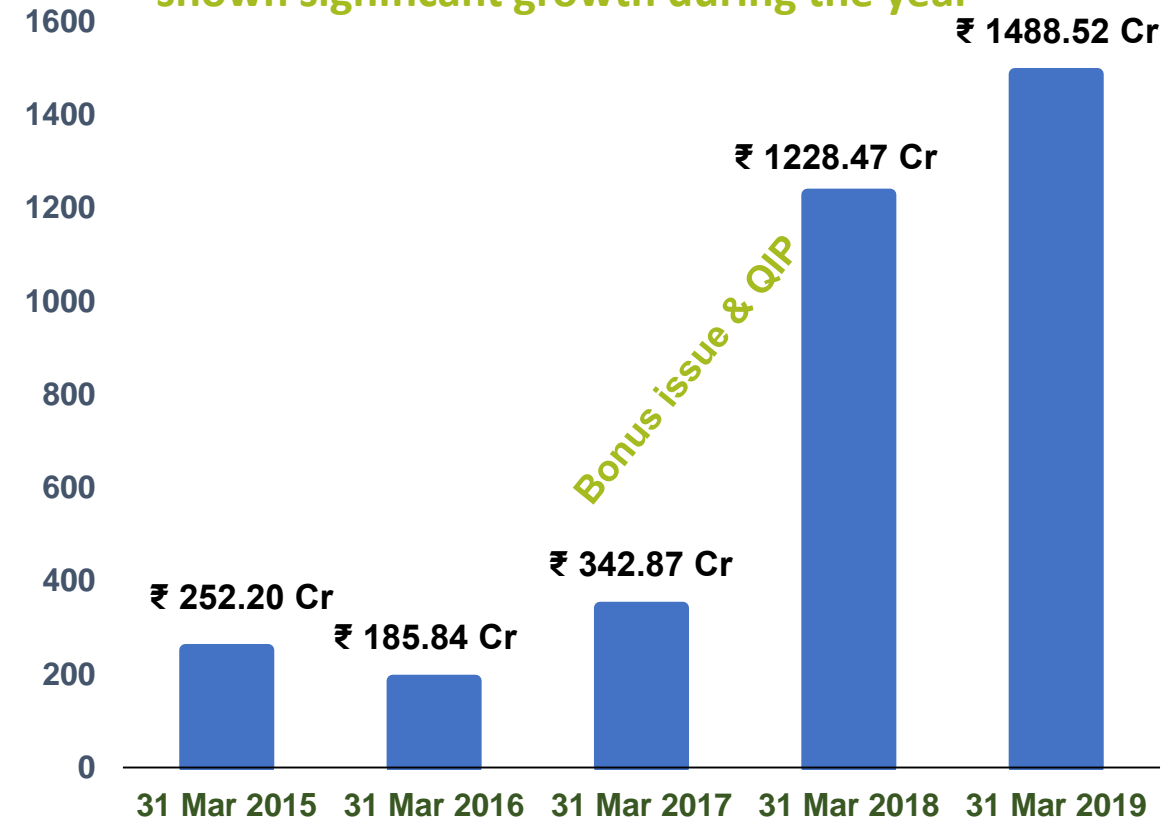


CAPITALIZATION

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



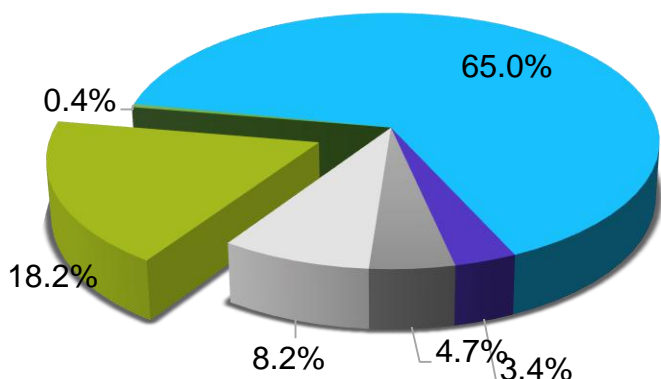
The Company's market capitalization has shown significant growth during the year



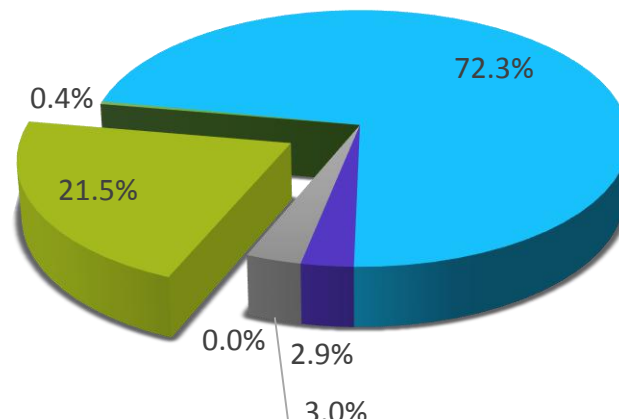
BORROWING PROFILE – by Instrument

₹. In Crores

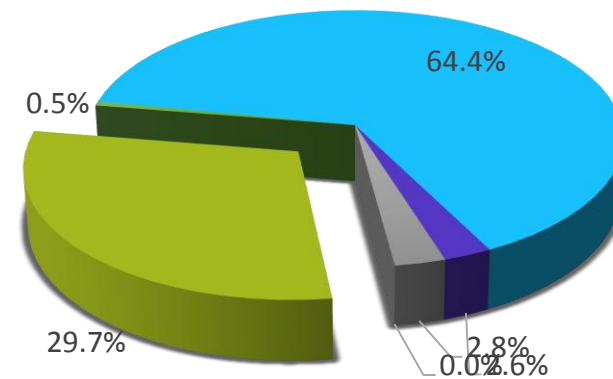
Particulars	Q4 FY '18		Q3 FY '19		Q4 FY '19	
	Amount	Cost*	Amount	Cost*	Amount	Cost*
Bank Loan	1149.1	9.3%	1475.5	9.8%	1425.9	10.2%
Sub debt	60.5	11.7%	58.5	11.4%	58.7	11.9%
Public Deposit	82.3	8.7%	62.0	8.2%	61.6	8.6%
Commercial Paper	145.2	8.6%	0.0	0.0	0.0	0.0
Securitization	322	9.6%	438.3	9.5%	656.8	9.7%
Others	7.4	10.8%	7.4	11.0%	11.9	13.4%
Total	1766.5	9.3%	2041.6	9.7%	2214.8	10.1%



