



The Power of Distribution

MAS FINANCIAL SERVICES LIMITED

MFSL/SEC/EQ/2021/51

August 11, 2021

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

To,
General Manager
National Stock Exchange of India Limited
Exchange Plaza
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400051

Scrip Code: **540749, 947381**

Trading Symbol: **MASFIN**

Dear Sir,

Sub.: Investor Presentation for the quarter ended on June 30, 2021

Please find enclosed herewith Investor Presentation for the first quarter ended on June 30, 2021.

Thanking you,

Yours faithfully,
For, **MAS Financial Services Limited**

Riddhi Bhaveshbhai Bhayani
Company Secretary and Compliance Officer
ACS No.: 41206



Encl.: As above

Regd. Office :

6, Ground Floor, Narayan Chambers,
B/h Patang Hotel, Ashram Road, Ahmedabad-380 009.

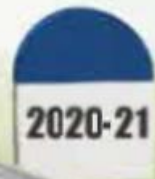
CIN : L65910GJ1995PLC026064

+ 91(O) 079 4110 6500 / 079 3001 6500
+ 91(O) 079 4110 6597, + 91 (O) 079 4110 6561
www.mas.co.in
mfsl@mas.co.in



The Power of Distribution

INVESTOR PRESENTATION – Q1 FY22



**EVERY TIME WE REACH
A MILESTONE,
WE BELIEVE
WE HAVE
JUST BEGUN...**

Disclaimer



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25 Years of Endeavours

51,616 Mn.
AUM

6
States and NCR
of Delhi

99
Branches

3,486
Customer locations

6,00,000+
Active loan accounts

Diversified Product Portfolio



Micro-Enterprise Loans
(MEL)



SME Loans

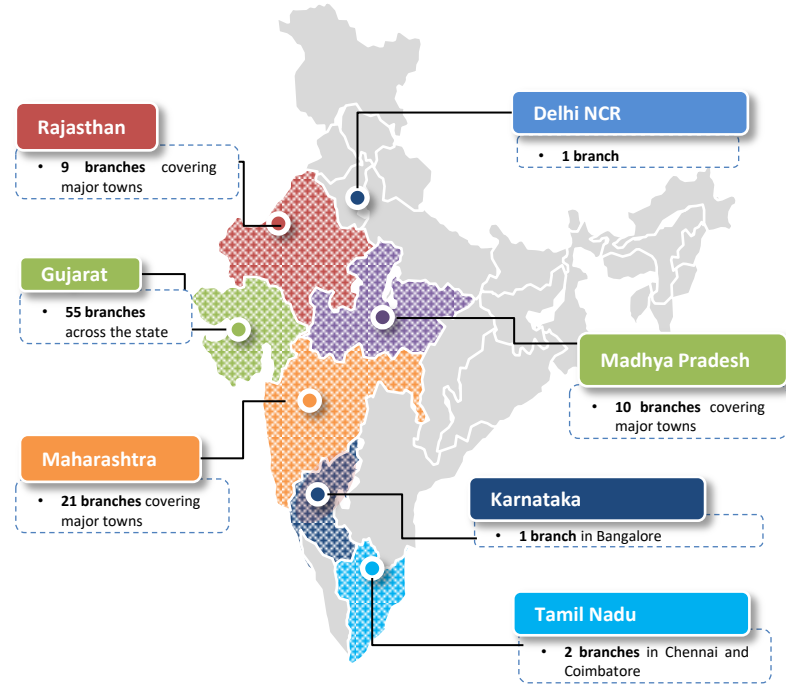


2-Wheeler Loans



Commercial Vehicle Loans

Strong Retail Presence & Distribution Network



Sourcing Intermediaries:



310



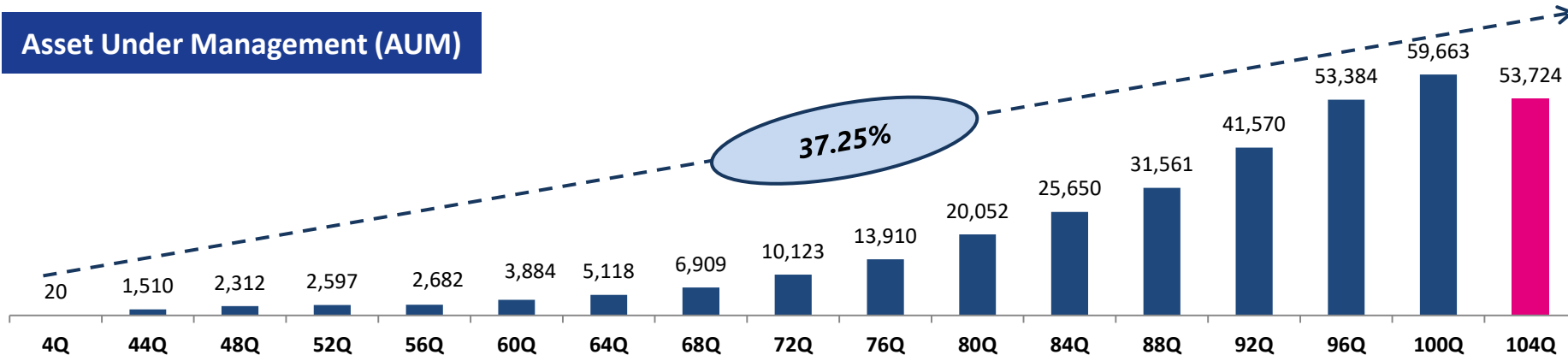
316



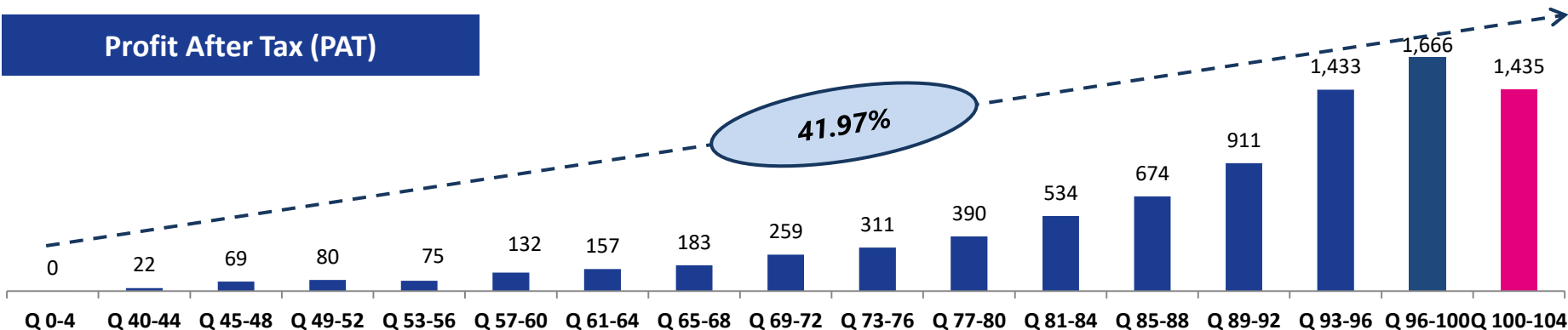
135 NBFCs

Journey of 104 Quarters

Asset Under Management (AUM)



Profit After Tax (PAT)



(In INR Mn.)

Figures up to March 17 is as per I-GAAP and from thereon it is IND-AS

Enablers for Navigating through current unprecedented challenges

SUCCESSFUL TRACK RECORD

- Successfully withstood multiple headwinds over the years.
- Proven track record of more than 25 years with AUM CAGR of 37.25% and PAT CAGR of 41.97%.

HIGHLY CAPITALISED

- Highly capitalised for future growth. Sufficient capital to continue the growth momentum.
- Capital Adequacy of 28.42% ,Tier I Capital Adequacy of 26.55% & Tier II Capital Adequacy of 1.87%

STRONG PROVISION BUFFER & PORTFOLIO QUALITY

- Consistent track record of high-quality portfolio with Net Stage 3 Assets of 1.74% as on 30th June 2021.
- High Covid-19 related provisioning buffer of INR 542.71 Mn. which is 1.34% of the on book Assets.

ROBUST LIQUIDITY POSITION

- Cash and cash equivalent of INR 8,100 Mn. as on 30th June 2021.
- Sufficient liquidity to cover opex and debt liabilities for at least next 12 months.
- Positive across all cumulative ALM buckets.

ASSETS AND PORTFOLIO QUALITY

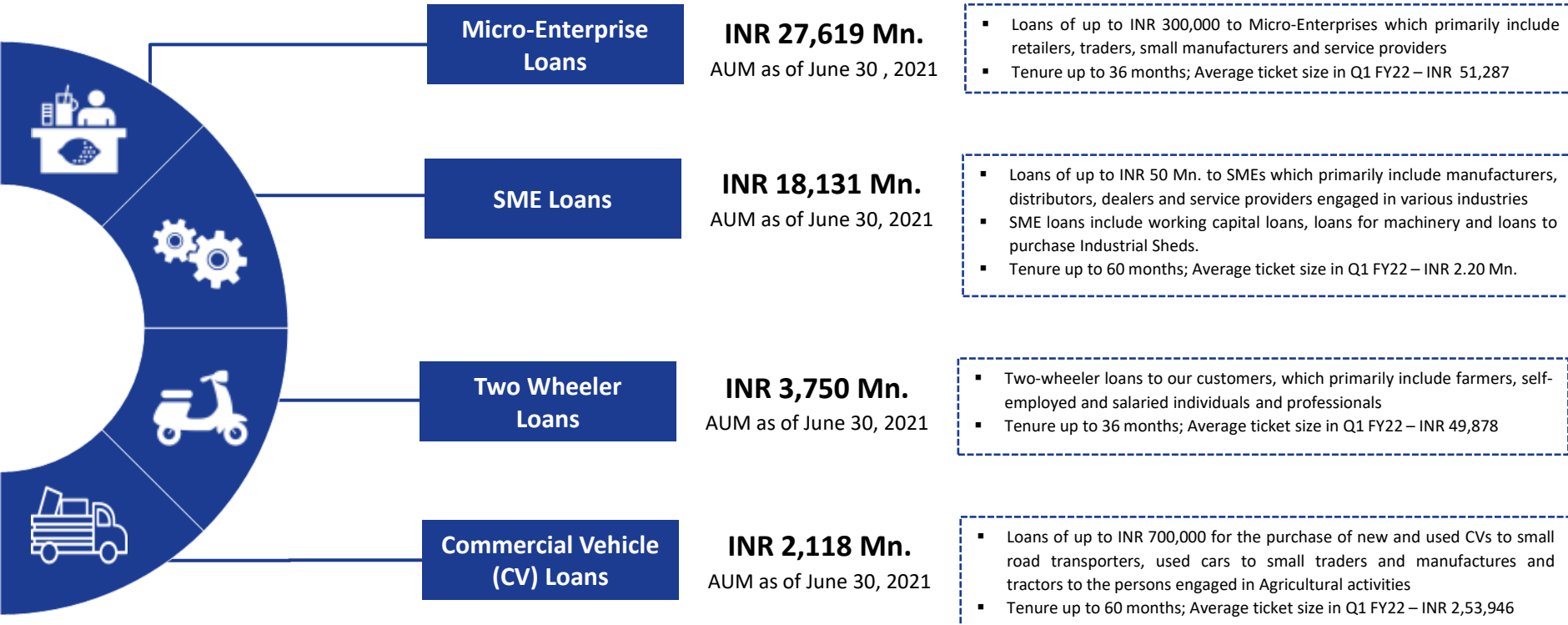
- The AUM stood at INR 51,616 Mn. a contraction of 8.77% over the corresponding period. However, the two quarters are not comparable due to the pandemic impact. The Gross Stage 3 Assets is 2.21% and Net Stage 3 Assets is 1.74% of AUM as on 30th June 2021.
- The Company is in process of constantly assessing the present evolving situation, in order to make necessary amendments in the credit policy. In line of our dictum of extending credit where it is due and adopting a cautious approach the disbursement was INR 10,414 Mn. in the June quarter.
- **The Company total special COVID provision as on 30th June 2021 stands at INR 542.71 Mn. which is 1.34% of the on book assets of INR 40,471 Mn.**
- The collection efficiency for the June quarter was around 93%.
- During the quarter, the company has not restructured fresh loan but is in the process of assessing COVID-19 pandemic stress on the borrower and will invoke the resolution plans for the eligible borrowers in the September quarter (Including Assigned Portfolio) based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI.

