

Motilal Oswal Financial Services Limited

CIN : L67190MH2005PLC153397

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January 16, 2019

BSE Limited
P. J. Towers,
Dalal Street, Fort,
Mumbai - 400001
Security Code: 532892

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400051
Symbol: MOTILALOFIS

Sub: Investor(s)/Analyst(s) Presentation – Financial Performance for Q3 FY 2019

Dear Sir/Madam,

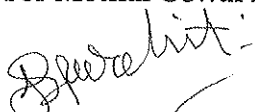
This is with reference to our earlier letter dated January 08, 2019 regarding Earnings Conference Call with Institutional Investor(s)/Analyst(s) for discussing Q3FY2019 Financial Performance of the Company on January 17, 2019 at 11:00 a.m.

In this regard, please find enclosed herewith the Presentation to be made to Investor(s) /Analyst(s). Further, the said Presentation will be uploaded on the Company's website at www.motilaloswalgroup.com.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Motilal Oswal Financial Services Limited



Kailash Purohit
Company Secretary & Compliance Officer

Encl.: As above

Motilal Oswal Financial Services Ltd

Earnings Presentation | Q3FY19 & 9MFY19

Businesses building scale

Annuity revenue driving visibility

All biz offer huge headroom for growth



Key Highlights

Financials

Businesses

Interesting Exhibits



Key Highlights

Financials

Businesses

Interesting Exhibits

Capital Markets

Broking business profits +32% YoY in 9MFY19.

Distribution AUM stood at Rs 90 bn, +20% YoY.

Online platform gaining traction.

Share in high yielding cash segment remain stable.

Concluded 5 marquee investment banking deals in 9MFY19; deal pipeline remains robust.

Asset Management

AMC AUM: Rs 374 bn, +7% YoY; EBITDA margin up strongly at 41%.

Equity MF AUM share 2% in 9MFY19; flow share 2.4% in 9MFY19.

Average IRR on exited PE investments: ~28%. Strong growth in PE AUM (+30% YoY) and Profitability (+200% YoY)

Wealth AUM: Rs 164 bn, +7% YoY in 9MFY19 leads to strong profit growth.

Asset Management business profits +45% YoY in 9MFY19.

Housing Finance

MD & CEO with career Risk & Credit background on boarded

Disbursements are likely to pick up in coming quarters.

Legacy loan book clean up will result into lower incremental credit cost

Provisioning including write offs stands at 69%

Strong support from parent with further capital infusion of Rs 2 bn in Q3FY19

Positive trends in collection efficiency from Dec-18.

Fund based Business

Total quoted equity investment including MTM gains was Rs 14 bn as of Q3FY19.

Cumulative XIRR of ~15% on quoted equity MF investments and ~28% on exited PE growth fund investments

Strong liquidity on Balance sheet with unutilised banking lines of Rs 16 bn.

Maintains Interim dividend of Rs 4 per share

Awards and Accolades

Motilal Oswal PE - IBEF II
awarded as **Private Equity
(Mid-size Fund) Exit
Performance of the
year 2017**
at the IVCA Conclave
2018

Motilal Oswal RE
awarded as
**Best Real Estate Product
2018** at the India Wealth
Advisors Awards by
AIWMI

Motilal Oswal AMC
awarded as
**Best Portfolio
Management Service
Product 2018**
at the India Wealth
Advisors Awards by
AIWMI

Motilal Oswal PWM
awarded as
**Best Boutique
Wealth Manager - India**
at the Asset Triple A
Awards 2018

Motilal Oswal Financial
Services Ltd. as
**Best Broking Business of
the Year** at the
Moneycontrol Wealth
Creator Awards 2018

Motilal Oswal Financial
Services Ltd.
has been listed in
**Fortune 500 India's
Largest Corporations**

Motilal Oswal Financial
Services Ltd.
wins gold in **Marketing
Campaign of the Year - BFSI**
at 2018 IBA Awards
(Stevie Awards)

Motilal Oswal Financial
Services Ltd. is among
**India's 15 Best Workplace -
BFSI** in
Great Place to Work India
Survey 2018



Key Highlights

Financials

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Interesting Exhibits

Consolidated financials



Particulars (Rs mn)	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ (%)	9MFY19	9MFY18	YoY (%)
Broking	2,701	3,113	-13%	2,957	-9%	8,580	8,146	5%
Investment Banking	50	449	-89%	34	46%	235	904	-74%
Asset Management	1,368	1,353	1%	1,543	-11%	4,390	3,593	22%
Wealth Management	249	245	2%	319	-22%	829	684	21%
Private Equity	319	419	-24%	247	29%	749	1,459	-49%
Fund Based (1)	565	1,418	-60%	-578	-	56	3,331	-98%
Housing Finance	1,545	1,620	-5%	1,724	-10%	4,872	5,047	-3%
Total Revenues	6,797	8,617	-21%	6,247	9%	19,711	23,165	-15%
Total Revenues after Intercompany adjustments	6,304	8,148	-23%	5,703	11%	18,170	21,869	-17%
Total Adjusted Revenues (2)	6,483	6,989	-7%	6,571	-1%	19,235	18,738	3%
EBITDA	1,547	4,663	-67%	1,653	-6%	6,020	12,400	-51%
PBT	236	3,233	-93%	293	-19%	1,983	8,218	-76%
Reported PAT as per Ind AS	399	2,473	-84%	42	-	1,476	6,086	-76%
Adjusted PAT as per Ind AS (ex-Aspire)	1,433	1,405	2%	1,099	30%	3,691	3,198	15%

1. Fund based comprises of gains/loss on sponsor commitments and investments in Equity MFs, PE funds, Real estate funds, AIFs.

2. Adjusted revenues and PAT excludes MTM gains/loss in fund based investments and lumpy share of profits on the exit of PE investments.

Note: In Q3FY19, realised gains were at Rs 651 mn vs Rs 406 mn in Q3FY18.

Consolidated financials – PAT Mix after Ind-AS



PAT (Rs Mn)	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ (%)	9MFY19	9MFY18	YoY (%)
Broking	339	439	-23%	478	-29%	1,372	1,037	32%
Investment Banking	-23	170	-113%	-16	41%	26	447	-94%
Capital Markets	317	609	-48%	462	-31%	1,398	1,484	-6%
Asset Management	337	320	5%	391	-14%	1,133	787	44%
Private Equity	103	284	-64%	79	30%	225	760	-70%
Wealth Management	26	43	-40%	59	-56%	110	147	-25%
Asset & Wealth	466	647	-28%	530	-12%	1,468	1,694	-13%
Fund Based	563	1,165	-52%	-525	-	83	2,634	-97%
Home Finance	-947	74	-	-358	-	-1,405	413	-
Reported PAT after Intercompany adjustments	399	2,473	-84%	42	-	1,476	6,086	-76%
Adjusted PAT as per Ind AS (ex-Aspire)	1,433	1,405	2%	1,099	30%	3,691	3,198	15%

Notes:

1. Fund based income excludes Other Comprehensive Income
2. Adjusted PAT as per Ind-AS excludes gains in fund based business and lumpy profit share on exit of PE fund investments.
3. All PAT numbers are post minority.

Consolidated financials – PAT Reconciliation IGAAP to Ind-AS



Particulars (Rs mn)	Q3FY19	Q3FY18	Q2FY19	9MFY19	9MFY18
Net profit after tax as reported under IGAAP	425	1,578	865	2,449	4,089
Adjustments increasing/(decreasing) net profit after tax as reported under IGAAP					
Increase/(Decrease) in Interest income pursuant to application of effective interest rate method	122	116	52	214	221
(Increase)/ Decrease in Borrowing cost pursuant to application of effective interest rate method	-2	-3	-2	-5	-4
(Increase)/ Decrease in provision due to expected credit loss	70	3	-102	-207	-234
Gain/ (loss) on fair valuation of investments	-247	982	-837	-1,091	2,317
(Increase)/ Decrease in employee benefit expenses due to fair valuation of employee stock options	-7	-17	-15	-40	64
Others	-4	-3	0	-13	-9
Tax impact on above adjustments	40	-183	81	170	-359
Net profit after tax (before OCI) as per Ind-AS	399	2,473	42	1,476	6,086
Other comprehensive income after tax	144	328	-237	23	1,234
Total comprehensive income after minority as per Ind-AS	543	2804	-195	1499	7320

Note: OCI includes fair valuation on equity shares investments classified as fair value through OCI as per Ind-AS

Consolidated balance sheet



Particulars (Rs bn)	9MFY19	9MFY18
Sources of Funds		
Networth	29.9	28.9
Loan Funds	48.9	58.1
Minority Interest	0.4	0.3
Deferred tax liability	-0.1	1.2
Total Liabilities	79.1	88.6
Application of Funds		
Fixed assets (net block)	3.0	3.0
Investment	23.2	24.0
Long term loans and Advances	44.1	48.5
Net current assets	8.8	13.1
Total Assets	79.1	88.6

Notes :

* Loan Fund includes Borrowings of Aspire. Ex- Aspire net borrowing is Rs 10 bn in Dec-18. Against this net borrowing, quoted investments are Rs 14 bn.

** Long Term Loan & Advances includes loans given by Aspire Home Finance.

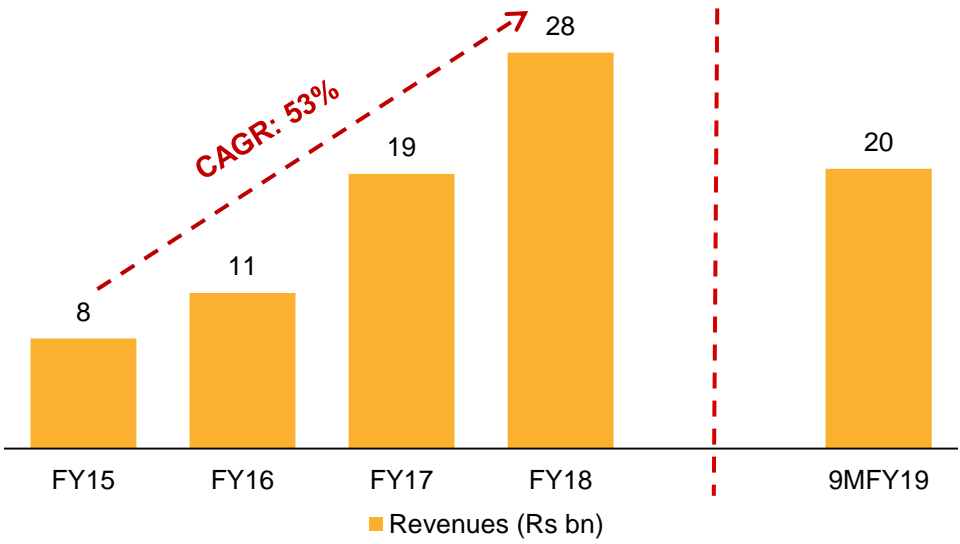
Reconciliation of Net worth - IGAAP and Ind-AS

Particulars (Rs mn)	Q3FY19
Net worth as per IGAAP	24,528
<u>Adjustments increasing/(decreasing) net profit after tax as reported under IGAAP</u>	
Gain/ (loss) on fair valuation of investments	6,435
Increase/(Decrease) in upfront (net) income pursuant to application of effective interest rate method	-57
(Increase)/ Decrease in provision due to expected credit loss	-556
Others	32
Tax impact on above adjustments	-495
Deferred tax adjustments on account of Ind-AS	56
Total Net worth impact	5,415
Net worth as per Ind-AS before minority interest	29,943

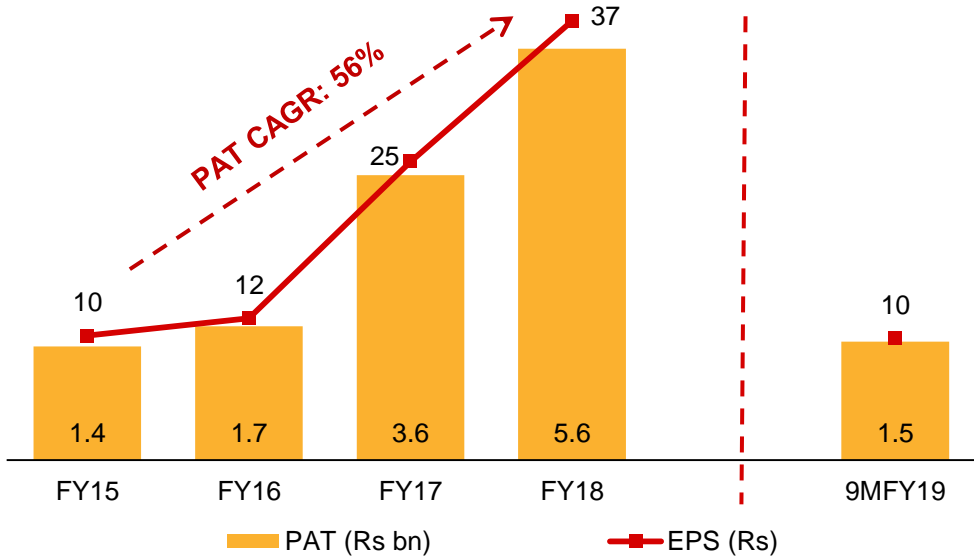
Financial performance



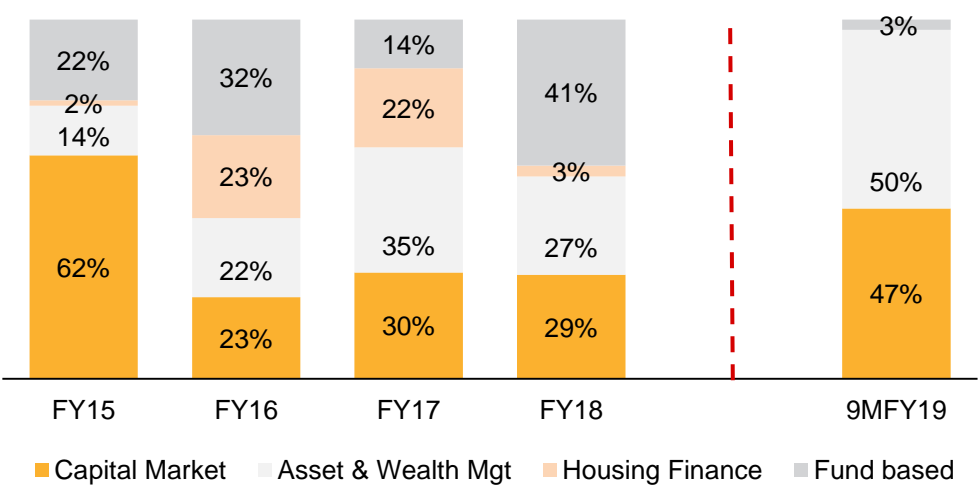
Annual revenue trend



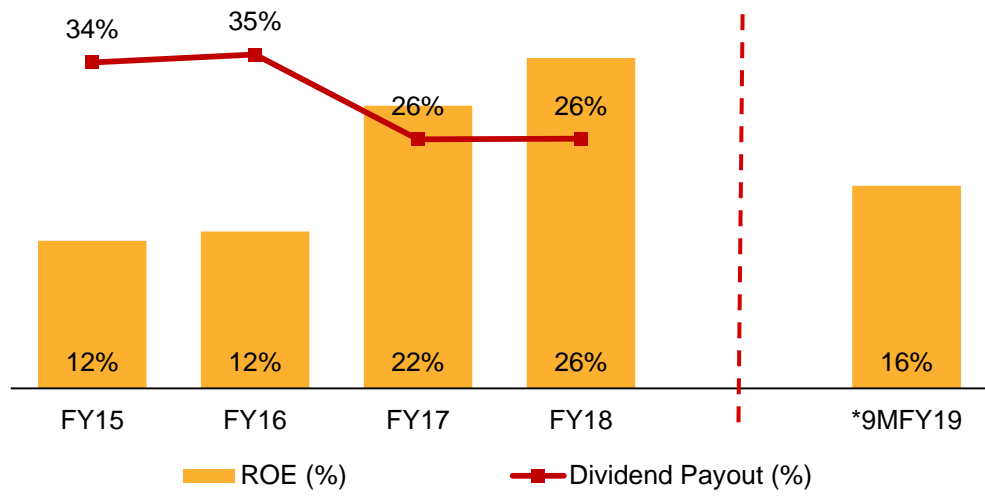
Annual profitability trend



Profitability mix



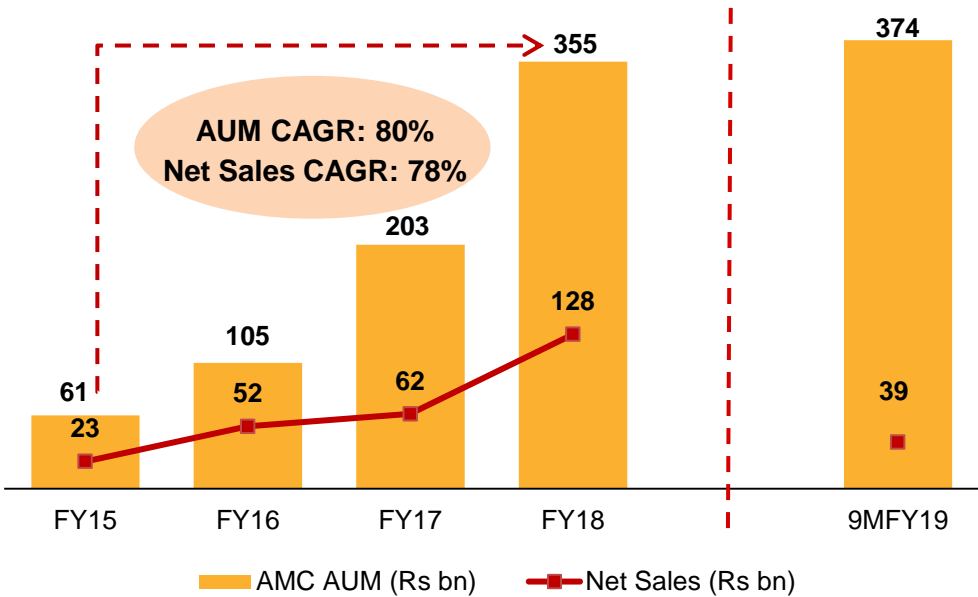
Strong return trajectory



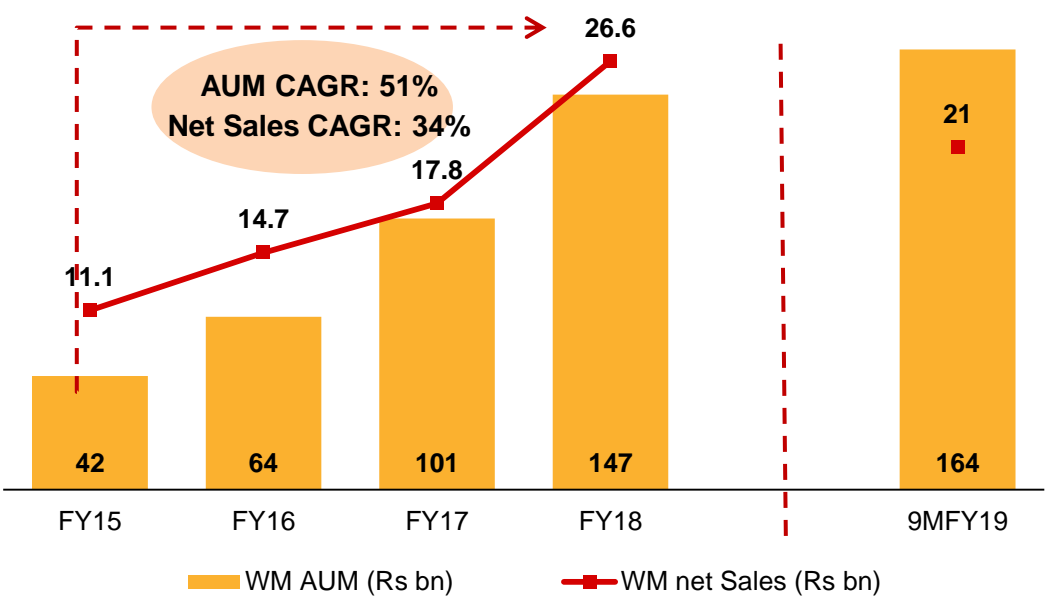
Note: Revenue, PAT and RoE are as per IGAAP from FY15 till FY18, *9MFY19 is based on Adjusted PAT

Businesses building scale

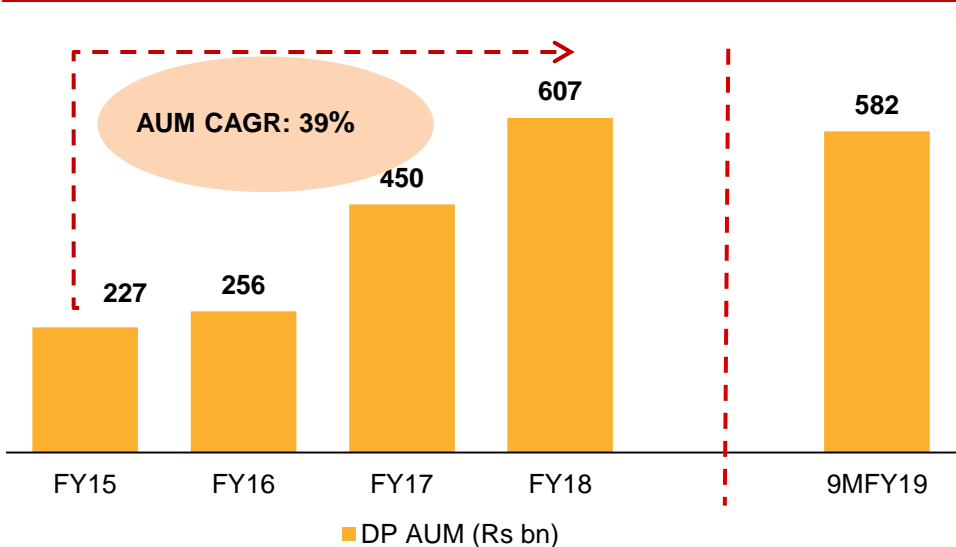
AMC AUM and Net sales growth trend



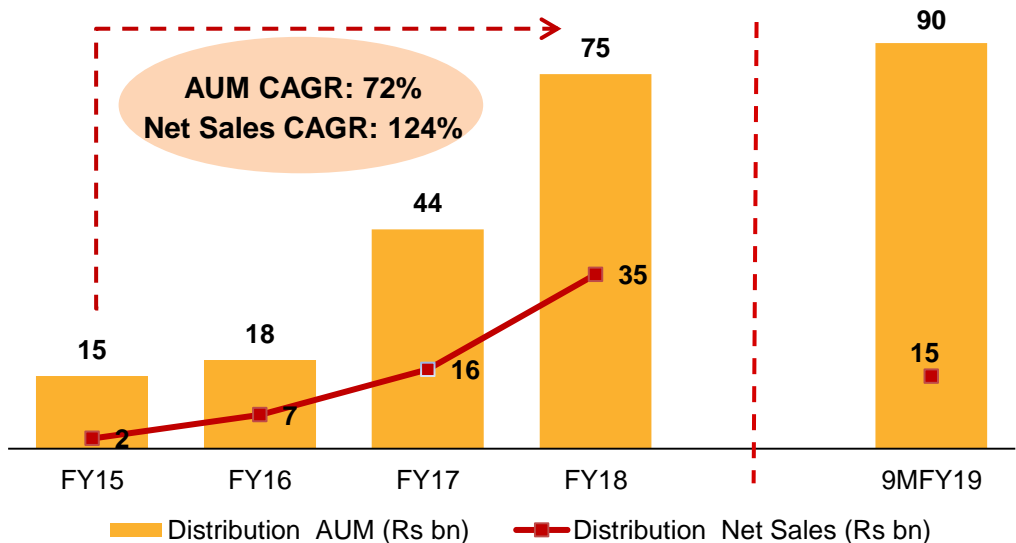
Wealth AUM and Net sales growth trend



DP AUM growth trend



Distribution AUM and net sales growth trend



Broking & Distribution: Margins led by Distribution

- B&D revenue and profit for 9MFY19 grew 5% YoY and 32% YoY, respectively.
- Distribution AUM stood at Rs 89.6 bn, +20% YoY led by strong net sales of Rs 15 bn in 9MFY19.
- Share in high yielding cash segment is maintained.

