



The Power of Distribution

MAS FINANCIAL SERVICES LIMITED

August 03, 2022

MFSL/SEC/EQ/2022/56

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 first quarter ended on June 30, 2022

Please find enclosed herewith Investor Presentation for the first quarter ended on June 30, 2022.

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. www.mas.co.in

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 FY23



1995-96

2021-22

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

Disclaimer



This presentation has been prepared by and is the sole responsibility of MAS Financial Services Limited (together with its subsidiary MAS Rural Housing & Mortgage Finance Limited). By accessing this presentation, you are agreeing to be bound by the trailing restrictions.

This presentation does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer or recommendation to purchase or subscribe for, any securities of the company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contractor commitment therefore. In particular, this presentation is not intended to be a prospectus or offer document under the applicable laws of any jurisdiction, including India. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. There is no obligation to update, modify or amend this communication or to otherwise notify the recipient if information, opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

Certain statements contained in this presentation that are not statements of historical fact constitute “forward-looking statements.” You can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “goal”, “plan”, “potential”, “project”, “pursue”, “shall”, “should”, “will”, “would”, or other words or phrases of similar import. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, among other: (a) material changes in the regulation governing our businesses; (b) the company’s inability to comply with the capital adequacy norms prescribed by the RBI; (c) decrease in the value of the Company’s collateral or delays in enforcing the Company’s collateral upon default by borrowers on their obligations to the Company; (d) the Company’s inability to control the level of NPAs in the Company’s portfolio effectively; (e) certain failures, including internal or external fraud, operational errors, systems malfunctions, or cyber security incidents; (f) volatility in interest rates and other market conditions; and (g) any adverse changes to the Indian economy.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. The Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such change or changes.

There is a possibility of the financial results and the additional disclosures to be updated, modified or amended because of adjustments which may be required to be made on account of introduction of new standards or its interpretation, receipt of guidelines or circulars from regulatory bodies and/ or Reserve Bank of India and/or changes because of exercising any available exemptions.

Table of Content



04	MAS AT A GLANCE
05	GROWTH STORY
08	LEVERAGING TECHNOLOGY ACROSS SPECTRUM
09	STRONG FUNDAMENTALS
10	PRODUCT OFFERINGS
12	LIABILITY MANAGEMENT
13	GOING FORWARD
14	FINANCIAL REVIEW
21	CREDIT QUALITY
24	REPUTED MARQUEE INVESTORS
25	FINANCIAL STATEMENT FY20- Q1 FY 2023
26	MAS RURAL HOUSING & MORTGAGE FINANCE LIMITED (MRHMFL) – SUBSIDIARY
28	FINANCIAL PERFORMANCE – Q1 FY23 (MRHMFL)
30	LIABILITY MANAGEMENT (MRHMFL)
31	CREDIT QUALITY (MRHMFL)
32	UNDERSTANDING MAS

25+ Years of Endeavours

66,839 Mn.
AUM

6
States and NCR
of Delhi

135
Branches

6,000+
Customer locations

6,95,000+
Active loan accounts

Diversified Product Portfolio



Micro-Enterprise Loans
(MEL)



SME Loans

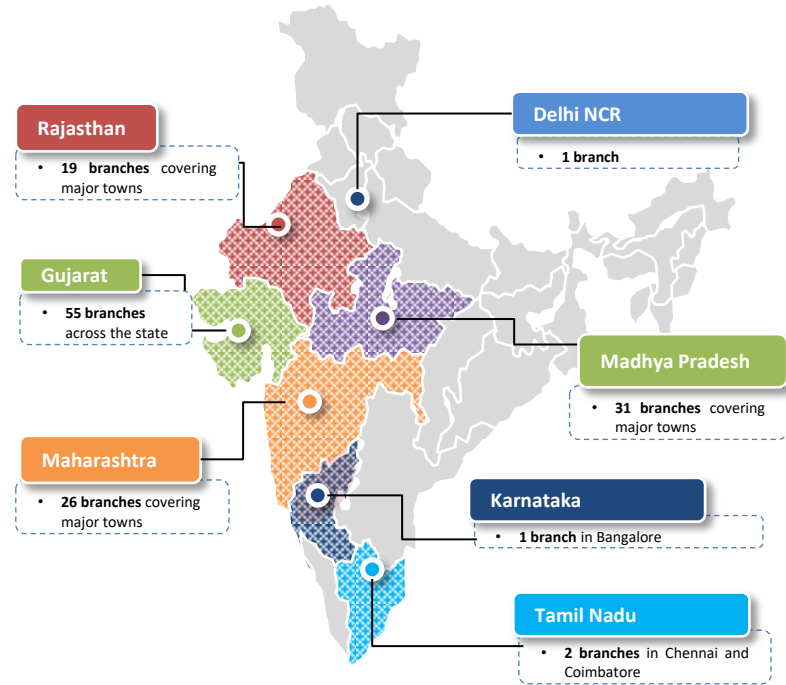


2-Wheeler Loans



Commercial Vehicle Loans

Strong Retail Presence & Distribution Network



Sourcing Intermediaries:



GROWTH

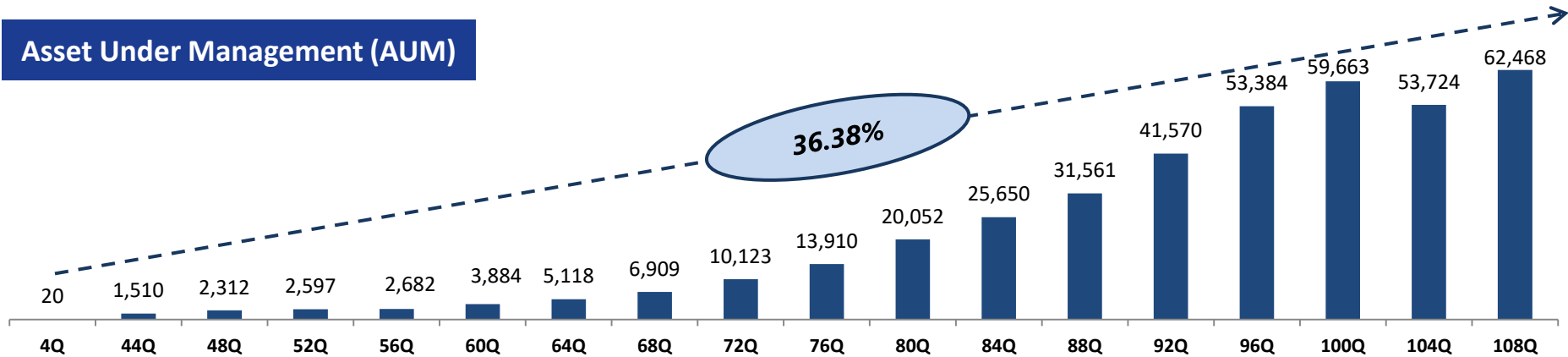
Belief & Philosophy

**CONSISTENTLY AND
STEADILY
IS THE FASTEST WAY TO
REACH WHERE YOU WANT TO**

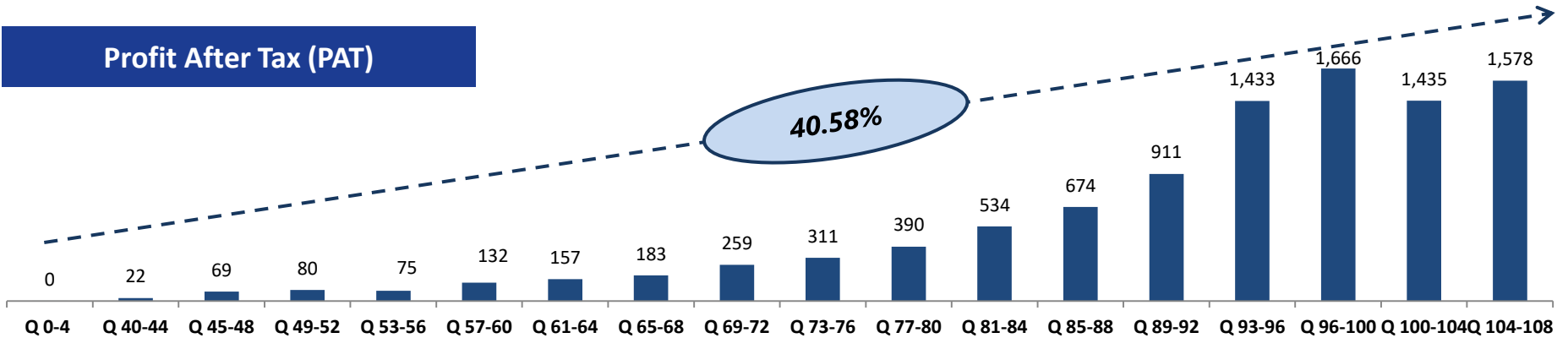


Journey of 108 Quarters

Asset Under Management (AUM)



Profit After Tax (PAT)



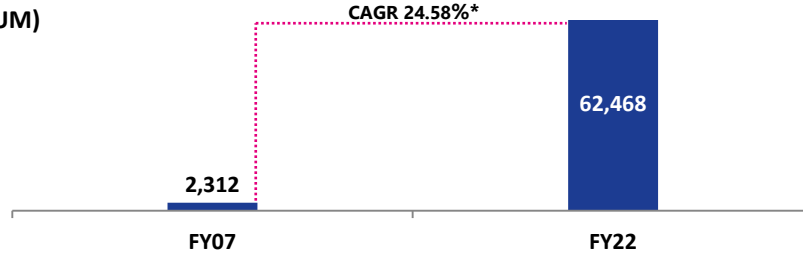
(In INR Mn.)

