



The Power of Distribution

MAS FINANCIAL SERVICES LIMITED

MFSL/SEC/EQ/2019/60

November 06, 2019

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**

Trading Symbol: **MASFIN**

Dear Sir,

Sub.: Press Release for the quarter and half year ended on September 30, 2019

Please find enclosed herewith Press Release for the quarter and half year ended September 30, 2019.

Thanking you,

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

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



Encl.: As above

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PRESS RELEASE

MAS Financial Services Limited results – 2nd quarter FY 20

A Robust Financial Performance

The Board of Directors of MAS Financial Services Limited in their meeting held today took on record the unaudited Financial Results of the company for the Quarter ended 30 September 2019.

The robust financial performance even during this turbulent quarters extended from September 2018, is the testimony of the strong fundamentals of the company; which is being followed over two decades.

As per IND-As

MAS Financial Services Limited reports Assets under Management (AUM) of ₹ 5894.37 Crore and profit after tax of ₹ 46.67 Crore for the quarter ended 30 September 2019 from ₹ 4661.62 Crore and ₹ 34.58 Crore respectively for quarter ended 30 September 2018 - A Growth of 26.44% and 34.95% over corresponding period of previous year respectively.

The Profit after tax for H1 is Rs ₹ 87.40 Crore- A growth of 34.37% over corresponding period of the previous year.

Performance Highlights:

- Disbursement (Net) made during H1 FY 20 ↑ 18.60 % to ₹ 2560.64 Crore from ₹ 2159.14 Crore in H1 FY19.
- Disbursement (Net) made during Q2 FY 20 ↑ 16.89 % to ₹ 1359.97 Crore from ₹ 1163.47 Crore in Q2 FY19.
- Assets under Management (AUM) as of 30 September, 2019 ↑ 26.44% to ₹ 5894.37 Crore from ₹ 4661.62 Crore as on 30 September, 2018 with Gross Stage 3 Assets and Net Stage 3 Assets as of 30 September, 2019 at 1.27 % and 1.06% respectively. The Gross Stage 3 Assets and Net Stage 3 Assets stood at 1.29 % and 1.06% as of 30 September, 2018.
- Total Income for H1 FY 20 ↑ 27.83% to ₹ 326.63 Crore from ₹ 255.52 Crore in H1 FY 19.
- Total Income for Q2 FY 20 ↑ 23.19% to ₹ 167.40 Crore from ₹ 135.89 Crore in Q2 FY 19.
- Profit After Tax for H1 FY 20 ↑ 34.37 % to ₹ 87.40 Crore from ₹ 65.05 Crore in H1 FY 19.
- Profit After Tax for Q2 FY 20 ↑ 34.95 % to ₹ 46.67 Crore from ₹ 34.58 Crore in Q2 FY 19.
- Capital Adequacy Ratio (including Tier II capital) as of 30 September, 2019 stood at 26.88%. The Tier-I capital stood at 25.52%.



(₹ in CR)

Particulars	Q2'20	Q2'19	QoQ	H1'20	H1'19	HoH	FY 19
Assets Under Management	5894.37	4661.62	26.44 % ↑	5894.37	4661.62	26.44% ↑	5,338.37
Total Income	167.40	135.89	23.19 % ↑	326.63	255.52	27.83% ↑	572.58
Profit Before Tax*	49.94	53.67	-6.95 % ↓	112.60	100.51	12.03% ↑	233.93
Profit After Tax	46.67	34.58	34.95% ↑	87.40	65.05	34.37% ↑	152.11
Gross Stage 3 Assets % to AUM	1.27%	1.29%	-0.02 bps ↓	1.27%	1.29%	-0.02 bps ↓	1.39%
Net Stage 3 Assets % to AUM	1.06%	1.06%	0.00 bps ↑	1.06%	1.06%	0.00 bps ↑	1.14%

Note: * The company adopted the policy of using the majority part of the tax benefit to further strengthen the quality of the portfolio by aggressively writing off the stage 3 Assets. The net stage 3 Assets on AUM improved to 1.06% as on sept 19 against 1.14% as on June 19 and is maintained at the same level of 1.06 % as of september 18 (Pre- crisis period) despite of the significant stress experienced across all the segments of the economy during this period. The company registered a very healthy growth in it's PAT of 34.95% QoQ and 34.37% HoH.