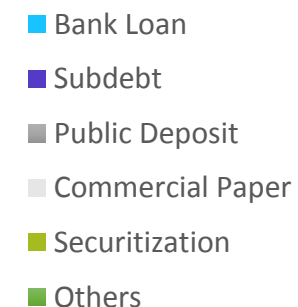
Q4 FY '18



Q3 FY '19



Q4 FY '19

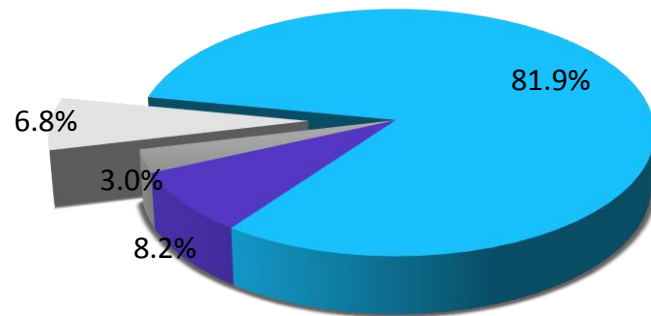


* Cost is interest cost only and doesnot include processing fee, brokerage etc.

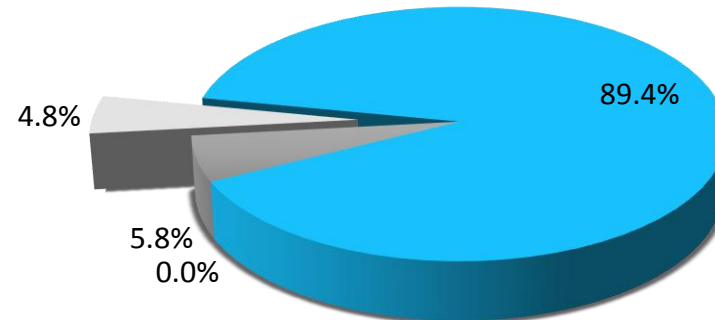
BORROWING PROFILE – by Investor Profile

₹. In Crores

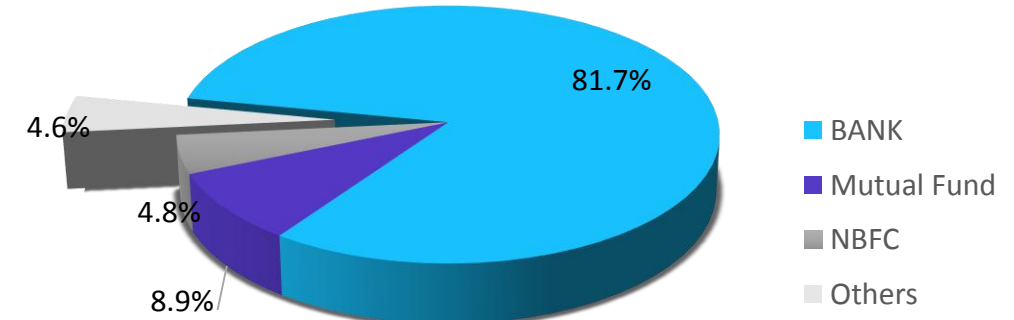
Particulars	Q4 FY '18		Q3 FY '19		Q4 FY '19	
	Amount	Cost	Amount	Cost	Amount	Cost
Banks	1447.4	9.3%	1825.2	9.7%	1809.4	10.0%
NBFCs	53.7	11.3%	118.5	10.7%	106.8	10.7%
Mutual Funds	145.2	8.6%	-	8.7%	196.5	11.1%
Others	120.2	9.4%	97.9	9.1%	102.1	10.0%
Total	1766.5	9.30%	2041.6	9.70%	2214.8	10.1%



Q4 FY '18



Q3 FY '19



Q4 FY '19

HIGHLIGHTS – SECURITISATION / DIRECT ASSIGNMENT TRANSACTION

Augmented Growth

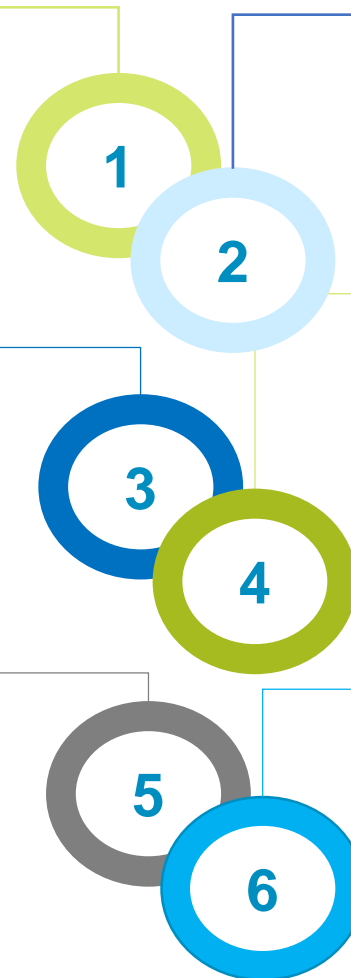
- Done 13 Securitization / 8 Direct Assignment transactions totaling to ₹ 1627 crores (net of MRR) to date
- Helped substantially grow the AUM
- Out of 13 securitization, 6 transactions closed as of March 2019
- Major investors for PTCs during quarter are Kotak Mahindra Bank, HDFC-MF and ICICI Bank.
- On one of the pools got AA+ CRISIL rating .

