



The Power of Distribution



PRESS RELEASE

MAS Financial Services Limited results – 4th quarter FY 20

A Robust Financial Performance.

100 Quarters of Consistent Financial Performance.

The Board of Directors of MAS Financial Services Limited in their meeting held today took on record the audited Financial Results of the company for the year and quarter ended 31 March 2020.

The company completed 25th year of marching ahead towards accomplishing its vision of
"Excellence through Endeavours"

The consistent financial performance during all the past turbulent period is the testimony of the strong fundamentals of the company; which is being followed over two decades.

With a Tier-1 capital adequacy ratio of 28.87%, sufficient liquidity due to very efficient liability management, excellent quality of portfolio of around 1.14% of net stage 3 assets and by creating additional provisioning buffer, should enable the company to navigate the current unprecedented situation successfully.

As per IND-As

MAS Financial Services Limited reports the Assets under Management (AUM) and Profit after Tax for the year ended 31 March 2020 of ₹ 5966.28 Crore and ₹ 178.21 Crore as compared to ₹ 5338.37 Crore and ₹ 152.12 Crore respectively for the year ended 31 March 2019.

- A Growth of 11.76% in AUM and 17.16% in PAT over the corresponding period of the previous year.

The Company has made special contingent provision of ₹ 20.33 Crore due to Covid-19 for the total on book assets of ₹ 3325.49 Crore.

(Excluding this special contingent provision the PAT stands at ₹ 193.43 Crore registering growth of 27.16% over the corresponding period of the previous year)

The Profit after tax for the quarter ended 31 March 2020 is ₹ 35.69 Crore as compared to ₹ 41.61 Crore for the corresponding period.



- A contraction by 14.24 % over the corresponding period of the previous year on account of the special contingent provision of ₹ 20.33 Crore due to Covid-19.
- (Excluding this special contingent provision the PAT stands at ₹ 50.90 Crore registering growth of 22.32% over the corresponding period of the previous year)

The portfolio quality remained stable at 1.14% net stage 3 assets of AUM as compared to 1.14% over the corresponding period of the previous year despite of the prolonged ongoing crisis followed by the unprecedented pandemic situation.

Dividend

The Board of Directors had declared second interim dividend of ₹ 6 per equity share of ₹ 10 was declared at its meeting held on 19 February 2020. The said dividend was subsequently paid on 6 March 2020.

Performance Highlights:

- Disbursement (Net) made during FY 20 ↑ 8.38 % to ₹ 5172.20 Crore from ₹ 4772.29 Crore in FY19.
- Capital Adequacy Ratio (including Tier II capital) as of 31 March, 2020 stood at 30.96%. The Tier-I capital stood at 28.87%.

(₹ in CR)

Particulars	Q4'20	Q4'19	QoQ	FY'20	FY'19	YoY
Assets Under Management	5966.28	5338.37	11.76% ↑	5966.28	5338.37	11.76% ↑
Total Income	172.86	155.58	11.10% ↑	683.12	572.58	19.30% ↑
Profit Before Tax	47.95	64.06	25.15% ↓	234.48	233.93	0.23% ↑
Profit After Tax	35.69	41.61	14.24% ↓	178.21	152.12	17.16% ↑
Profit After Tax (Without special contingent provision for Covid-19)	50.90	41.61	22.32% ↑	193.43	152.12	27.16% ↑
Gross Stage 3 Assets % to AUM	1.42%	1.39%	0.03 bps ↑	1.42%	1.39%	0.03 bps ↑
Net Stage 3 Assets % to AUM	1.14%	1.14%	0.00 bps	1.14%	1.14%	0.00 bps

Note: The company has made special contingent provision of ₹ 20.33 Crore due to Covid-19 along with the policy of using the part of the tax benefit to further strengthen the quality of the portfolio by aggressively writing off the stage 3 Assets.

(₹ in CR)

Asset Under Management (AUM)*	Mar-20	Mar-19	YoY
Micro-Enterprise loans	3637.36	3364.27	8.12% ↑
SME loans	1773.97	1350.47	31.36% ↑
2-Wheeler loans	400.26	465.43	14.00% ↓
Commercial Vehicle loans	154.69	158.21	2.23% ↓
TOTAL AUM	5966.28	5338.37	11.76% ↑

*Represents underlying assets in each of the category. As on 31 March, 2020 58.74% of the total underlying assets is through various NBFCs.