Wealth Management: Productivity to drive margins

- Revenues for 9MFY19 grew 21% YoY to Rs 829 mn. Profit growth was +12% YoY.
- AUM grew 7% YoY to Rs 164 bn with net sales of Rs 21 bn in 9MFY19
- Strong RM addition coupled with rising RM productivity

Growth Drivers

Asset Management: Strong operating leverage

- AMC revenue and profit for 9MFY19 grew by 22% YoY and 45% YoY respectively.
- AMC AUM crossed Rs 374 bn, +7% YoY
- Equity MF AUM market share stood at 2% and Net Equity MF Flows market share stood at ~2.4% in 9MFY19
- Operating leverage visible despite ongoing investment

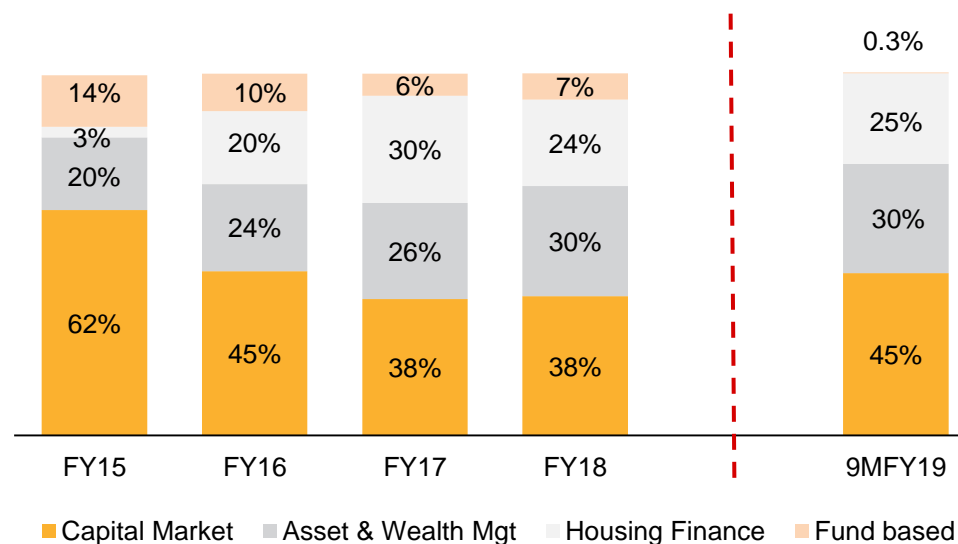
Housing Finance: Ample headroom for growth

- Loan book stood at Rs 44 bn
- Disbursements pick up visible
- Legacy loan book clean up
- Positive trend in collection efficiency from Dec-18

Revenue at Rs 19.2 bn, +3% YoY and PAT at Rs 3.7 bn, +15% YoY in 9MFY19

- This revenue mix was contributed by the Capital Market business by 45%, Asset & Wealth Management business 30% and Housing finance 25%. Profit mix was contributed by Asset & Wealth Management 50% and Capital Markets business 47%.
- **Despite headwinded environment our profitability ex-Aspire & fund based remains robust with +15% YoY growth resulting into highest consolidated profits.**
- **Strong Balance Sheet**
Strong liquidity, with ~Rs 13.6 bn as of Q3FY19 in near-liquid investments to fund future investments. Overall gearing remains conservative at 1.7x; ex-Aspire it is at 0.4x. Considering market value of investment and cash equivalents, effective gearing is zero.

Diversified Revenue mix trend



Note: Revenues and PAT excludes MTM gains/loss in fund based and lumpy profit share on exit of PE fund investments. PAT is ex-Aspire

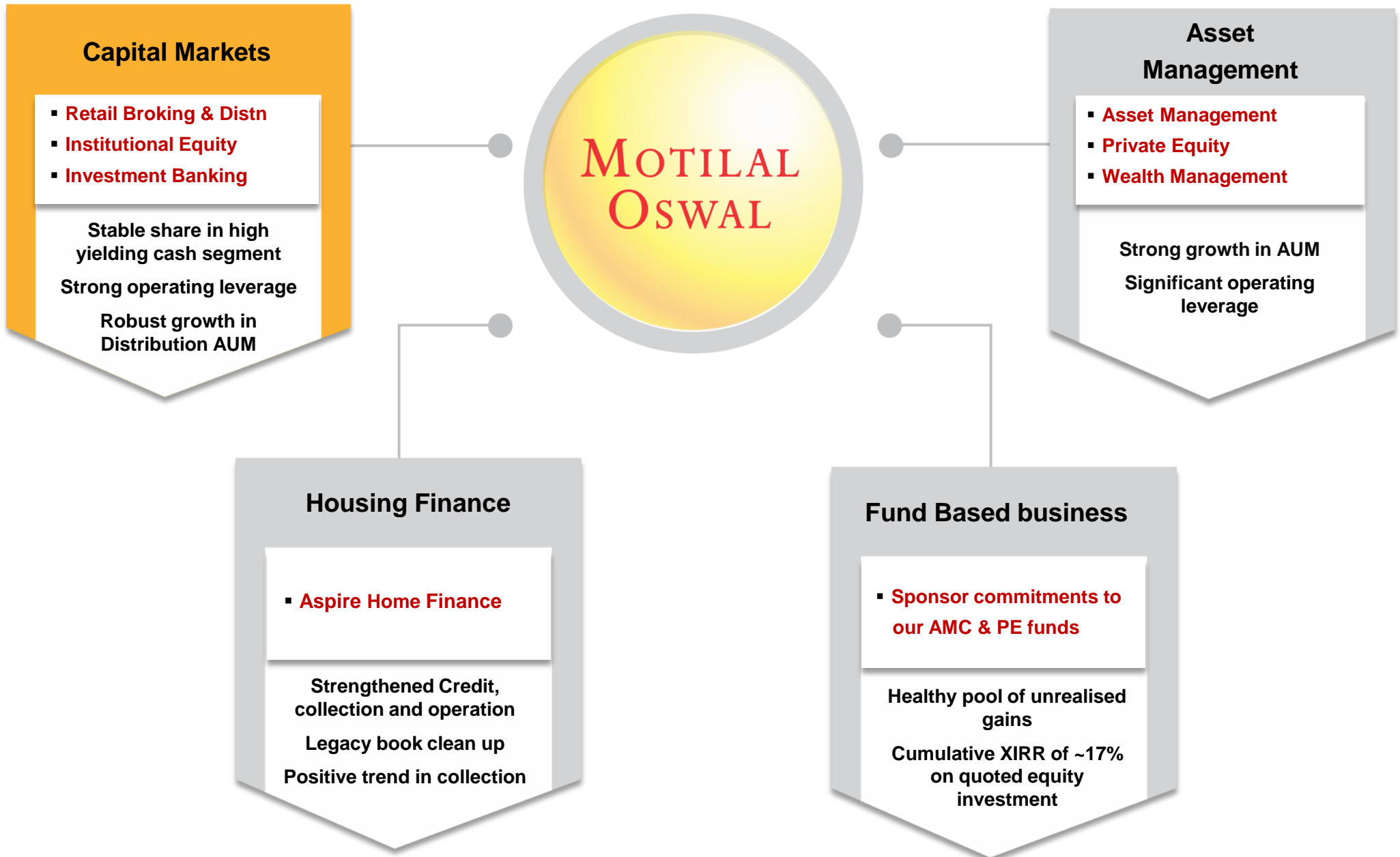


Key Highlights

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Broking & Distribution– Strong and sustained performance



Healthy volume growth; stable share in high-yield cash segment

Strong operating leverage with EBITDA margin of ~34% in 9MFY19

Distribution AUM picked up to Rs 90 bn, +20% YoY

Online penetration highest ever for clients (38%) and turnover (40%)

Particulars (Rs mn)	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ (%)	9MFY19	9MFY18	YoY (%)
Total Revenues	2,701	3,113	-13%	2,957	-9%	8,580	8,146	5%
Operating Costs	1,876	2,085	-10%	1,892	-1%	5,597	5,555	1%
EBITDA	825	1,028	-20%	1,065	-23%	2,983	2,592	15%
<i>EBITDA Margin</i>	31%	33%	-	36%	-15%	34%	31%	-
PBT	487	670	-27%	701	-31%	1,917	1,520	26%
PAT as per Ind-AS	339	439	-23%	478	-29%	1,372	1,037	32%
PAT as per IGAAP	344	356	-3%	438	-22%	1,328	870	53%

- In 9MFY19, revenue grew 5% YoY and profit grew 32% YoY aided by strong volume growth and operating leverage.
- EBITDA margin increase (+300 bps YoY) in 9MFY19 was on account of better operating leverage on the higher and linear revenues.
- Distribution business AUM stood at Rs 89.6 bn, +20%, driven by strong net sales of Rs 15 bn in 9MFY19, led by higher sales of equity-focused products. With only ~11.5% of our client base and ~20% of our distribution network tapped, we expect meaningful increase in distribution AUM, as cross-sell increases.
- MOFSL's overall ADTO grew 18% YoY to Rs 172 bn in Q3FY19. Market share in high-yield cash segment has been maintained on sequential basis. Overall market share stood at 1.7% in Q3FY19. Blended yield stood at ~2.3 bps in Q3FY19, despite higher proportion of F&O volumes (97%) in market.
- Broking business also runs a margin funding business, with book size of ~Rs 4.6 bn as of Q3FY19.

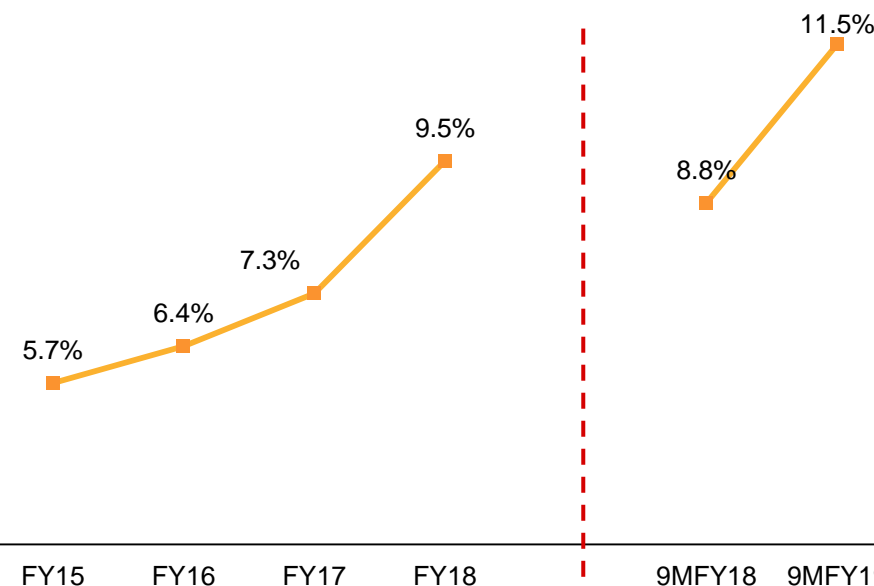
Retail Broking & Distribution

- Traction in new client addition driven by Franchisee and retail channel i.e. 35,600+ clients in Q3FY19.
- Online penetration gaining traction clients (38%) and turnover (40%).
- Distribution income at 16% of retail broking gross revenues, with just 11.5% of cross-sell penetration.
- Corporate insurance distribution license received.
- Gained traction in SIP, with ~91,200 SIPs live as of Q3FY19, with average ticket size of Rs 4,000 per month.

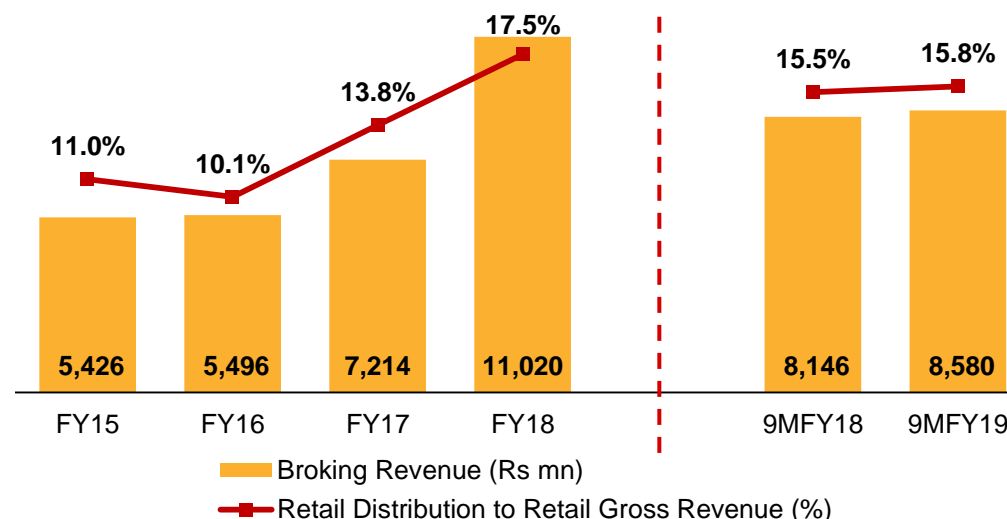
Institutional Broking

- Empanelments continues to show traction with ~678 empanelments
- Improvement in rank in almost every account, led by focused and broad-based team servicing
- Strong traction in Asia Money 2018 ranking. We ranked no.1 in events, conference and roadshows. We ranked 3 in three research categories, sales trading and overall sales.
- Differentiated research products with 270+ coverage and 750+ reports evincing client interest.
- Corporate access has been a high focus area during the quarter with execution of successful events like AGIC and many unique events in India. Also engaged with several sectoral experts for domestic events.

Distribution penetration (% of total client base of 1.1 mn)



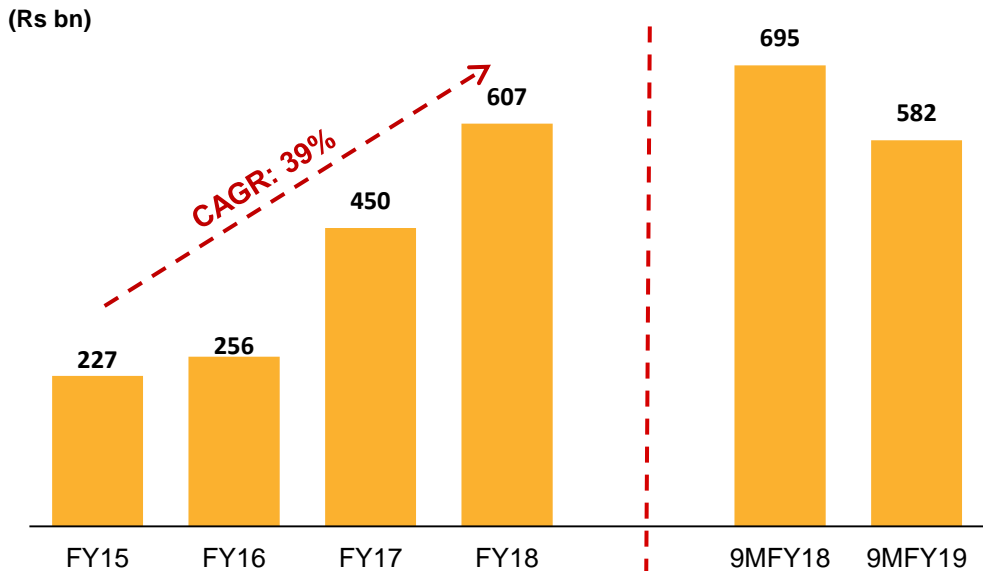
Trail-based annuity income picking up



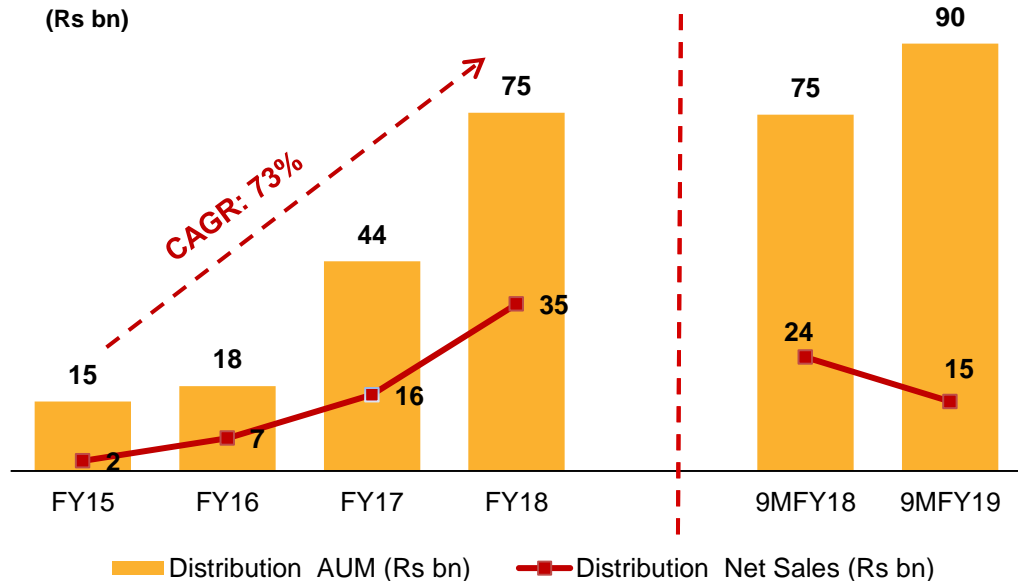
Broking & Distribution – Strong growth in Volume & Distribution AUM



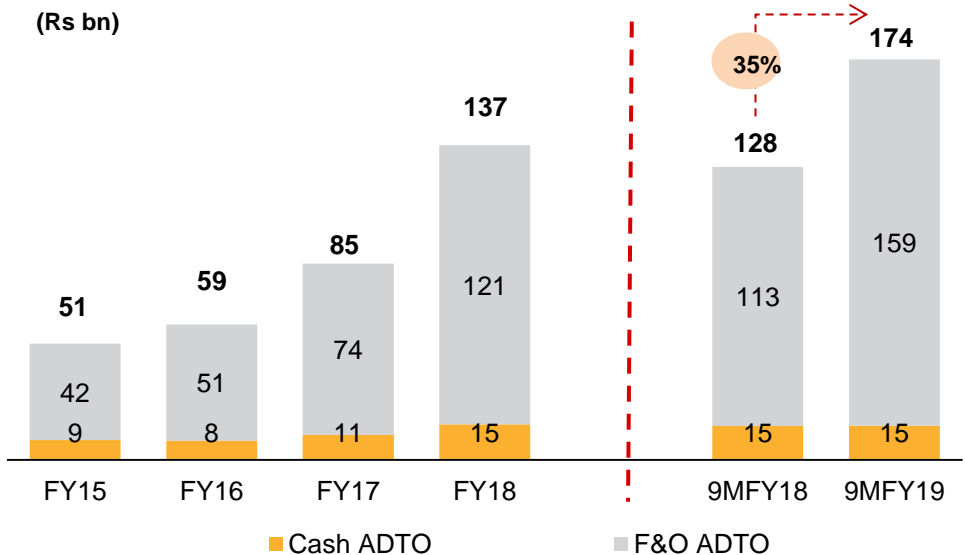
DP AUM growth trend



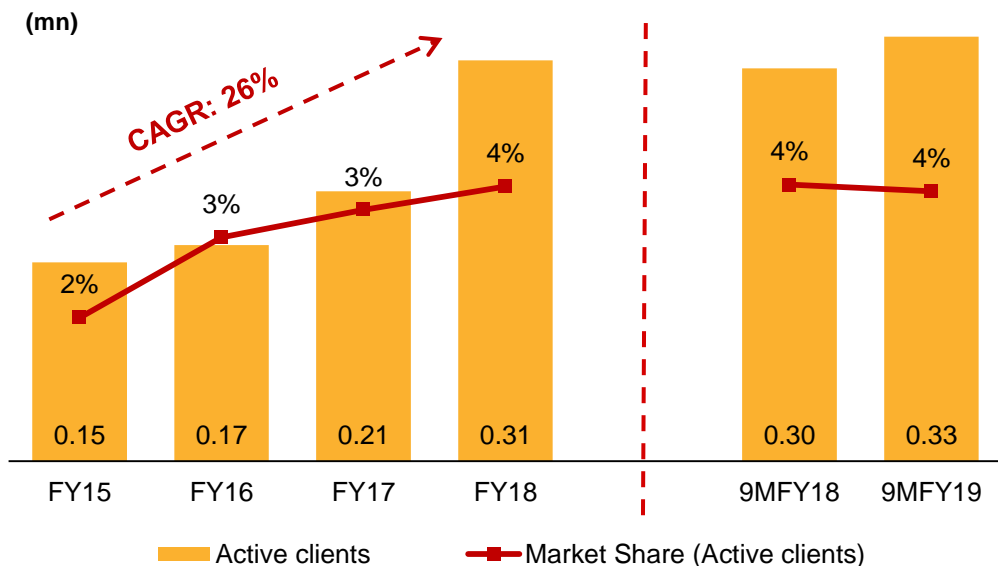
Rising Distribution AUM



MOFSL Broking ADTO (Ex-prop)