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

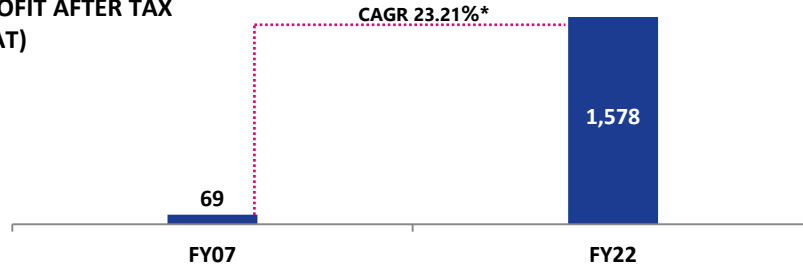
Growing consistently and steadily-

Our growth journey of LAST 15 YEARS SINCE OUR FIRST CAPITAL RAISE...

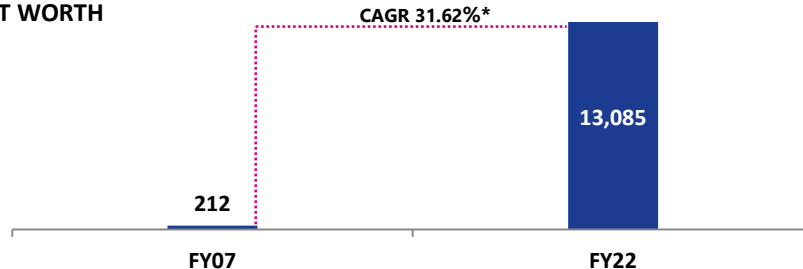
ASSETS UNDER MANAGEMENT (AUM)



PROFIT AFTER TAX (PAT)



NET WORTH



(In INR Mn)
Figures up to March 17 is as per I-GAAP and from thereon it is IND-AS

* Consistent performance despite multiple headwinds

- Despite various micro and macro headwinds including demonetisation, GST, NBFC liquidity crisis, and COVID, **HAS** has displayed resilience and has delivered robust and sustainable growth
- Track record of high-quality portfolio with Net Stage 3 Assets **below 2.00%** over the period
- Maintained healthy return on assets and equity of around:
 - ROA: Range -2.75% - 3.00%
 - ROE: Range - 15.00% - 18.00%

Growth journey was fuelled predominantly from internal accruals

Going forward...

To continue **consistent and steady growth momentum in the range of 20%-25%**, resulting in a **very strong compounding growth** as demonstrated over the years

Leveraging technology across spectrum

1. Origination

- Centralized Onboarding System to capture new leads data digitally
- Captured Leads authenticated via mobile OTP
- Efficient & seamless Application Management (*Applicant, Co-Applicant & Guarantor*)
- Customized Document Upload with pre-defined check list & input validation
- Preliminary eligibility check (*positive/negative*) for further credit underwriting

2. Decisioning

Assess Credit worthiness through pre-set Business Rules Engine (BRE) & APIs plugins

- eKYC – Enables paperless verification of customer's Identity, Address, DOB etc. (*PAN/Aadhar/ DL / EC*)
- Credit Bureau Check – Integrated API services to check customer past behavior, fraud detection/prevention, & trigger bureau score
- Seamless process to fetch Corporate data such as financials, charges, shareholding, associates, litigation/defaults etc. (*Corpository Platform*)
- Income Analyzer Tool – Customer Bank Statement / GSTR are automatically assessed to ensure current income and obligations



3. Operations

- Remote Digital Signatures – eSign permits paperless documentation wherein loan agreement is shared digitally with customer for review and e-signing (*eSign / eStamp APIs*)
- C-KYC management system for fast and accurate compliance
- Customer Engagement – Regular and timely updates to customers via WhatsApp, SMS & Email Services APIs

4. Disbursement & Collection

- 100% Cashless / E-disbursement of loan amount
- eNACH permits paperless repayment setup
- Easy e-repayment facility via Paytm, BillDesk, and BharatPe for convenient and timely EMI payment

ENHANCING DISTRIBUTION STRENGTH

Co-lending Partnership



FinTech Collaboration



Enablers for consistent growth

SUCCESSFUL TRACK RECORD

- Successfully withstood multiple headwinds over the years.
- Proven track record of more than 25 years with AUM CAGR of 36.38% and PAT CAGR of 40.58%.

HIGHLY CAPITALISED

- Highly capitalised for future growth. Sufficient capital to continue the growth momentum.
- Capital Adequacy of 25.28% ,Tier I Capital Adequacy of 22.49% & Tier II Capital Adequacy of 2.79%

STRONG PROVISION BUFFER & PORTFOLIO QUALITY

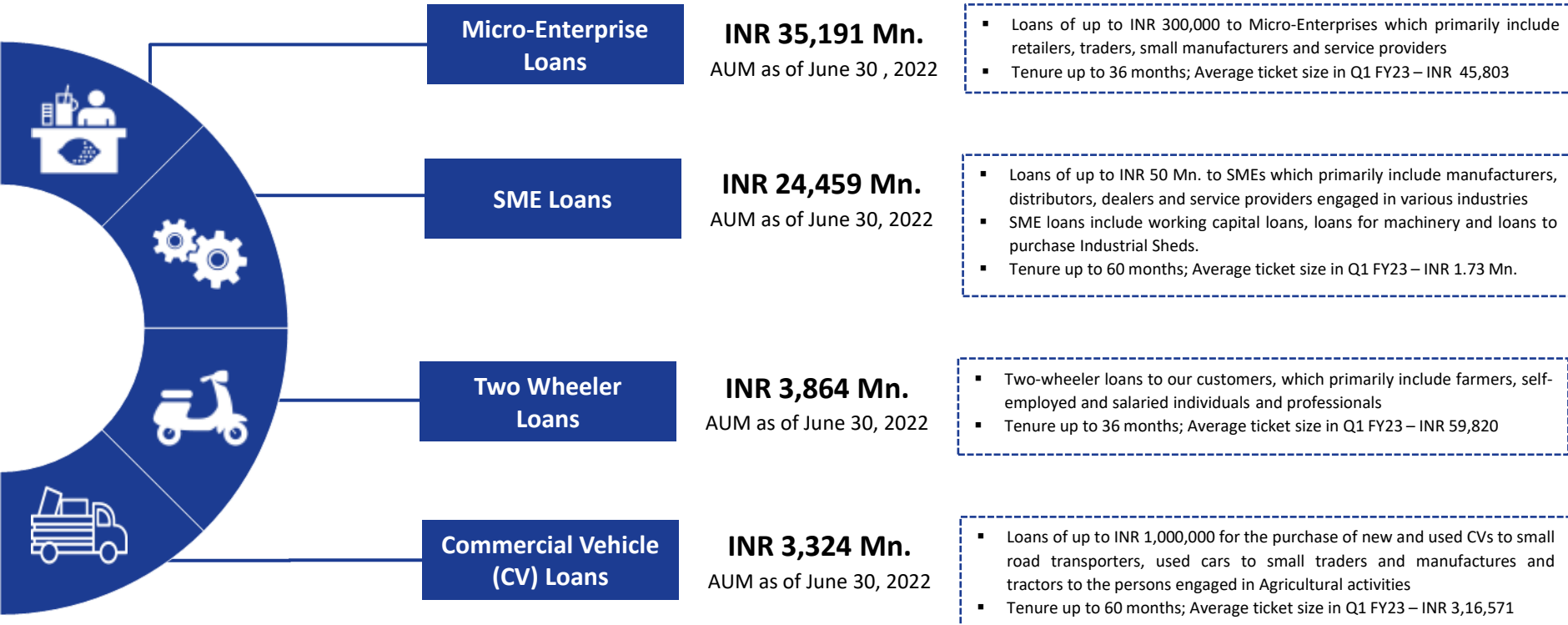
- Consistent track record of high-quality portfolio with Net Stage 3 Assets of 1.63% as on 30th June 2022.
- High provision buffer related to Covid-19 provisioning buffer of INR 339.51 Mn. which is 0.62% of the on book Assets.

ROBUST LIQUIDITY POSITION

- Cash and cash equivalent of around INR 8,750 Mn. as on 30th June 2022.
- Sufficient liquidity to cover opex and debt liabilities for at least next 12 months.
- Positive across all cumulative ALM buckets.