Lower Costs

- In spite of adverse market conditions last transaction done at 10.75%; overall cost of all transactions 9.33% for FY 19

Risks passed on

- Apart from the Credit Enhancements to be given, the risks are passed on to the Investor
- Reduced Standard asset provisioning by ₹ 1.46 Cr for Q4 FY 2019; improved profitability



Capital saving:

An off balance sheet transaction, helps in the CRAR by 3.4% as on 31st March 2019 without reducing the net income that was generated earlier

Efficient use of funds

- Helps in repaying high cost funds
- Helps to use funds for other disbursements
- Helps negotiate with lenders better
- Handy when no other sources were available

Improved profitability

- Company continues to earn income/interest spread on the securitized portfolio
- Improves the overall ROA
- During the quarter ROA increased by **0.63%** due to securitization and direct assignment transaction.

SPREAD ANALYSIS

₹. In Crores

Analysis on Avg loan book size	Mar-18		Jun-18		Sep-18		Dec-18		Mar-19	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Avg Loan Book Size *	1743.6		1959.4		1982.0		2083.3		2147.2	
Revenue from operations**	118.3	27.1%	123.7	25.3%	131.5	26.5%	141.9	27.2%	136.1	25.4%
Direct exp.	40.0	9.2%	44.7	9.1%	46.6	9.4%	49.6	9.5%	51.4	9.6%
Gross Spread	78.3	18.0%	79.0	16.1%	84.9	17.1%	92.3	17.7%	84.8	15.8%
Personnel Expenses	18.1	4.2%	17.7	3.6%	19.0	3.8%	20.1	3.9%	21.0	3.9%
OPEX (incl. depreciation)	17.2	3.9%	18.2	3.7%	21.5	4.3%	24.2	4.7%	25.3	4.7%
Total Expenses	35.3	8.1%	35.9	7.3%	40.5	8.2%	44.3	8.5%	46.3	8.6%
Pre Provision Profits	43.0	9.9%	43.1	8.8%	44.4	9.0%	48.0	9.2%	38.4	7.2%
Loan Loss and provisions***	10.6	2.4%	11.8	2.4%	13.8	2.8%	12.4	2.4%	10.8	2.0%
Net Spread	32.4	7.4%	31.2	6.4%	30.6	6.2%	35.6	6.8%	27.6	5.1%

*Excluding managed portfolio;

**Income excluding income from SLR investments

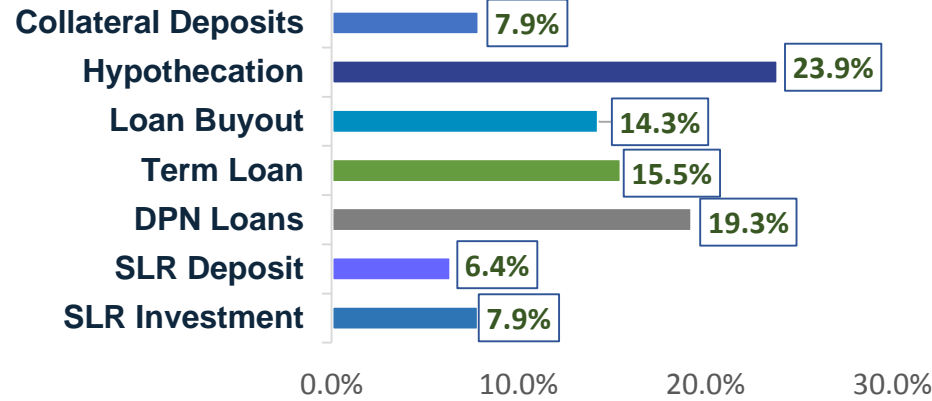
*** Inclusive of additional provision ₹ 3.5 Cr (Q1 FY19) ₹ 3.8 Cr (Q2 FY 19) ₹ 2.4 Cr (Q3 FY19) & ₹ 4.4 Cr made during the quarter.

ANALYSIS OF COST & YIELD

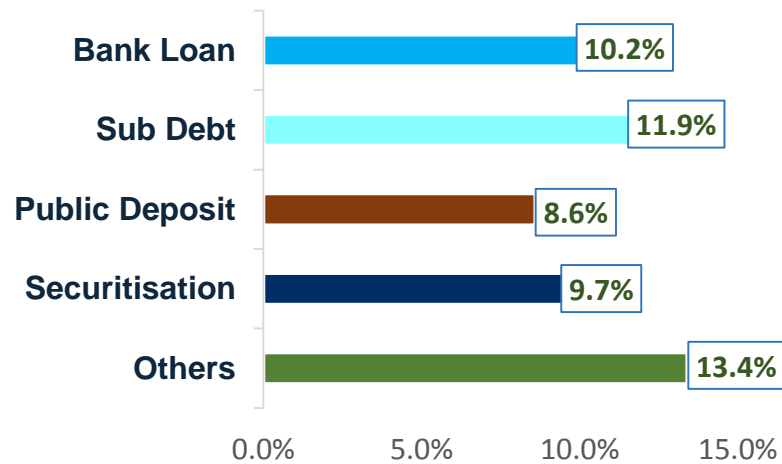
Sl.No.	Description of Loan	EFFECTIVE RATE					
		Q3 FY '18	Q4 FY '18	Q1 FY '19	Q2 FY '19	Q3 FY '19	Q4 FY '19
1	Hypothecation	24.8%	26.0%	24.3%	24.0%	25.0%	23.9%
2	Loan Buyout	15.8%	16.0%	16.0%	15.7%	14.5%	14.3%
3	Term Loan	14.6%	14.4%	14.4%	14.6%	14.0%	15.5%
4	DPN Loans	19.0%	21.5%	18.0%	18.5%	18.3%	19.3%
5	SLR Deposit	9.0%	8.8%	8.0%	8.3%	7.3%	6.4%
6	SLR Investment (Govt Sec)	7.9%	8.0%	8.0%	8.0%	7.9%	7.9%
7	Collateral Deposits	0.0%	0.0%	7.0%	7.4%	7.7%	7.9%
8	ICD	0.0%	0.0%	16.0%	16.0%	16.0%	-
	Yield	23.5%	24.7%	23.0%	22.6%	23.6%	22.8%
1	Bank Loan	9.6%	9.3%	9.3%	9.4%	9.8%	10.2%
2	Sub Debt	11.7%	11.7%	11.6%	11.5%	11.4%	11.9%
3	Public Deposit	9.0%	8.7%	8.5%	8.4%	8.2%	8.6%
4	Commercial Paper	8.7%	8.6%	8.7%	8.7%	8.7%	-
5	Securitization/Direct Assignment	9.8%	9.6%	9.4%	9.2%	9.5%	9.7%
6	Others	11.6%	10.7%	10.9%	11.0%	11.0%	13.4%
	Cost	9.6%	9.3%	9.3%	9.4%	9.7%	10.1%
	Interest Spread	13.9%	15.4%	13.6%	13.2%	13.9%	12.7%