CAPITAL AND LIQUIDITY MANAGEMENT

- Company's Capital adequacy remained strong at 28.42% with Tier I Capital of 26.55% and Tier II Capital of 1.87%. The Company has adequate capital and financial resources to fuel its future growth.
- As on 30th June 2021, the company had liquidity buffer of around INR 8,100 Mn. and unutilized Cash Credit facility of around INR 4,850 Mn. In addition the company has sanction on hand to the tune of INR 13,000 Mn. in the form of Term loan, NCD and Direct assignment.
- Company also assessed its structural liquidity for the period ended 30th June 2021 and based on the assessment there is no negative impact on liquidity and the cash flow in all the cumulative buckets remains positive. Company has also stress tested its liquidity model and is comfortably placed to meet its repayment obligations for the entire year.

Diversified product offerings presenting significant growth opportunities

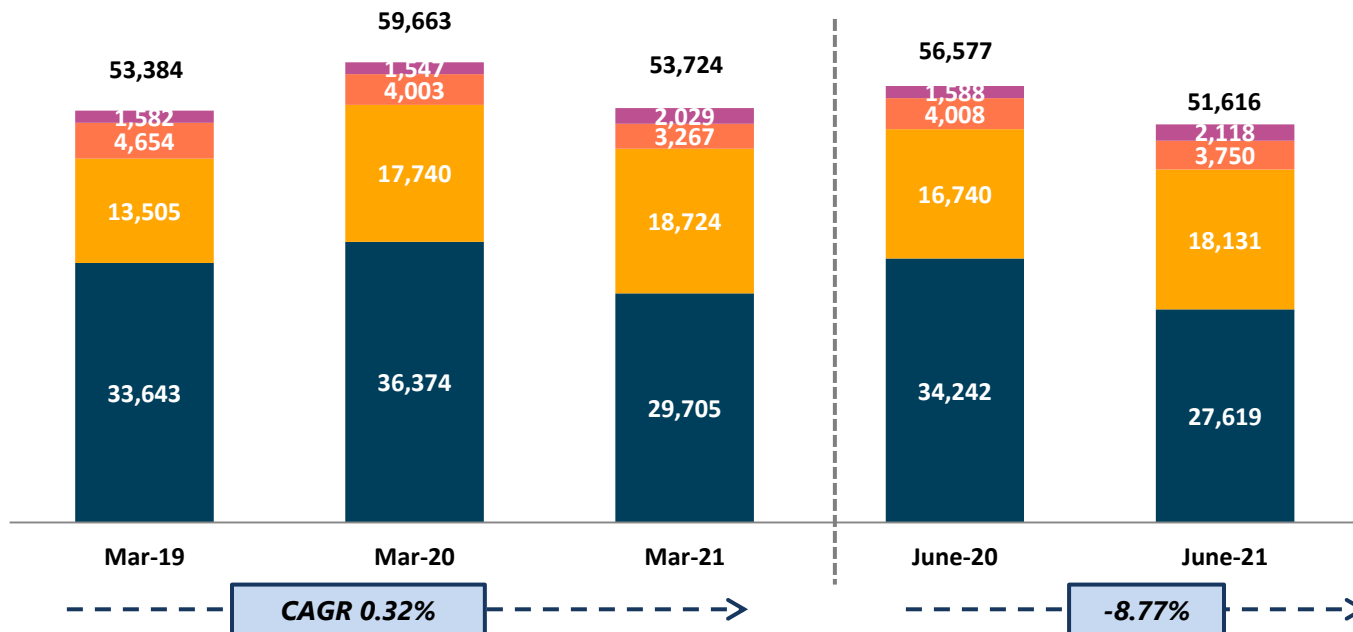
HSBC focuses on serving the underserved credit needs of mid and low income group segments



AUM by Product Category

AUM by Product Category (INR Mn.)

■ Micro-Enterprise loans(MEL) ■ SME loans ■ 2-Wheeler loans ■ Commercial Vehicle loans



Segment Performance

June -21 vs June-20

▼ 19.34%

Micro-Enterprise loans (MEL)

▲ 8.31%

SME loans

▼ 6.44%

2-Wheeler loans

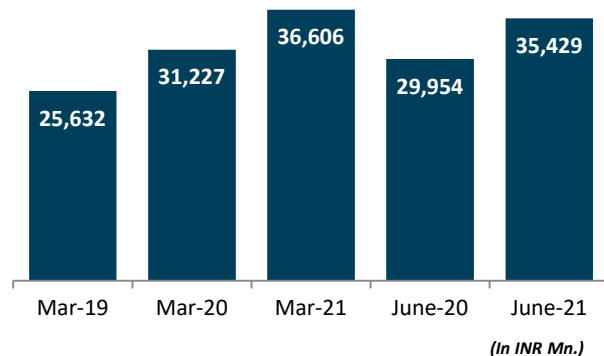
▲ 33.36%

Commercial Vehicle loans

Adopting a cautious approach towards fresh disbursement, in line with our dictum of extending credit where it is due and high collection efficiency resulted in contraction of AUM.

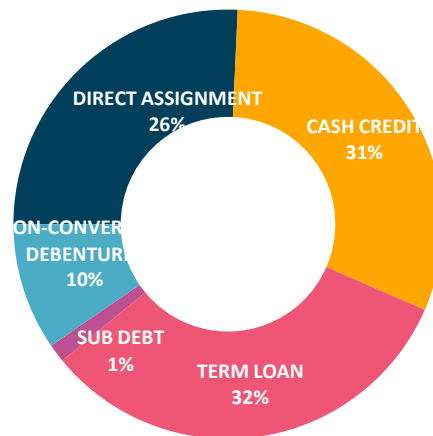
Liability Management

BORROWING

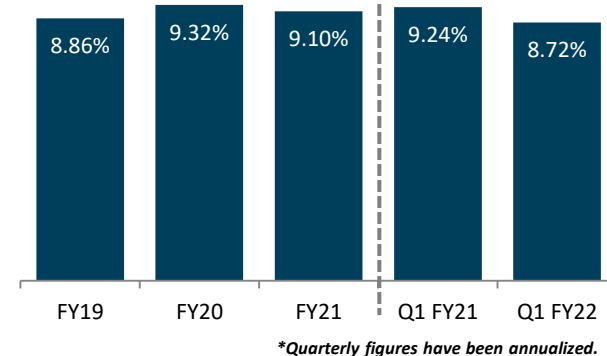


SOURCES OF FUND

as on 30th June 2021



COST OF BORROWING (COB)*



- The composition of our liability mix ensures healthy ALM and well diverse resource mix.
- The Company withstood the litmus test very successfully during this most challenging period.
– **A testimony to its very efficient liability management.**
- **Capital adequacy ratio**, as on 30th June 2021 is **28.42%** against regulatory norms of 15%. **Tier I capital is 26.55%** as against requirement of 10%. **Tier II capital is just 1.87%** which will increase from time to time depending on the requirement and also as a source of structural liquidity to strengthen ALM.
- **Around 75% of the portfolio is MSME loans** which qualifies as Priority Sector Lending. The company aims to maintain **around 25% of AUM as off book through Direct assignment transactions**. It is with door to door maturity and without recourse to the company. This further strengthens the liability management. The Direct Assignment sanction on hand is around INR 10,000 Mn.
- The **total Cash credit limit** available to the company is **INR 18.20 Bn.** spread across 15 banks. The **utilization level** is maintained at **65% - 70%** of the total Cash Credit Facility, ensuring sufficient liquidity on hand.
- **Leverage Ratio** on balance sheet works out to be **2.93 times** and going forward plan is to maintain the leverage at optimum level.

ASSET CREATION

- ✓ To anchor to our belief that, growth along with quality is the key to enhance the shareholders' value.
- ✓ Anticipated growth for the next five years to be in the range of 20% - 30% with an understanding of recalibrating it depending on the macro situation, prioritising asset quality and profitability, thereby maintaining healthy ROA and ROCE.
- ✓ We will continue serving the informal LIG and MIG class of customers spread over rural, semi urban and urban areas leveraging on our more than two decades of experience and striving to add value to our clients.
- ✓ SME and Housing finance offers huge potential and company will maintain adequate focus as it is anticipated as one of the key growth drivers.
- ✓ The distribution network of the current states in operation will be strengthened and endeavors will be to provide one of the most efficient financial services which we term as the Power of Distribution. The company will also explore the potentiality of entering into new geographies.

LIABILITY MANAGEMENT

- ✓ Ideal debt resource mix, ensuring continuous flow of funds while maintaining optimum utilization of capital.
- ✓ The assets created by the company is expected to generate good securitization/assignment demand thereby enabling the company to de-risk and maintain the off book portfolio.