Diversified product offerings presenting significant growth opportunities

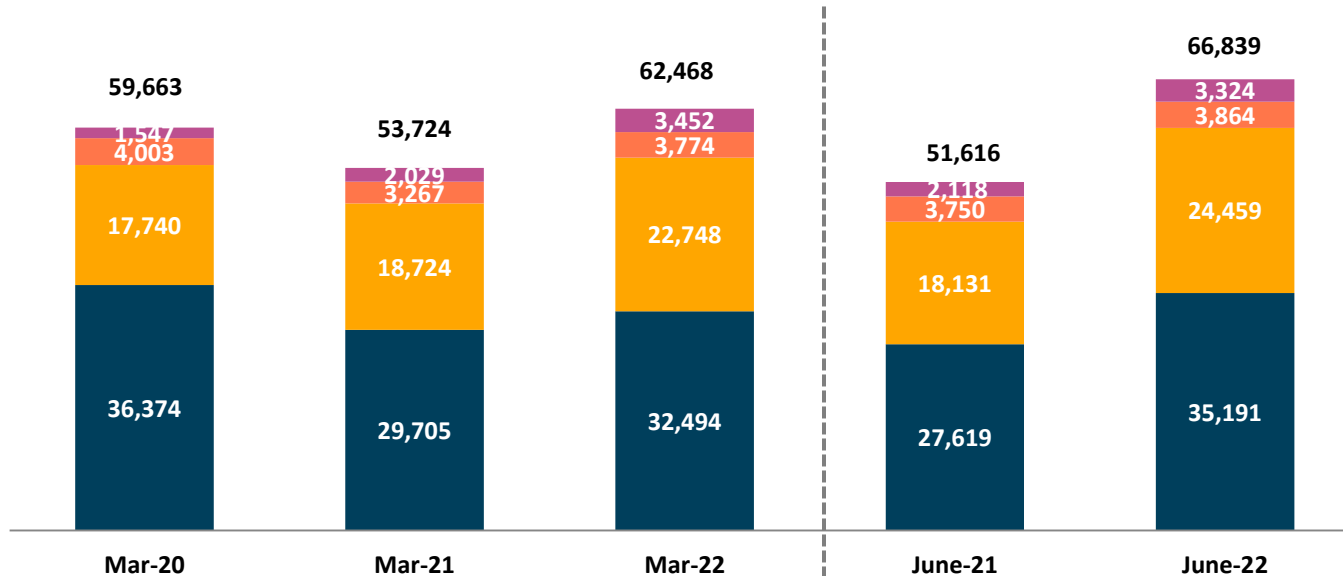
HAS focuses on serving the underserved credit needs of mid and low income group segments



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 -22 vs June-21

▲ 27.42%

Micro-Enterprise loans (MEL)

▲ 34.91%

SME loans

▲ 3.06%

2-Wheeler loans

▲ 56.99%

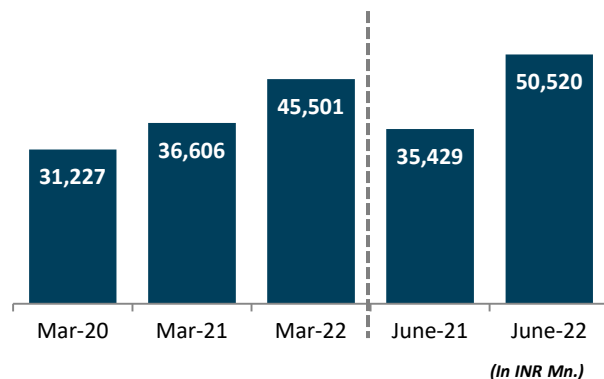
Commercial Vehicle loans

--- 29.49% --->

*June-22 AUM includes INR 593 Mn. of personal loans.

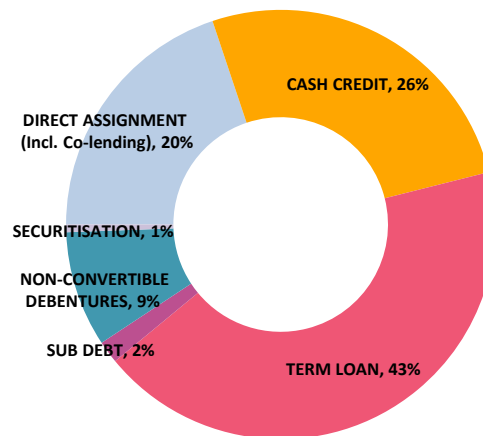
Adopted a cautious approach towards fresh disbursement during the COVID pandemic period, in line with our dictum of extending credit where it is due and high collection efficiency.

BORROWING

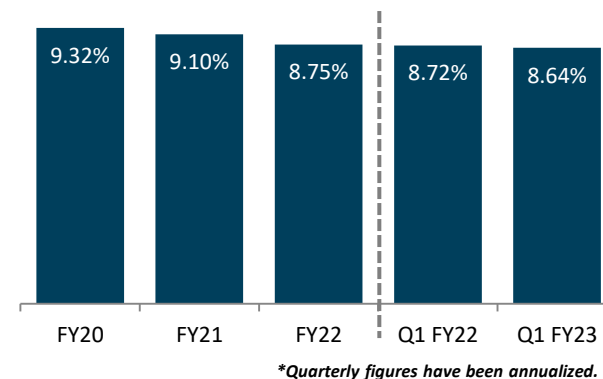


SOURCES OF FUND

as on 30th June 2022



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 2022 is **25.28%** against regulatory norms of 15%. **Tier I capital is 22.49%** as against requirement of 10%. **Tier II capital is just 2.79%** which will increase from time to time depending on the requirement and also as a source of structural liquidity to strengthen ALM.
- **Around 85% of the portfolio is MSME loans** which qualifies as Priority Sector Lending. The company aims to maintain **around 20%-25% of AUM as off book through Direct assignment and Co-lending transactions**. It is with door to door maturity and without recourse to the company. This further strengthens the liability management. The Direct Assignment and co-lending sanction on hand is around INR 11,000Mn.
- The **total Cash credit limit** available to the company is **INR 18.25 Bn.** spread across 14 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 **3.74 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% - 25% 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/Co-Lending demand thereby enabling the company to de-risk and maintain the off book portfolio.

OPERATIONAL EXCELLENCE

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

FINANCIAL REVIEW

Key Highlights – Q1 FY23

ASSET UNDER MANAGEMENT (AUM)

INR **66,839** Mn.

 **29.49%**

(June -21: INR 51,616 Mn.)

PROFIT AFTER TAX (PAT)

INR **465** Mn.

 **26.33%**

(Q1 FY22: INR 368 Mn.)

RETURN ON AVG. NET WORTH*

15.28%

RETURN ON AVG. BALANCE SHEET ASSETS*

2.93%

RETURN ON AVG. AUM*

2.88%

NET INTEREST INCOME (NII)

INR **1,055** Mn.

 **34.29%**

(Q1 FY22: INR 786 Mn.)

COST OF BORROWING* (COB)

 **8.64%**

 **8bps**

(Q1 FY22: 8.72%)

OPERATING EXPENSE RATIO (OER) *

2.15%

 **105bps^**

(Q1 FY22: 1.10%)

CAPITALIZATION



TOTAL CRAR: 25.28%

TIER I CRAR : 22.49%

TIER II CRAR : 2.79%

ASSIGNED TO BANKS/FIS

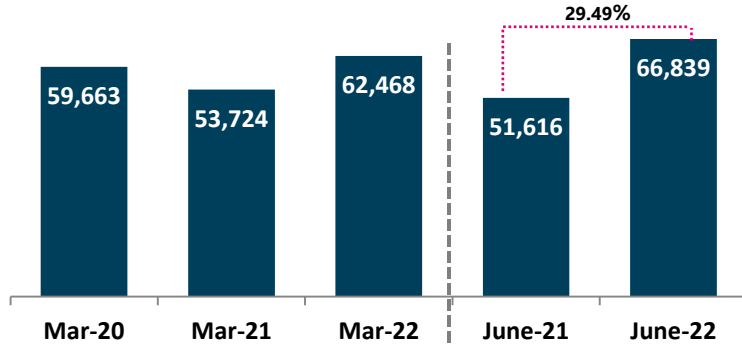


17.55%
of AUM

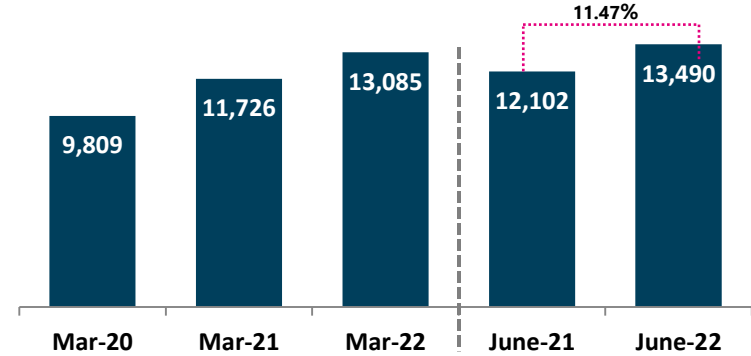
^ Due to expense incurred on strengthening and expansion of branches, centers, employees and partnership including Fintech. Also, due to Normalization of business.