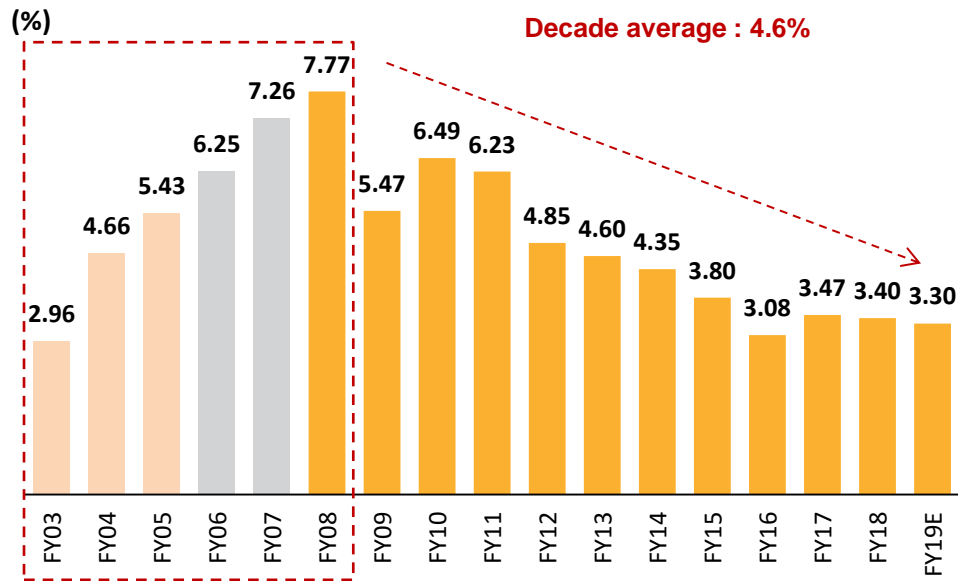
Rising share of active clients



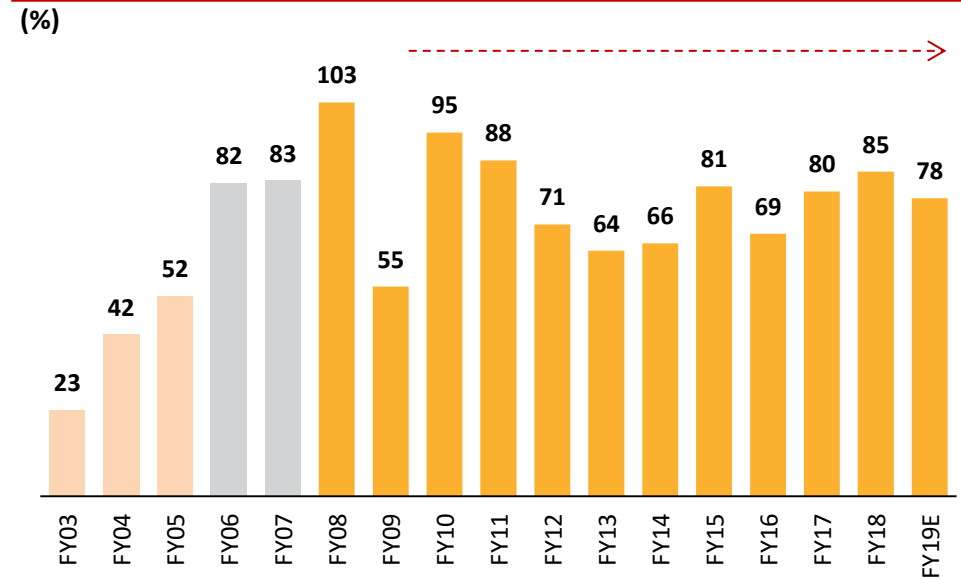
Source: NSE, BSE,

Broking & Distribution – Potential levers

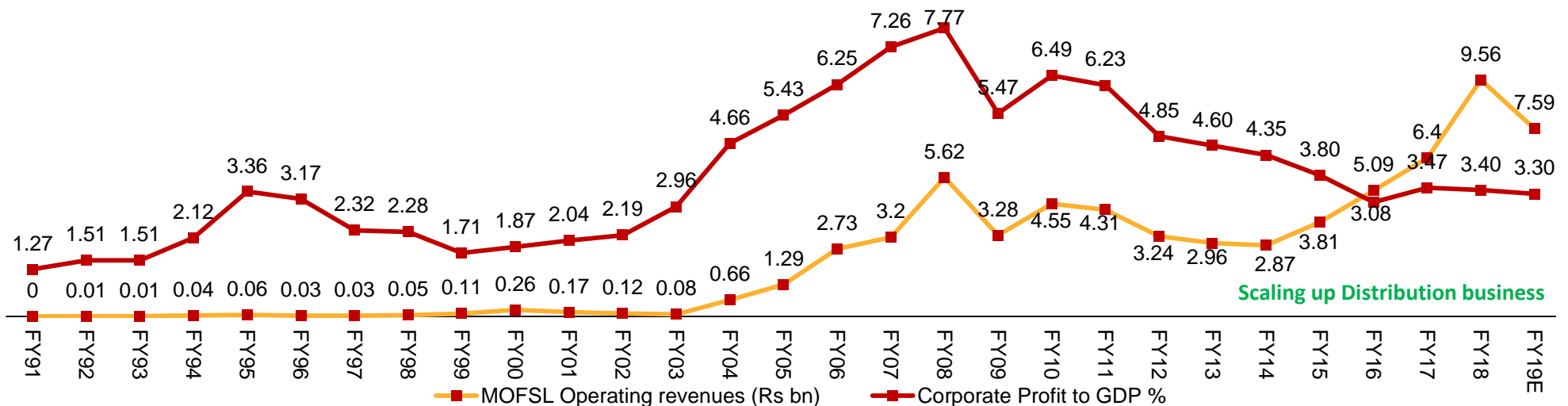
Corporate profit to GDP trend



Market cap to GDP trend



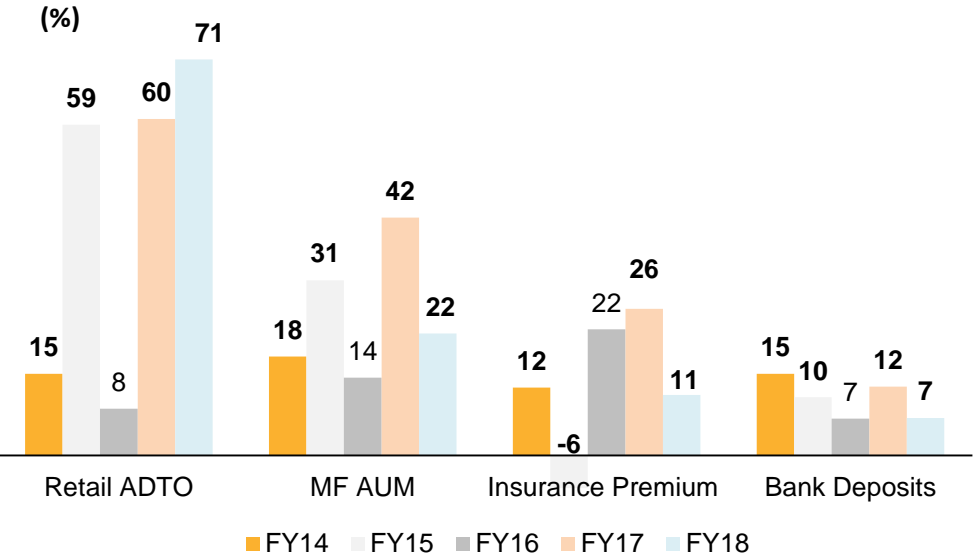
Broking revenues in line with corporate profit to GDP ratio ; Trail income brings annuity



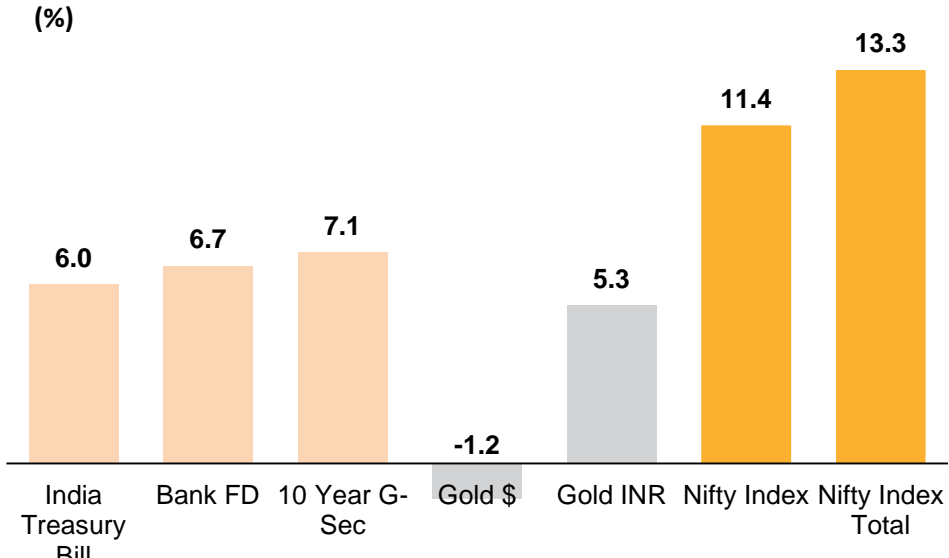
Broking & Distribution – Potential levers



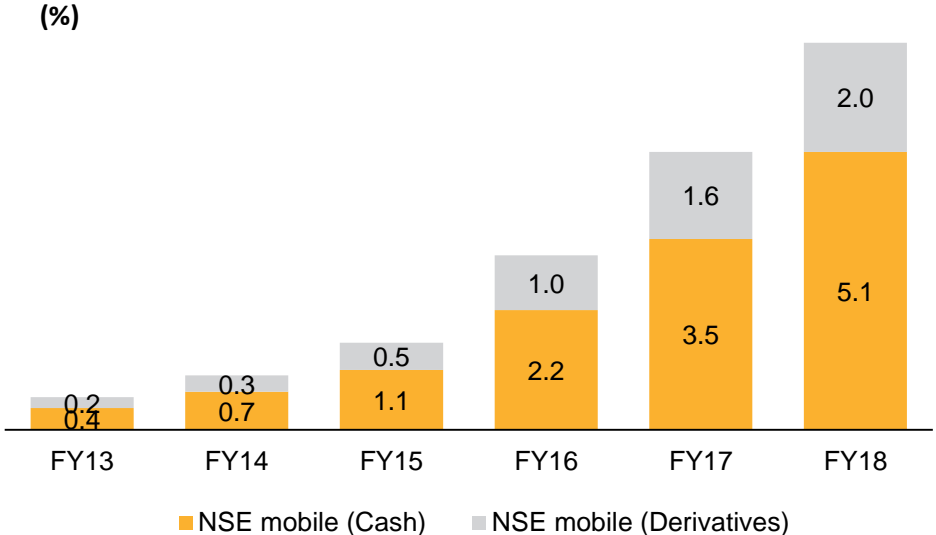
Retail ADTO registered faster growth (%)



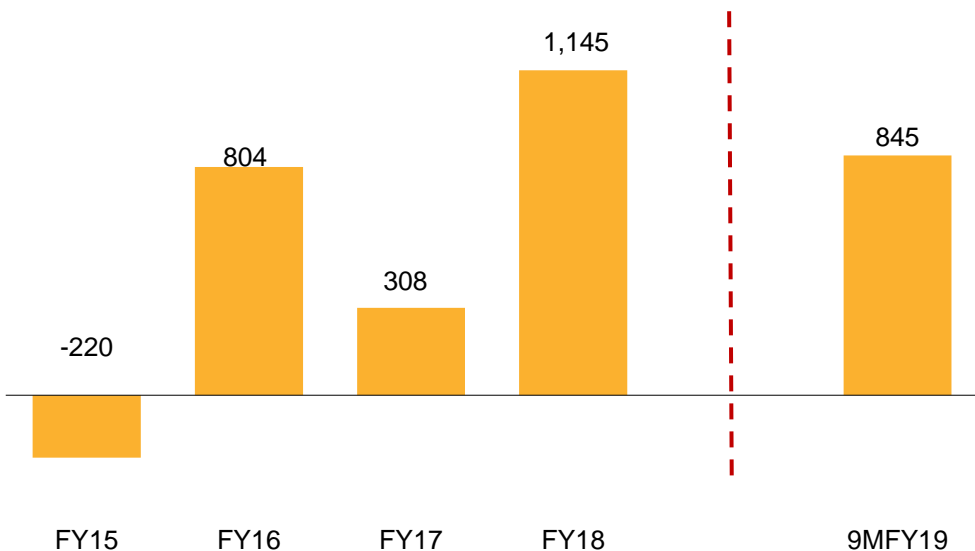
Higher returns in equity asset class in FY18



Increasing share of mobile trading



DII flows trend



Source: NSE, BSE, AMFI, IRDA, RBI

9M FY19



PE Advisory – Rs 2 bn



QIP – Rs 28 bn



IPO – Rs 18.4 bn



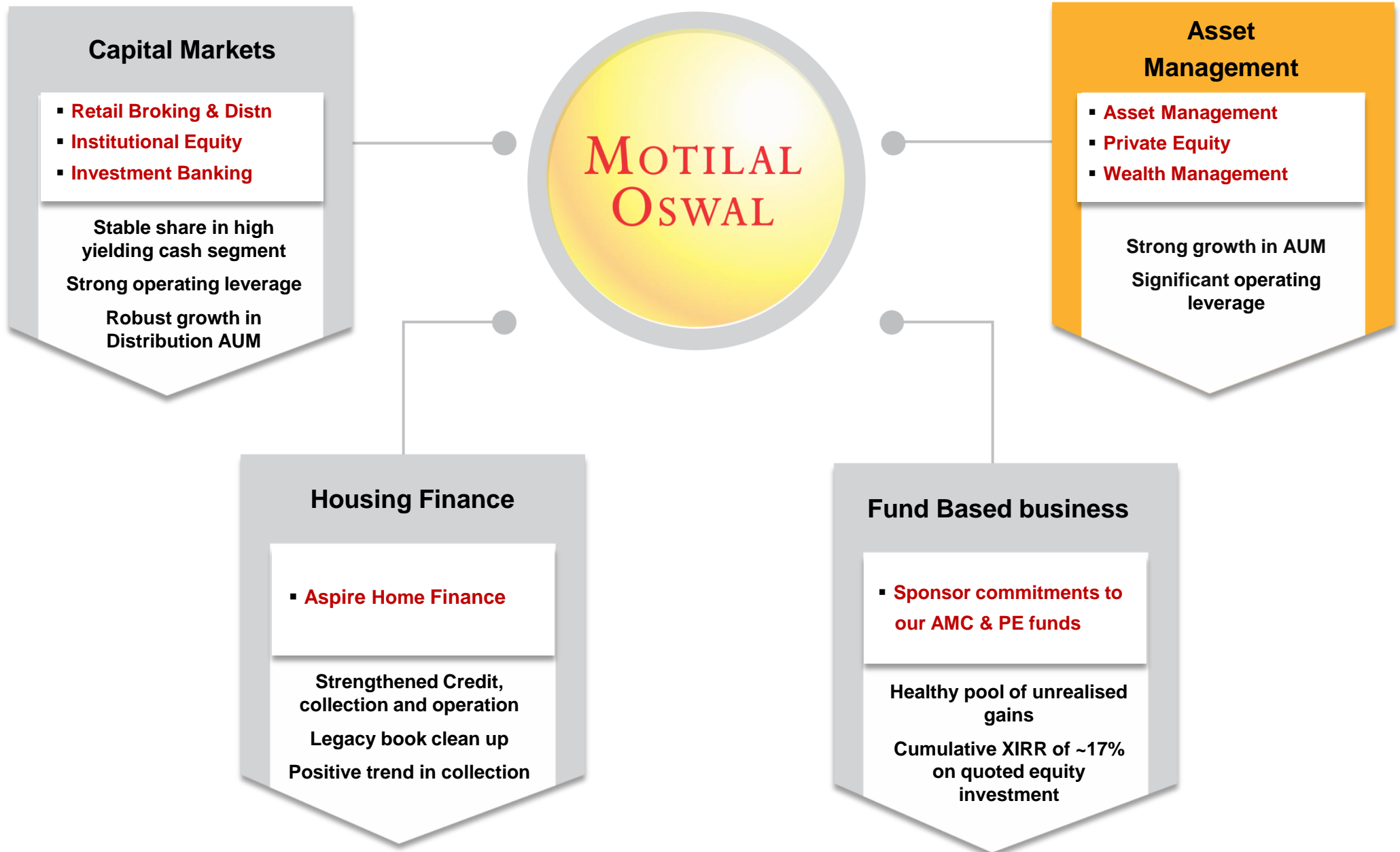
OFS – Rs 18 bn



Pref Issue – Rs 10 bn

Particulars (Rs mn)	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ (%)	9MFY19	9MFY18	YoY (%)
Total Revenues	50	449	-89%	34	46%	235	904	-74%
Operating Costs	78	167	-53%	54	43%	189	276	-32%
EBITDA	-28	282	-	-20	38%	46	627	-93%
PBT	-30	281	-	-22	36%	40	625	-94%
PAT as per Ind-AS	-23	170	-	-16	41%	26	447	-94%
PAT as per IGAAP	-23	170	-	-16	41%	26	440	-94%

- Secondary market remains subdued from consecutive last 2 quarters resulting into lower participation from corporates for fund raising. In 9MFY19, there were 9 QIPs and 10 IPOs hit the market and in Q3FY19 there were only one QIP and no IPOs underscoring the challenging environment.
- We continue to actively pursue private transactions. In the last quarter, we raised Rs 2 bn for Happy Forgings Ltd from private equity investors.
- Our Investment Banking team continues to be actively engaged in a number of transactions, both capital markets and private transactions, which are well placed for successful completion, subject to market conditions allowing a window for launch.
- We have robust pipelines and are actively engaged in certain M&A transactions with anticipated positive outcomes in coming quarters.



Asset Management – Strong operating leverage

AMC profit growth of 45% YoY in 9MFY19

AMC AUM Rs 374 bn in 9MFY19, +7% YoY

Rank 10 in Equity AUM Dec 2018

Market leader in PMS with 15% market share in AUM

Eq. MF Market Share ~2.4% in Net Flows

Particulars (Rs mn)	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ (%)	9MFY19	9MFY18	YoY (%)
AUM (bn)	374	350	7%	364	2%	374	350	7%
Net adds (bn)	8	36	-79%	12	-38%	39	97	-60%
Total Revenues	1,368	1,353	1%	1,543	-11%	4,390	3,593	22%
Operating costs	828	858	-4%	929	-11%	2,611	2,384	10%
EBITDA	540	496	9%	614	-12%	1,779	1,209	47%
<i>EBITDA Margin</i>	39%	37%	-	40%	-	41%	34%	20%
PBT	539	494	9%	612	-12%	1,774	1,205	47%
PAT as per Ind-AS	345	320	8%	396	-13%	1,145	788	45%
PAT as per IGAAP	345	321	7%	396	-	1,146	782	46%

- AMC has shown strong performance, with 22% growth in revenue and 45% growth in profit in 9MFY19. Operating leverage is visible, with significant improvement in operating margin to 41% in 9MFY19.
- AUM across MF, PMS and AIF reached a milestone of Rs 374 bn (+7% YoY), with MF AUM at Rs 191 bn (+10% YoY), PMS AUM at Rs 154 bn and AIF AUM at Rs 27 bn (+37% YoY).
- SIP inflows in Q3FY19 remained strong at Rs 5 bn, +29% YoY. SIP AUM is growing qualitatively and profitably; our average SIP at ~Rs 4,200 per month is higher than the industry average of Rs 3,152 per month. SIP market share and proportion to total inflows is rising.

- Market share in MF Equity Net Sales stood at 2.4% (including balance) in 9MFY19 in a rising pool of equity flows. This is driven by MOAMC's niche equity focus, process-oriented (QGLP) approach and solid performance track record.
- We have become one of the largest AIF managers in India within a span of two years, with an AUM of Rs 27 bn in 9MFY19 (Rs 20 bn in 9MFY18). We have a steady pipeline for fund-raising, with tie-ups already in place.
- We are seeing initial interest in our offshore products; the offshore segment is 1.6x the institutionally-managed equity assets in India.

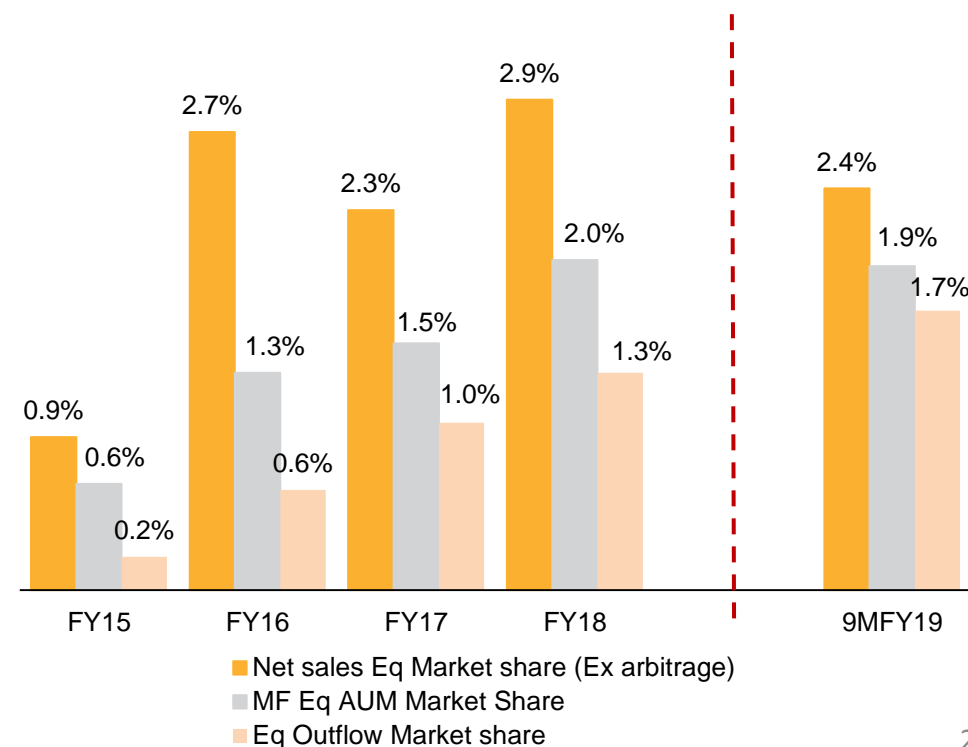
Top Notch performance across product and categories

Product	Scheme	Strategy	Inception Date	Total Return (CAGR)	Alpha over Benchmark
PMS	Value	Large-Cap	25-Mar-03	22.6%	6.3%
PMS	NTDOP	Multi-Cap	11-Dec-07	17.0%	5.5%
PMS	IOP	Mid-Cap	15-Feb-10	12.7%	5.4%
Mutual Fund	F-25	Large-Cap	13-May-13	13.8%	1.2%
Mutual Fund	F-35	Multi-Cap	28-Apr-14	21.8%	8.1%
Mutual Fund	F-30	Mid-Cap	24-Feb-14	20.2%	0.1%

* Read above fund performances with their corresponding Disclaimers in the funds' Fact Sheets, which are available in www.motilaloswalmf.com.