OPERATIONAL EXCELLENCE

- ✓ Learning and Unlearning is a constant endeavor at MAS and will strive to improve the efficiency in all the areas of operation.

FINANCIAL REVIEW

Key Highlights – Q1 FY22

ASSET UNDER MANAGEMENT #(AUM)

INR **51,616** Mn.

 **8.77%**
(June - 20: INR 56,577 Mn.)

PROFIT AFTER TAX (PAT)

INR **368** Mn.

 **0.64%**
(Q1 FY21: INR 366 Mn.)

RETURN ON AVG. NET WORTH*

13.76%

RETURN ON AVG. BALANCE SHEET ASSETS*

2.90%

RETURN ON AVG. AUM*

2.80%

NET INTEREST INCOME^(NII)

INR **786** Mn.

 **13.71%**
(Q1 FY21: INR 910 Mn.)

COST OF BORROWING*(COB)

8.72%

 **52bps**
(Q1 FY21: 9.24%)

OPERATING EXPENSE RATIO (OER)^^^*

1.13%

 **0.29%**
(Q1 FY21: 0.84%)

CAPITALIZATION



TOTAL CRAR: **28.42%**

TIER I CRAR : **26.55%**

TIER II CRAR : **1.87%**

ASSIGNED TO BANKS/FIS



21.59%
of AUM

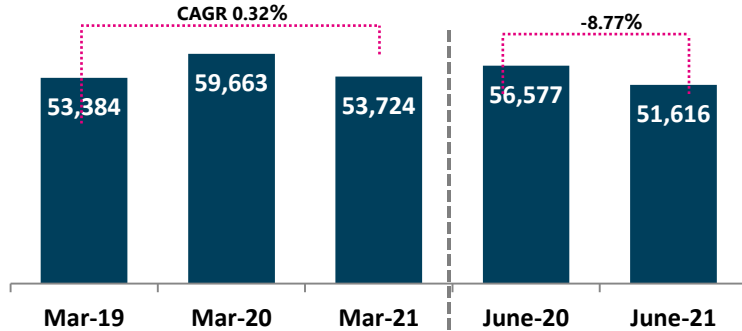
#Adopted a cautious approach towards fresh disbursement and high collection efficiency resulting into contraction in AUM.

^ Due to contraction in AUM

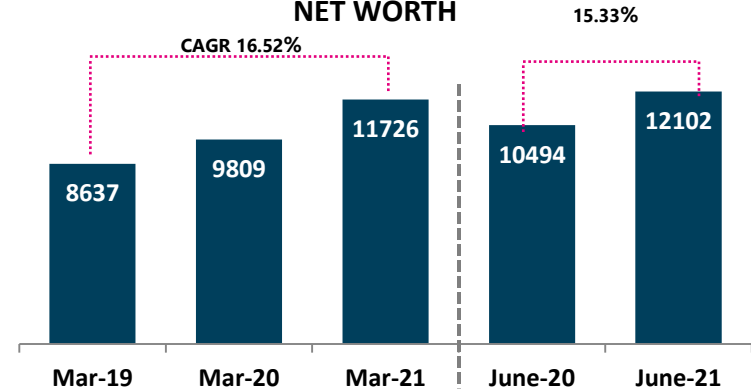
^^ Due to normalization of business as compared to complete lockdown in June 2020.

Financial Performance – Q1 FY22

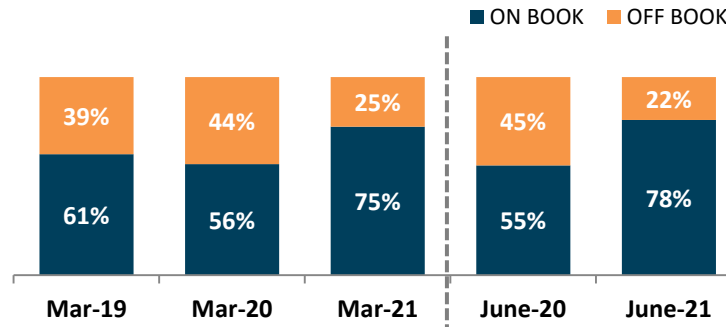
ASSETS UNDER MANAGEMENT (AUM)



NET WORTH

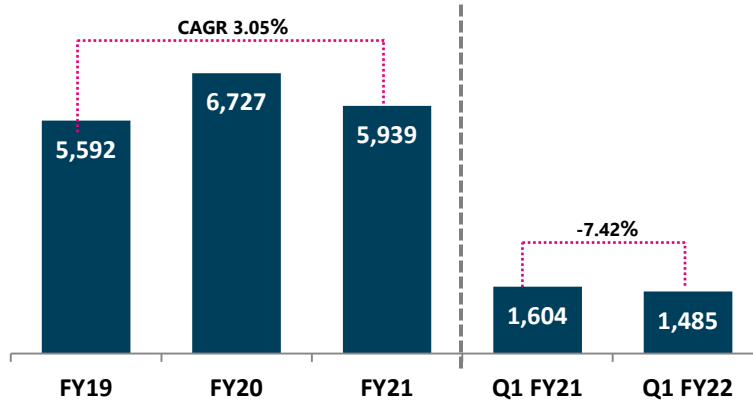


ON & OFF BOOK AUM

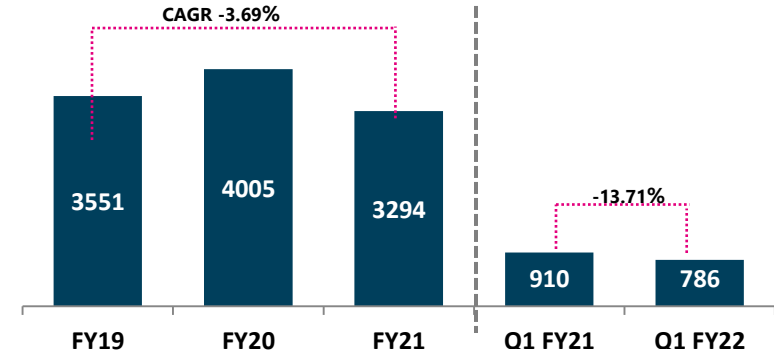


Financial Performance – Q1 FY22

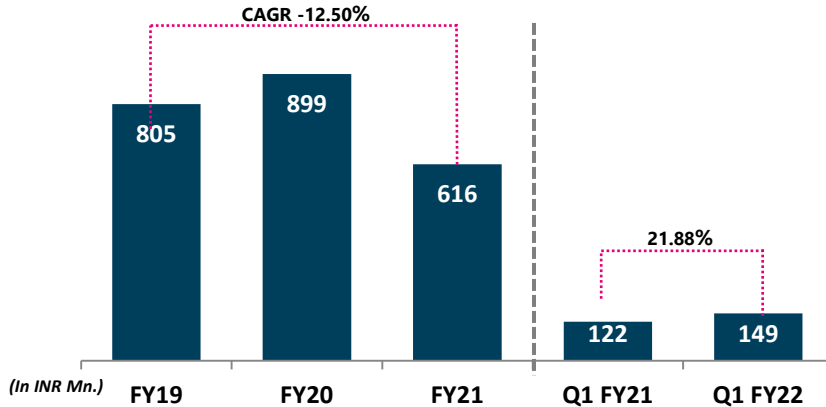
REVENUE



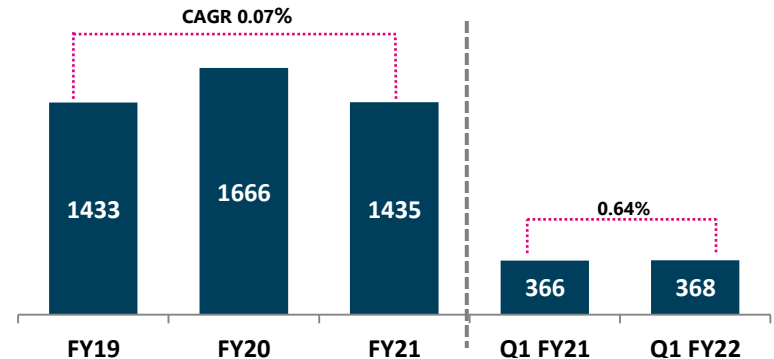
NET INTEREST INCOME (NII)*



OPERATING EXPENSE#



PROFIT AFTER TAX (PAT)

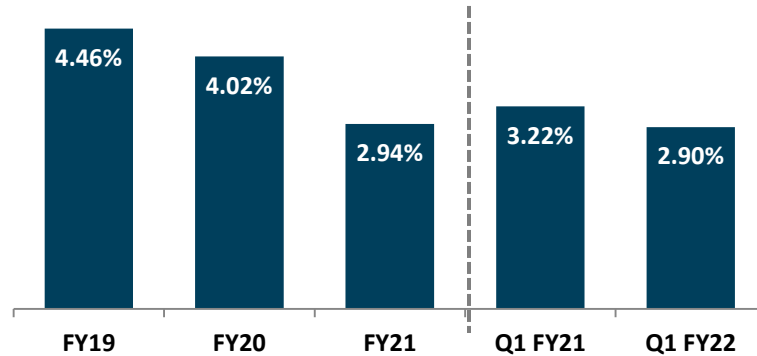


Increase due to normalization of business as compared to complete lockdown in June 2020.

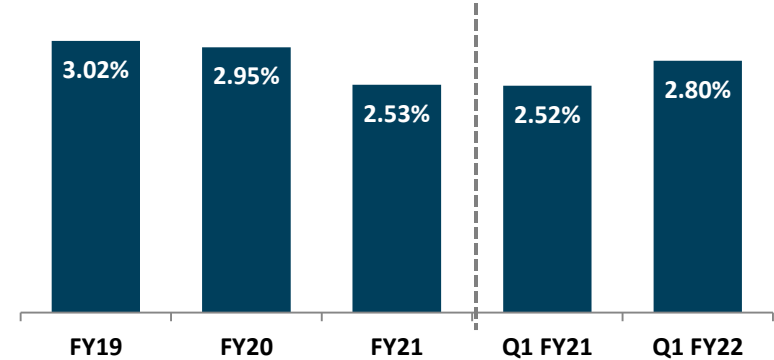
* Due to contraction in AUM.