Financial Performance – Q1 FY23

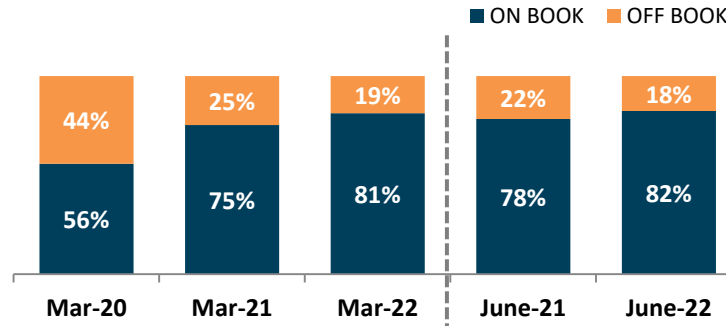
ASSETS UNDER MANAGEMENT (AUM)



NET WORTH

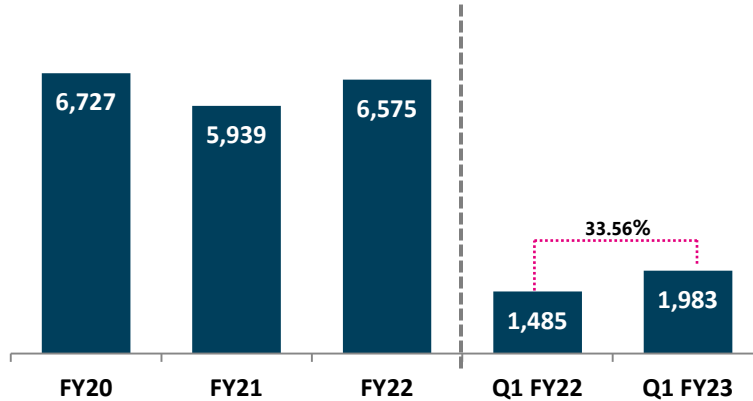


ON & OFF BOOK AUM

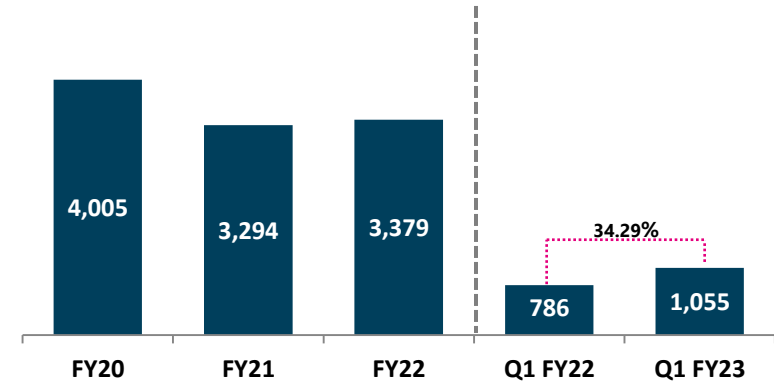


Financial Performance – Q1 FY23

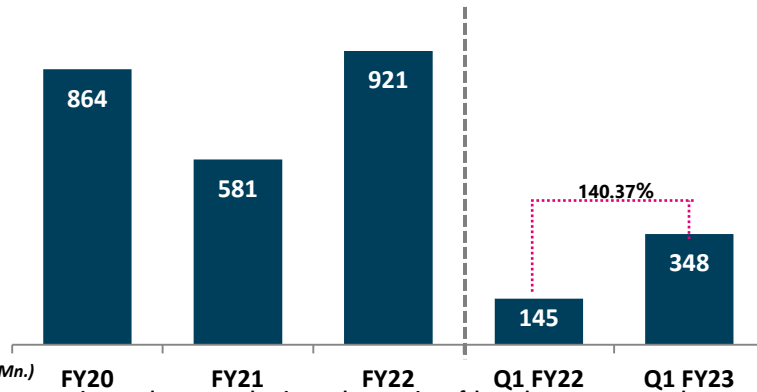
REVENUE



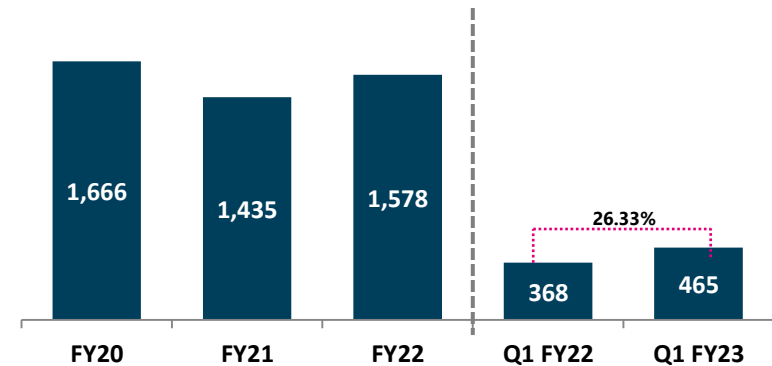
NET INTEREST INCOME (NII)



OPERATING EXPENSE#



PROFIT AFTER TAX (PAT)



(In INR Mn.)

Due to expense incurred on strengthening and expansion of branches, centers, employees and partnership including Fintech. Also, due to Normalization of business.

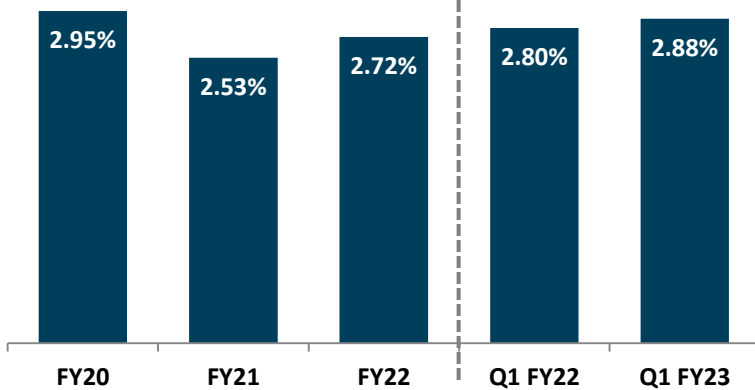
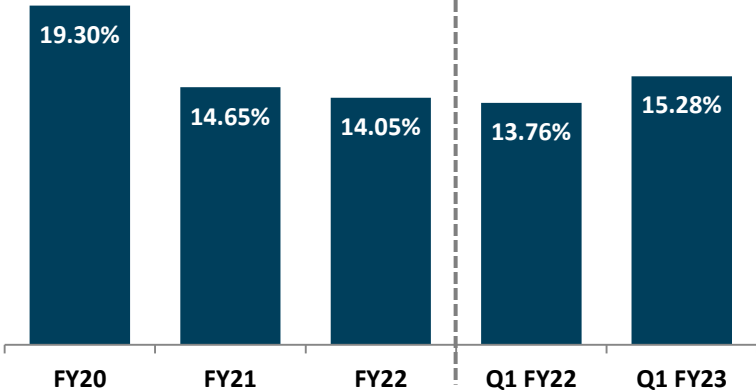
FY 20 and FY 21 was severely affected by COVID pandemic

Financial Performance – Q1 FY23



RETURN ON AVG. NET WORTH (RONW)**

RETURN ON AVG. AUM (ROAUM)*



** Network considered without OCI

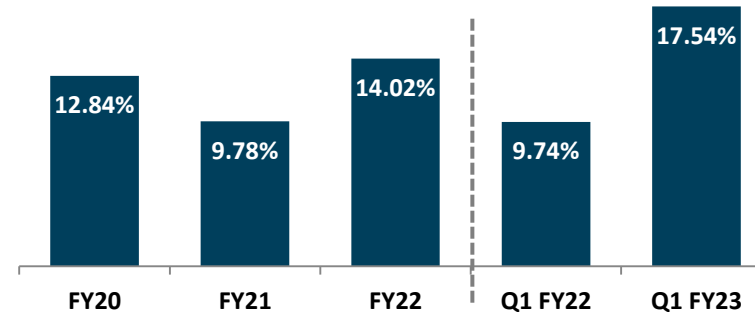
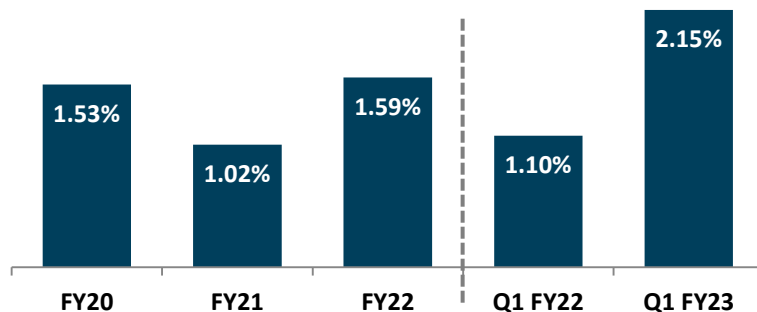
* Quarterly figures have been annualized.