(₹ in CR)

Asset Under Management (AUM)*	Sept-19	Sept-18	QoQ
Micro-Enterprise loans	3613.98	2942.16	22.83% ↑
SME loans	1678.30	1139.05	47.34% ↑
2-Wheeler loans	463.01	429.18	7.88% ↑
Commercial Vehicle loans	139.07	151.23	-8.04% ↓
TOTAL AUM	5894.37	4661.62	26.44% ↑

*Represents underlying assets in each of the category. As on 30 September, 2019 58.03% 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	Q2 FY 20	Q2 FY 19	H1 FY 20	H1 FY 19
1	Upfront spread booked on present value basis on portfolio assigned during the year (based on INDAS)	24.19	20.01	44.22	35.57
2	Income booked on asset created out of spread receivable (based on INDAS)	1.54	1.12	3.08	2.27
3	Spread that would have been booked on assigned portfolio on amortization basis (based on I-GAAP)	25.78	19.81	51.64	39.92
4	Net Impact on income due to upfront booking of spread on the assigned portfolio (based on INDAS) (1+2-3)	-0.06	1.33	-4.33	-2.08

➤ **Dividend:** In consonance to our policy of rewarding the shareholders the board has declared an interim dividend of 20% @ RS. 2 per share.



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 23rd October 2019 took on record the unaudited Financial Results of the company for the quarter ended 30 September, 2019.

As per IND-As

MAS Rural Housing and Mortgage Finance Limited reports Assets under Management (AUM) of ₹282.18 Crore and profit after tax of ₹ 1.09 Crore for the quarter ended 30 September 2019 from ₹237.82 Crore and ₹ 1.02 Crore respectively for quarter ended 30 September 2018 - A Growth of 18.65% and 6.18% over corresponding period of previous year respectively.

The Profit after tax for H1 is Rs ₹ 2.20 Crore- A growth of 14.31% over corresponding period of the previous year.

Performance Highlights:

- Assets under Management (AUM) as of 30 September, 2019 ↑ 18.65% to ₹ 282.18 Crore from ₹ 237.82 Crore as on 30 September, 2018 with Gross Stage 3 Assets and Net Stage 3 Assets as of 30 September, 2019 at 0.40 % and 0.30% respectively. The Gross Stage 3 Assets and Net Stage 3 Assets stood at 0.36% and 0.26% as of 30 September, 2018.
- Capital Adequacy Ratio (including Tier II capital) as of 30 September, 2019 stood at 35.29%. The Tier-I capital stood at 28.45%.

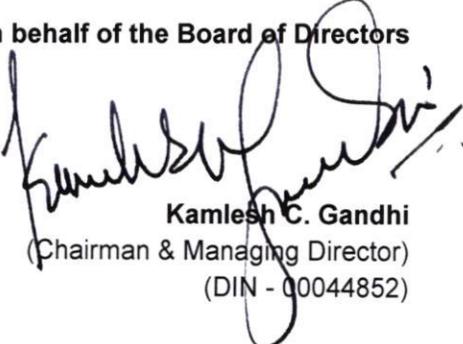
(₹ in CR)

Particulars	Q2'20	Q2'19	QoQ	H1'20	H1'19	HoH	FY 19
Assets Under Management	282.18	237.82	18.65% ↑	282.18	237.82	18.65% ↑	270.24
Total Income	9.73	7.47	30.16% ↑	19.53	14.58	33.95% ↑	32.41
Profit Before Tax	1.40	1.22	15.04% ↑	2.83	2.42	17.10% ↑	4.24
Profit After Tax*	1.09	1.02	6.18% ↑	2.20	1.93	14.31% ↑	2.65
Gross Stage 3 Assets % to AUM	0.40%	0.36%	0.04 bps ↑	0.40%	0.36%	0.04 bps ↑	0.36%
Net Stage 3 Assets % to AUM	0.30%	0.26%	0.04 bps ↑	0.30%	0.26%	0.04 bps ↑	0.26%

Note : * Profit After Tax growth is lower because of one time impact of Rs.6.61 lakhs. due to tax rate change.

For and on behalf of the Board of Directors




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

Place : Ahmedabad

Date : November 6, 2019



PRESS RELEASE

MAS Financial Services Limited

MAS Financial Services Strengthens Senior Management Bandwidth

Ahmedabad, November 06, 2019: MAS Financial Services (MAS), a specialised retail financing services company headquartered in Ahmedabad today announced that in a move to strengthen its senior management bandwidth, the company has created certain new senior positions and has elevated some of the existing key management personnel (KMPs). All the new appointments were approved by the board in its meeting held on November 6, 2019.

MAS Financial's current board member and Chief Operating Officer (COO), Mrs. Darshana Pandya is now elevated to a newly carved role of Chief Executive Officer (CEO) and member of the board. In her new role as the CEO, Mrs. Pandya will lead the organisation under the guidance of the board and will be responsible for MAS Financial's strategic growth initiatives. Mrs. Pandya has been with MAS Financial for the past 23 years.

The company has elevated the current Vice President – Finance, Mr. Ankit Jain to the position of Chief Financial Officer (CFO). Mr. Jain will continue to lead the company's debt and capital raising programs and will play a key role in value creation for stakeholders. Mr. Jain is with the company since 2010.