Financial Performance – Q1 FY22

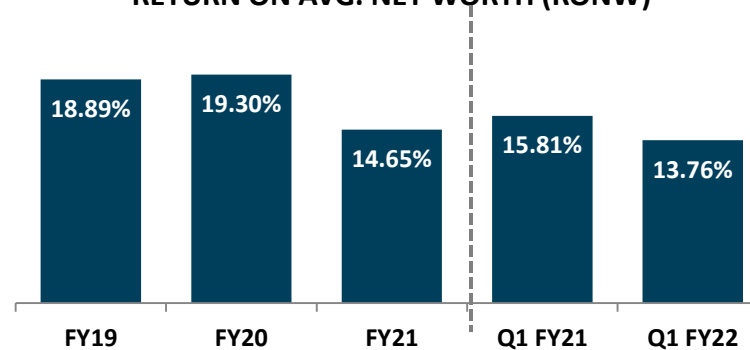
RETURN ON AVG. BALANCE SHEET ASSETS (ROTA)*



RETURN ON AVG. AUM (ROAUM)*



RETURN ON AVG. NET WORTH (RONW)**



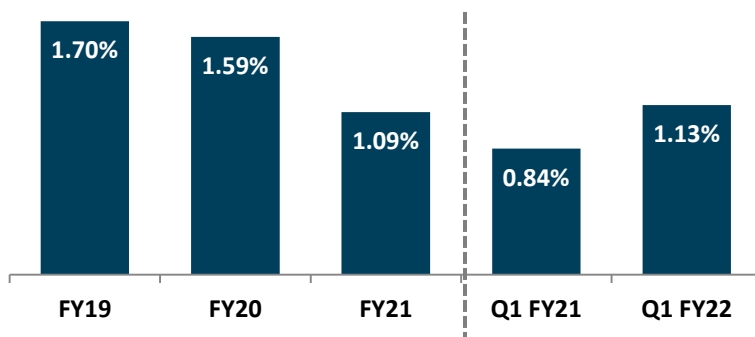
** Network considered without OCI

* Figures have been annualized. 16

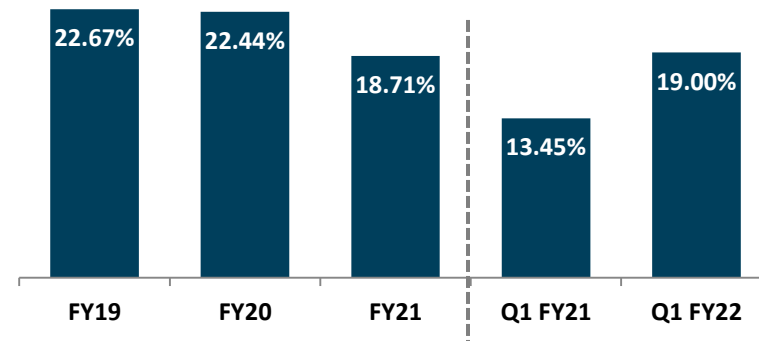
Financial Performance – Q1 FY22

Optimized cost structure

OPERATING EXPENSE RATIO (OE RATIO)*

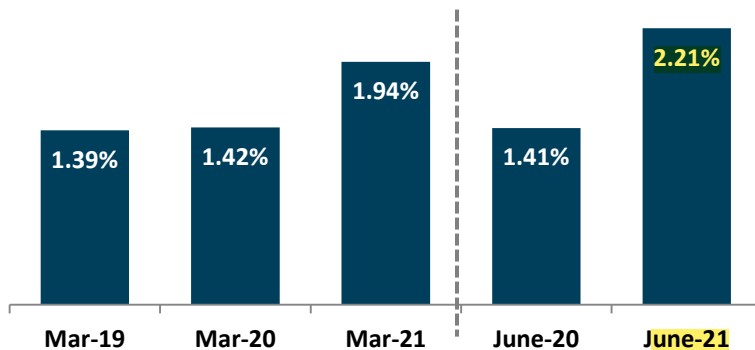


OPERATING EXPENSE AS % OF NII

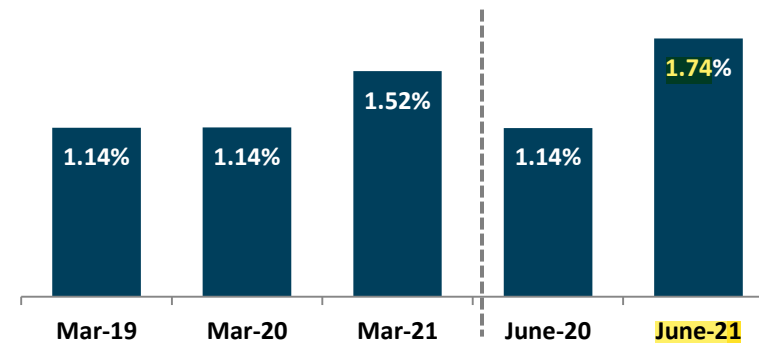


Efficiently maintaining the quality of assets

GROSS STAGE 3 ASSETS #



NET STAGE 3 ASSETS #



In June-20 - Lower due to Moratorium Relaxation during COVID 1st Wave.
In June-21 - COVID 2nd Wave impact.

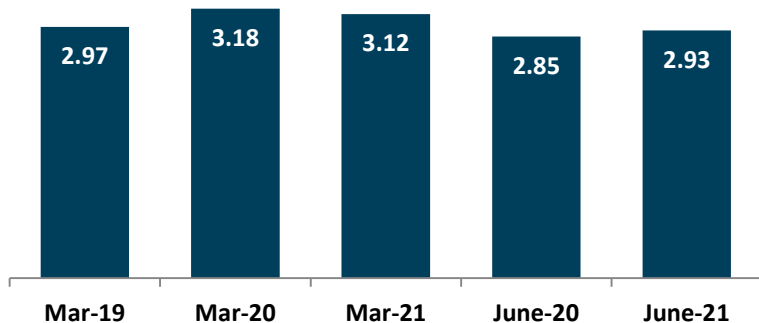
*Quarterly figures have been annualized.

Financial Performance – Q1 FY22

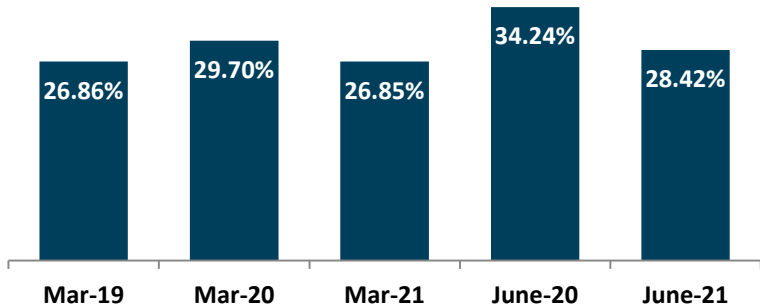


Strongly Capitalized

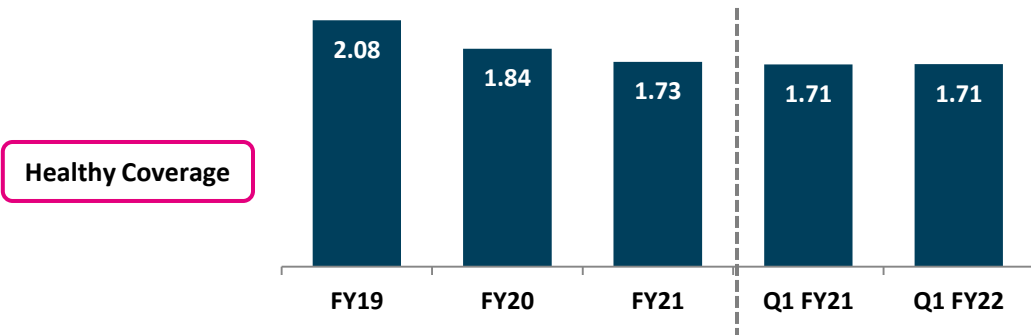
DEBT – EQUITY RATIO (DER)



CAPITAL ADEQUACY RATIO *(CAR)



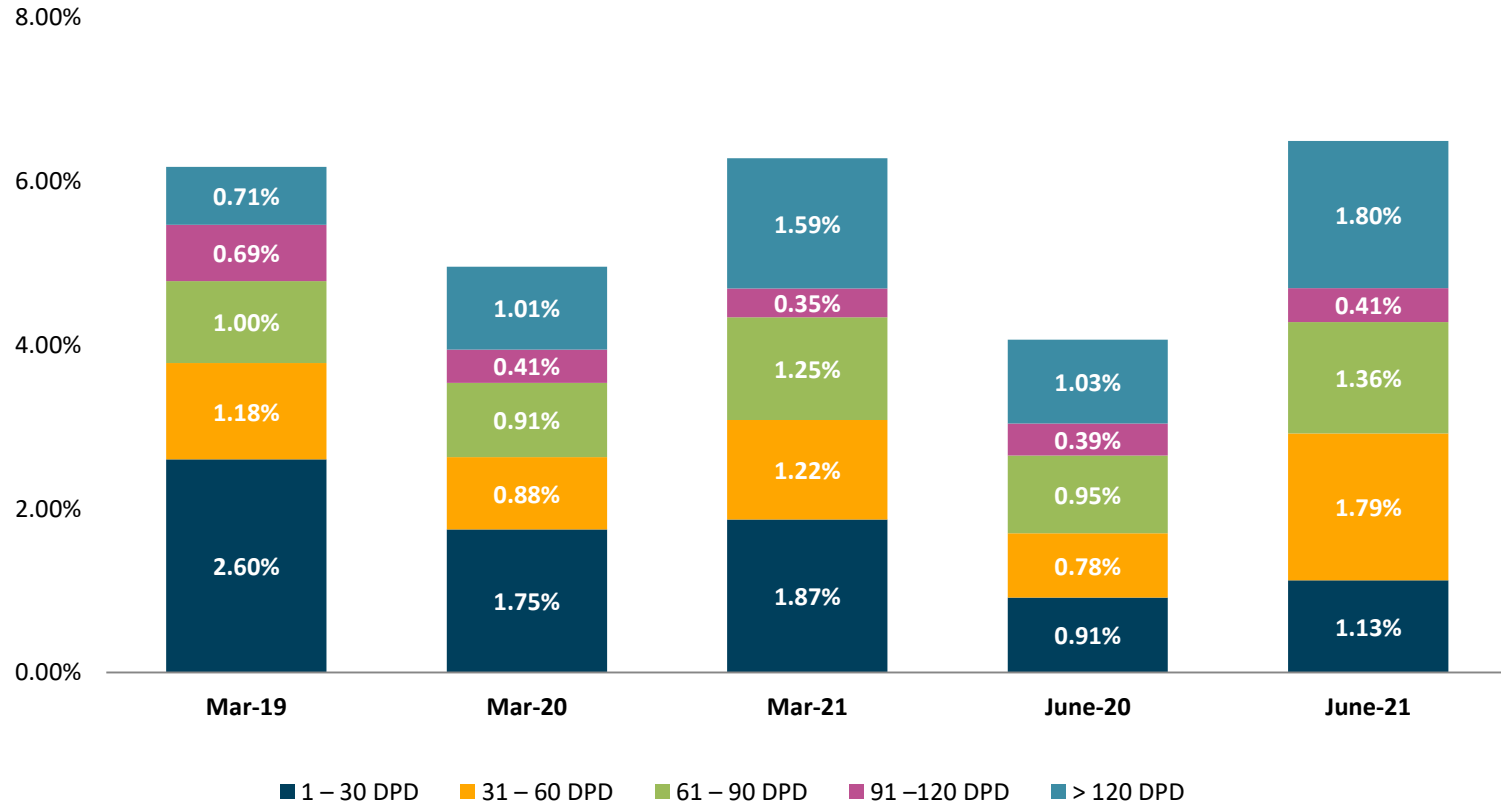
INTEREST COVERAGE RATIO (ICR)



* In June-20 CAR was higher due to higher percentage of Direct assigned portfolio @ 45%.