Financial Performance – Q1 FY23

Optimized cost structure

OPERATING EXPENSE RATIO (OE RATIO)^*

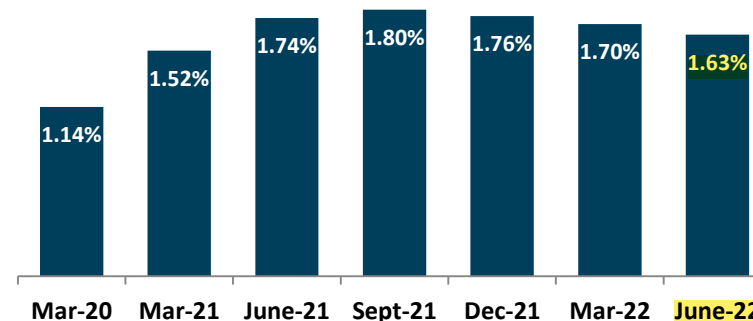
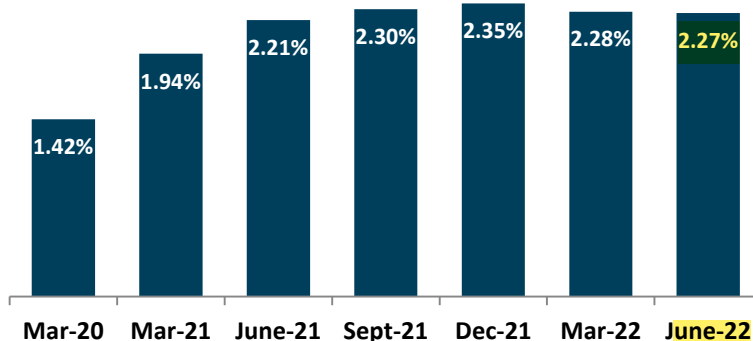
OPERATING EXPENSE AS % OF INCOME^*



Efficiently maintaining the quality of assets

GROSS STAGE 3 ASSETS #

NET STAGE 3 ASSETS #



Lag effect of COVID 2nd Wave and in line with RBI circular dated November 12, 2021

^ Due to expense incurred on strengthening and expansion of branches, centers, employees and partnership including Fintech. Also, due to Normalization of business.

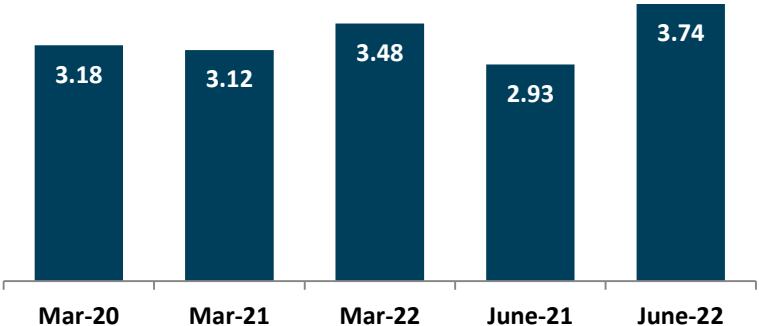
*Quarterly figures have been annualized.

Financial Performance – Q1 FY23

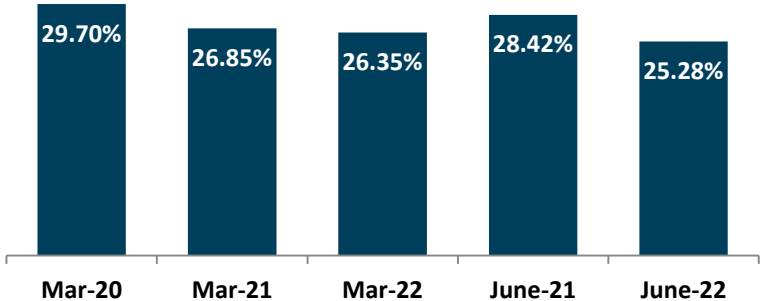


Strongly Capitalized

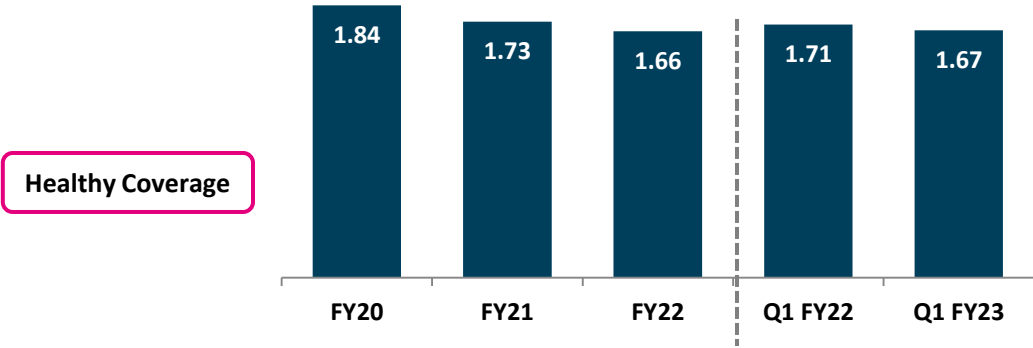
DEBT – EQUITY RATIO (DER)



CAPITAL ADEQUACY RATIO *(CAR)



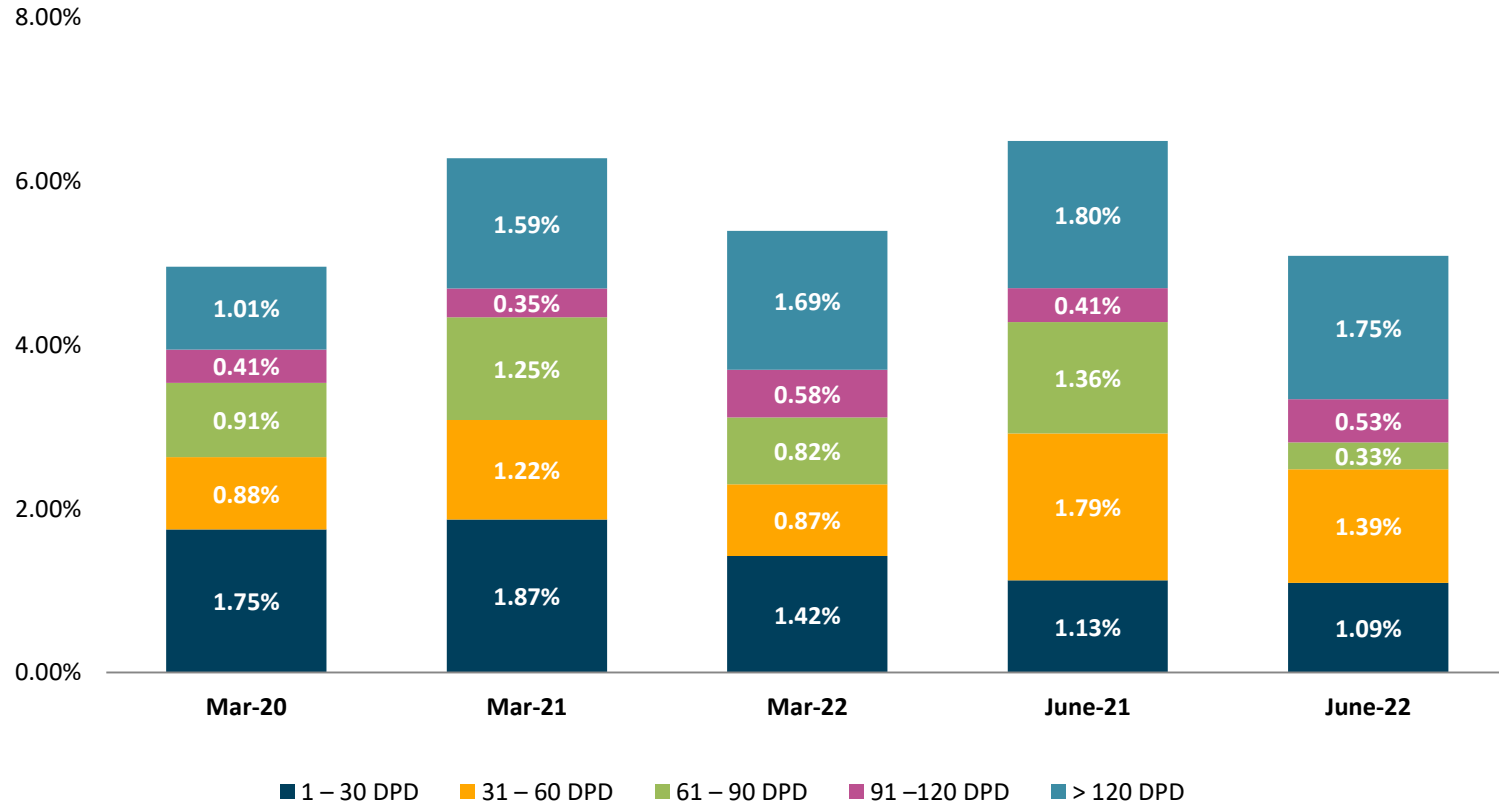
INTEREST COVERAGE RATIO (ICR)



* In March 20 CAR was higher due to higher percentage of Direct assigned portfolio @ 44%.

Asset Under Management - Credit Quality

ASSET UNDER MANAGEMENT- DPD



Credit Quality

(In INR Mn.)

Particulars	June-22		June-21	
	AUM	Provision	AUM	Provision
Stage 1	52953.04	162.89	38630.00	125.70
Stage 2	976.52	85.04	1104.31	96.94
Stage 3	1176.73	434.94	736.66	242.63
TOTAL ON BOOK	55106.30	682.86	40470.96	465.28
Assigned Portfolio	11732.89	N/A	11145.39	N/A
TOTAL AUM	66839.19		51616.34	

Particulars	June-22	June-21
Gross Stage 1 And Stage 2 Assets As % Of On Book Assets	97.86%	98.18%
Stage 1 & Stage 2 Assets (Standard Assets) Provisioning	0.46%	0.56%
Gross Stage 3 Assets As % Of On Book Assets	2.14%	1.82%
Stage 3 Assets Provisioning	36.96%	32.94%
Net Stage 3 Assets As % Of On Book Assets	1.35%	1.22%
Gross Stage 3 As % Of AUM	2.27%	2.21%
Net Stage 3 As % Of AUM	1.63%	1.74%

Note: (1) Stage 3 (>90 DPD Assets) on Assigned portfolio is INR 346.87 Mn. on 30th June 2022 and INR 405.33 Mn. on 30th June 2021 which has been taken into consideration while calculating Stage 3 As % Of AUM.