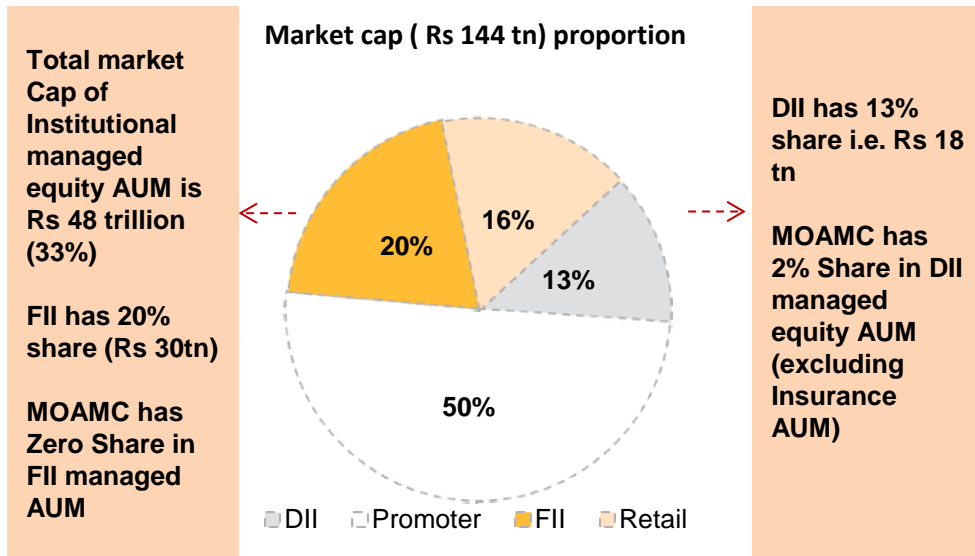
¹ Inception Date: 25/03/2003. These returns are of a Model Client as on 31st Dec 2018. Returns of individual clients may differ depending on time of entry in the strategy. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Returns shown are post fees and expenses. Benchmark is Nifty 50 Index

Higher equity MF net sales market share would pull equity MF AUM share up eventually

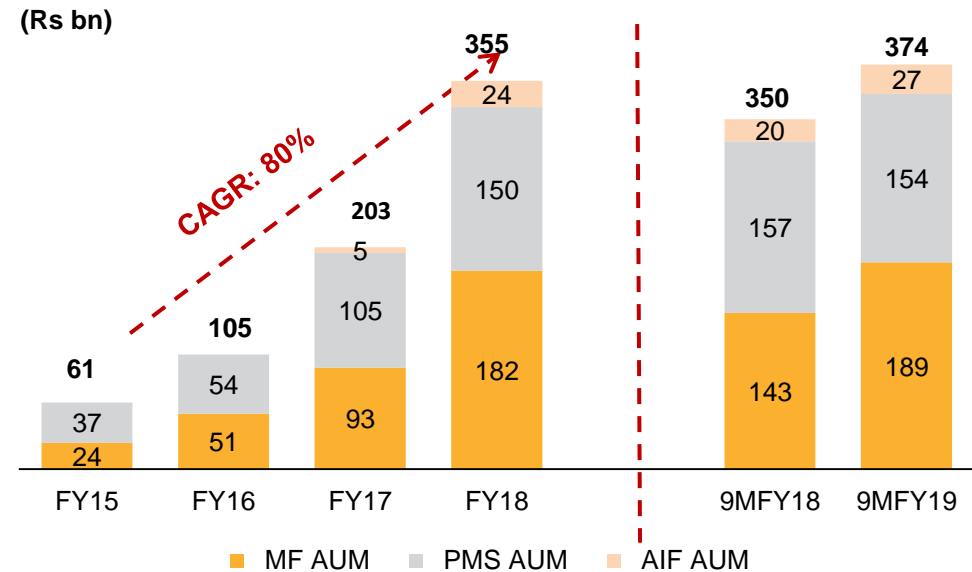


Asset Management – Potential levers to scale business

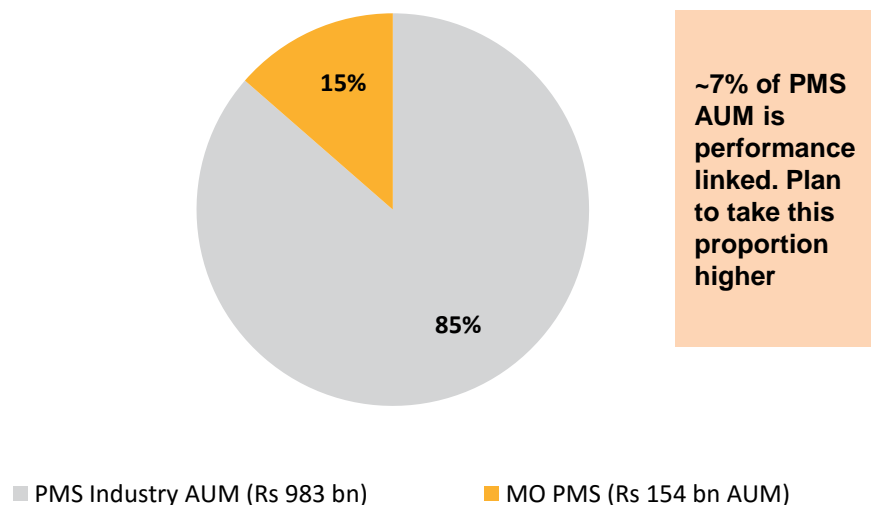
MOAMC's has "Zero" share in FII driven domestic equity market which is 1.6x of size of DII.



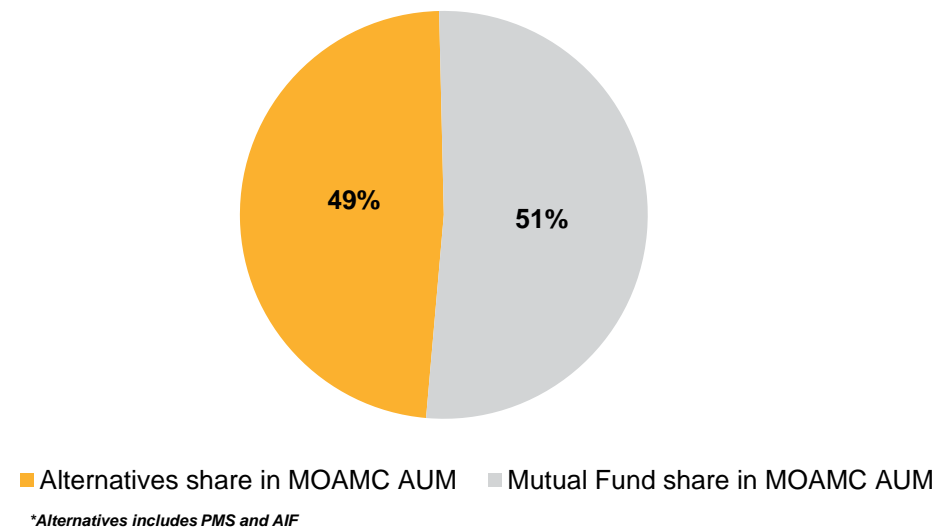
MOAMC AUM breakup and growth trend



MOPMS market share in Industry's Equity AUM

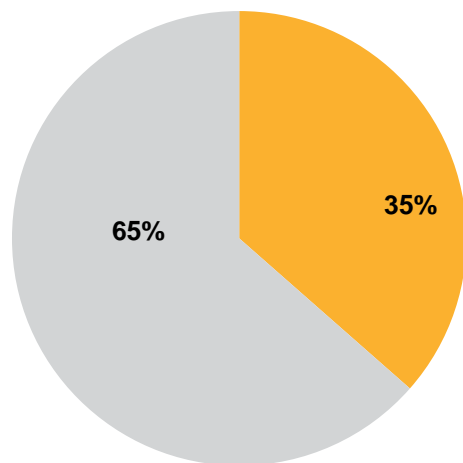


Alternatives share in MOAMC AUM



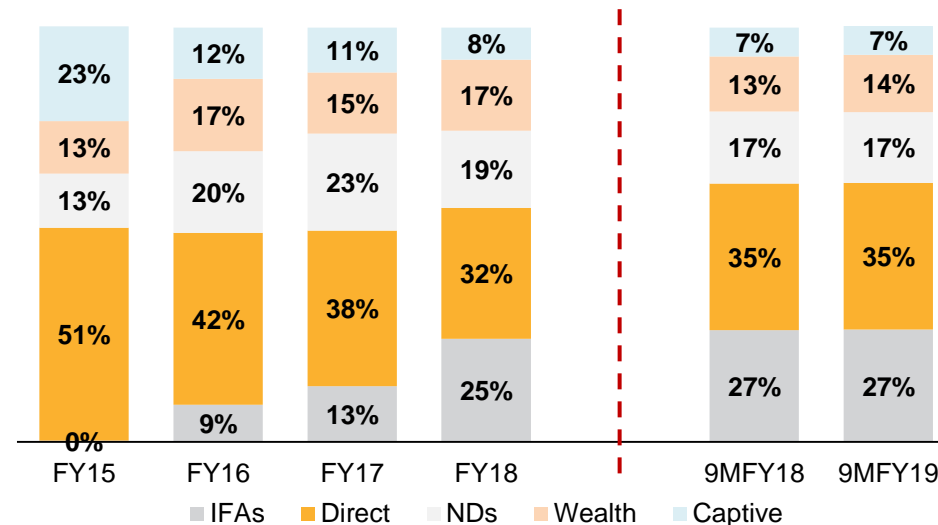
Asset Management – Potential levers to scale profitability

Share of Direct in MF Equity AUM

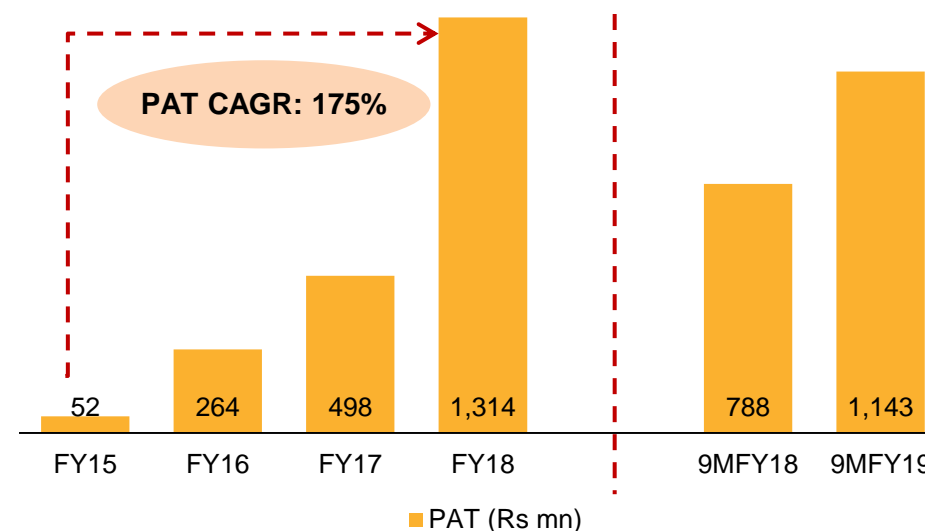


■ Share of Direct in MF Eq AUM ■ Share of Regular in MF Eq AUM

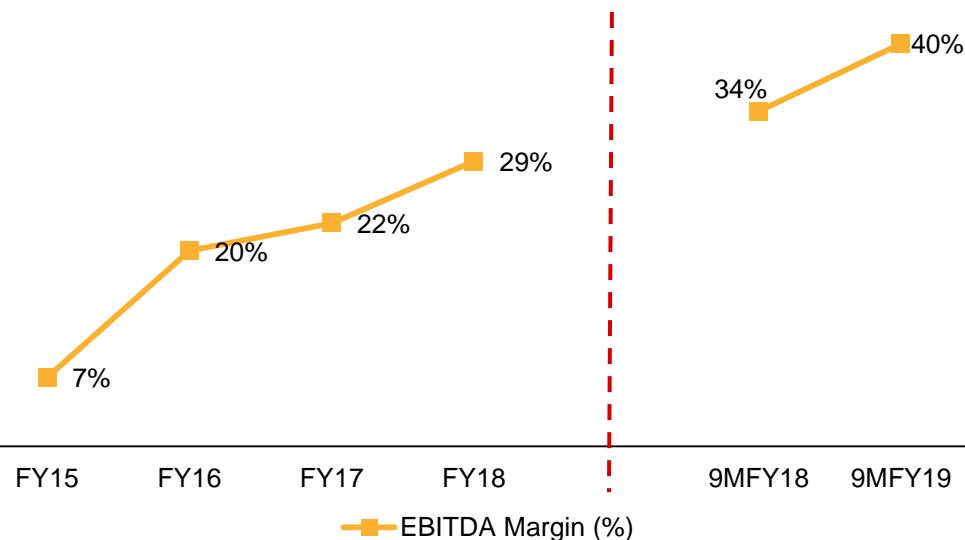
MOMF Sourcing Mix on the basis of AUM



MOAMC profitability trend

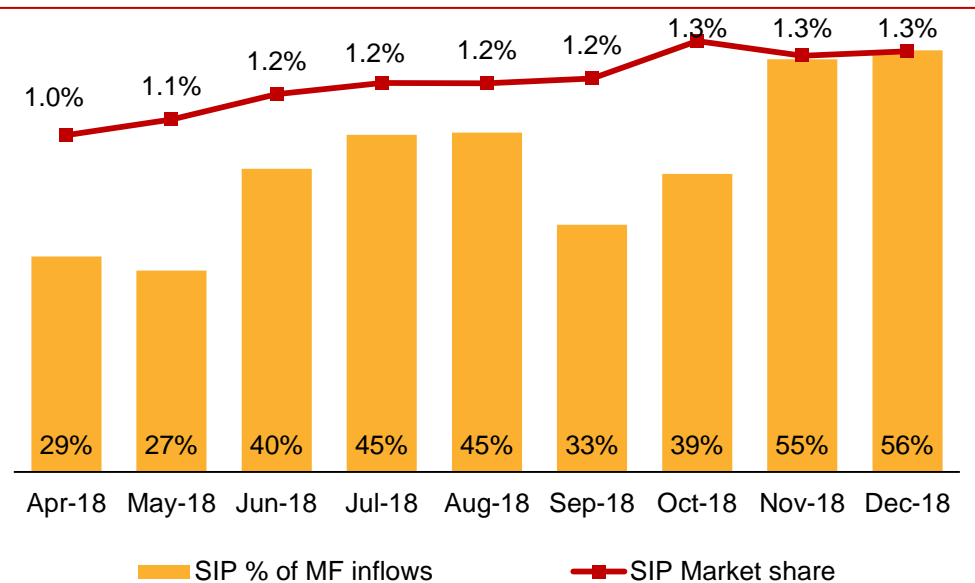


EBITDA margin trajectory

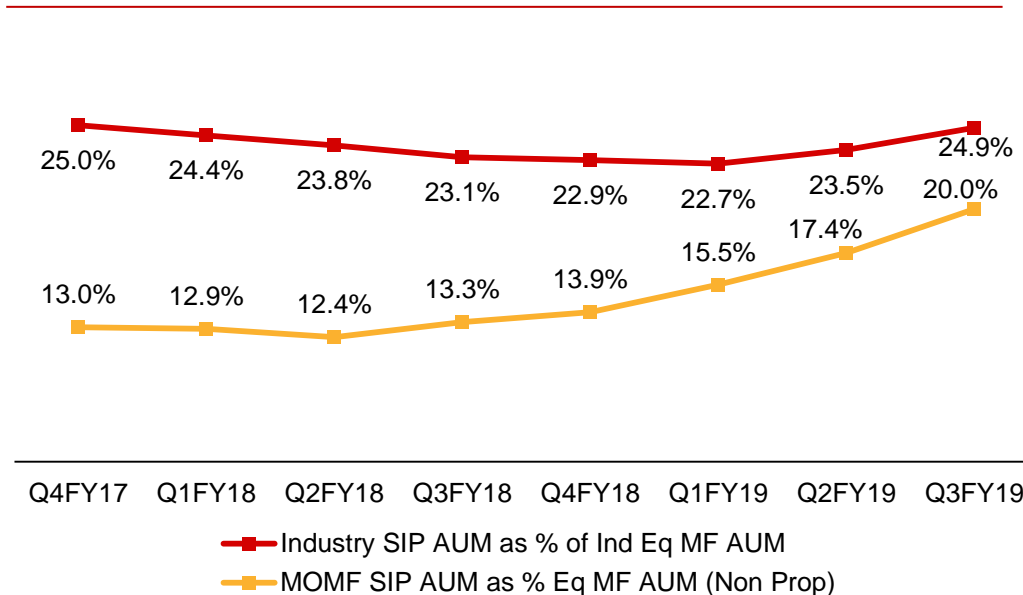


Asset Management – Granularity of MF AUM

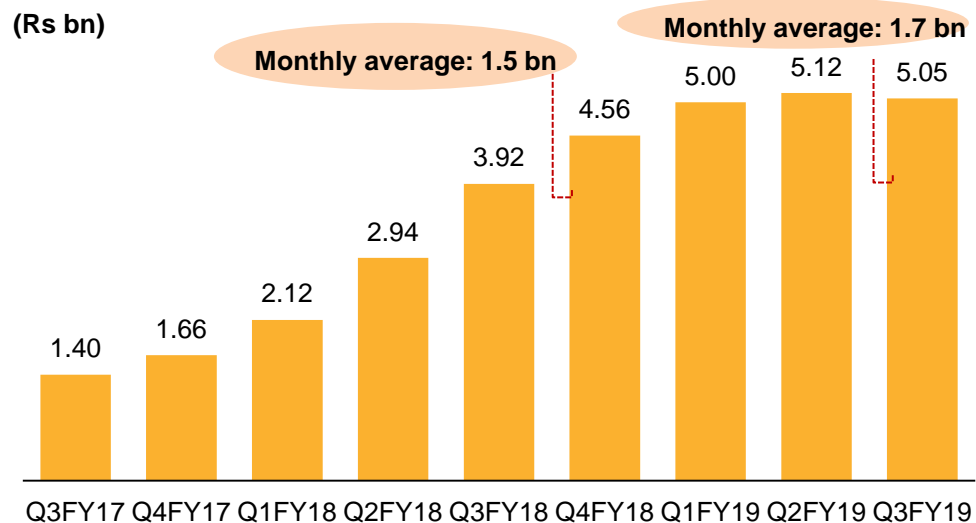
MOMF SIP AUM and inflows market share



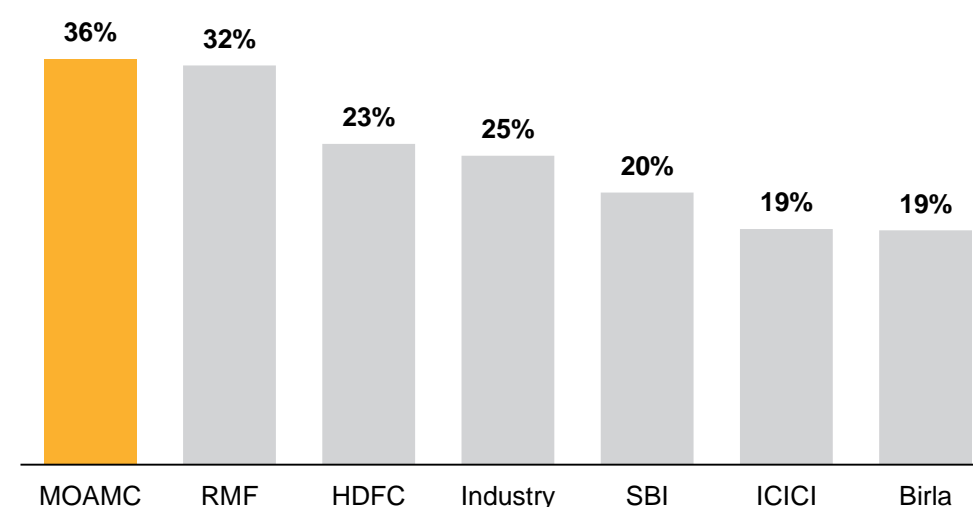
MOMF rising SIP proportion



Rising MOMF SIP flows

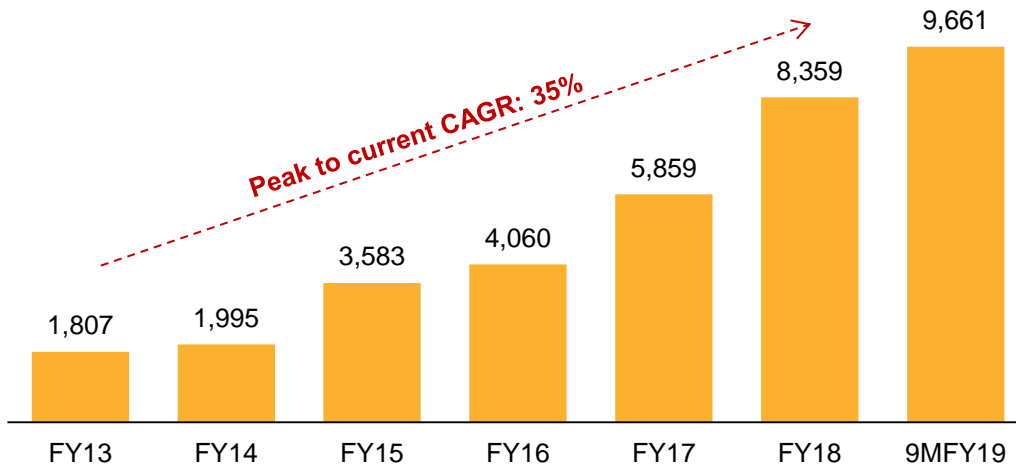


Share of Retail AUM in total MF AUM

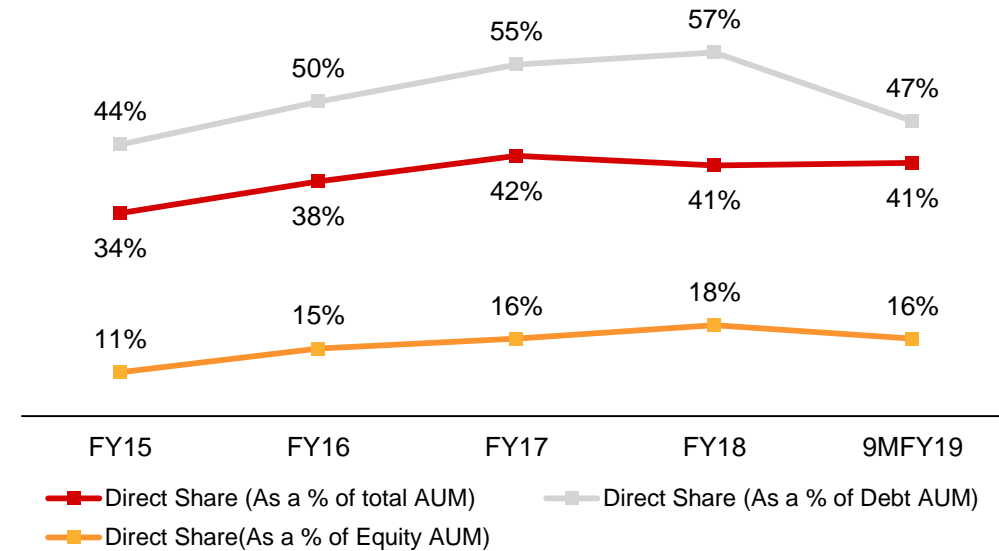


Asset Management – Stickiness of MF flows to continue..