ANALYSIS OF COST & YIELD

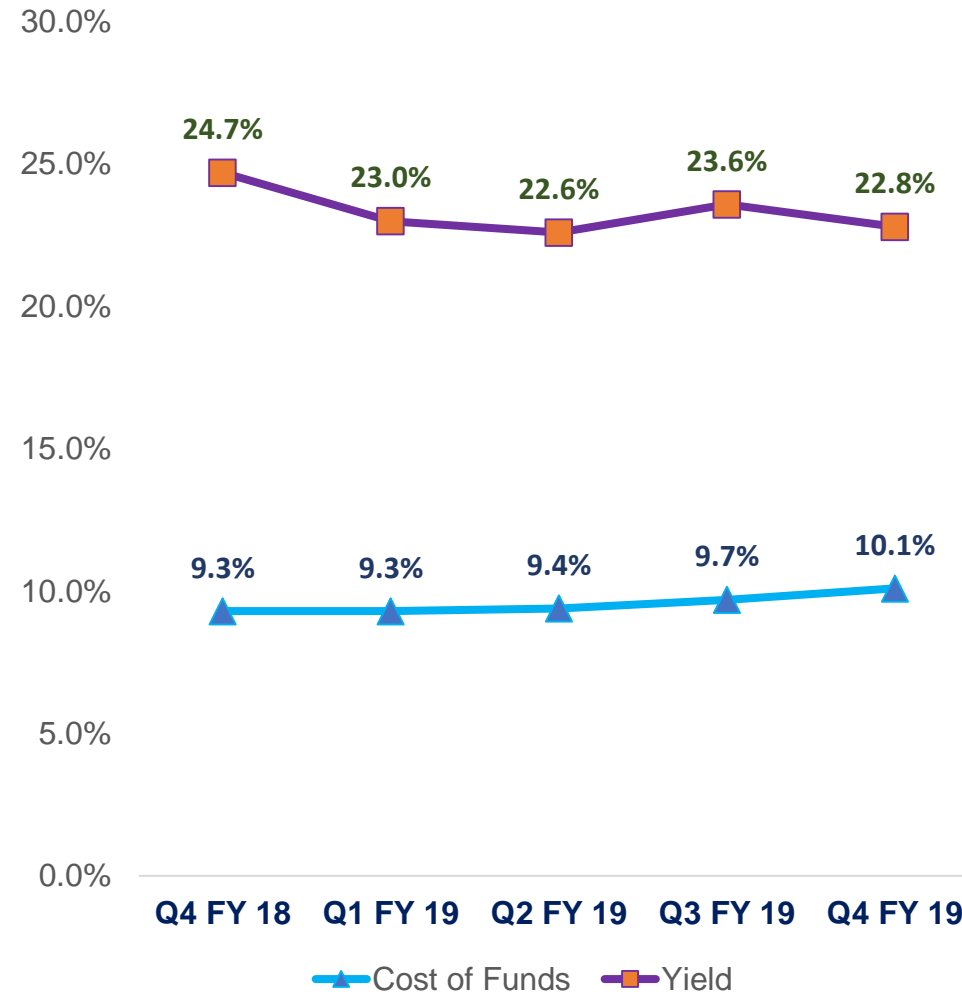
Composition of Yield



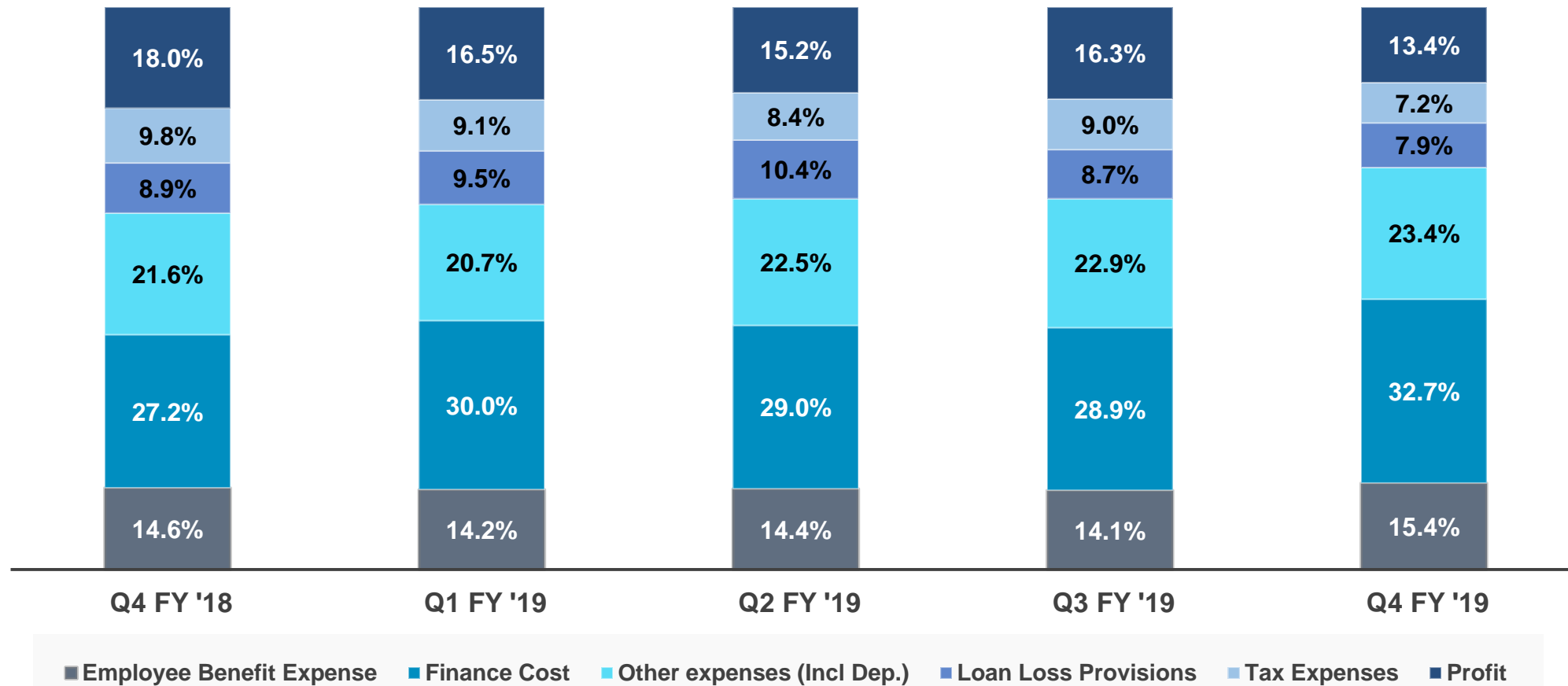
Composition of Cost



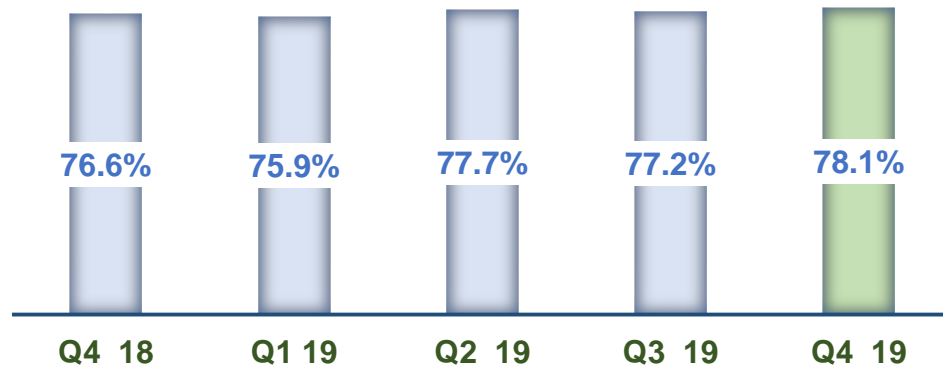
Cost of Funds, Yield & Spread



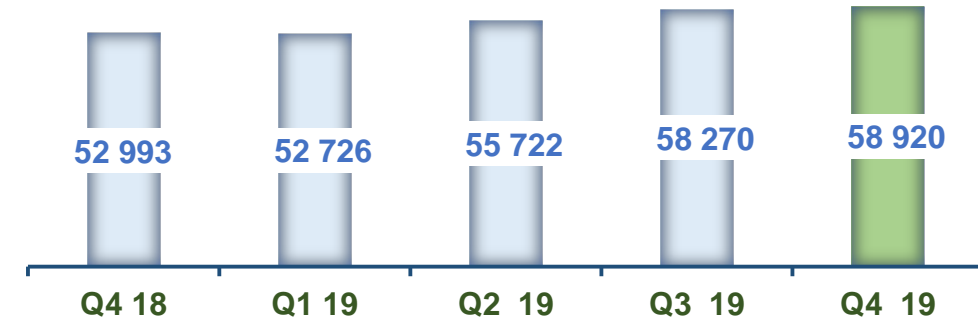
EXPENSE AS A % OF REVENUE – Q-o-Q