(2) The provision buffer (COVID provision) as on 30th June 2022 is INR 339.51 Mn. (Not netted off with gross assets in various stages) with which total provision amounts to around INR 1022.38 Mn.

(3) The restructured book outstanding as on 30th June 2022 was INR 236.70 Mn. which is 0.35% of the AUM.

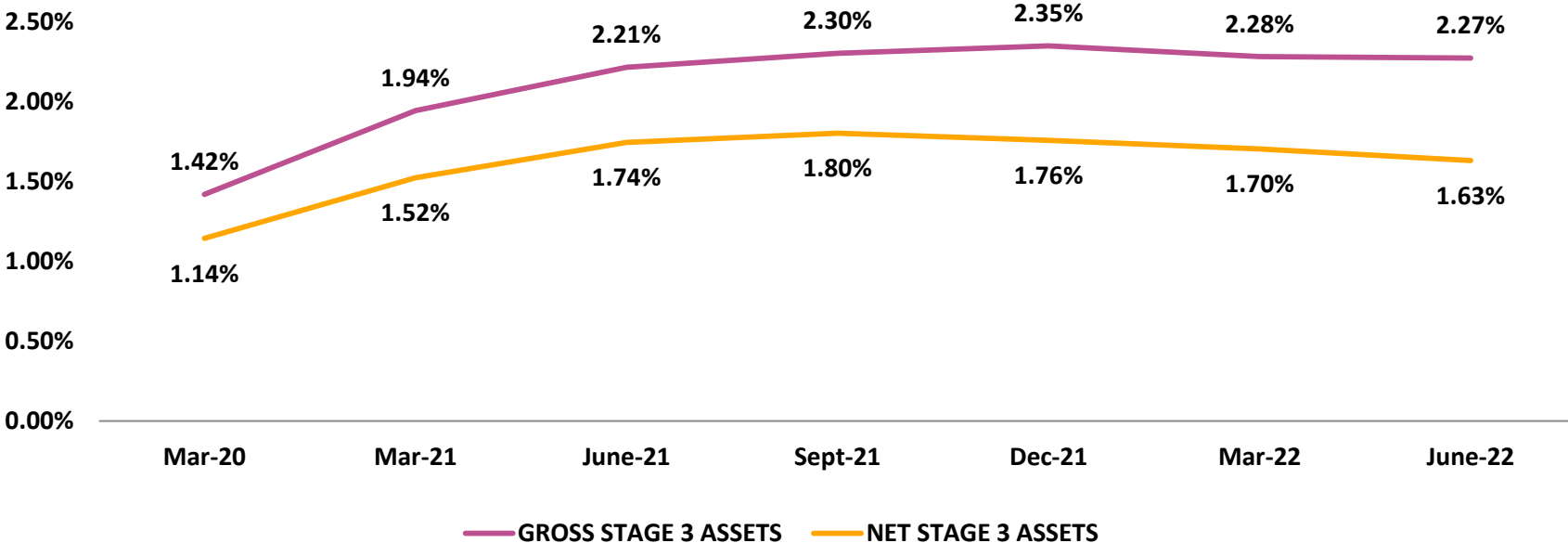
(4) Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications", the Company has complied with the said circular.

Constantly maintaining quality portfolio



Catalyst in growth of Entrepreneurs, not creating just borrowers

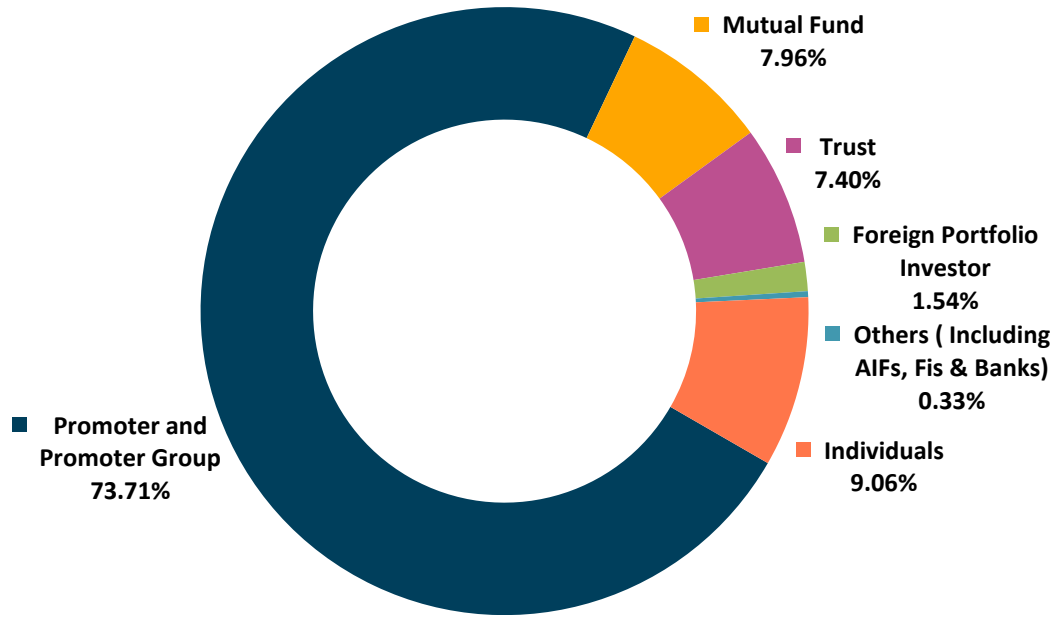
STAGE 3 ASSETS



Lag effect of COVID 2nd Wave and in line with RBI circular dated November 12,2021

Reputed Marquee FIIs and DIIs shareholders base

Shareholding as on 30th June 2022



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

DIMENSIONAL FUND ADVISORS

UNISUPER LIMITED AS TRUSTEE FOR UNISUPER

Financial Statement: FY20 – Q1 FY2022-23



PROFIT & LOSS STATEMENT					
INR Mn.	FY 2020	FY 2021	FY 2022	Q1 FY2023	
Total Revenue	6727	5939	6575	1983	
Expenses	4446	4010	4458	1361	
Finance Costs	2722	2645	3195	928	
Operating Expense	864	581	921	348	
Provisions and Loan Losses	859	784	341	85	
Profit Before Tax	2282	1929	2117	623	
Profit After Tax	1666	1435	1578	465	
Other comprehensive income	47	75	-76	-77	
Total comprehensive income	1713	1510	1503	388	
BALANCE SHEET STATEMENT					
INR Mn.	Mar-20	Mar-21	Mar-22	June-22	
ASSETS					
Financial assets	44906	50869	59763	65239	
Loans	33485	38051	45538	48973	
other financial assets	11422	12818	14225	16266	
Non-financial assets	811	907	987	1021	
Total assets	45718	51776	60750	66260	
LIABILITIES					
Financial liabilities	34946	39339	47052	52129	
Debt securities (including Subordinate Debt)	599	3741	4992	6085	
Borrowings (other than debt securities)	25202	29198	37327	41018	
Other Financial Liabilities	9145	6401	4733	5026	
Non-financial liabilities	963	711	613	641	
Total liabilities	35909	40050	47666	52770	
EQUITY					
Equity share capital	547	547	547	547	
Other equity	9262	11179	12538	12944	
Total equity	9809	11726	13085	13490	
Total liabilities and equity	45718	51776	60750	66260	



**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 43 intermediaries – typically project developers and property agents

Housing Loans

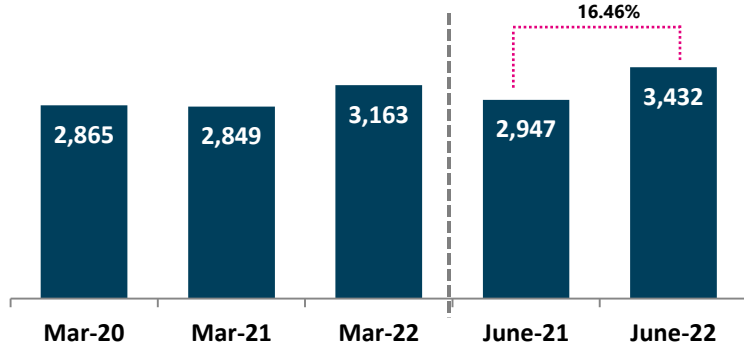


- Loans of up to INR 5 Mn. for residential and INR 10 Mn. for commercial
- Provides housing loans to customers, who are primarily salaried and self-employed individuals and loans to developers for construction of affordable housing project
- Tenure up to 300 months for residential and 144 months for commercial
- Average Ticket size in Q1 FY23– **INR 8,69,857**
- AUM as of 30th June 2022– **INR 3,432 Mn.**