Asset Under Management - Credit Quality

ASSET UNDER MANAGEMENT- DPD



(In INR Mn.)

| Particulars | June-21 | | June-20 | |
|----------------------|-----------------|---------------|-----------------|---------------|
| | AUM | Provision | AUM | Provision |
| Stage 1 | 38630.00 | 125.70 | 29918.30 | 93.58 |
| Stage 2 | 1104.31 | 96.94 | 832.45 | 95.50 |
| Stage 3 | 736.66 | 242.63 | 596.77 | 155.73 |
| TOTAL ON BOOK | 40470.96 | 465.28 | 31347.52 | 344.80 |
| Assigned Portfolio | 11145.39 | N/A | 25229.73 | N/A |
| TOTAL AUM | 51616.34 | | 56577.25 | |

| Particulars | June-21 | June-20 |
|---|---------|---------|
| Gross Stage 1 And Stage 2 Assets As % Of On Book Assets | 98.18% | 98.10% |
| Stage 1 & Stage 2 Assets (Standard Assets) Provisioning | 0.56% | 0.61% |
| Gross Stage 3 Assets As % Of On Book Assets | 1.82% | 1.90% |
| Stage 3 Assets Provisioning | 32.94% | 26.09% |
| Net Stage 3 Assets As % Of On Book Assets | 1.22% | 1.41% |
| Gross Stage 3 As % Of AUM | 2.21% | 1.41% |
| Net Stage 3 As % Of AUM | 1.74% | 1.14% |

Note: (1) Stage 3 (>90 DPD Assets) on Assigned portfolio is INR 405.33 Mn. on 30th June 2021 and INR 203.53 Mn. on 30th June 2020 which has been taken into consideration while calculating Stage 3 As % Of AUM.

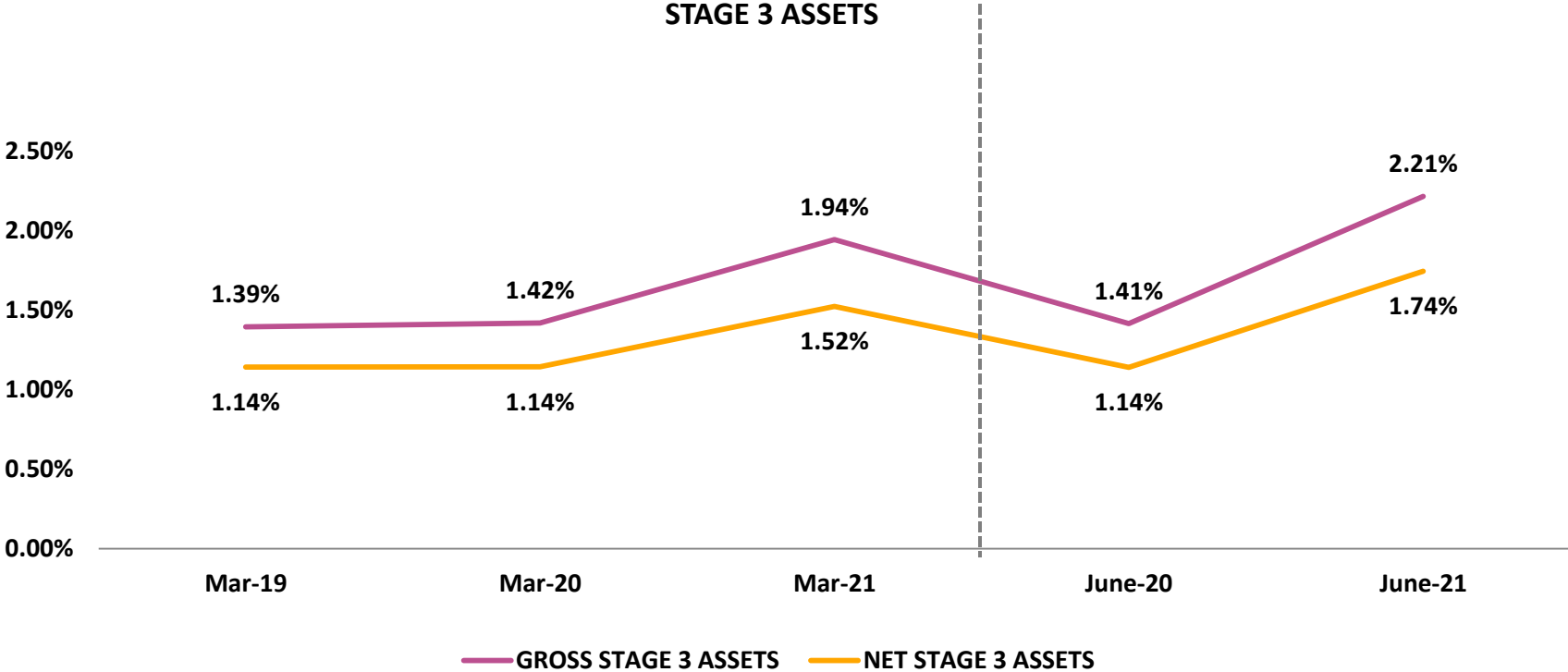
(2) The company special COVID provisioning as on 30th June 2021 is INR 542.71 Mn. (Not netted off with gross assets in various stages) with which total provision amounts to around INR 1007.98 Mn.

(3) During the quarter, the company has not restructured fresh loan but is in the process of assessing COVID-19 pandemic stress on the borrower and will invoke the resolution plans for the eligible borrowers in the September quarter (Including Assigned Portfolio) based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI.

Constantly maintaining quality portfolio



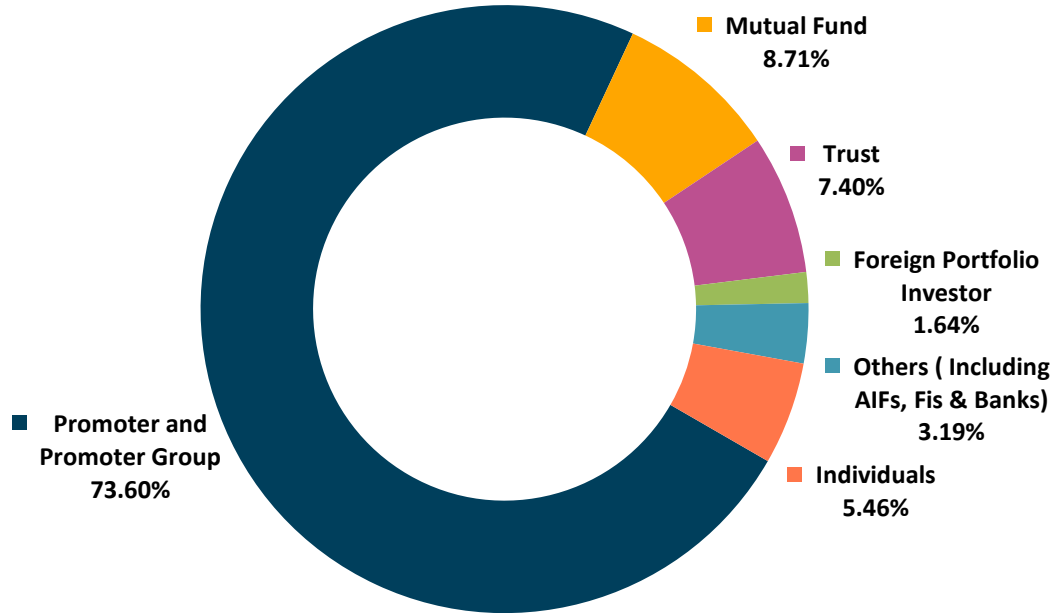
Catalyst in growth of Entrepreneurs, not creating just borrowers



In June-20 - Lower due to Moratorium Relaxation during COVID 1st Wave.
In June-21 - COVID 2nd Wave impact

Reputed Marquee FIIs and DIIs shareholders base

Shareholding as on 30th June 2021



Marquee Non Promoter Shareholders

MOTILAL PRIVATE EQUITY

AXIS MUTUAL FUND

IDFC MUTUAL FUND

TATA AIA LIFE INSURANCE

MOTILAL OSWAL MUTUAL FUND

ASK INVESTMENT MANAGERS PRIVATE LIMITED

SCHRODER INTERNATIONAL SELECTION FUND INDIAN
OPPORTUNITIES

INDIA EMERGING OPPORTUNITIES FUND LIMITED

DIMENSIONAL FUND ADVISORS

UNISUPER LIMITED AS TRUSTEE FOR UNISUPER

Financial Statement: FY19 – Q1 FY2021-22

| PROFIT & LOSS STATEMENT | | | | |
|-----------------------------------|-------------|-------------|-------------|---------------|
| INR Mn. | FY 2019 | FY 2020 | FY 2021 | Q1 FY 2021-22 |
| Total Revenue | 5592 | 6727 | 5939 | 1485 |
| Expenses | 3391 | 4446 | 4010 | 990 |
| Finance Costs | 2041 | 2722 | 2645 | 699 |
| Operating Expense | 805 | 899 | 616 | 149 |
| Provisions and Loan Losses | 545 | 825 | 749 | 141 |
| Profit Before Tax | 2201 | 2282 | 1929 | 495 |
| Profit After Tax | 1433 | 1666 | 1435 | 368 |
| Other comprehensive income | -66 | 47 | 75 | -7 |
| Total comprehensive income | 1367 | 1713 | 1510 | 362 |

| BALANCE SHEET STATEMENT | | | | |
|--|--------------|--------------|--------------|--------------|
| INR Mn. | Mar-19 | Mar-20 | Mar-21 | June-21 |
| ASSETS | | | | |
| Financial assets | 36435 | 44906 | 50847 | 49057 |
| Loans | 31807 | 33485 | 38051 | 38152 |
| other financial assets | 4628 | 11422 | 12795 | 10905 |
| Non-financial assets | 763 | 811 | 929 | 923 |
| Total assets | 37197 | 45718 | 51776 | 49980 |
| LIABILITIES | | | | |
| Financial liabilities | 27494 | 34946 | 39339 | 37245 |
| Debt securities (including Subordinate Debt) | 598 | 599 | 3740 | 4736 |
| Borrowings (other than debt securities) | 19598 | 25202 | 29198 | 27344 |
| Other Financial Liabilities | 7297 | 9145 | 6401 | 5164 |
| Non-financial liabilities | 1067 | 963 | 711 | 633 |
| Total liabilities | 28561 | 35909 | 40050 | 37877 |
| EQUITY | | | | |
| Equity share capital | 547 | 547 | 547 | 547 |
| Other equity | 8090 | 9262 | 11179 | 11556 |
| Total equity | 8637 | 9809 | 11726 | 12102 |
| Total liabilities and equity | 37197 | 45718 | 51776 | 49980 |



