

# Key Highlights

- ▶ CRISIL has upgraded MOHFL's rating to AA- (stable outlook) from earlier A+ (stable). MOHFL has received this credit rating upgrade amid challenging environment based on several positive changes undertaken.
- ▶ Senior management team with all key function heads is now in place.
- ▶ We have Independent Sales, Credit, Collection & Operations : 1184 employees ( Sales : 381, Collections : 457, Credit : 93 & Ops/corporate/others: 253 )
- ▶ New book sourced from April'18 validates the new credit policy, with only 3 cases in NPA out of ~5000 loan cases.
- ▶ In FY20 we have sold assets worth of ` 595 cr to Phoenix ARC for consideration of ` 293 cr (50% Haircut). This has also assisted in reduction of the GNPA & NNPA ratios of MOHFL. As of 31<sup>st</sup> March 20 the GNPA & NPA ratios of the company are 1.81% and 1.36% respectively.
- ▶ Cost of borrowing for us has come down by 10bps in FY20 at 10.16% and incremental cost of funds is 100bps lower at 9%.
- ▶ There was strong support from parent (Motilal Oswal Financial Services), total cumulative capital infusion from sponsor at ` 8.5 bn resulting into lower leverage (Debt/Equity ratio) of 3.4x.
- ▶ We have strong Liability Mobilizations from various Banks & Institutions at competitive rates
- ▶ MOHFL has shifted to in-house developed IT platform called "Loan Origination System" (LOS) and "Loan Management System" (LMS). These newly developed systems provides lot of ease of access, operational convenient, efficiency enhancement and fast tracking of processes.

## **Business Performance**

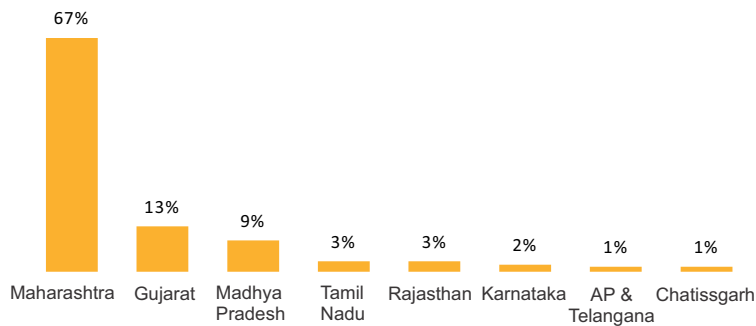
- ▶ Motilal Oswal Home Finance has disbursed ` 190 crores during FY20
- ▶ Average loan size of ` 8.8 lakhs
- ▶ The average tenure of the loan given is 15 years with loan limit of ` 25 lakh
- ▶ Geographical reach across 9 states with 110 branches.
- ▶ Collection team of 450+ members along with robust legal team
- ▶ Catering to 47,900+ families
- ▶ Average LTV of 58% as on 31 March, 2020
- ▶ Total staff counts of 1,184 employees.

## **Financial Performance**

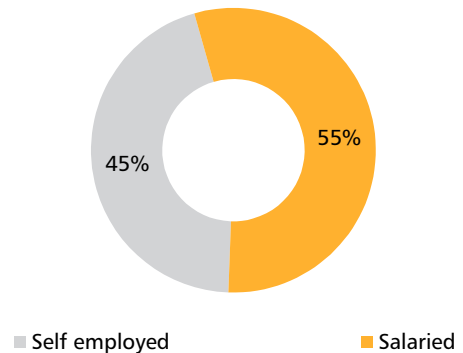
- ▶ Loan book stands at ` 3,667 crores as on 31<sup>st</sup> March, 2020
- ▶ In FY20 MOHFL back in profit ( ` 39 crores) after posting losses in FY19 on account of accelerated provisioning.
- ▶ NIM – 5.3%, Spread – 4.3%
- ▶ GNPA – 1.81% and NNPA – 1.36%
- ▶ Provision coverage – 66%
- ▶ Debt to Equity – 3.4x
- ▶ Cost to Income – 41%
- ▶ Capital adequacy – 47.58%

# Loan Book & Borrowing Analysis

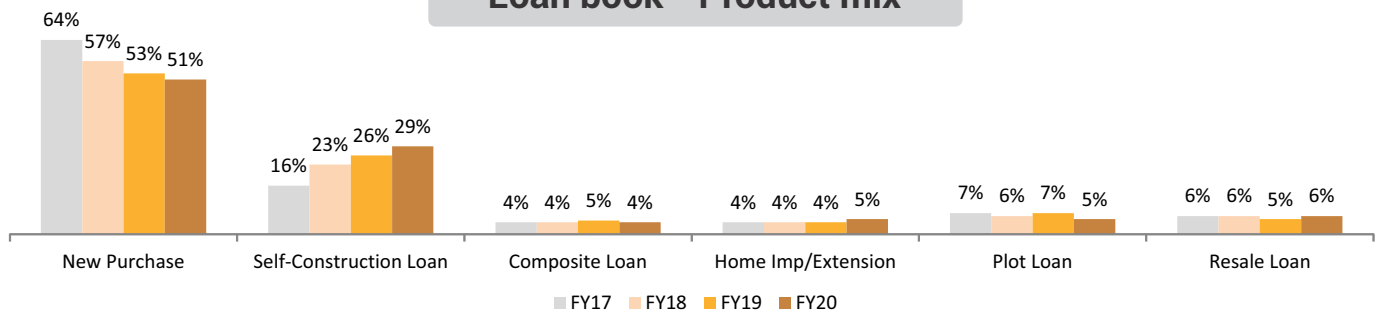
## State wise loan book mix



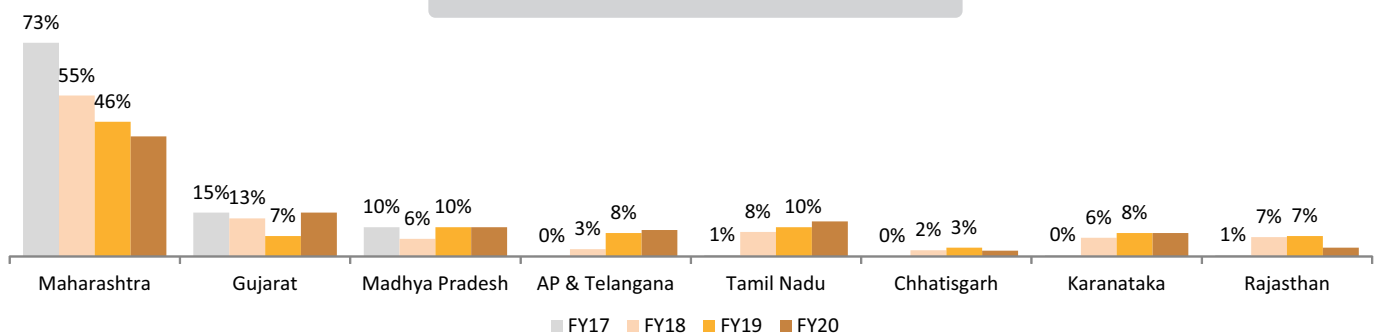
## Balanced customer mix (%)



## Loan book - Product mix



## State wise disbursement mix



## Borrowing mix