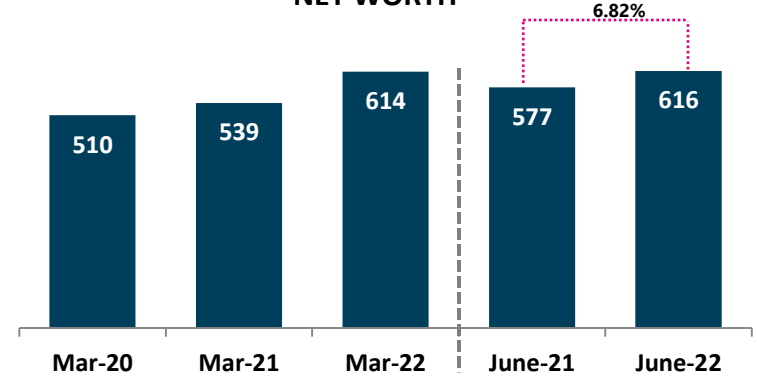
Financial Performance – Q1 FY23



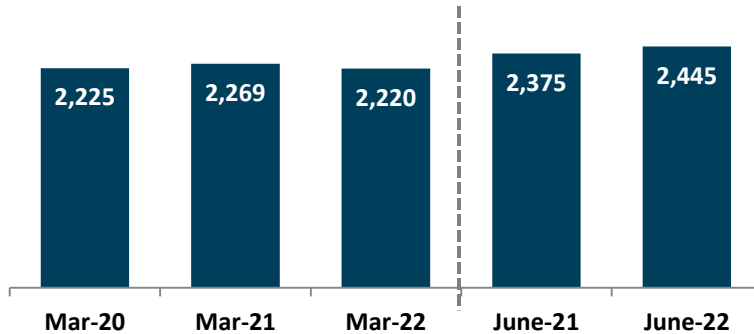
ASSETS UNDER MANAGEMENT (AUM)



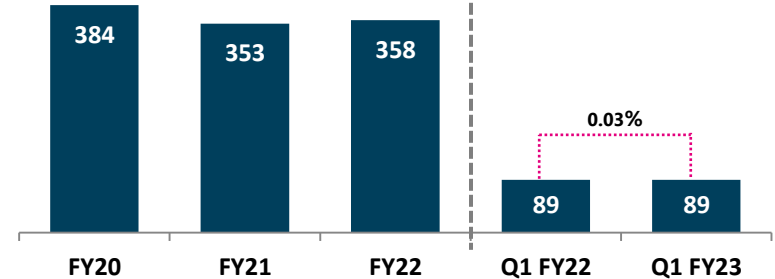
NET WORTH



BORROWING



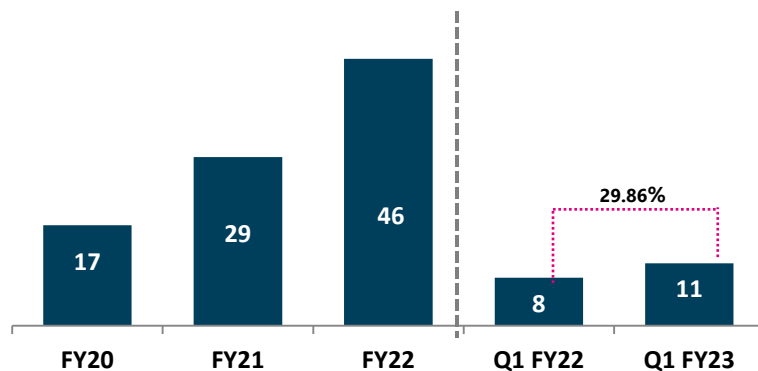
REVENUE*



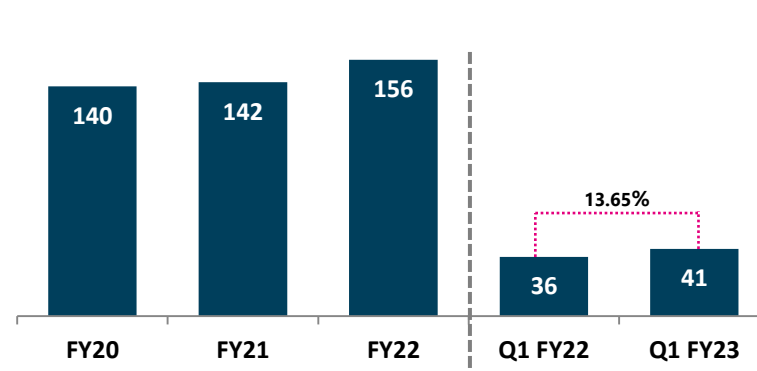
Financial Performance – Q1 FY23



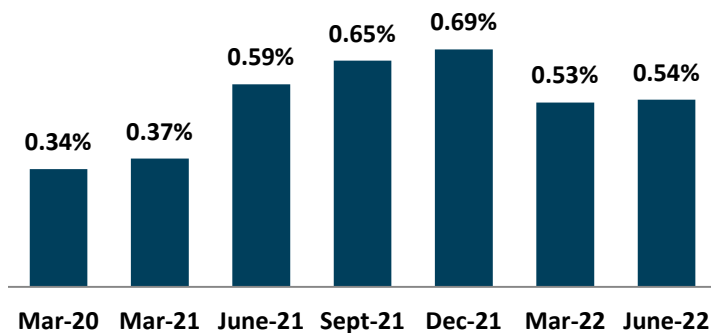
PROFIT AFTER TAX (PAT)



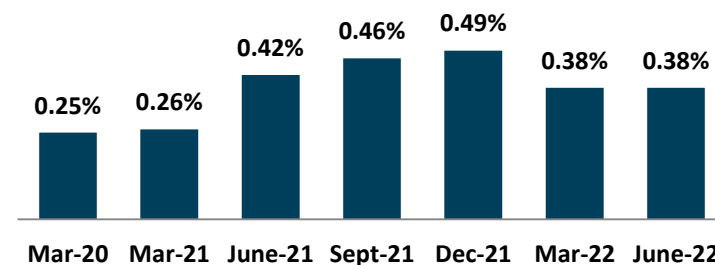
NET INTEREST INCOME (NII)



GROSS STAGE 3 ASSETS



NET STAGE 3 ASSETS

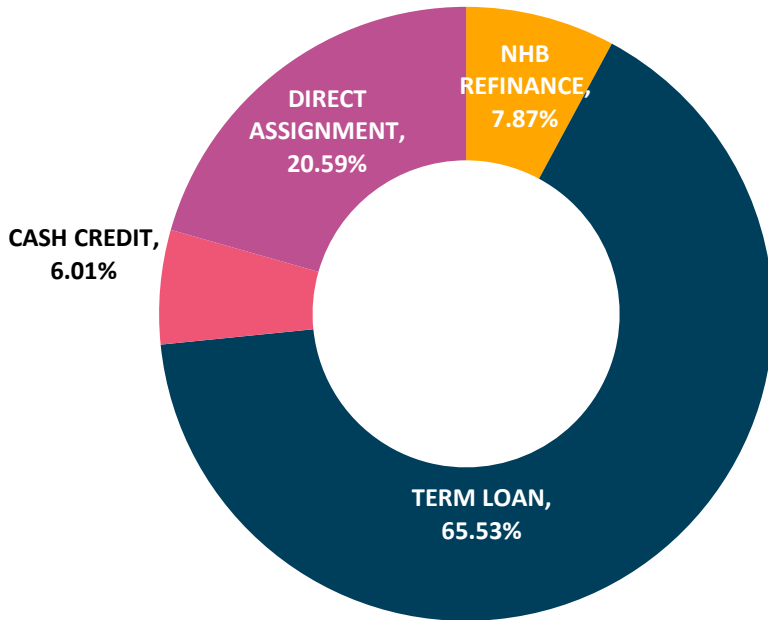


Liability Management



Sources of Fund

as on 30th June 2022



- 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 2022 is **46.43%** against regulatory norms of 15%. **Tier I capital is 33.43%. Tier II capital is 13.00%.**
- **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 7.87% 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 270 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-22		June-21	
	AUM	Provision	AUM	Provision
Stage 1	2653.51	3.05	2374.05	1.85
Stage 2	161.67	9.25	210.66	11.09
Stage 3	17.88	5.30	16.68	4.95
TOTAL ON BOOK	2833.06	17.60	2601.38	17.90
Assigned Portfolio	599.01	N/A	345.59	N/A
TOTAL AUM	3432.06		2946.97	

Particulars	June-22	June-21
Stage 1 And Stage 2 Assets As % Of On Book Assets	99.37%	99.36%
Stage 1 And Stage 2 Assets (Standard Assets) Provisioning	0.44%	0.50%
Stage 3 As % Of On Book Assets	0.63%	0.64%
Stage 3 Assets Provisioning	29.63%	29.68%
Net Stage 3 As % Of On Book Assets	0.44%	0.45%
Stage 3 As % Of AUM	0.54%	0.59%
Net Stage 3 As % Of AUM	0.38%	0.42%

Note: (1) Stage 3 (>90 DPD Assets) on Assigned portfolio is INR 0.58 Mn. on 30th June 2022, and INR 0.56 Mn. on 30th June 2021 which has been taken into consideration while calculating Stage 3 As % Of AUM.

(2) The provision buffer (COVID provision) as on 30th June 2022 is INR 30.00 Mn. (Not netted off with gross assets in various stages) with which total provision amounts to around INR 47.60 Mn.

(3) The restructured book outstanding as on 30th June 2022 was INR 23.70 Mn. which is 0.69% of the AUM.

(4) The stage 3 classification norms followed by the Company was in compliance with the the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications".