**AA\$ Rural Housing & Mortgage Finance
Limited (MRHMFL)**

Subsidiary

■ is targeting affordable housing finance segment through its subsidiary

- ■ Rural Housing & Mortgage Finance Limited (“■ Housing” or MRHMFL) is a non-deposit taking , NHB registered, housing finance institution. It was incorporated in 2008 and headquartered in Ahmedabad, Gujarat
- MRHMFL provides loans for purchase of new and old houses, construction of houses on owned plots, home improvement loans and loans for purchase and construction of commercial property. It also extend loans to developers for construction of affordable housing projects
- MRHMFL provides housing loans in rural and semi-urban areas of Gujarat, Maharashtra, Rajasthan and Madhya Pradesh
- With its continued focus on the rural and semi-urban segments, the company has 69 branches and have sourcing arrangements with 51 intermediaries – typically project developers and property agents

Housing Loans



- Loans of up to INR 5 Mn. for residential and INR 10 Mn. for commercial
- Provides housing loans to customers, who are primarily salaried and self-employed individuals and loans to developers for construction of affordable housing project
- Tenure up to 300 months for residential and 144 months for commercial
- Average Ticket size in Q1 FY22– **INR 8,31,591**
- AUM as of 30th June 2021– **INR 2,947 Mn.**

ASSETS AND PORTFOLIO QUALITY

- The AUM stood at INR 2,947 Mn. a growth of 3.71% over the corresponding period. However, the two quarters are not comparable due to the pandemic impact. The Gross Stage 3 Assets is 0.59% and Net Stage 3 Assets is 0.42% of AUM as on 30th June 2021.
- The Company is in process of constantly assessing the present evolving situation, in order to make necessary amendments in the credit policy. In line of our dictum of extending credit where it is due and adopting a cautious approach, the disbursement was INR 229.82 Mn. in June quarter.
- **The total special COVID provision as on 30th June 2021 stands at INR 29.99 Mn. which is around 1.15% of the on book assets of INR 2,601.38 Mn.**
- The collection efficiency for the June quarter was around 93%.

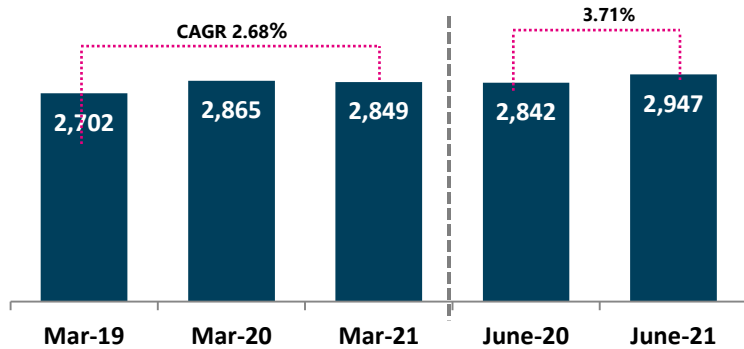
CAPITAL AND LIQUIDITY MANAGEMENT

- Company's Capital adequacy remained strong at 49.97% with Tier I Capital of 35.38% and Tier II Capital of 14.59%. The Company has adequate capital and financial resources to grow its business operations.
- As on 30th June 2021, the company had liquidity buffer of around INR 429 Mn. and unutilized Cash Credit facility of INR 170 Mn.
- Company also assessed its structural liquidity for the period ended 30th June 2021 and based on the assessment there is no negative impact on liquidity and the cash flow in all the cumulative buckets remains positive. Company has also stress tested its liquidity model and is comfortably placed to meet its repayment obligations for the entire year.

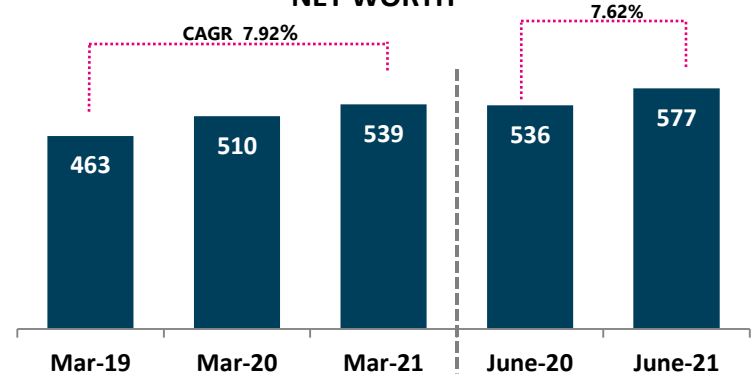
Financial Performance – Q1 FY22



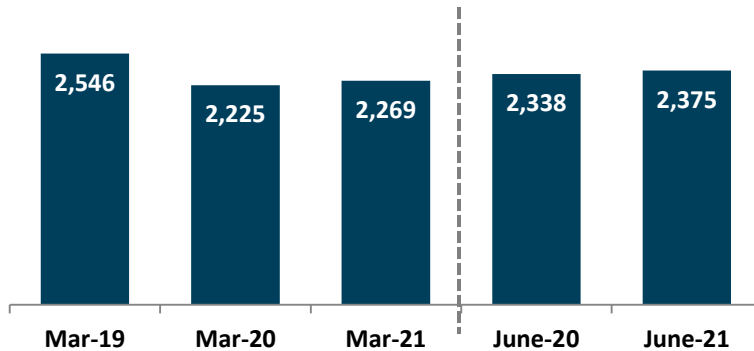
ASSETS UNDER MANAGEMENT (AUM)



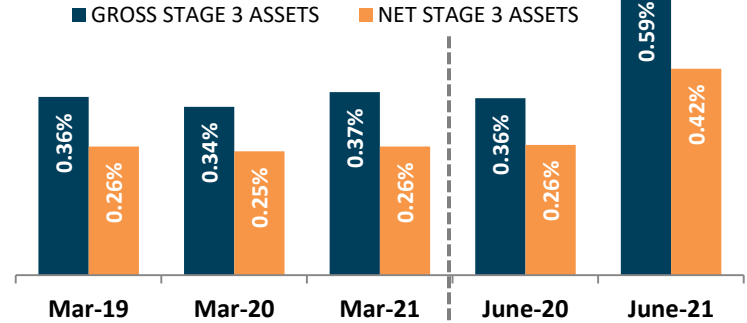
NET WORTH



BORROWING



GROSS STAGE 3 ASSETS & NET STAGE 3 ASSETS



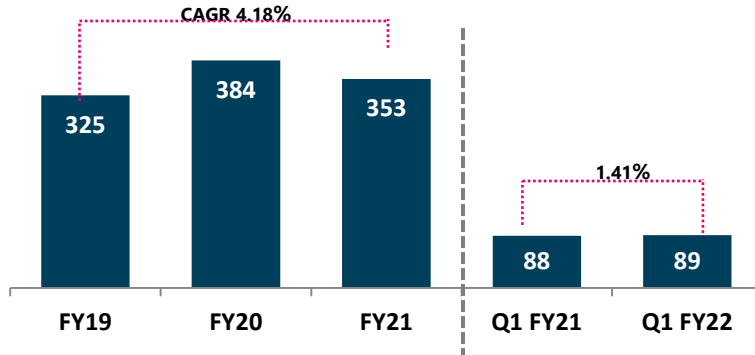
(In INR Mn.)

In June-20 - Lower due to Moratorium Relaxation during COVID 1st Wave.
In June-21 - COVID 2nd Wave impact

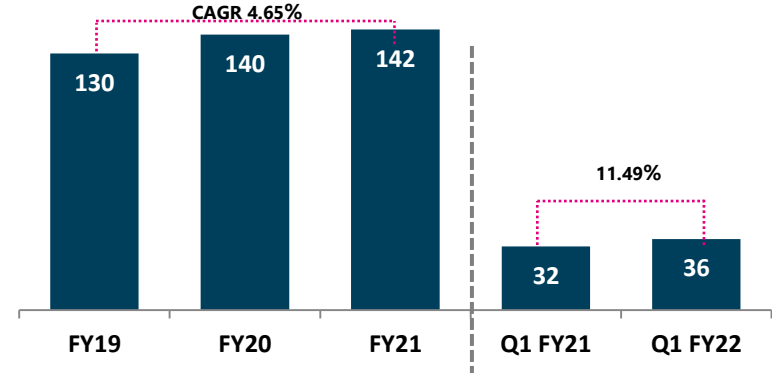
Financial Performance – Q1 FY22



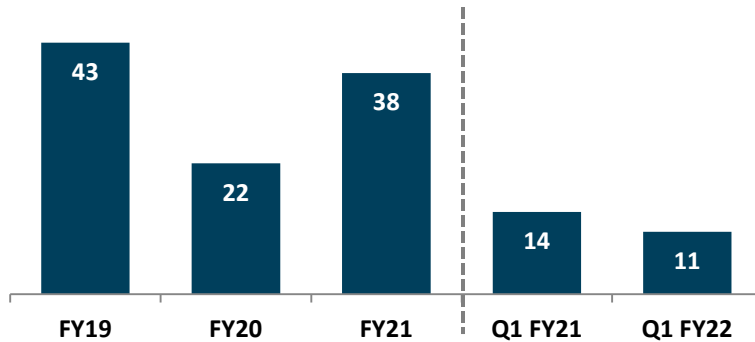
REVENUE



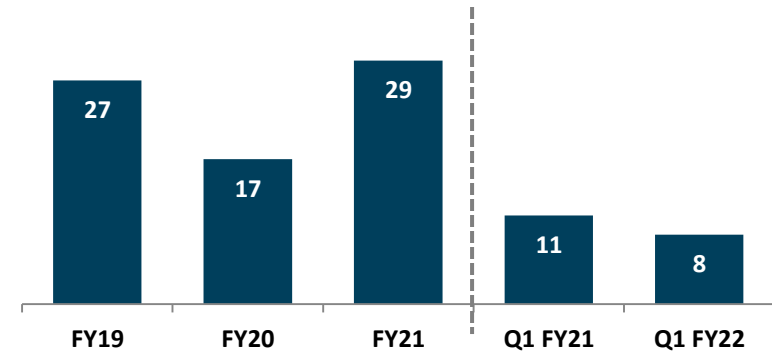
NET INTEREST INCOME (NII)