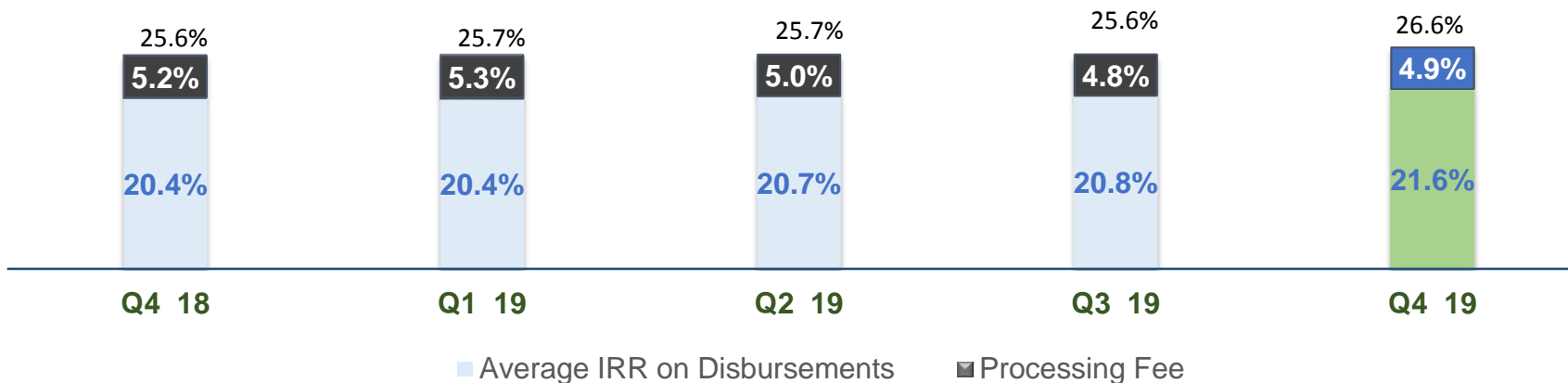
Average LTV



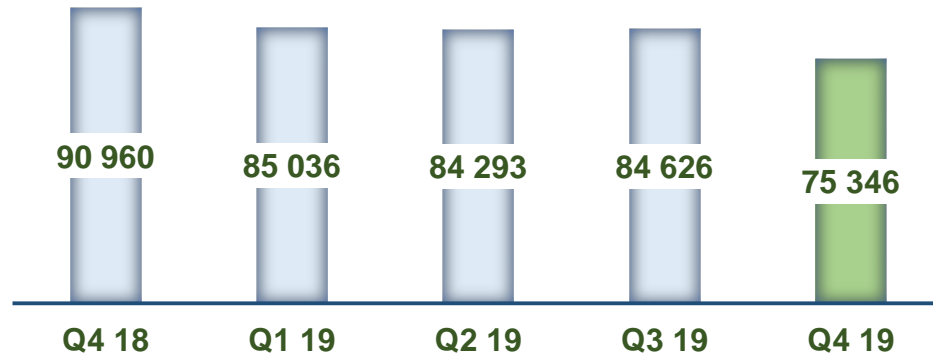
Average Ticket Size



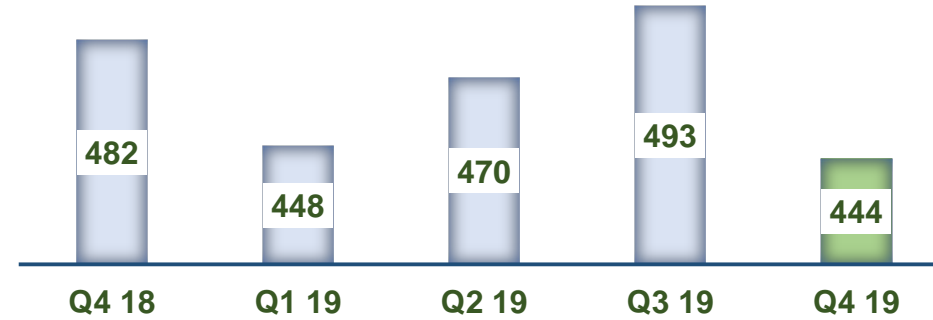
Average IRR and Processing fee on disbursement



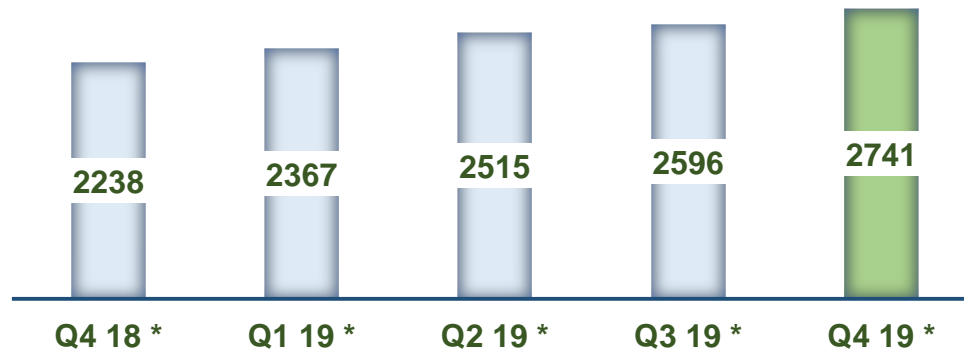
Disbursement Count (Hypo Loan)



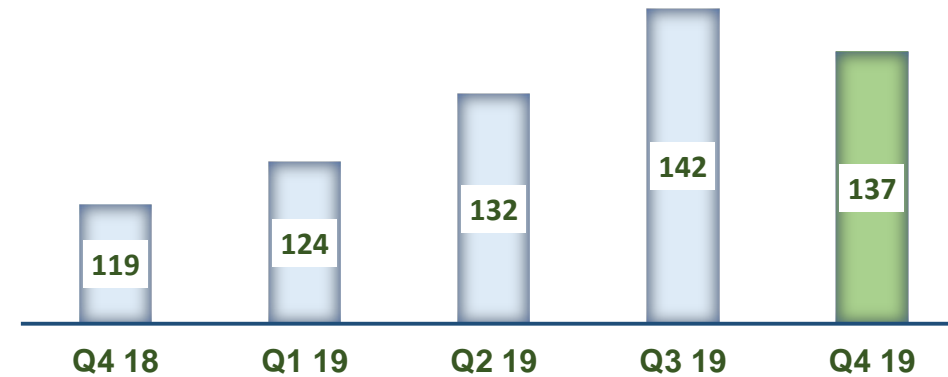