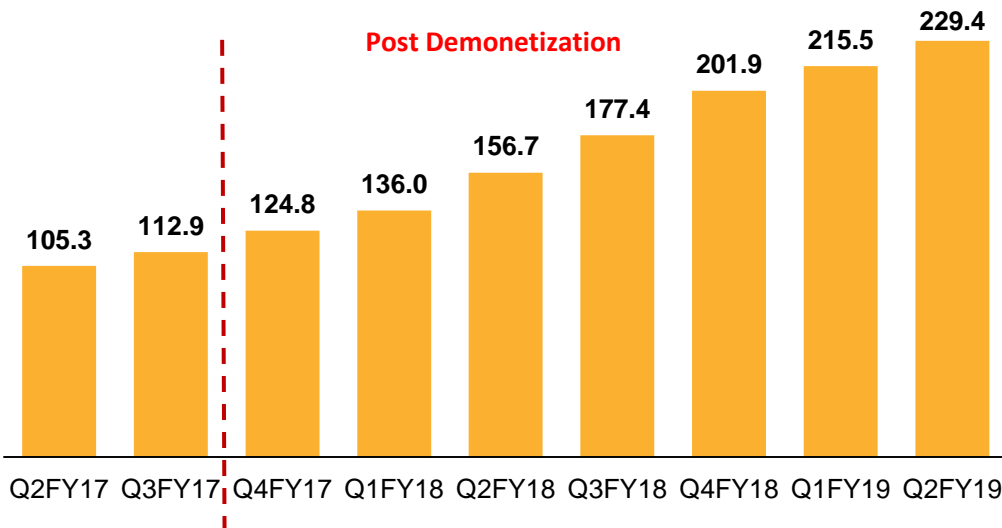
Rising Industry's MF Equity AUM



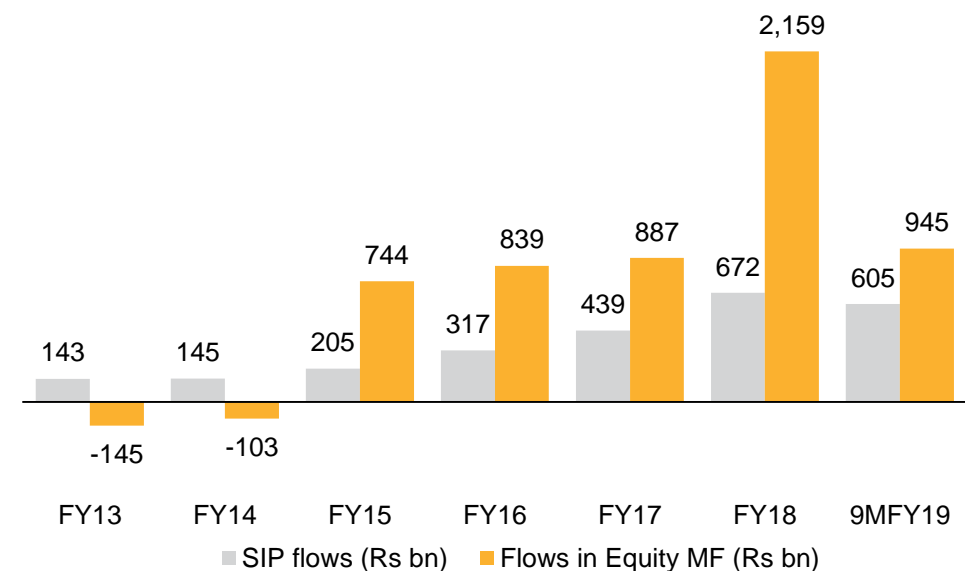
Rising share of Direct proportion in Asset management industry



Strong traction in Industry's SIP flows continues



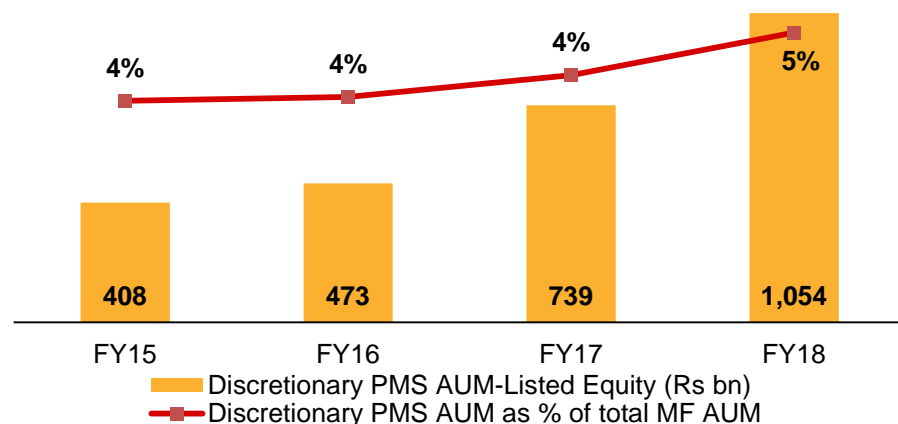
SIP gaining share in rising Equity Industry AUM



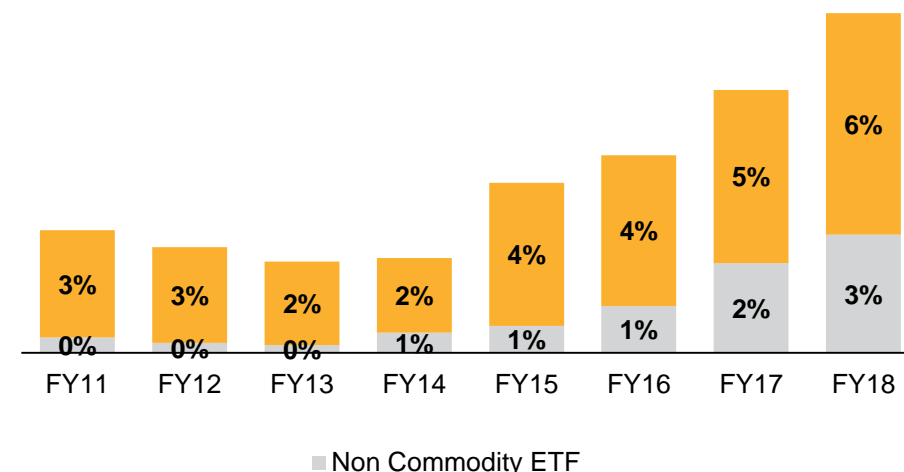
Source: AMFI

Asset Management – Rising share of Alternatives

Rising share of Alternatives in Industry AUM

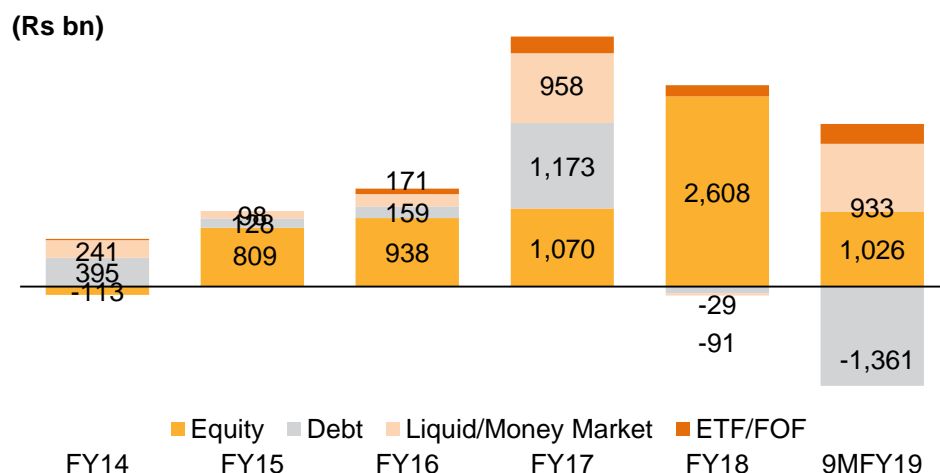


Rising share of Alternatives in Industry AUM



Note: It includes Discretionary PMS (Listed Equity) and AIF under Category III

Equity-oriented funds lead the charge in Industry net inflows



India still at nascent stage in Alternatives penetration

Alternate Products	India	US
PMS	~8% of MF market	~10% of MF market
AIF	~2% of MF market	~30% of MF market

US markets data shows that for every \$100 in traditional fund products, there is \$40 in AIFs and PMS and traditional AMC's may or may not participate in the space; MOAMC has been a PMS and AIF player at early stage, while Indian AMC's are yet to realise this potential.

Private Equity – Strong growth in AUM and profitability

Total AUM of PE business stands at ~ Rs 60 bn , +30% YoY

IBEF III fund raised Rs 23 bn

IBEF I exits could result in lumpy gains

IREF IV launched with target size of Rs 15 bn; raised Rs 5.6 bn

Particulars (Rs mn)	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ (%)	9MFY19	9MFY18	YoY (%)
Total Revenues	319	419	-24%	247	29%	749	1,459	-49%
Operating Cost	178	122	46%	131	36%	418	475	-12%
EBITDA	141	296	-52%	116	21%	331	984	-66%
PBT	141	292	-52%	113	25%	323	969	-67%
PAT as per Ind-AS	104	284	-63%	79	31%	226	760	-70%
PAT as per IGAAP	104	285	-63%	79	32%	227	761	-70%

Note: Revenue and PAT includes share of profit on exit of PE fund investments of Rs 62 mn in Q3FY19 vs. Rs 250 mn in Q3FY18 and profit of Rs. 51 mn in Q3FY19 vs. Rs 250 mn in Q3FY18, respectively.

In 9MFY19, PAT excluding lumpy share of profit on exits was Rs 149 mn, +200% YoY.

Growth PE Funds

- MOPE Funds stand out with stellar performance. IBEF I has delivered a portfolio IRR of 27.7% and is expected to return over 6x MoC (Multiple of Cost) on a gross basis. Till date, 3.3x MoC has been returned for INR investors and 2.2x for USD investors.
- Fund II has committed 100% across 11 investments so far after raising commitments from marquee institutions and exits from fund will contribute, going forward.
- Strong performance and positioning has enabled MOPE to raise Fund III (“IBEF-III”) in very quick succession to Fund II. Fund III was launched in FY18 which, after exhausting its green-shoe option, stands fully raised at ~Rs 23 bn. Fund III has already deployed ~Rs 8.2 bn across 4 investments and has a robust deal pipeline for investments going forward

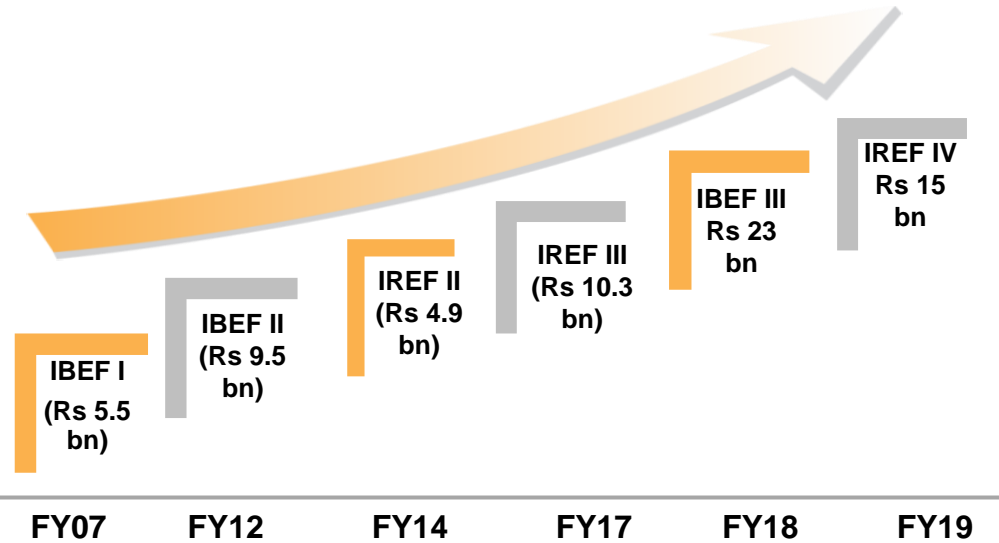
Real Estate Funds

- IREF II is fully deployed across 14 investments. The Fund has secured 7 complete exits and 1 structured exit and has returned money equalling ~107.5% of the Fund Corpus back to the investors. Average IRR on exited investments is ~21.2%.
- IREF III is ~81% deployed across 19 investments. The Fund has secured 3 full exits and has returned money equalling ~27.72% of Investible Funds back to the investors. Average IRR on exited investments is ~22.1%.
- IREF IV launched with a target size of Rs. 15 bn has achieved 1st close at ~Rs. 5.6 bn. The Fund has made 2 investments.

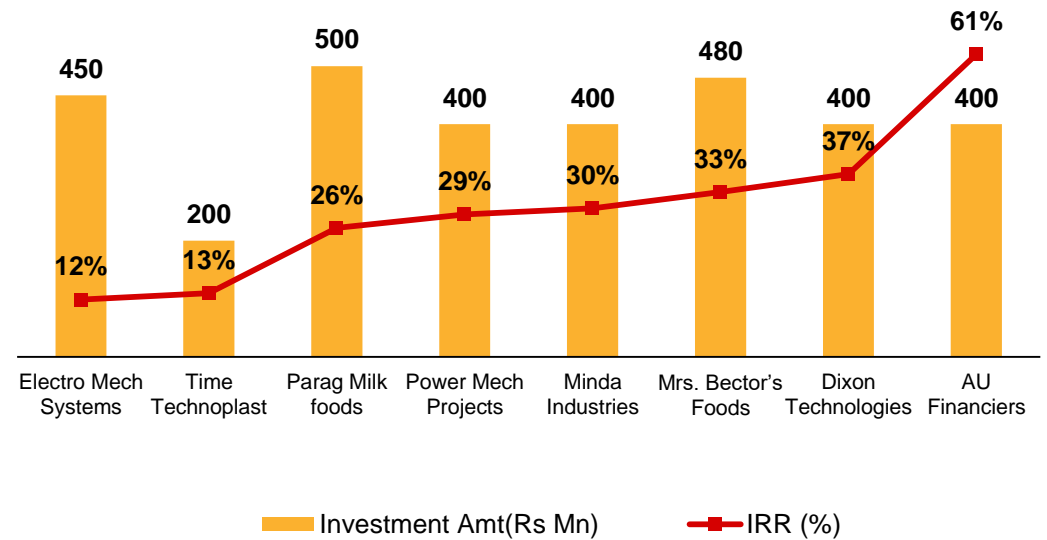
Private Equity – Exits from 7 funds provides strong visibility over next decade



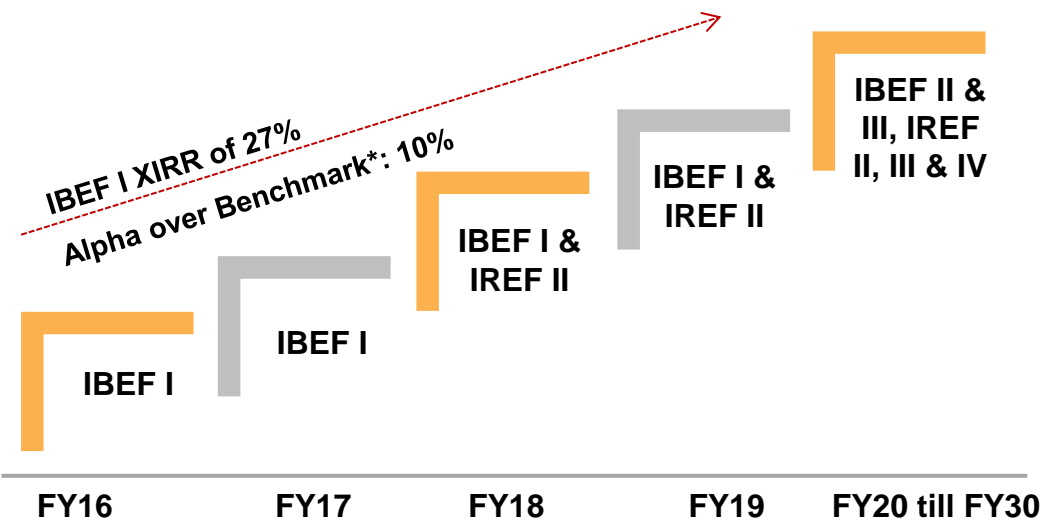
Launch period of PE Funds



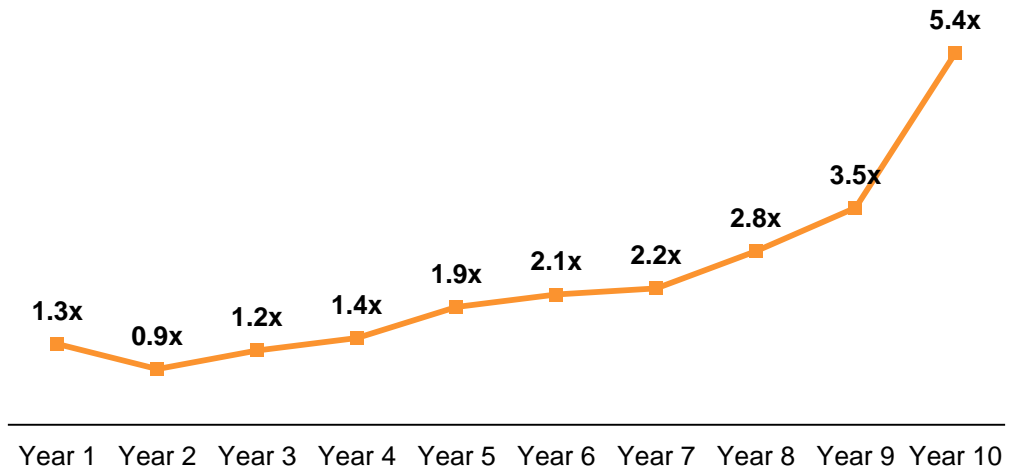
QGLP investments delivering higher IRR



Exit period of PE funds



IBEF I exits delivering 5.4x return



Note: * Benchmark : Emerging Markets PE and VC (upper quartile)

Wealth Management – Robust Performance



**Robust Net Sales
at ~Rs 21 bn**

Particulars (Rs mn)	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ (%)	9MFY19	9MFY18	YoY (%)
AUM (bn)	164	153	7%	155	6%	164	153	7%
Net adds (bn)	5	10	-51%	6	-18%	21	23	-8%
Total Revenues	249	245	2%	319	-22%	829	684	21%
Operating Cost	210	179	17%	237	-11%	666	463	44%
EBITDA	39	66	-41%	83	-53%	163	222	-26%
PBT	36	63	-42%	81	-55%	157	215	-27%
PAT as per Ind-AS	26	43	-40%	59	-56%	110	147	-25%
PAT as per IGAAP	31	48	-37%	69	-56%	130	158	-18%

**Wealth AUM
Rs 164 bn in
9MFY19,
+7% YoY**

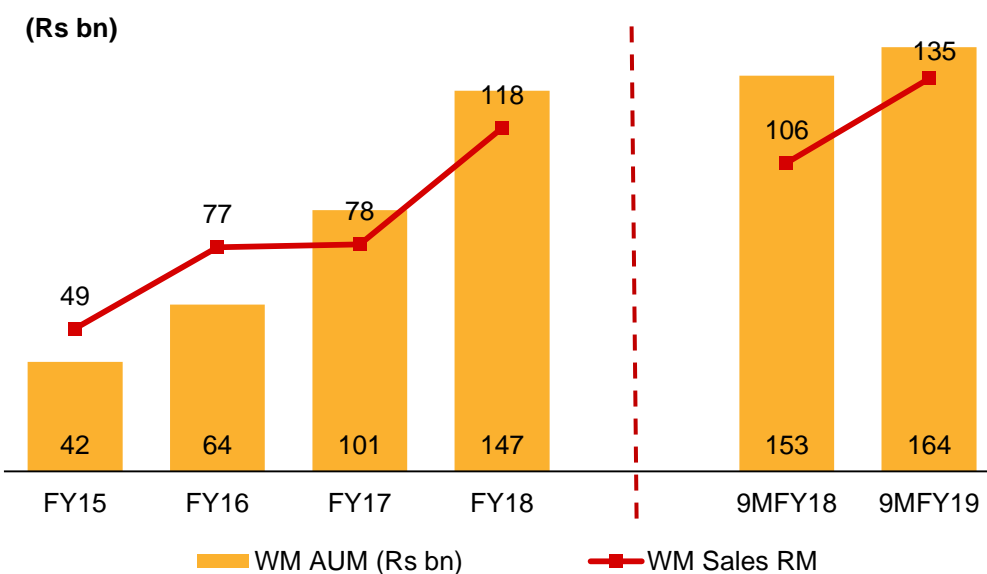
**Rising Number of
Client Families,
+16%**

**Deepening our client
wallet-share & RM
productivity**

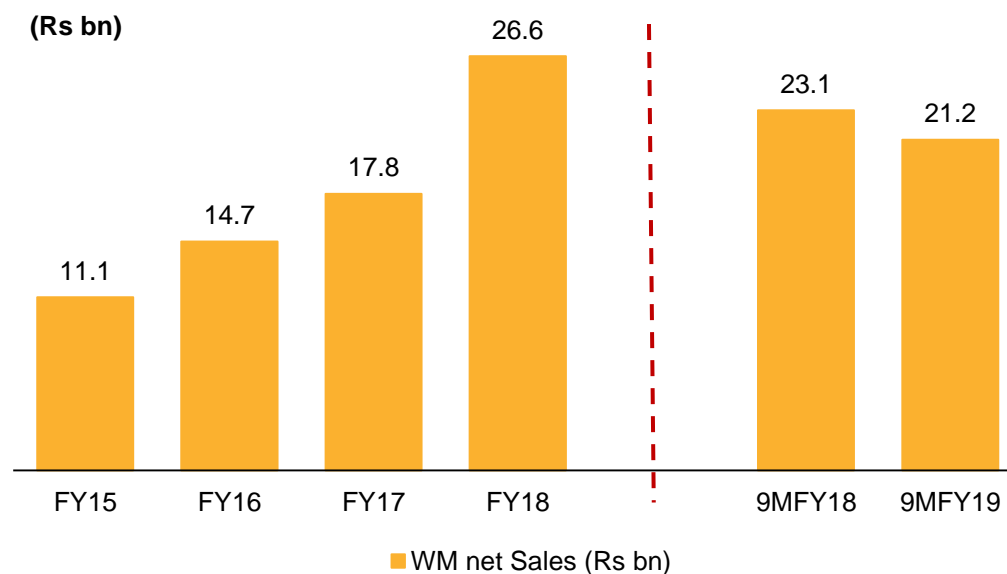
- Wealth Management AUM grew by 7% YoY at Rs 164 bn in 9MFY19.
- Revenue growth was robust at 21% YoY in 9MFY19. However, profit was impacted on account of – 1. Higher employee expenses due to full impact of higher RM additions, (+27% YoY) 2. ESOP cost impact of Rs 19.8 mn under Ind-AS reporting, 3. Incremental charge of Rs 35.1 mn for availing business support services as per the group transfer pricing policy.
- **In 9MFY19, PAT excluding impact of ESOP cost under Ind-AS and intergroup transfer pricing was Rs 165 mn, +12% YoY despite higher RM addition during the period.**
- RM productivity is rising in line with their rising vintage. Capacity to hire additional RM will increase, as existing RM vintage increases, which will help sustain growth and drive further operating leverage.
- Yield was at ~75 bps in Q3FY19, with equity mix of ~62% in total AUM.
- AUM traction is driven by captive products and other products from strategic funds.
- Inclination to invest in financial assets remains high and headroom for growth in AUM and profit pool is enormous.