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

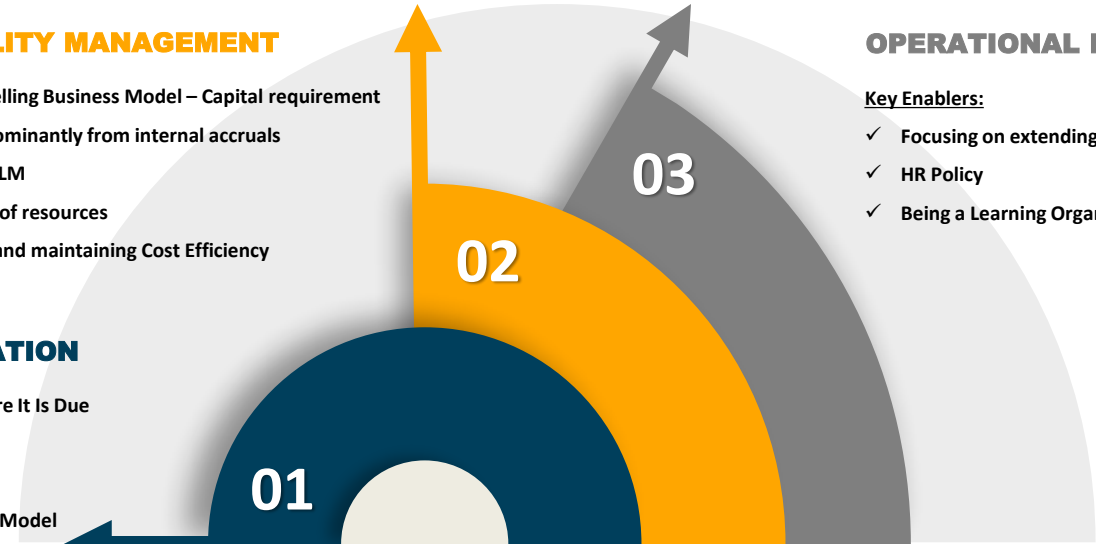
ASSET CREATION

- ✓ 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.

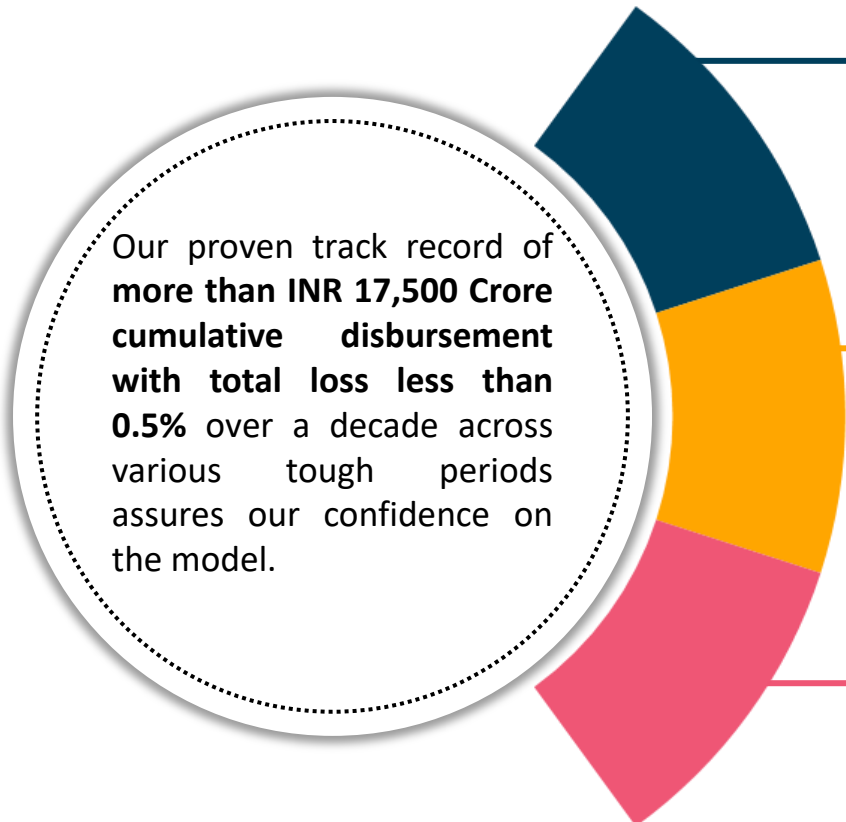
Further strengthening the field due diligence.

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 17,500 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 56 years, is the Founder, Chairman and Managing Director of **HAS** since inception.
- He is a proficient and experienced industry practitioner with a brilliant track record, which includes over two decades of managing and propelling the Company's growth. He manages the Company with the guidance and support of the Board and his own understanding and vision are among the key enablers for the consistent performance of the Company.
- He is the member of Banking and Finance taskforce of Gujarat Chambers of Commerce and Industry, Vice Chairman of Gujarat Finance Company Association, Co- Chairman of FIDC, an industry body of NBFCs, Co-Chairman of ASSOCHAM MSME Development Council and a member of SME Chamber of India.
- He is also the Managing Trustee of Smt. Urmilaben Chimanlal Gandhi Foundation. The Foundation currently contributes towards the financial needs in health care and education.



Late Mr. Mukesh Chimanlal Gandhi

- **Late Mr. Mukesh Chimanlal Gandhi**, was a Co-founder, whole-time Director - Finance **HAS** 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 **HAS** remain committed to it's vision of excellence through endeavours.

EMINENT DIRECTORS



Mrs. Darshana Saumil Pandya
Executive Director & CEO

Mrs. Darshana S. Pandya is responsible for leading the operations at MAS. She is also the driving force behind forging relationships between the Company and its partners which amount to over 100 NBFC-MFIs and NBFCs. After completing her graduation in Commerce, she joined the Company in 1996 as a junior executive. Through her hard work and determination to excel and with support from the management, she has risen to the level of Director & CEO.



Mr. Bala Bhaskaran
Independent Director

Mr. Balabhaskaran N. Nair is a management graduate with two decades of experience in the consultancy and financial sector. Over the years, with his rich work experience, he has gathered a number of management consultancy inputs. He has done his engineering from IIT-Madras, MBA from IIM-Bangalore and CFA from ICFAI.



Mr. Chetan Ramniklal Shah
Independent Director

Mr. Chetan R. Shah holds a bachelor's degree in commerce and a degree in law (general) from Gujarat University. He is also a qualified Chartered Accountant registered with the Institute of Chartered Accountants of India. He has over three decades of experience in the financial services sector and has worked with the Natpur Co-operative Bank in the capacity of Manager – Finance.



Mr. Umesh Rajanikant Shah
Independent Director

Mr. Umesh R. Shah is a qualified Chartered Accountant. He has over three decades of experience in diverse fields connected with Finance, Accounting, Auditing and Taxation. He also has 5 years of hands-on experience of working in an NBFC.



Mrs. Daksha Niranjan Shah
Independent Director

Mrs. Daksha Niranjan Shah is a business graduate from Indian Institute of Management (IIM), Ahmedabad, where she specialized in Finance and Marketing; she is also a student of Economics and Statistics. She has rich experience of more than three decades in diversified fields of Textiles, Chemicals and Financial services. She has undergone various courses such as the course in Microfinance at the Economic Institute, Boulder, Colorado, USA.

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 1700 employees** who works along with the core team towards accomplishing the company's Mission and Vision.

Major events and milestones



1995

- On incorporation, commenced retail finance operations **with Two-wheeler and Micro-Enterprise loans**

2006

- Received first round of capital infusion of **INR 65 Mn.** from Bellwether Micro Fund

2008

- Acquired second and third round of capital infusion worth **INR 435 Mn. and INR 400 Mn. from FMO and ICICI Venture**, respectively
- Floated the housing finance subsidiary

2011

- Listing of **NCDs on Bombay Stock Exchange**

2012

- Received the fourth round of capital infusion of INR 650 Mn. from DEG

2022

- Consolidated AUM crossed INR 65 Bn.**
- ASSOCHAM 8th MSMEs Excellence Awards March 2022 – Best MSME Lending of the Year**

2013

- Disbursement and **AUM crossed INR 10 Bn.**

2014

- Sarva Capital purchased 50% CCPS** held by FMO in secondary deal

2015

- Raised Subordinate Debentures of **INR 200 Mn.**
- AUM crossed INR 20 Bn.**

2016

- Bank loan rating was upgraded to **'IND A' with 'Stable outlook'**
- Raised subordinate debentures of **INR 400 Mn.**

2017

- AUM crossed INR 30 Bn.**
- Motilal Oswal infused **capital of INR 1,000 Mn.**

2018

- Listing of Equity Shares on BSE & NSE**
- Received capital infusion of **INR 350 Mn. from MOSL**
- Raised fresh capital of **INR 2,330 Mn. via IPO**

2019

- AUM crossed INR 50 Bn.**
- Bank loan **rating upgraded** to "Acuité AA -" with Stable outlook and Short-term rating assigned as Acuité A1+

2020

- Completed **25th Year of Endeavours**
- AUM crossed INR 60 Bn. on a consolidated basis**

2021

- Inclusive Finance India Award 2020 – NBFC** lending to Micro and Small Enterprises
- Raised **INR 650 Mn. via market-linked NCDs (MLD)**



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. Ninad Solanky
Investor Relations Manager
079-41106551
ninad_solanky@mas.co.in