Disbursement - Hypo Loan (in ₹ crores)



Loan Book Size (in ₹ crores)

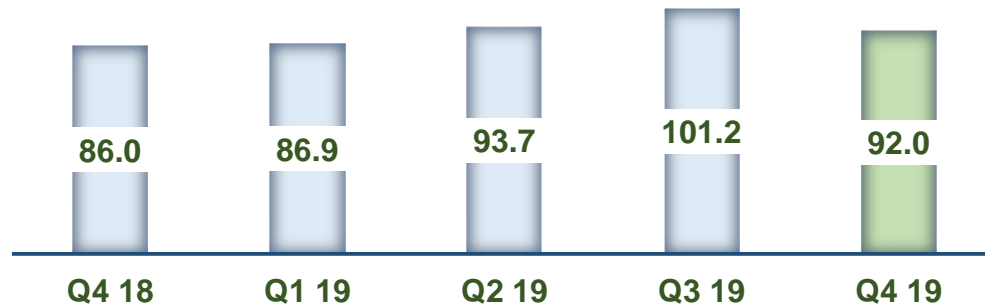


Revenue (in ₹ crores)

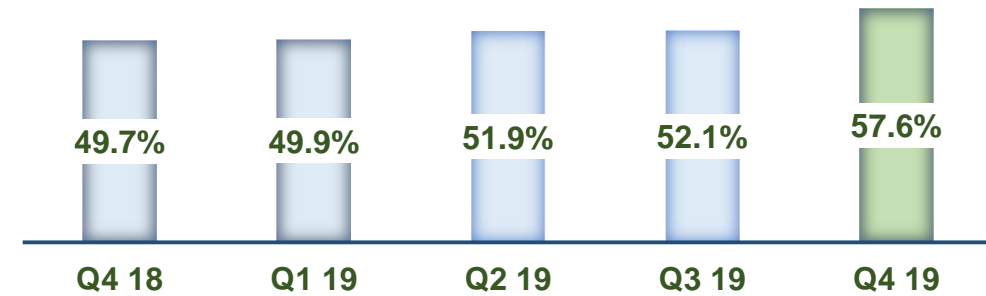


* Including managed portfolio

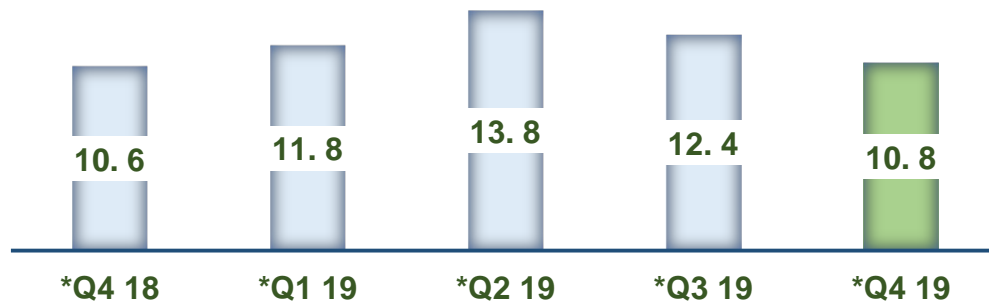
Net interest income (in Crores)