Wealth Management – Strong business performance

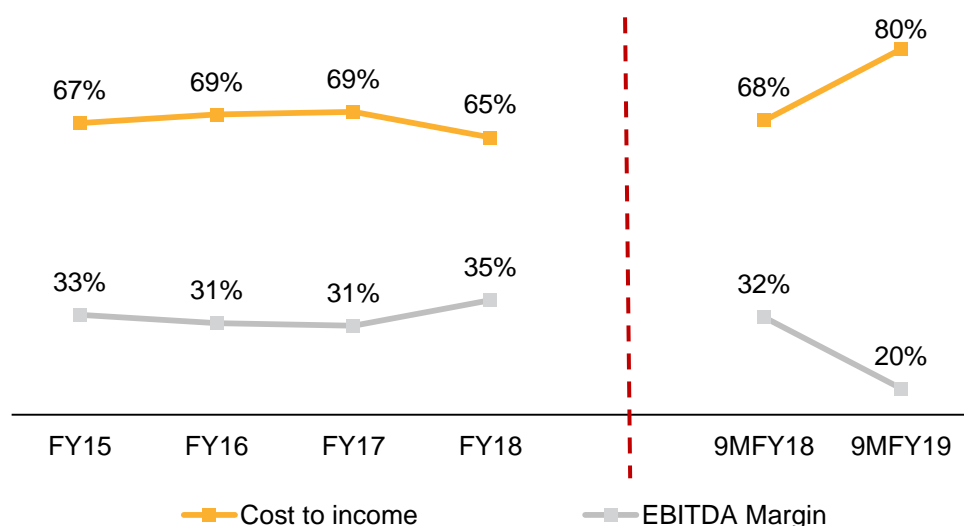
Wealth AUM growth trend



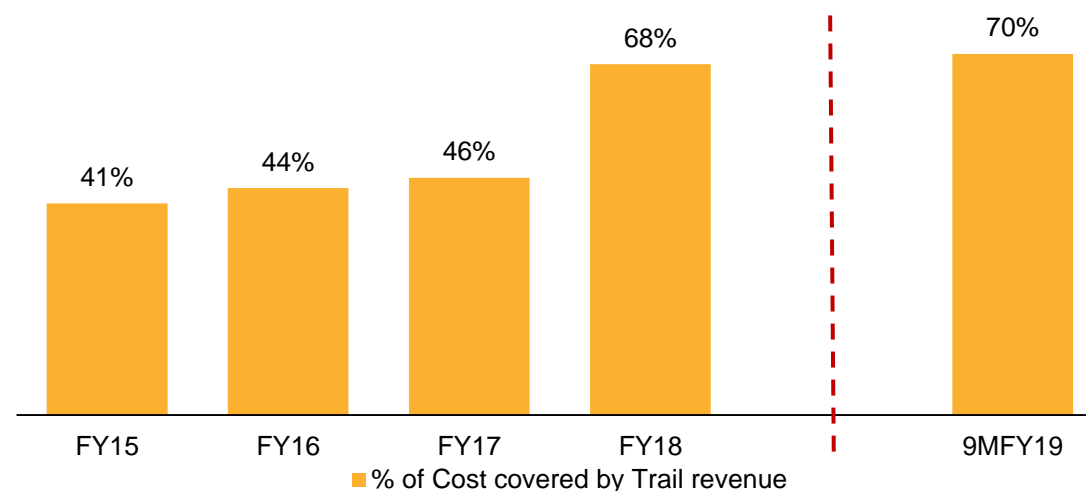
Wealth net sales trajectory

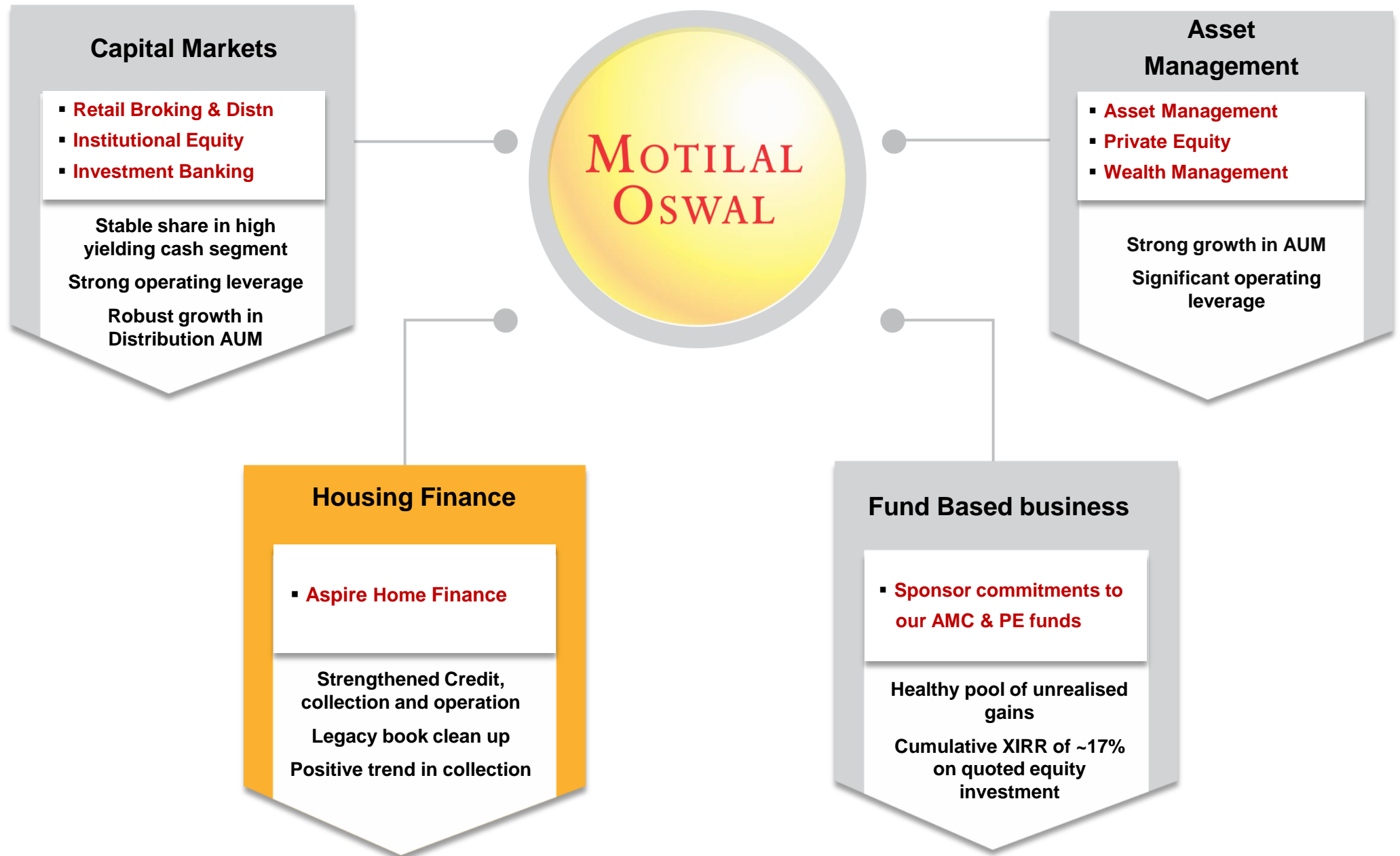


Higher investment in RMs increases Cost to Income ratio



Trail income will protect margin in downturn





MD & CEO with career Risk & Credit background on boarded

New Sales Management Process to drive disbursements, going forward

Positive trends in collection efficiency from Dec-18

Legacy loan book clean up will result into lower incremental credit cost

NNPA: 6.97%
PCR: 40%
PCR incl. W/O: 69%

Particulars (Rs mn)	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ%	9MFY19	9MFY18	YoY%
Net Interest Income (NII)	523	577	-9%	700	-25%	1,797	1,819	-1%
Other Operating Income	33	8	287%	26	26%	94	159	-41%
Total Income	556	586	-5%	726	-23%	1,890	1,978	-4%
Operating Cost	274	208	31%	258	6%	798	700	14%
- Employee Cost	175	86	103%	172	2%	487	349	40%
- Other Cost	99	122	-19%	87	14%	311	351	-11%
Operating Profit (Pre-Prov.)	282	377	-25%	467	-40%	1,092	1,278	-15%
Provisioning/Write offs	1,778	290	-	1,008	76%	3,300	721	-
PBT	-1,496	88	-	-541	-	-2,208	557	-
PAT as per Ind-AS	-970	76	-	-371	-	-1450	426	-
PAT as per IGAAP	-1,090	6	-	-334	-	-1,433	371	-

- Loan book stood at Rs 44 bn as of 9MFY19.
- In Q3FY19, NII stood at Rs 523 mn. NII fall was mainly on account of lower interest income due to reduction in loan book led by higher write offs and lower disbursements.
- Provisions of Rs 1.78 bn on account of higher write offs in Q3FY19 to clean up the legacy book. Provisions including write offs stands at 69% as of Q3FY19. Strong support from parent with capital infusion of Rs 2 bn in Q3FY19 taking total capital infusion to Rs 8.5 bn.
- Asset quality deterioration in 9MFY19 was on account of seasoning of legacy portfolio. However, proactive clean-up of the legacy book, expected positive trends in disbursements in coming quarters along with improvement in collection efficiency from Dec-18 augur well for future asset quality and profitability outlook.

PAT reconciliation from IGAAP to Ind-AS

Particulars (Rs mn)	9MFY19
Net profit after tax as per Previous GAAP	-1,433
Adjustment due to fair valuation of Deposit & rent equalization	-14
Adjustment for unamortized upfront cost on borrowing	-5
Adjustment for EIR	214
Adjustment for ECL	-207
Adjustment for actuarial gain	-13
Deferred tax on above adjustment	9
Net profit after tax as per Ind AS	-1,450
Other Comprehensive Income	8
Net profit after tax as per Ind AS	-1,441

Net worth reconciliation from IGAAP to Ind-AS

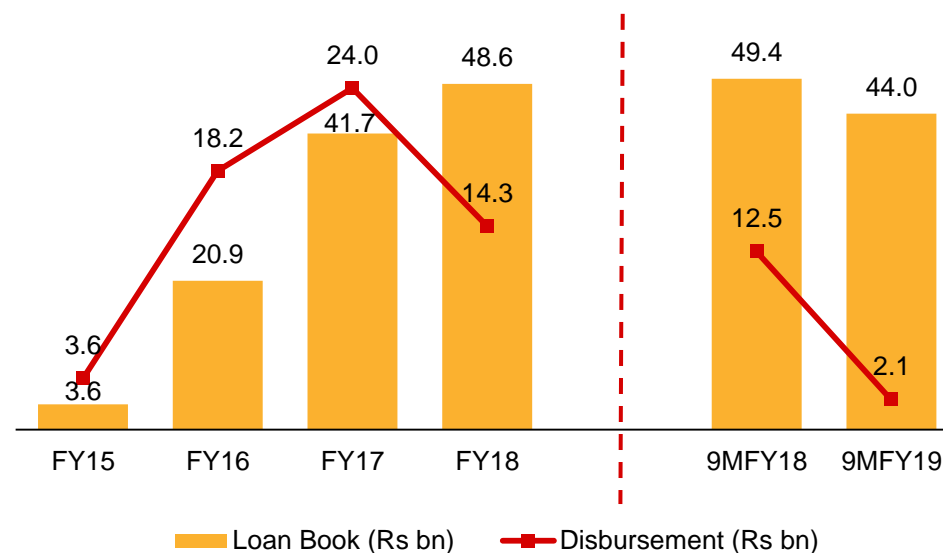
Particulars (Rs mn)	9MFY19
Networth as per IGAAP	8,566
Adjustment for ECL	-556
Adjustment for EIR	-57
Adjustment due to fair valuation of Deposit and rent Equalization	-2
Adjustment for unamortized upfront cost on borrowing	-19
Reversal of DTL on special reserve	107
Deferred tax on above adjustment	226
Total impact on networth	-300
Networth as per Ind-AS	8,266

ECL provisioning details

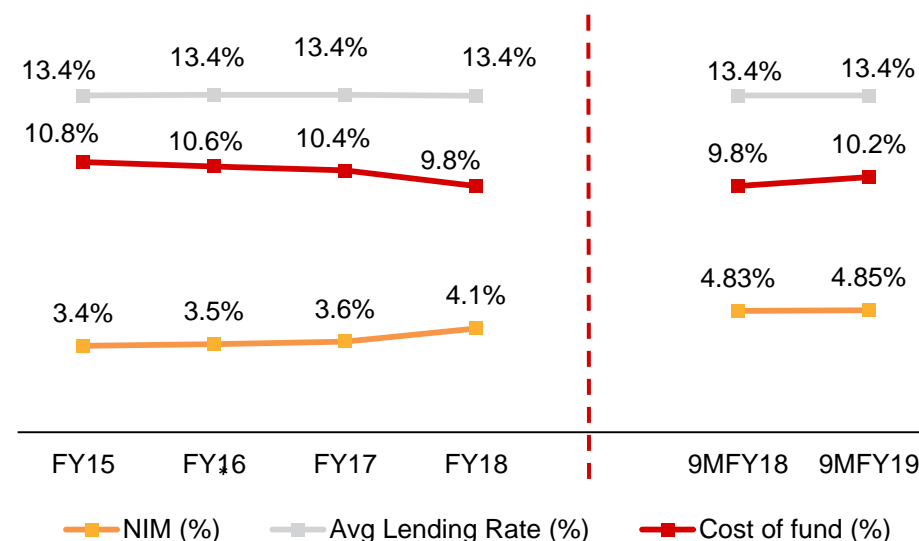
Particulars (Rs mn)	Q3FY19
Stage 3	3,817
% portfolio in Stage 3	8.68%
Stage 1 & 2	40,678
% portfolio in stage 1 & 2	91.3%
ECL Provision % Stage 1 & 2	1.86%
Total Assets	43,954
ECL Provision	1,510
ECL Provision %	3.4%
Coverage Ratio % (incl. std. assets)	40%
Total coverage ratio % (Incl. write offs)	69%

- Disbursements in 9MFY19 were Rs 2.1 bn. However, sanction pipeline is building up which will eventually result in disbursement pick up. Further, adequate sales force is in place to handle higher disbursements.
- Investments have been made in building a collection and legal organisation, while calibrating growth. This will create a strong foundation for sustainable growth.
- Organisation structure has been altered to move from a Branch banking model to a Vertical organisation with strong checks and balances to pursue a healthy growth.
- Margins remain stable at 4.85% in 9MFY19 versus 4.83% in 9MFY18. This was on account of lower borrowings and higher equity infusion during the period.
- Average cost of borrowing stood at 10.2% in 9MFY19.
- Limited borrowing repayments till March 2019, equity infusion, strong undrawn borrowing lines, calibrated pace of growth, places us in comfortable liquidity situation.
- Diversified liability profile - 55% from NCDs, 42% from bank loans and 3% from CP. 27 banks/NBFCs extended credit lines and NCDs were allotted to 18 institutions as of Dec-18.

Loan book and disbursement trend (Rs bn)

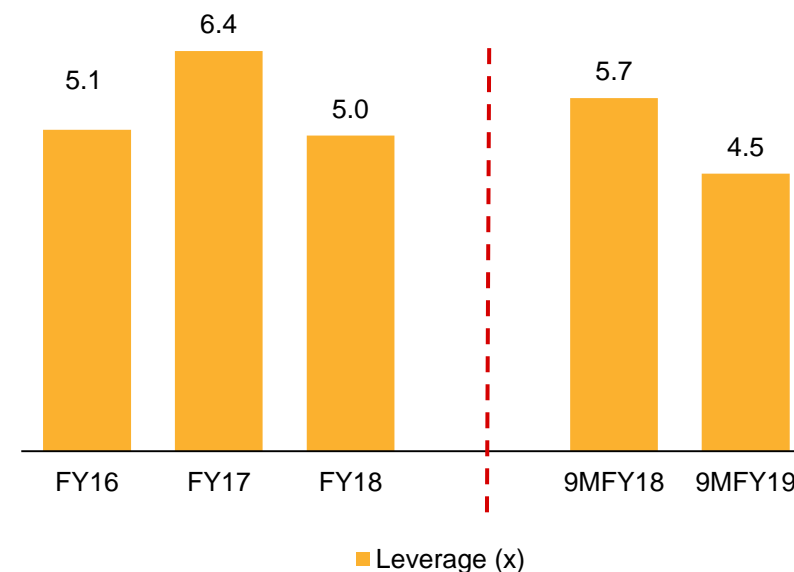


Margins trajectory

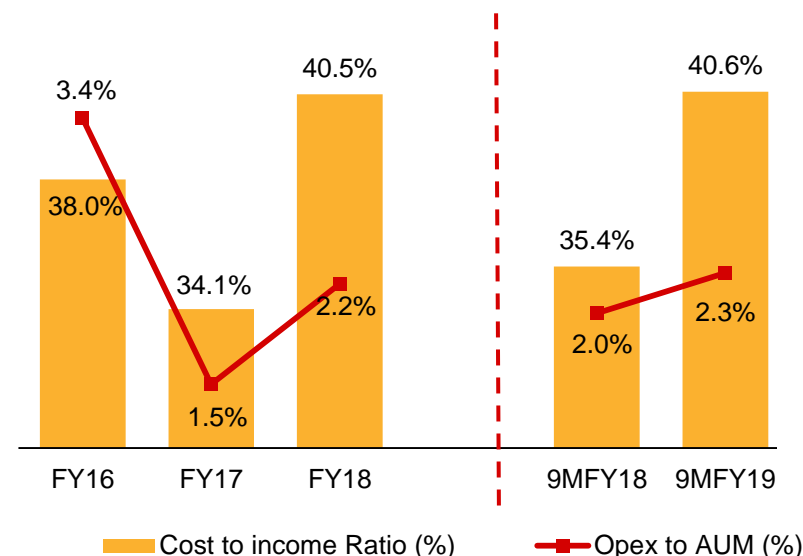


- Average ticket size is Rs 0.85 mn, with loans extended to more than ~53,000 families, as AHFCL is focused on the affordable housing segment. Average LTV of the book is <60%; overall FOIR remains at a comfortable level of 43%.
- Rich understanding from ~53,000 live accounts have shaped the credit policy and will ensure higher quality sourcing of incremental loans.
- Credit ratings are CRISIL A+ Stable outlook and ICRA A+ Stable outlook. Gearing remains conservative and among the lowest at 4.5x.
- Increase in collection and legal headcount coupled with lower income resulted into elevated Cost-Income ratio of 41% in 9MFY19.
- Capital infusion from sponsor was Rs 2 bn during the quarter taking total cumulative capital infusion from sponsor to Rs 8.5 bn resulting into lower leverage of 4.5x.
- We have been investing in technology to strengthen our database, analytics and risk framework. We are also investing in digital initiatives to reduce operating costs and turnaround time, and to improve customer experience. Our digital initiatives include new apps for sales, credit, collection, clients and vendors.

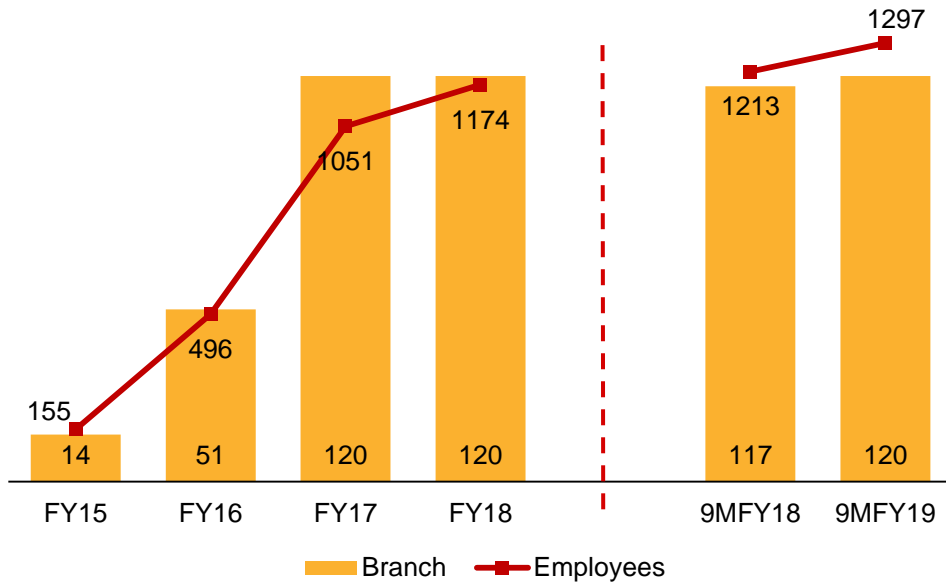
Low gearing



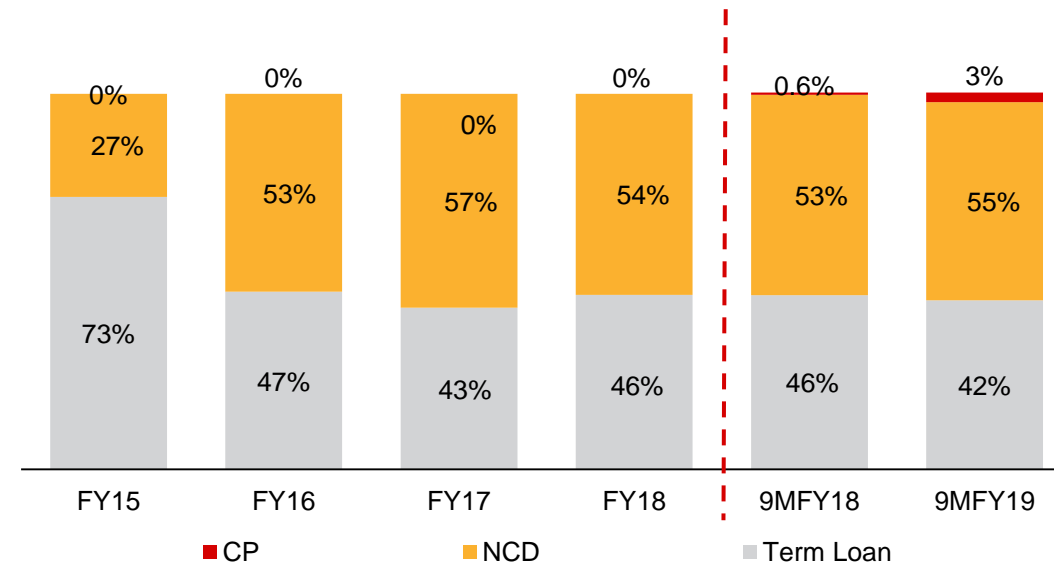
Higher opex resulting from investment mode