Besides these appointments, MAS Financial has also elevated the current Head – Risk Monitoring, Mr. Nishant Jain to a new position of Chief Risk Officer; and the current Vice President - Retail Asset Channel, Mr. Dipak Dangar to a new role of Chief Operating Officer – Retail Asset Channel (COO – RAC).

This management team will support and work closely with Mr. Kamlesh Gandhi, Chairman & Managing Director and Mr. Mukesh Gandhi, Wholetime Director, along with other board members.

"With their rich experience and a long track record of working with MAS Financial Services, these promotions are well deserved and in-line with our endeavour of recognizing and promoting the personnel from the ranks and to have a succession roadmap by creating a strong senior level bandwidth. I congratulate them on their new roles and look forward to working with them to make MAS Financial Services one of the most efficient distributors of financial services and create value on a very large scale." said **Mr. Kamlesh Gandhi, Chairman & Managing Director, MAS Financial Services Limited.**

About MAS Financial Services Ltd.

MAS Financial Services Ltd.(MAS) has been engaged in specialised retail financing services for over two decades. MAS predominantly caters to the MSME sector through its strong distribution network of around 3500 centres and more than 120 regional NBFCs, which results in to not only a pan India presence but also helps the company to leverage on their demographic and niche expertise.

The company's ultimate objective is of extending credit where it is due accompanied by a very effective last mile delivery of credit.

MAS currently manages AUM of more than Rs.6000crs. having registered a very steady and robust growth of more than 25% over a sustained period of two decades. It had the privilege of having





marquee investors like FMO, DEG, ICICI venture and Sarva Capital before going to the IPO in October 2017, which was a stupendous success.

MAS due to its niche expertise, strong distribution network and a high capitalisation level, is poised for a sustained and a quality growth.

For more information, contact

Mr. Ankit Jain Chief Financial Officer MAS Financial Services Limited 079-41106682 Ankit_jain@mas.co.in	Mr. Chinmay Madgulkar Consultant – Dickenson World +91 98600 88296 Chinmay.madgulkar@dickensonworld.com
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Brief Profile of New Appointees At MAS Financial Services Limited

Mrs. Darshana Pandya from Director & COO to Director & CEO:

Mrs. Darshana Pandya started her career with Company in the year 1996 as a junior executive with Accounts Dept. Through her immaculate hard work and determination to excel she was promoted to Chief Operating Officer (“COO”) of the Company. Over the years she gained varied experience in all the departments of the Company and on Board meeting held on 23rd September, 2016 she was appointed as Director of the Company. Her extremely focused, passionate and dedicated work has helped the Company to achieve very impressive growth. The Board of Directors at its meeting held on 6th November, 2019, appointed and promoted Mrs. Darshana Pandya as Chief Executive Officer of the Company.

Mr. Ankit Jain from Vice President – Finance to Chief Financial Officer (“CFO”)

Mr. Ankit Jain is associated with Company since last 9 years. He joined the Company as Asst. to Director Finance in the year 2010 and due to his constant hard work and dedication he was promoted to Vice President – Finance in the year 2017. He is responsible for Syndication of Funds (Term Loans, Cash Credit, Securitization, Preference Shares, Debentures) for Company through various sources such as Banks, Financial Institutions, Private equity players and development organizations. He played significant part in getting the company listed with stock exchange and has been handling investor relationship for the company. He also ensures compliance to various regulatory norms pertaining to RBI. Considering his experience and dedication, the Board of Directors at its meeting held on 6th November, 2019, appointed and promoted Mr. Ankit Jain as Chief Financial Officer of the Company.

CA Nishant Jain from Head – Risk & Monitoring to Chief Risk Officer (“CRO”)

Mr. Nishant Jain has overall experience of more than 8 years in Credit & Risk field. Mr. Jain had first joined MAS Financial in 2012 and worked with the company till 2016 as Manager – Operations. He re-joined the Company in 2018 as Head – Risk & Monitoring. Owing to his proven abilities and his dedication towards all the given assignments, he is now being appointed and promoted as Chief Risk Officer of the Company, at the Board Meeting held on 6th November, 2019.

Mr. Dipak Dangar from Vice President – Retail Assets Channel to Chief Operating Officer – Retail Asset Channel (“COO-RAC”)

Mr. Dipak Dangar is associated with Company since last 11 years. He joined the Company as a Relationship Manager in the year 2008. Due to his hard work and dedication towards all the assignments given to him during his tenure, he was promoted and assigned various responsibilities which were performed successfully. His last designation was Vice President – Retail Assets Channel. He is appointed and promoted as Chief Operating Officer – Retail Asset Channel (“COO- RAC”) of the Company, at the Board Meeting held on 6th November, 2019.