PROFIT BEFORE TAX* (PBT)



PROFIT AFTER TAX *(PAT)

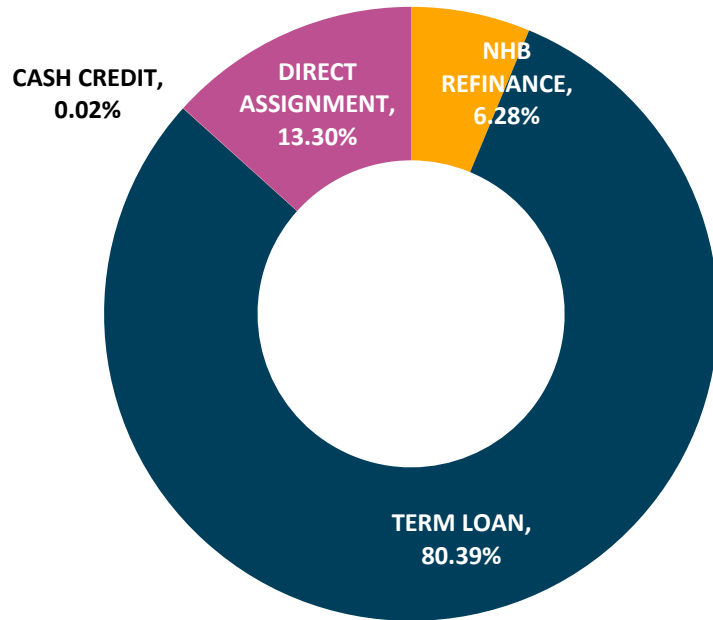


* Due to higher provisioning in Q1FY22

(In INR Mn.)

Sources of Fund

as on 30th June 2021



- The composition of our liability mix ensures healthy ALM and well diverse resource mix.
- The Company continues to demonstrate its capability of efficient liability management.
- **Capital adequacy ratio**, as on 30th June 2021 is 49.97% against regulatory norms of 12%. **Tier I capital is 35.38%**. **Tier II capital** is just 14.59% which will increase from time to time depending on the requirement and also as a source of structural liquidity to strengthen ALM.
- **Around 65% of the on book portfolio qualifies as priority sector lending for banks as on lending to HFCs.** We keep on raising term loans from banks both priority sector and Non priority sector lending with a average maturity of 5 -7 years.
- We keep on availing **refinance from NHB which is currently 6.28% of our total borrowing mix.** This help us to raise matching tenure loans at very competitive rates. The company is working very hard to enhance NHB refinance share in our total liability management.
- The **total Cash credit limit** available to the company is **INR 170 Mn.**. The company utilizes the fund as per the requirement , ensuring sufficient liquidity on hand.
- **Around 100% of the housing loan portfolio qualifies as priority sector lending for banks if the same is assigned to banks.** Increase in direct assignment of portfolio over a period of time will enable efficient ALM and will bring about capital efficiency.

Credit Quality



(In INR Mn.)

| Particulars | June-21 | | June-20 | |
|----------------------|-----------------|--------------|-----------------|--------------|
| | AUM | Provision | AUM | Provision |
| Stage 1 | 2,374.05 | 1.85 | 2,492.29 | 3.47 |
| Stage 2 | 210.66 | 11.09 | 85.31 | 4.62 |
| Stage 3 | 16.68 | 4.95 | 9.70 | 2.67 |
| TOTAL ON BOOK | 2,601.38 | 17.90 | 2,587.30 | 10.76 |
| Assigned Portfolio | 345.59 | N/A | 254.25 | N/A |
| TOTAL AUM | 2,946.97 | | 2,841.55 | |

| Particulars | June-21 | June-20 |
|--|---------|---------|
| Stage 1 And Stage 2 Assets As % Of On Book Assets | 99.36% | 99.63% |
| Stage 1 And Stage 2 Assets (Standard Assets) Provisioning | 0.50% | 0.31% |
| Stage 3 As % Of On Book Assets | 0.64% | 0.37% |
| Stage 3 Assets Provisioning | 29.68% | 27.56% |
| Net Stage 3 As % Of On Book Assets | 0.45% | 0.27% |
| Stage 3 As % Of AUM | 0.59% | 0.36% |
| Net Stage 3 As % Of AUM | 0.42% | 0.26% |

Note: (1) Stage 3 (>90 DPD Assets) on Assigned portfolio is INR 0.56 Mn. on 30th June 2021, and INR 0.45 Mn. on 30th June 2020 which has been taken into consideration while calculating Stage 3 As % Of AUM.

(2) The company special COVID provisioning as on 30th June 2021 is INR 29.99 Mn. (Not netted off with gross assets in various stages) with which total provision amounts to around INR 47.89 Mn.

(3) During the Quarter, the restructured assets stood at 0.12% and the company is in process of assessing eligible borrowers as per the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI.

UNDERSTANDING MAS



VISION

To be one of the most efficient distributors of financial services and create value on a very large scale.



MISSION

To constantly endeavor, to attain excellence and create a very wide Financial distribution network and to be catalyst; in providing the most efficient financial services which we term as financial inclusion.



BELIEF

“We have miles to go & Promises to keep.....”
 “Together we can and we will”

LIABILITY MANAGEMENT

- ✓ Self Propelling Business Model – Capital requirement met predominantly from internal accruals
- ✓ Healthy ALM
- ✓ Right mix of resources
- ✓ Planning and maintaining Cost Efficiency

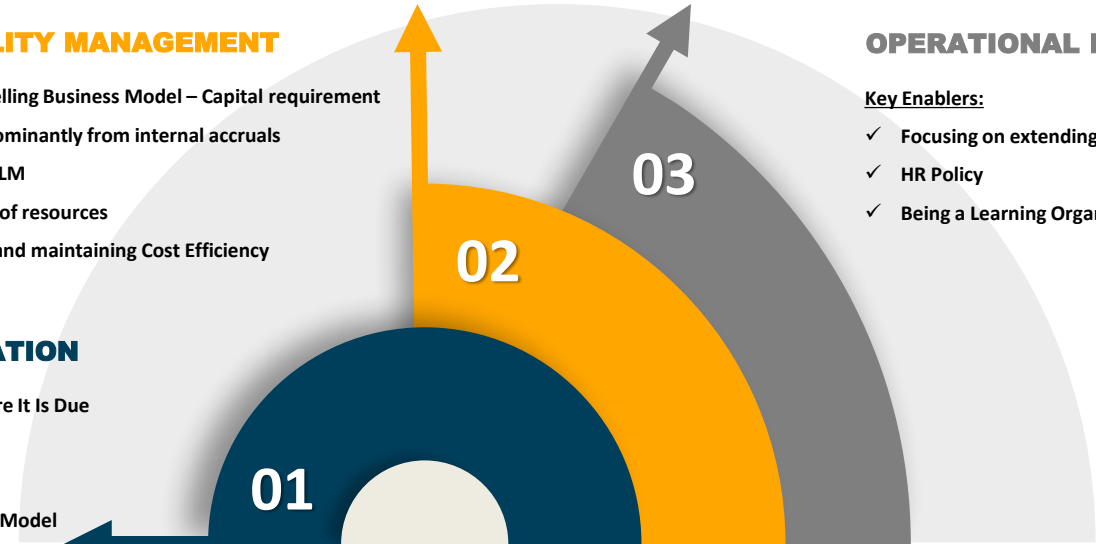
ASSET CREATION

- ✓ Dictum: Credit Where It Is Due
- ✓ Product Mix
- ✓ Adding Value
- ✓ Unique Distribution Model

OPERATIONAL EXCELLENCE

Key Enablers:

- ✓ Focusing on extending credit where it is due
- ✓ HR Policy
- ✓ Being a Learning Organization



Unique and Robust Distribution Network Through NBFC Partners (1/3)



AIM & OUR UNDERSTANDING

Efficient last mile delivery of credit across its product range namely MEL, SME, 2 Wheeler and Commercial Vehicle Loans

Value chain approach has proven to be the most potent one to solve informality because of proximity to the end borrowers

Better quality of intermediation with advantage of adequate capital base along with better understanding of the operations and demography

Revenue sharing model ensures scalability of the relationships where the operational cost and credit cost to be borne by the partner NBFCs is considered. The partnership is with full recourse to the partner

KEY CRITERIA FOR STARTING RELATIONSHIP

Promoters Evaluation

Product Alignment

Operational Excellence

Growth Strategy

Capital Base

Financial Performance

CREDIT ASSESSMENT

Pre-Engagement Due Diligence

- Promoters' Domain Expertise
- Strategic alignment
- Range of Products
- On site system and Operational Setup

Transaction Level Due Diligence

- Alignment of Credit screen for various products
- Creation of portfolio
- On site audit of the portfolio Hypothecated

Periodical Deep Diving

- Continuous engagement in order to improve their Systems & Operations to ensure the quality of portfolio and compliance

Unique and Robust Distribution Network Through NBFC Partners (2/3)

IMPACT

HAS

- Widens its network while maintaining a relatively lower risk profile
- Establishes knowledge partnerships and increase its local market knowledge

NBFCs

- Value addition in improving their systems and operations which helps in scalability and Sustainability of business
- Gets vital liability support due to our understanding of the retail products

Borrowers

- Creates an all-round enabling situation of extending credit where it is due by extending credit with deep penetration and understanding

Eco-System

- Catalyst in Efficient last mile delivery of credit

TRACK RECORD

Started with 1 NBFC in 2008, currently having relationship with more than 100 such NBFCs having virtual presence Pan India.

Have grown at a CAGR of around 30% in last five years across our product range with immaculate track record.

GOING FORWARD

Huge potential to grow along with these NBFCs partners across our product range for efficient last mile delivery of credit

360° view for scalability and sustainability of relationship in the form of :

- a) Providing Liability Solution
- b) Product Development & Strengthening their system and Operations
- c) Capital Advisory

The learning curve is further strengthened:

CREDIT ASSESSMENT

Continuous strengthening of due diligence and audit process - both pre and post disbursement.