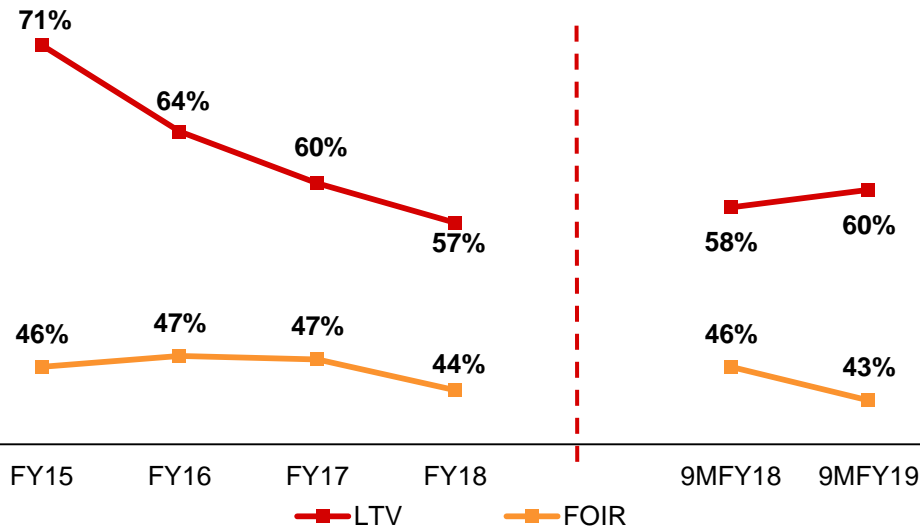
Higher investment in manpower



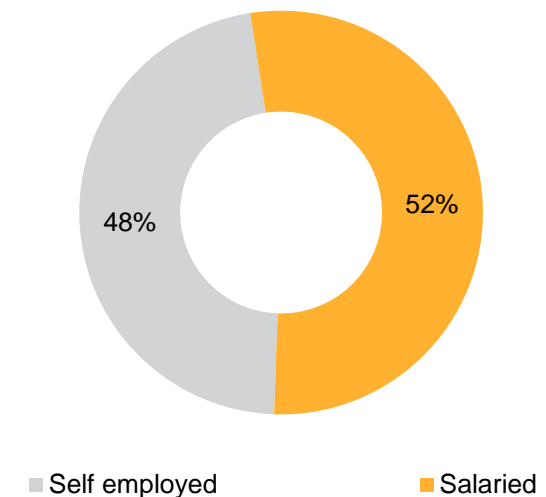
Diversified liability mix trend



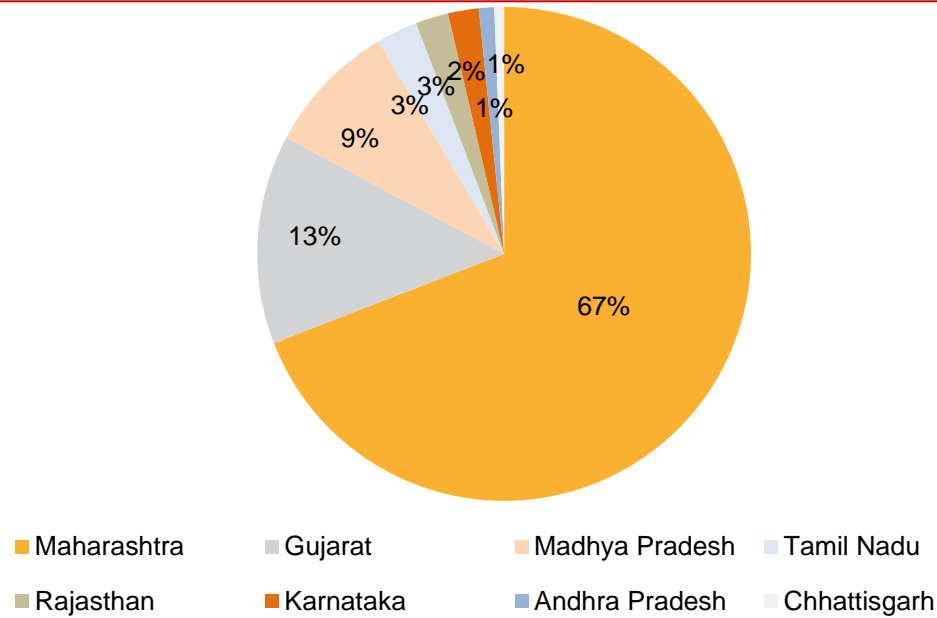
LTV of 60% and FOIR of 43%



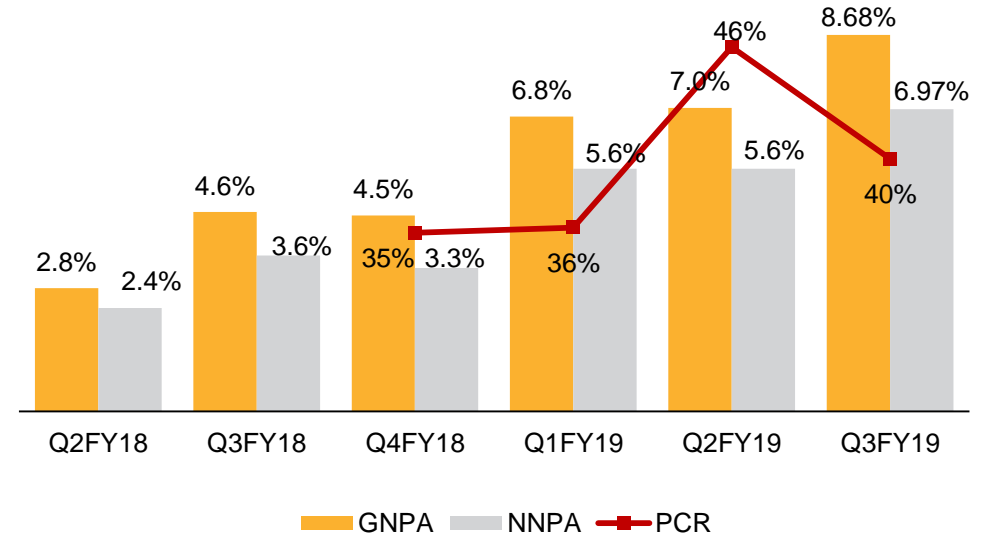
Balanced customer mix (%)



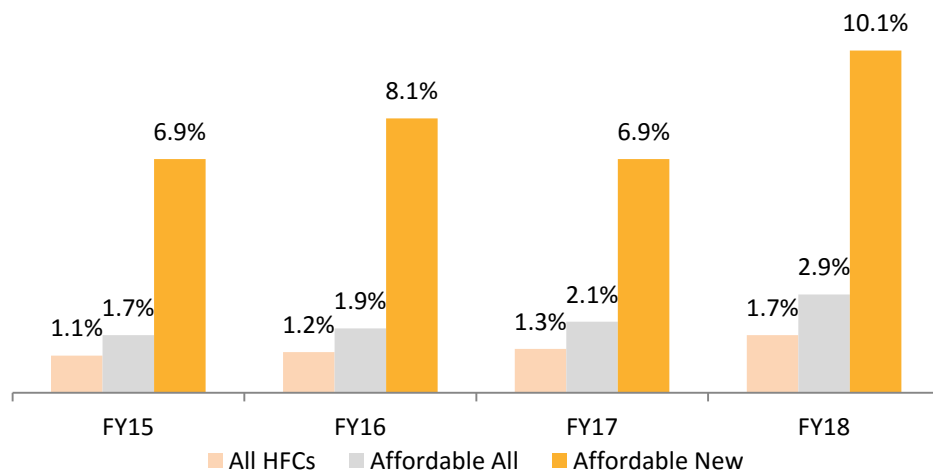
Aspire's State wise loan book mix



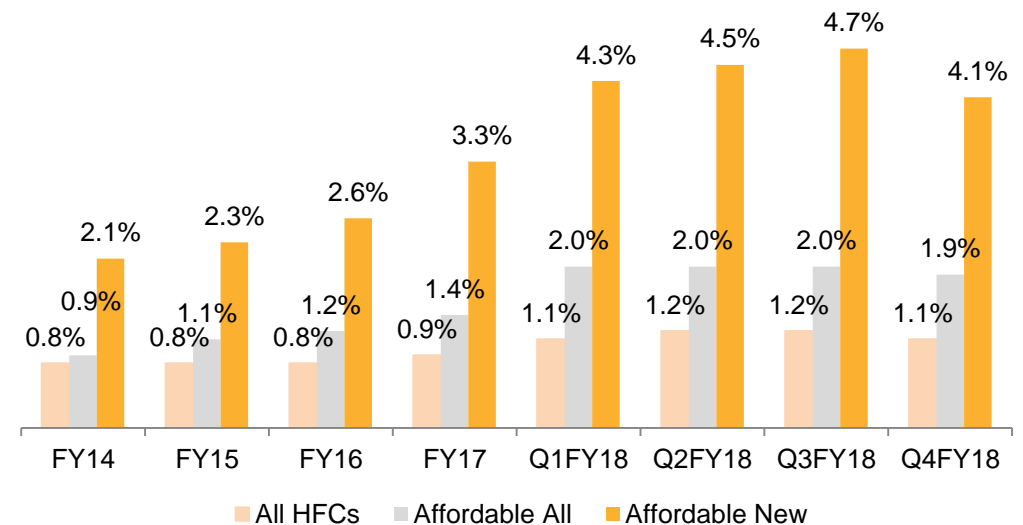
Aspire's GNPA and NNPA trend



Industry's NPA trend - 2 Year lag basis

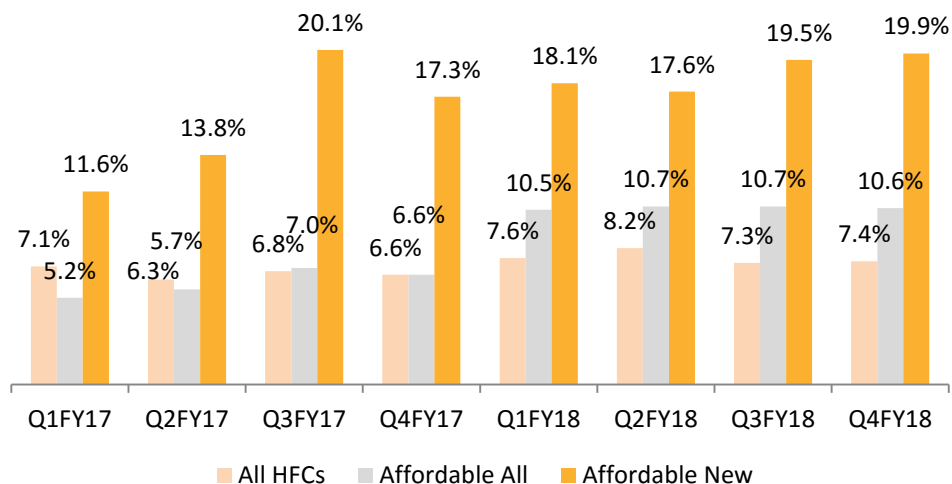


Industry NPAs higher in New Affordable HFCs

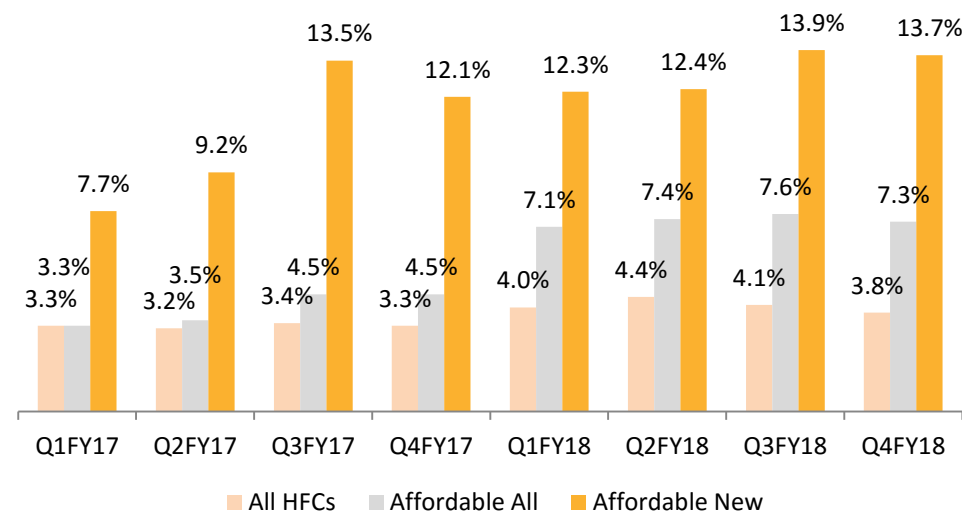


Note : Aspire's NPA in Q3FY19 is as per Ind-AS , PCR in including standard asset provisioning
Affordable Housing new – HFC started operation post FY12 (total 18 HFCs considered) , Source: ICRA report June 18.

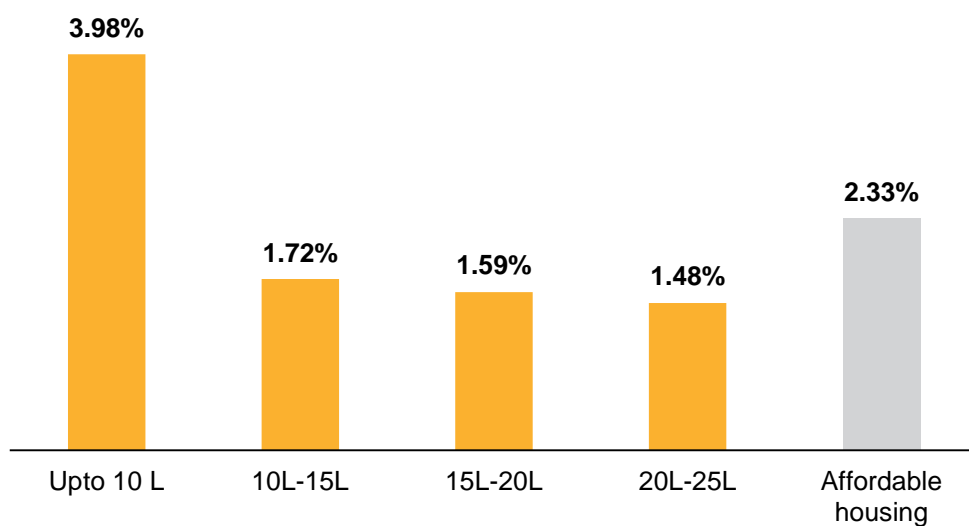
Industry's delinquency trend : 0+ dpd



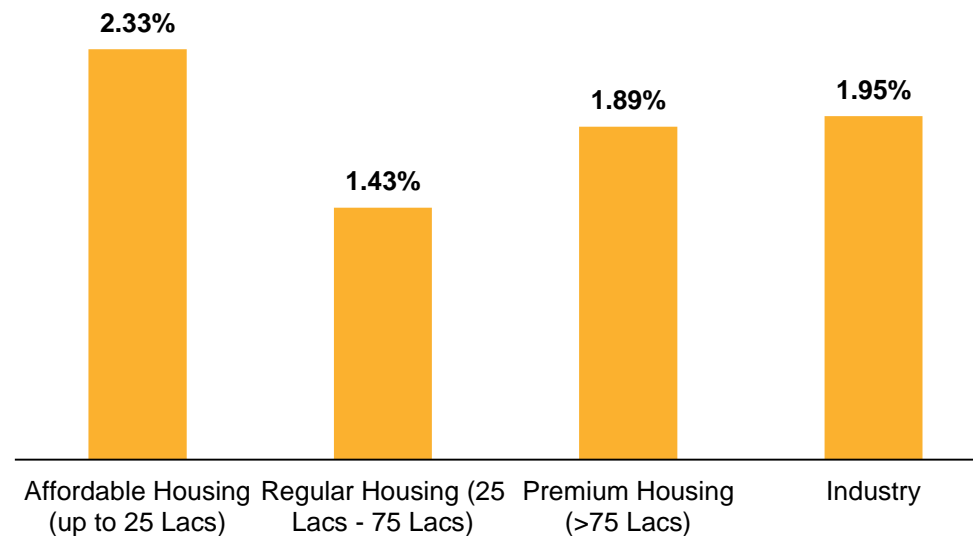
Industry's delinquency trend : 30+ dpd



Industry's NPA is highest in less than Rs10 Lakhs Ticket size



Industry's NPA in Affordable segment is high



Aspire Home Finance – Strengthened credit, collection and processes



Credit

Cluster Credit

Separated credit reporting from branch; cluster level credit layer created

Vertical Process

Created 5 level credit appraisal process based on ticket sizes

Risk based Pricing

Rolling out risk based pricing model along with differentiated pricing model

RCU

Dedicated risk containment unit to minimize fraud related to income, profile and collateral.

Legal and Technical

Captive legal and technical team at cluster level.

Defining radius

Defined branch radius for loan sourcing

Digitised credit

Application scorecard, bureau Scorecard, KYC score and use of geo insides and look alike models for new to credit customers



Collection

In-house Collection and Legal

Set up in-house collection and legal team of ~400 officers with vertical structure

Collection app

Rolled out collection app with geo tagging feature providing real time & periodic access to TLs

Collection Tracking

Real time update and capturing of collection data

Collection Vertical

Collection vertical is in place with zonal, cluster, regional collection heads

Differentiated strategy

Differentiated strategy based on aging of account and type of account

Repair

Resolving early warning signal cases and soft bucket cases promptly

Legal Team

Strengthened legal unit to pursue legal route aggressively such as SARFAESI, Section 138



Process

Digital Focus

Rolled out Pre Sales app, Sales App, Collection App and Customer App

Automation

Strengthen systems, process, operations by bringing IT enabled automations

Customer Service

Rolled out round the clock services for customers (12/7)

In-house DMS

In house data management system with better cost control, quality and features

Payment Gateway

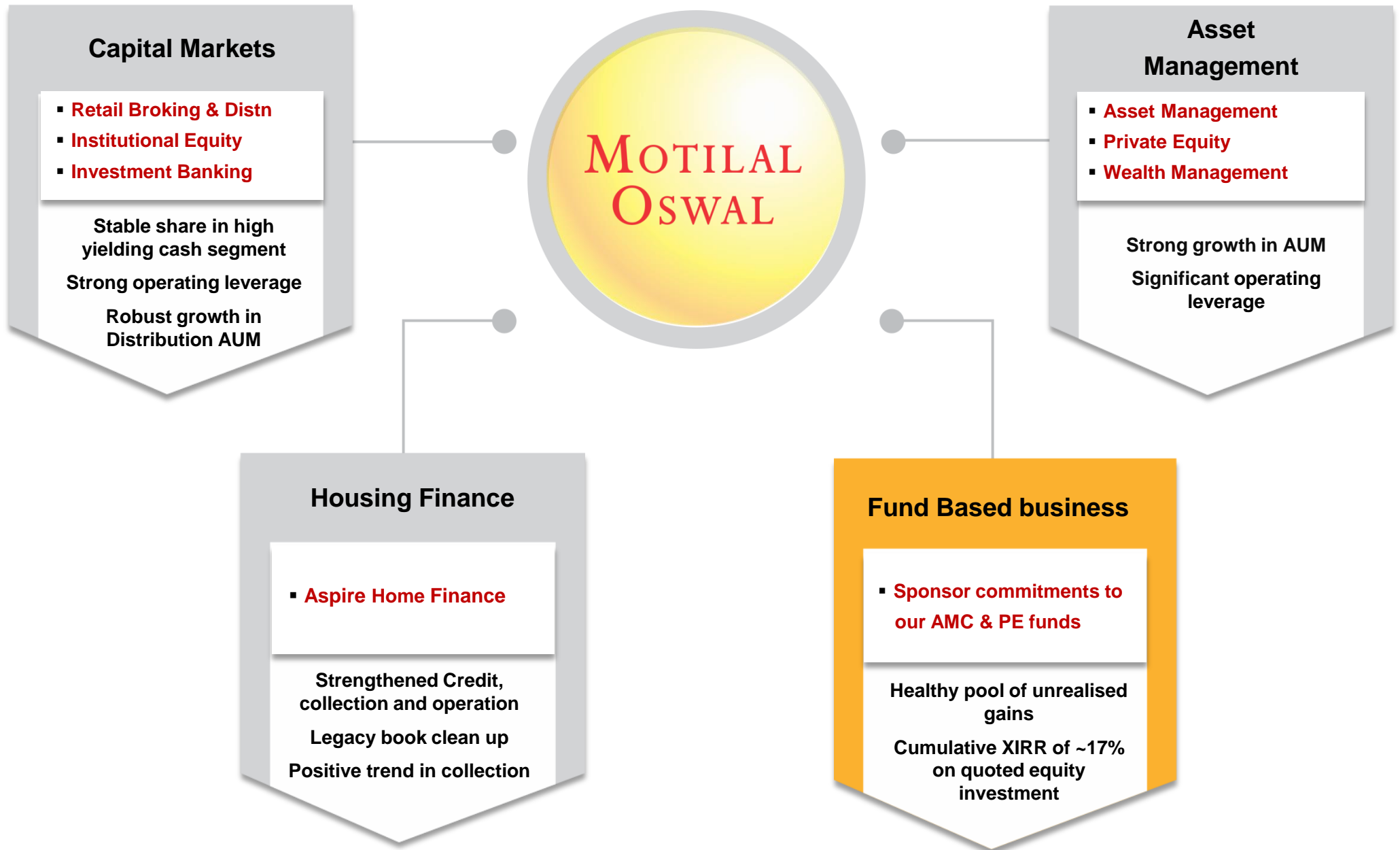
Started online payment gateway for customers

Concurrent audit of pre & post Disb.

Stronger control on pre and post disbursement documents with concurrent audit of every loan file

NACH Process

100% of accounts are registered for NACH



Total quoted equity investment including MTM gains was Rs 13.6 bn as of Q3FY19.

Particulars (Rs mn)	Q3FY19	Q3FY18	YoY (%)	Q2FY19	QoQ (%)	9MFY19	9MFY18	YoY (%)
Total Revenues	565	1,419	-60%	-578	-	56	3,331	-98%
PAT as per Ind-AS	563	1,165	-52%	-525	-	83	2,634	-97%
PAT as per IGAAP	694	415	67%	292	-	1,059	844	26%

Note: Fund based revenues and PAT excludes Other Comprehensive Income

Cumulative XIRR of ~15% on quoted equity MF investments

- In Q3FY19 revenues were impacted on account of MTM fair valuation of investments under Ind-AS. During the quarter, revenue impact net gain (realised + MTM) on investments were Rs 0.5 bn vs Rs 1.3 bn in Q3FY18.

- Fund based book includes gains/loss on sponsor commitments cum investments in equity MF, PE funds, Real estate funds, AIF and strategic equity investments.

- Total quoted equity investment including MTM gains was Rs 13.6 bn as of Dec 2018, since MTM of these gains are now included in earnings under Ind-AS reporting.

Unrealised gain on unquoted equity investments: Rs 1.3 bn

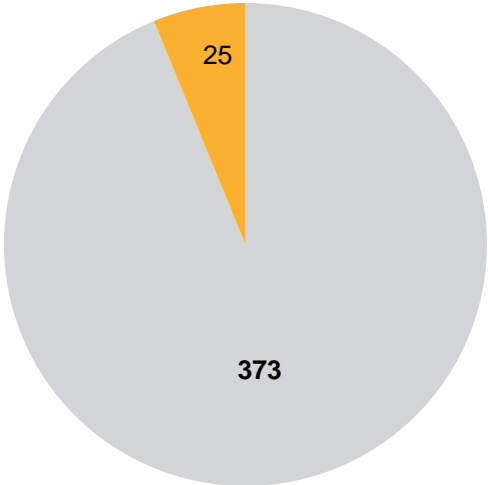
- Cumulative XIRR on quoted equity investments is ~17% (since inception), validating the long-term performance track record of our QGLP philosophy.

- Pre-tax XIRR on exited private equity investments is ~28%.

- These investments have helped “seed” our new businesses, which are scalable, high-RoE opportunities. They also serve as highly liquid “resources” available for future investments in business, if required.