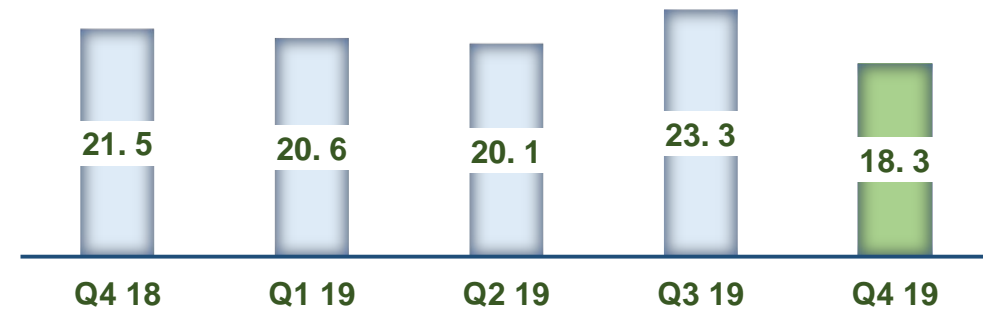
OPEX as a % of NII



Loan Loss Provisions and Write offs (in Crores)

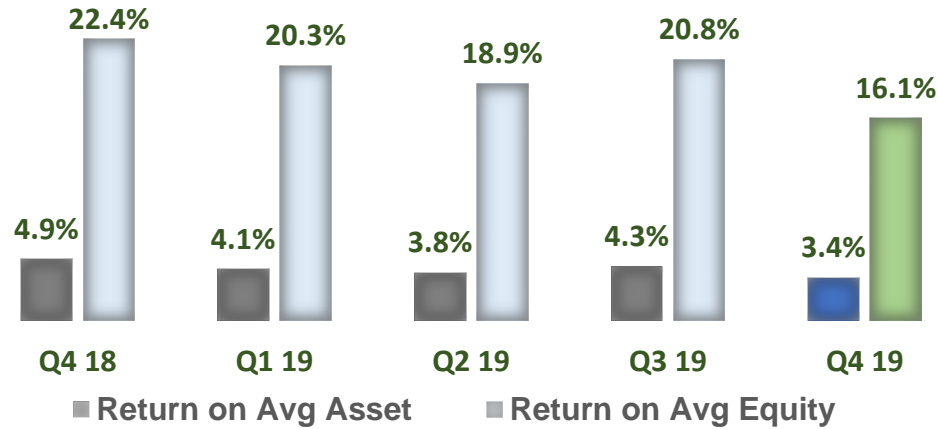


Profit after tax (in Crores)

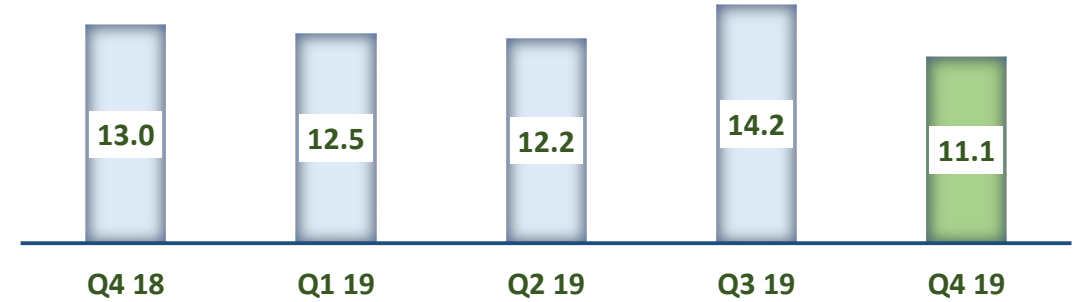


* Additional provision of ₹4 Cr (Q4 FY 18) , ₹ 3.5 Cr (Q1 FY 19) , ₹3.8 Cr (Q2 FY 19) & ₹ 2.4 Cr (Q3 FY 19) ₹ 4.4 Cr (Q4 FY 19)