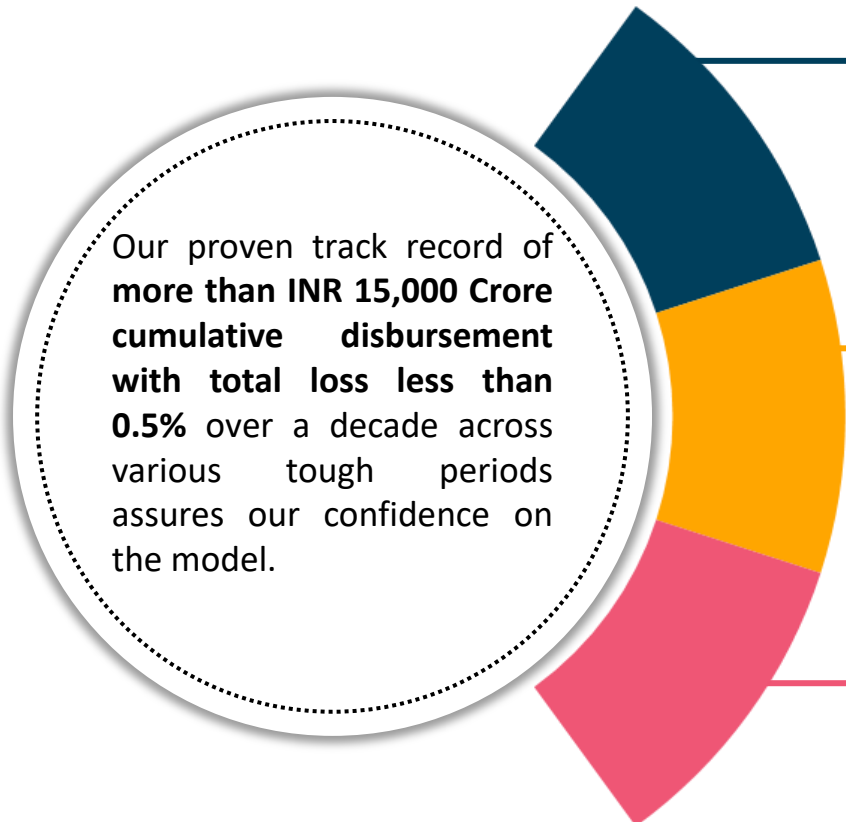
Further strengthening the field due diligence.

CONSTANT MONITORING

Close indulgence with partner NBFCs both on the system as well as credit part. Additional diligence of financial accounting with necessary deep diving also to be the part of monitoring to preempt any irregularities.

EVALUATION MATRIX

Further strengthening the evaluation and the exposure matrix for all the NBFCs partners.



Our proven track record of **more than INR 15,000 Crore cumulative disbursement with total loss less than 0.5%** over a decade across various tough periods assures our confidence on the model.

Robust and Comprehensive Credit Assessment & Risk Management Framework

MAS aims to give credit where it is due with the dictum of adherence and adaptability

Robust credit assessment



Credit assessment process overview by Product

Micro-Enterprise Loans

- Analysis of business potential and end use, cash flows and model (business to have cash profit for the previous 3 years)
- Requires a guarantor or co-applicant according to the assessment of the applicant's profile

SME Loans

- Business operating history is required from minimum 1 year to 5 years depending on loan size
- 50-70% of turnover to be reflected in current account
- Eligibility criteria is based on turnover, debt/equity ratio and net worth on a case-to-case basis

Two-wheeler Loans

- At least one property (residential or business) should be owned by the applicant or jointly residing family members
- For a student applicant, a co-applicant is compulsory

Commercial Vehicle Loans

- Requires vehicle hypothecation and insurance cover
- Analysis of income, experience, and business stability requirements depending on whether the applicant is a first time user, first time owner, fleet operator or a captive user

EXPERIENCED PROMOTER



Mr. Kamlesh Chimanlal Gandhi
 Chairman & MD

- **Mr. Kamlesh Chimanlal Gandhi**, aged 55 years, is the Founder, Chairman and Managing Director of **MAS** since inception.
- He visualized the opportunities in the retail financial services very early and has been leading the strategic initiatives and the execution team at **MAS**.
- He has close to 30 years of experience in the financial services sector.
- Under his leadership the company grew very consistently at CAGR of more than 40% over all these years.
- He is a director of the Finance Industry Development Council.



Late Mr. Mukesh Chimanlal Gandhi

- **Late Mr. Mukesh Chimanlal Gandhi**, was a Co-founder, whole-time Director - Finance **MAS** Financial Services Limited. He was associated with the Company from May 25, 1995 till Jan 19, 2021.
- He was designated as the Director (Finance) and Chief Financial Officer of the Company on March 20, 2015. He held bachelor's and Master's degrees in commerce from Gujarat University
- He had over 30 years of experience in the financial services sector, with the Company
- He was also the chairman of the Gujarat Finance Company Association and a director of the Finance Industry Development Council.
- He played an important role in bringing the company to its present level from a humble beginning in the year 1995, based on very strong fundamentals. He was filled with positivity, enthusiasm, zeal, kindness and pragmatism The Company has immensely benefitted from his vision and vigilance.
- Team **MAS** remain committed to it's vision of excellence through endeavours.

EMINENT DIRECTORS



Mrs. Darshana Saumil Pandya
 Executive Director & CEO

- **Darshana Saumil Pandya**, aged 48 years, is an executive Director and Chief Executive Officer of *MAS* Financial. She has been associated with the Company since June 1, 1996, and as an executive Director since December 23, 2016
- She holds a bachelor's degree in commerce from Gujarat University
- She has over 25 years of experience in the financial service sector



Mr. Bala Bhaskaran
 Independent Director

- He has been associated with the Company as a Director since November 1995 and as an independent Director since April 2014
- He is a management graduate with two decades of experience in the consultancy and financial sector.
- He has a number of management consultancy inputs from his rich experience
- He has done his engineering from IIT-Madras, MBA from IIM-Bangalore and CFA from ICFAI



Mr. Chetan Ramniklal Shah
 Independent Director

- He has been associated with the Company since June 2008 and as an independent Director since April 2014
- He holds bachelor's degrees in commerce and law (general) from Gujarat University
- He is also a qualified chartered accountant registered with the Institute of Chartered Accountants of India
- He has over 33 years of experience in the financial services sector and has in the past worked with the Natpur Co-operative Bank as the Manager – Finance



Mr. Umesh Rajanikant Shah
 Independent Director

- He has been associated with the Company as an independent Director since December 2016
- He is a Chartered Accountant
- He has more than 35 years of experience in the diverse fields connected with Finance, Accounting, Auditing and Taxation
- He also has 5 years hands-on experience of working in an NBFC



Mrs. Daksha Niranjani Shah
 Independent Director

- She is a business graduate from Indian Institute of Management (IIM), Ahmedabad, specializing in Finance and Marketing and also a student of Economics and Statistics.
- She worked as a Programme Director of Vikas Centre for Development and Friends of Women's World Banking by serving and building capacity of more than 80 Microfinance Organizations all over India.
- She worked as Managing Director of Pahal Financial Services Pvt. Ltd from 2011 to 2014. At present she is the Managing Director of Altura Financial Services Ltd since 2014.

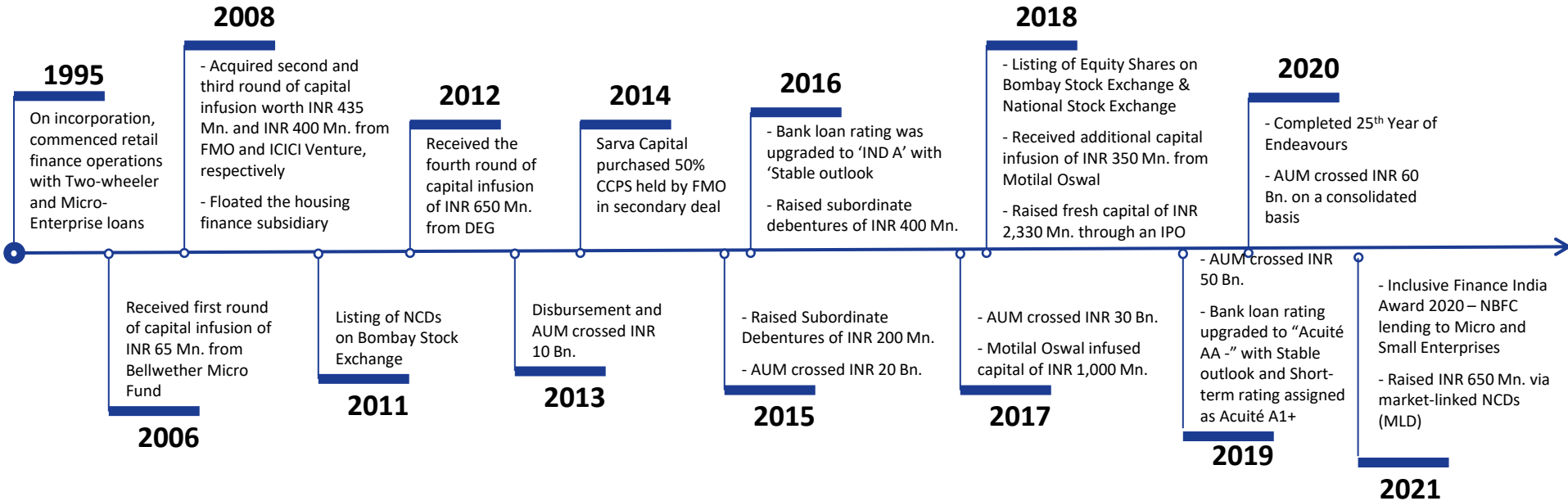
CORE TEAM

Consisting of **more than 35 employees** being with *MAS* since inception and inclusion of lateral talents who have proven their capability, dedication and loyalty.

EXECUTION TEAM

Consisting of **more than 1500 employees** who works along with the core team towards accomplishing the company's Mission and Vision.

Major events and milestones





The Power of Distribution

REGISTERED OFFICE

MAS Financial Services Limited
6, Ground Floor, Narayan Chambers,
Ashram Road, Ahmedabad-380009

www.mas.co.in

INVESTOR CONTACT

Mr. Ankit Jain
Chief Financial Officer
079-41106682
ankit_jain@mas.co.in

Mr. Nishant Vyas
Investor Relations Manager
079-41106551
nishant_vyas@mas.co.in