Following information explains the net impact on income due to recognition of assigned portfolio based on INDAS:

(₹ in CR)

Sr. No.	Particulars	Q4 FY 20	Q4 FY 19	FY 20	FY 19
1	Upfront spread booked on present value basis on portfolio assigned during the year (based on INDAS)	28.86	28.23	107.49	94.14
2	Income booked on asset created out of spread receivable (based on INDAS)	1.71	1.46	6.39	4.96
3	Spread that would have been booked on assigned portfolio on amortization basis (based on I-GAAP)	28.98	24.22	107.56	85.26
4	Net Impact on income due to upfront booking of spread on the assigned portfolio (based on INDAS) (1+2-3)	1.59	5.46	6.32	13.84

Note on MAS Rural Housing and Mortgage Finance Limited (Subsidiary)

The Board of Directors of MAS Rural Housing and Mortgage Finance Limited in their meeting held on 20th May 2020 took on record the audited Financial Results of the company for the year and quarter ended 31st March, 2020.

As per IND-As

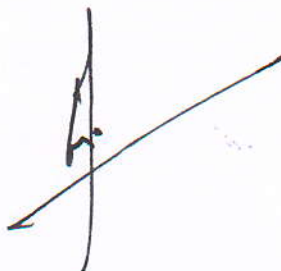
MAS Rural Housing and Mortgage Finance Limited reports Assets under Management (AUM) of ₹286.54 Crore and profit after tax of ₹ 3.23 Crore for the year ended 31 March 2020 from ₹270.24 Crore and ₹ 2.65 Crore respectively for year ended 31 March 2019.

- A Growth of 6.03% in AUM and 21.89% in PAT over the corresponding period of the previous year.

- Further the company has made additional provision of ₹ 2.02 Crore on account of the special contingent provision due to Covid-19. (Excluding this special contingent provision the PAT stands at ₹ 4.75 Crore registering growth of 78.96% over the corresponding period of the previous year)

The Profit after tax for quarter ended 31 March 2020 is ₹ 0.10 Crore as compared to ₹ 0.01 Crore for the corresponding period.

- Further the company has made additional provision of ₹ 2.02 Crore on account of the special contingent provision due to Covid-19. (Excluding this special contingent provision the PAT stands at ₹ 1.61 Crore)




Performance Highlights:

- The portfolio quality improved despite of the ongoing crisis followed by the unprecedented situation at 0.25% net stage 3 assets of AUM as compared to 0.26% over the corresponding period of the previous year.
- Capital Adequacy Ratio (including Tier II capital) as of 31 March 2020 stood at 40.69%. The Tier-I capital stood at 32.57%.

(₹ in CR)

Particulars	Q4'20	Q4'19	QoQ	FY'20	FY'19	YoY
Assets Under Management	286.54	270.24	6.03% ↑	286.54	270.24	6.03% ↑
Total Income	9.89	9.24	7.01% ↑	39.88	32.41	23.06% ↑
Profit Before Tax	0.08	0.98	91.79% ↓	4.25	4.24	0.16% ↑
Profit After Tax	0.10	0.01	884.21% ↑	3.23	2.65	21.89% ↑
Profit After Tax (Without special contingent provision for Covid-19)	*1.61	**0.83	94.44% ↑	*4.75	**3.41	39.32% ↑
Gross Stage 3 Assets % to AUM	0.34%	0.36%	-0.02 bps ↓	0.34%	0.36%	-0.02 bps ↓
Net Stage 3 Assets % to AUM	0.25%	0.26%	-0.01 bps ↓	0.25%	0.26%	-0.01 bps ↓

Note: * The company has made special contingent provision of ₹ 2.02 Crore due to Covid-19.

** Excluding the negative Deferred Tax Impact of ₹ 0.82 Crore due to conversion of OCPS in Q4 FY19 for better understanding of the comparative figures.

Dividend:

The Board of Directors has proposed final dividend of ₹0.048 per equity share of ₹10 at its meeting held on 20 May 2020.



Place : Ahmedabad
Date : June 03, 2020

For and on behalf of the Board of Directors


Kamlesh C. Gandhi
(Chairman & Managing Director)
(DIN - 00044852)