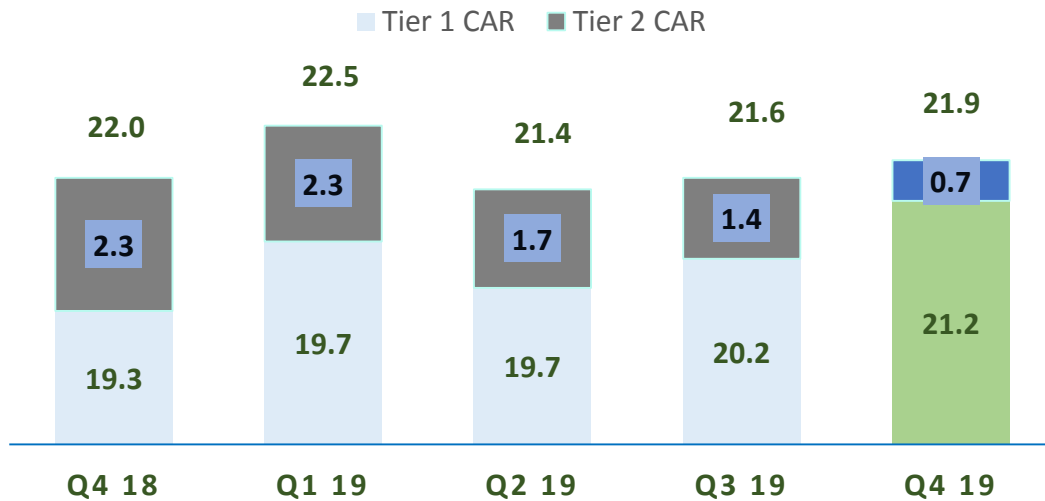
ROA and ROE



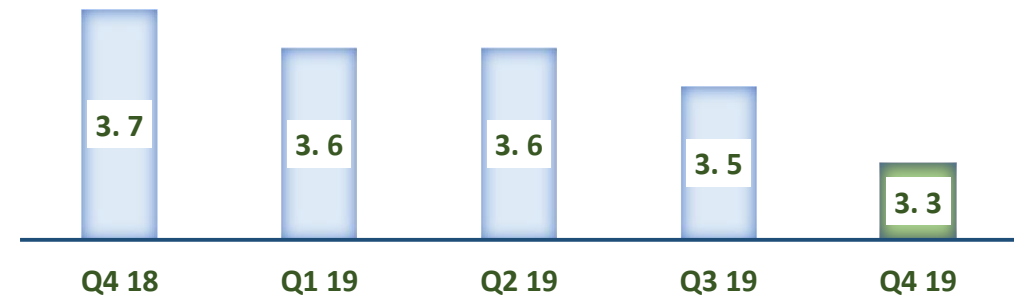
Earning per Share (in ₹)



Capital Adequacy



Debt Equity Ratio



Diversity in Funding

- In FY 19 got fresh sanctions of ₹ 1447.8 crs (₹ 1326.7crs in FY 18) from various sources
- Increasing confidence that the lenders / investors have in the Company is seen; did the largest securitization transaction 2 W segment , Investor being HDFC AMC
- In the current year got new lenders in form of SFBs, NBFC and for securitization 4 new Banks and 1 MF. Going forward these would lead to additional funding for the Company.

Borrowing Mix

- The FY borrowing was a mix of ₹ 505 crs from Bank sanctions, ₹ 912.4 crs from Securitization/Direct assignment, ₹ 29.7 crores from retail & corporate subordinated debts and ₹0.7 crores from Public Deposits etc.
- In view of adverse market conditions, interest costs of the Company for Q4 FY19 was at 10.1%. Company is expecting another 20-30 bps increase and then expect stability in cost.

Securitization/ DA

- 4 PTC transactions valuing ₹ 366 crs (net of MRR) done during Q4 FY19, one DA sanction for Rs 75 crs received – total ₹ 912 crs for FY 19; 21 transactions so far, 6 closed. Total amount collected ₹ 1627crs .
- 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. Helps check overall pricing and getting funds when other means dry up.

Geographical expansion

- Penetration in present states in South and West and in the new and existing areas in North and East helped growth and hope is for better and improved performance in FY20.
- New Products , new geographies and digitization seen as the way forward for the next few years. Budget for the next year in line with the same and much more

Disbursement & Collection

- After a robust Q1, growth slowed , starting with the Kerala floods in the festive season and then due to various news flows on NBFC segment & the Apex Court verdict on 5 year 3rd party insurance for 2W buyers ; impacting sales & financing; leading to an overall 8% growth.
- Industry saw a growth of 5%, Company's growth was due to geographical expansion and disb. thru the Muthoot Fincorp branches. Q4 Non-South disb. share was 31%; for FY 19, Non-South Disb. was 30% of total Disb. South concentration reducing. Geographical derisking working well.
- Overall collections have been growing and was at ₹ 488 Cr in Q4FY19 v/s ₹ 453 Cr in Q3 FY 19 (FY 19- Rs 1743 crs, FY 18- Rs 1241 crs)

NPA

- Company following 3M norm current Previous Year and has been able to keep NPA under check inspite of huge increase post Kerala floods
- Emphasis on reducing NPA going forward, focusing on lower buckets and ensuring less flow to harder buckets ; Adopted new methods to control NPA figures; albeit at higher costs.
- Year end NPA excluding off-book was at ₹ 113 crs (5.4%) v/s ₹ 88 crs (4.59%) at the beginning of the year; PCR was @ 45% IN FY19 v/s 35%, in FY 18; Overall NPA at Rs 116 crs (4.2%) v/s Rs 90 crs (4.0%)

Arbitration

- Strong action on arbitration/ legal front; though currently arbitration has been reduced and emphasis on direct collection
- Files given to legal firms – 30 737 and Awards passed – 14 317 and cases settled – 7889
- ₹ 47.48 crs collected directly from about 15 799 nos. of customers and through repossession and sale of their vehicles; major step to push customers for settlement.

Staff attrition & Cost Control

- Monthly staff attrition was higher at 3.5 % in Q4 FY '19 v/s 3.3% in Q3 FY 19 - The concept of Marketing agents is also working well. In North & East Outsourced FTEs as a concept working very well.
- Dealer incentives have been rising steadily while lower @ 1.31% for Q4 FY19; Collections costs are constantly rising with a aim to ensure that NPAs do not rise. Was at 4.0 % in Q4 FY19 V/S 3.6% in Q4 FY 18.

Repayment Mode

- Post demonetization 100% repayment for new customers through NACH and significant collections through NACH – Helps cut delinquencies. Q4 FY 19 collections were about 47.5% of the total collections, rising M-O-M.
- NACH based repayment customers are at 95 % v/s 26 % at end of Mar'17 quarter. The unlinked mandates which was an area of concern is fast getting eased and linking has become faster.

Overall Profitability

- FY 19 PAT of ₹ 82.42 crores actual v/s ₹ 76.9 crores budgeted; but for the various calamities both man-made and of the nature, the performance would have been even better.
- Lower than budgeted NPA figures ; lower Finance and employee costs. Other expenses were higher on account of account of significantly higher collection costs, all led to higher than budgeted profitability.

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 and Consumer Durables.
- Are bullish of the future and hopeful that the troubled phase of FY 19 is behind us & future will be better. Starting the year with substantial funds and undrawn limits will help achieve the committed growth and work towards achieving Rs 3,500 crs growth that was planned at the time of QIP in Nov 17.

THANK YOU