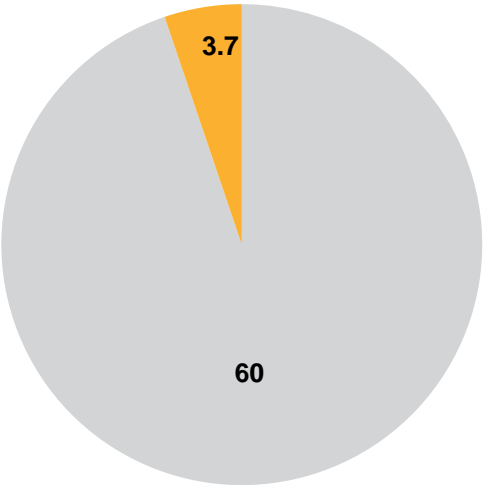
Fund Based business – Skin in the game

Skin in the game in AMC



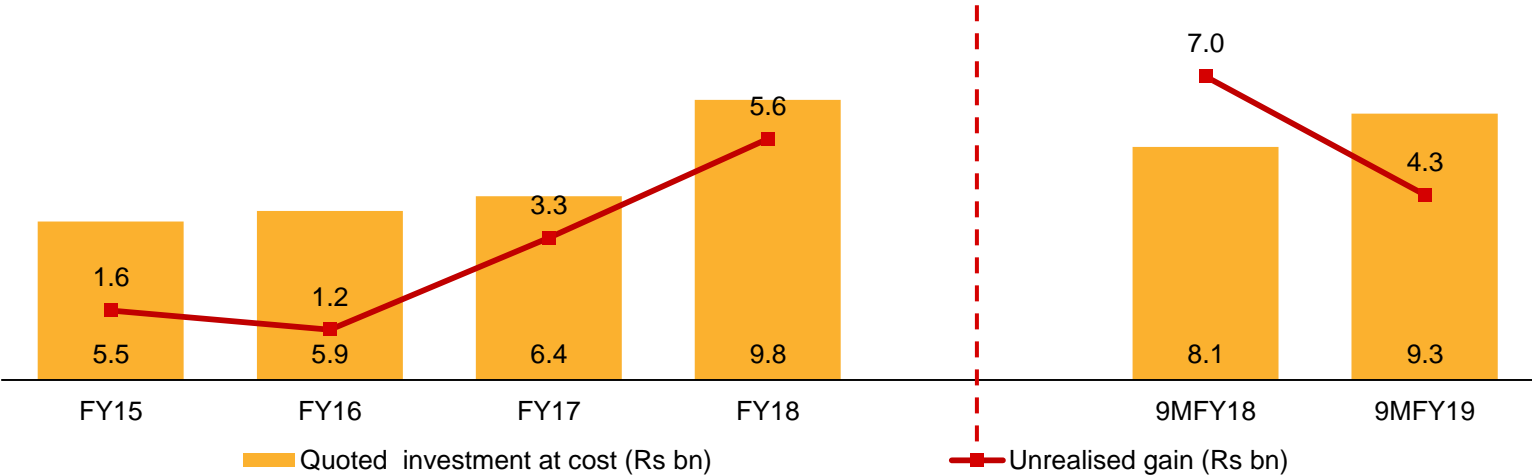
■ AMC AUM (Rs bn) ■ Sponsor & Promoter AUM in AMC (Rs bn)

Skin in the game in PE



■ PE AUM (Rs bn) ■ Sponsor Commitment in PE (Rs bn)

Unrealised gain from quoted equity investments



■ Quoted investment at cost (Rs bn) ■ Unrealised gain (Rs bn)

Management team



Motilal Oswal, Chairman and MD

A CA by qualification, Mr. Oswal started MOFSL along with Co-promoter, Mr Raamdeo Agrawal in 1987. He has served on the Boards of the BSE, Indian Merchant's Chamber (IMC), and on various committees of the BSE, NSE, SEBI and CDSL.



Raamdeo Agrawal, Joint Managing Director

A CA by qualification, Mr Agarwal started MOFSL along with Mr Motilal Oswal in 1987. He is a Joint MD of MOFSL and also the co-founder of MOFSL. A keen believer and practitioner of the QGLP philosophy, his wealth creation insights and decades-rich experience have played a pivotal role in the growth of MOFSL.



Navin Agarwal, Managing Director

Mr Agarwal is a CA, ICWA, CS and CFA by qualification. He was responsible for the Institutional Broking & Investment Banking business and has been instrumental in building a market-leading position for the Group in Institutional Broking. He has been with MOFSL since 2000.



Rajat Rajgarhia , CEO – Institutional Equities

Mr Rajgarhia is a CA and MBA by qualification. He joined MOFSL in 2001 as a Research Analyst, went on to Head the Research team, and currently heads the Institutional Equities business.



Ajay Menon , CEO – Retail Broking and Distribution

Mr Menon is a CA by qualification. He possesses over 15 years of experience in Capital Markets. He joined the Group in 1998. He is also a Whole time Director of MOFSL.



Vishal Tulsyan, CEO – Private Equity

Mr Tulsyan is a CA (all-India rank holder). He has more than 15 years of experience in Financial Services. He has worked with Rabobank as a Director. He joined MOFSL in 2006 and is the founder MD& CEO, of Motilal Oswal Private Equity (MOPE).



Aashish Somaiyaa, CEO – Asset Management

Mr Somaiyaa has done his MMS-Finance from NMIMS. He has varied experience of more than 13 years in sales and distribution, channel management and product development. He has worked with ICICI Prudential AMC and Bharti Axa Investment Managers. He joined the Motilal Oswal Group in 2013.



Vijay Goel, CEO- Wealth Management

Mr Goel is a CA (rank holder) and a Cost Accountant. He has worked with the Aditya Birla Group and Dawnay Day AV Financial Services. He joined MOFSL in 2007 and currently Heads the Private Wealth Management business.



Girish Nadkarni, CEO – Investment Banking

Mr Nadkarni brings with him over 23 years of rich experience in Investment Banking, ECM, and Institutional Equities. He is an MBA from IIM – Ahmedabad and a Member of ICWAI. He has worked with Avendus, ITC and ICICI. He joined MOFSL Group in 2014.



Sanjay Athalye, CEO– Housing Finance

Mr Athalye has 20 years experience in Mortgage Finance Industry. He has varied experience in SME, Home Finance, Infrastructure, Construction Finance and Micro Finance. Prior to joining Aspire, he has worked with Indostar Capital Finance Ltd., as CRO



Shalibhadra Shah, Chief Financial Officer

Mr Shah is a CA by qualification. He is a Finance professional with 17 years of experience spanning the entire gamut of Finance, Accounts, Taxation & Compliance. He joined MOFSL Group in 2006.

Independent Directors



Praveen Tripathi, Independent Director (MOFSL)

Mr Tripathi has done his PGDM from IIM, Ahmedabad and B. Tech (Electrical Engineering) from IIT, Kanpur. He is currently CEO of Magic9 Media and Consumer Knowledge Private Limited.



Sharda Agarwal, Independent Director (MOFSL)

She is PGDM from IIM, Bangalore and has worked with Johnson & Johnson, and Coca Cola India. She co-founded India's premier strategy business and marketing consulting firm in 2005.



Vivek Paranjape, Independent Director (MOFSL)

Mr Paranjape has done his BSc (Hons) from Ferguson College, Pune and PGhD in Industrial Relations and Welfare from XLRI, Jamshedpur. He has worked with Hewlett Packard, and has been the Honorary CEO for National HRD Network of India.



Rekha Shah , Non-Exec, Independent Director (MOFSL)

Mrs Shah is the Founder of Analyze N Control. She has done her Business Management from JBIMS, and has worked with Indian business houses like the Tata Group and Intermediaries such as Vadodara Stock Exchange, and Kotak Securities, among others.



Kanu Doshi , Independent Director (MOAMC)

Mr Doshi has over 49 years of varied experience. He specializes in Corporate Taxation and is known for his deep insights in financial matters. He is also a Director on the boards of various companies.



Ashok Jain Independent Director (MOAMC)

Mr Jain is the Whole-time Director and CFO of Gujarat Borosil. He has rich and varied experience of more than two decades in Corporate Management, particularly Finance .



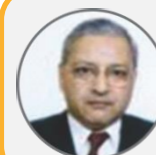
Abhay Hota, Independent Director (MOAMC)

Mr Hota has rich and varied experience of over 35 years in Regulatory and technical aspects, and Project Management. He has worked with the RBI as a central banker.



Hemant Kaul, Independent Director (AHFCL)

Mr Kaul brings in rich experience in Banking and Financial services, having worked in companies like Bajaj Allianz General Insurance (MD & CEO) and Axis Bank.



Sanjay Kulkarni, Independent Director (AHFCL)

Mr Kulkarni is an Engineer from IIT Mumbai and has done his MBA from IIM Ahmedabad. He has over 40 years of experience in Banking and Financial services.



Smita Gune, Independent Director (AHFCL)

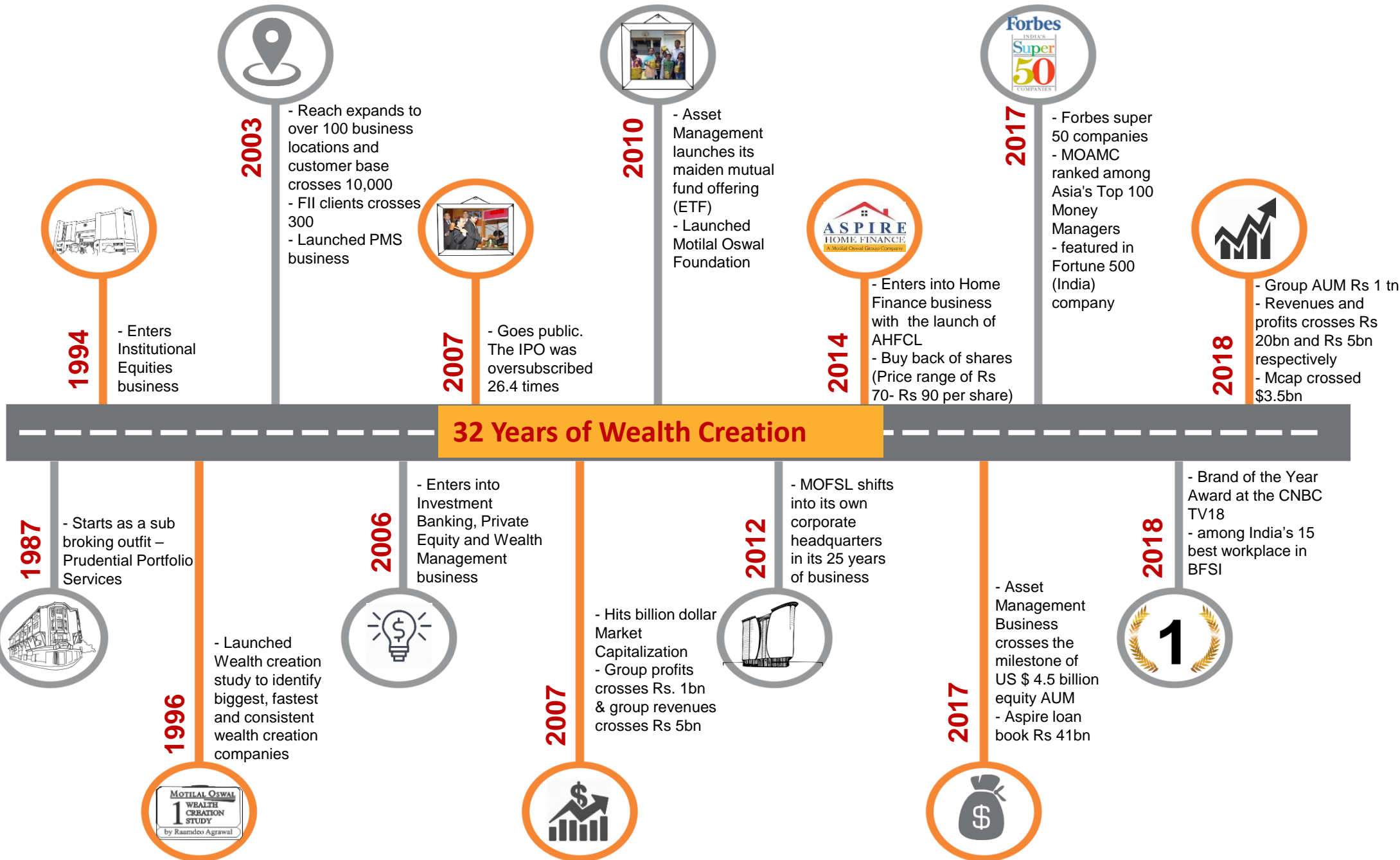
She is a Member of ICAI and Institute of Internal Auditors. She is a finance professional, with over 30 years of experience in Banking and Financial Services.



Gautam Bhagat, Independent Director (AHFCL)

Mr Bhagat is a finance professional with over 27 years of experience in the BFSI sector. He has served as a member of the Executive Management team at HDFC till 2016. He has also served as CEO of HDFC Sales Private Limited.

MOFSL Journey





Key Highlights

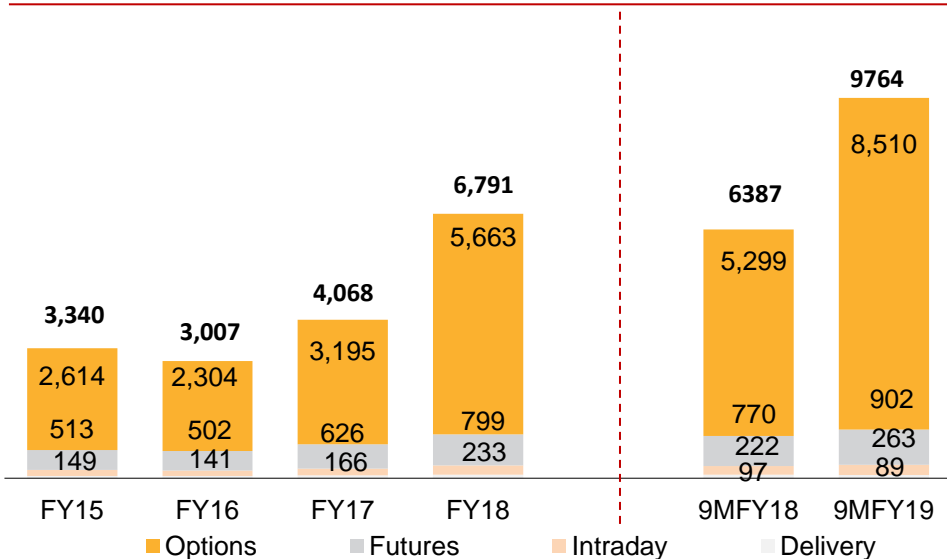
Financials

Businesses

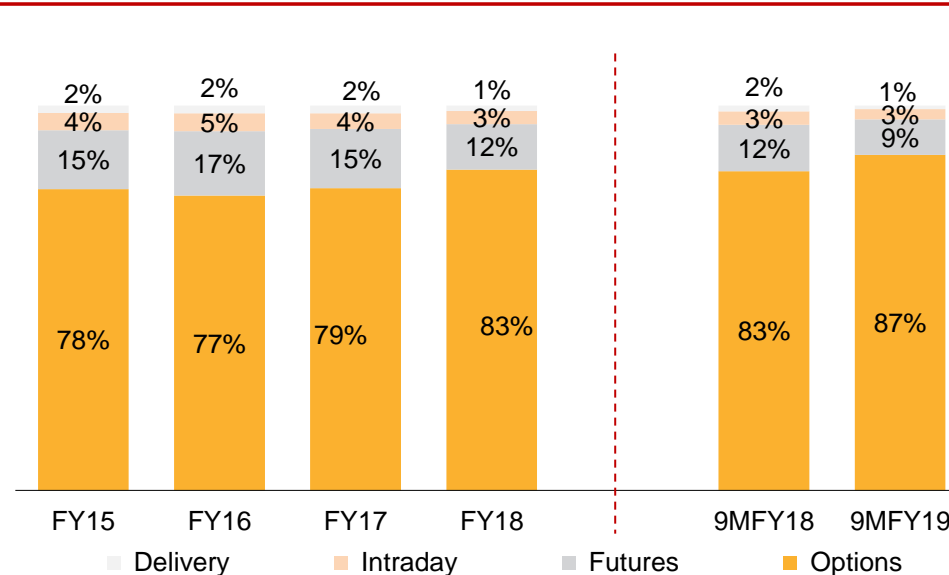
Interesting Exhibits

Capital Market – Rising market share of top brokers in an earnings upcycle

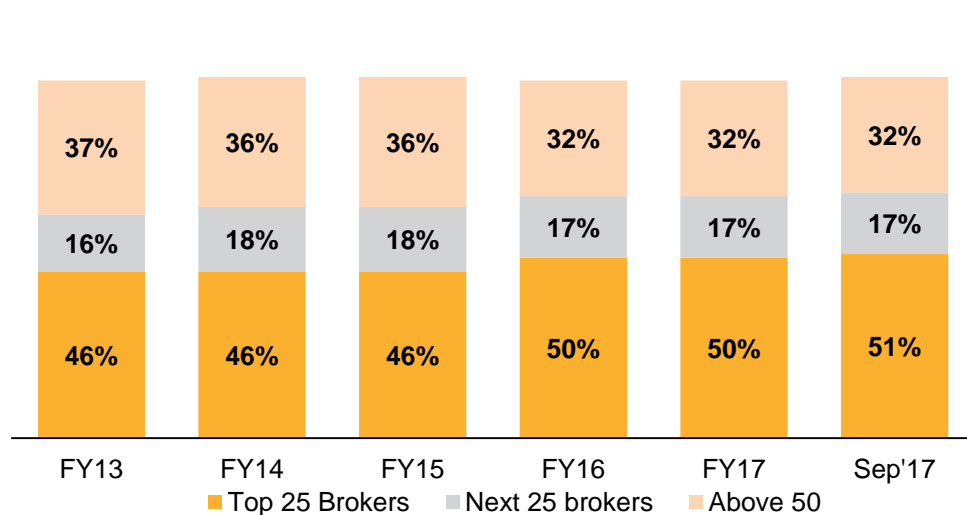
Market ADTO is on a high YoY in 9MFY19



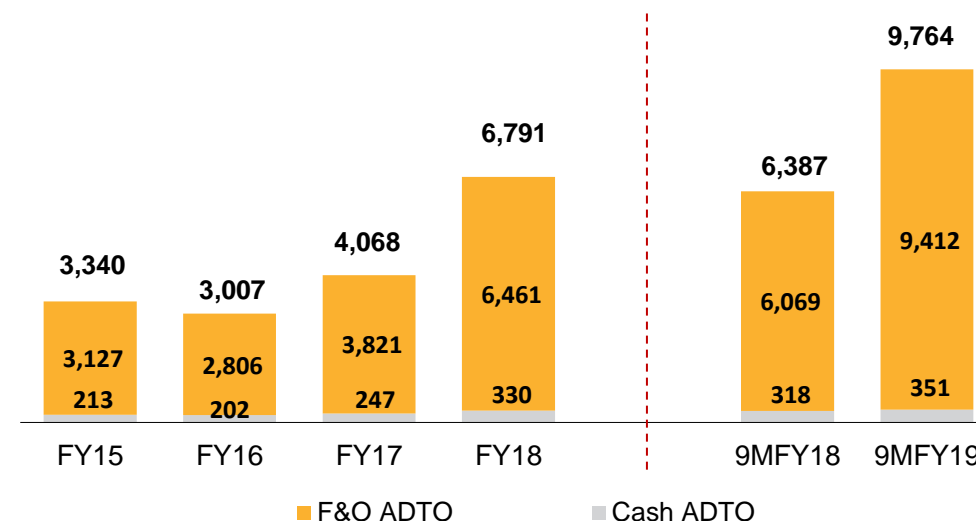
Market ADTO break up



Proportion of NSE cash volumes consolidated to the largest brokers during bull-phases in the markets, not bear-periods



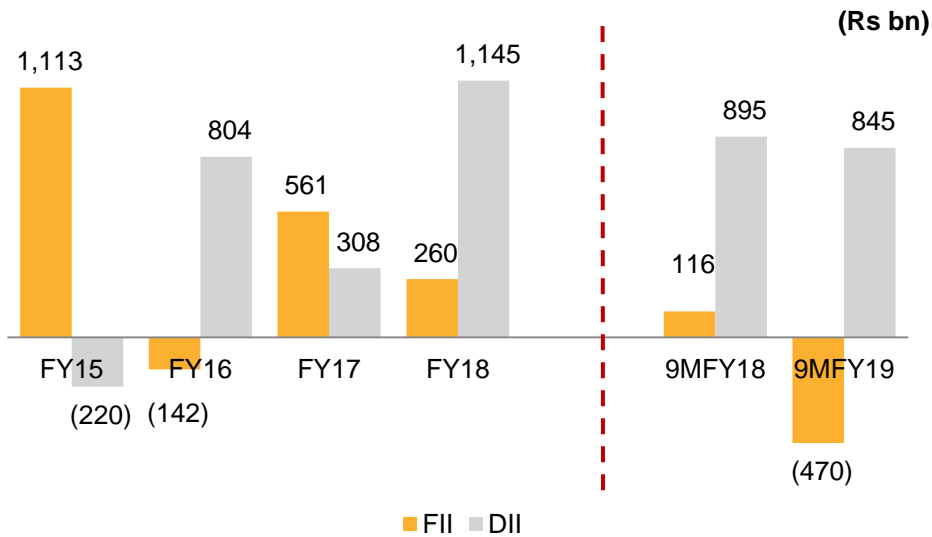
Market ADTO – Cash and F&O



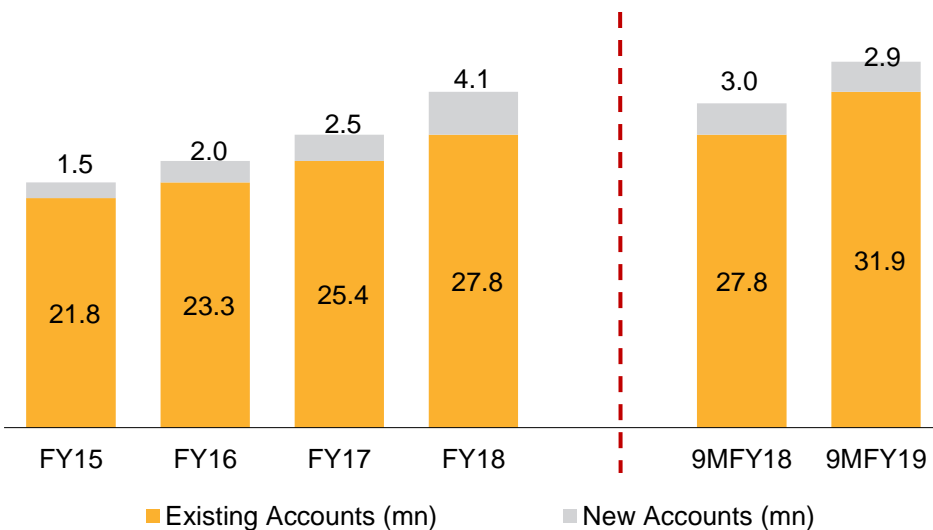
Source: NSE and BSE

DII clock healthy inflows; Higher-value IPOs pick up

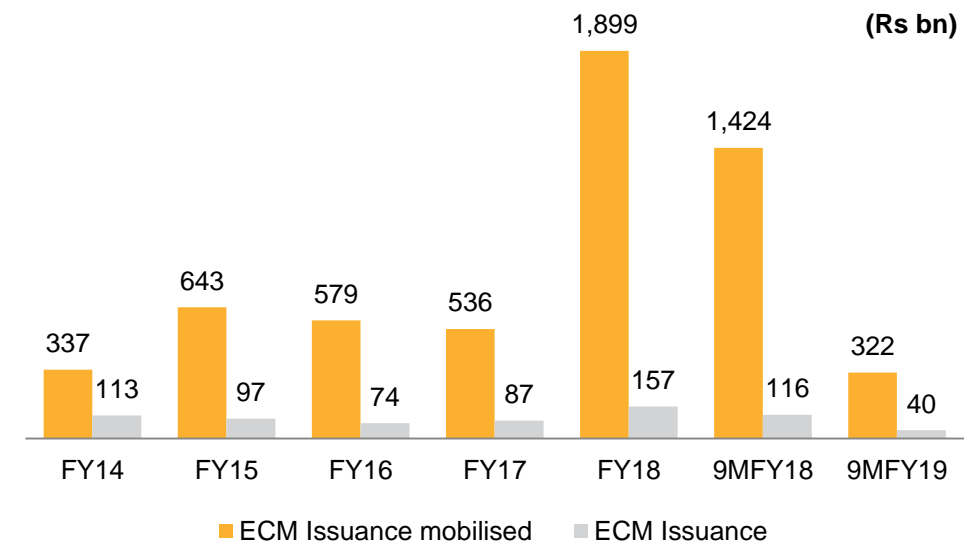
FII & DII net inflows



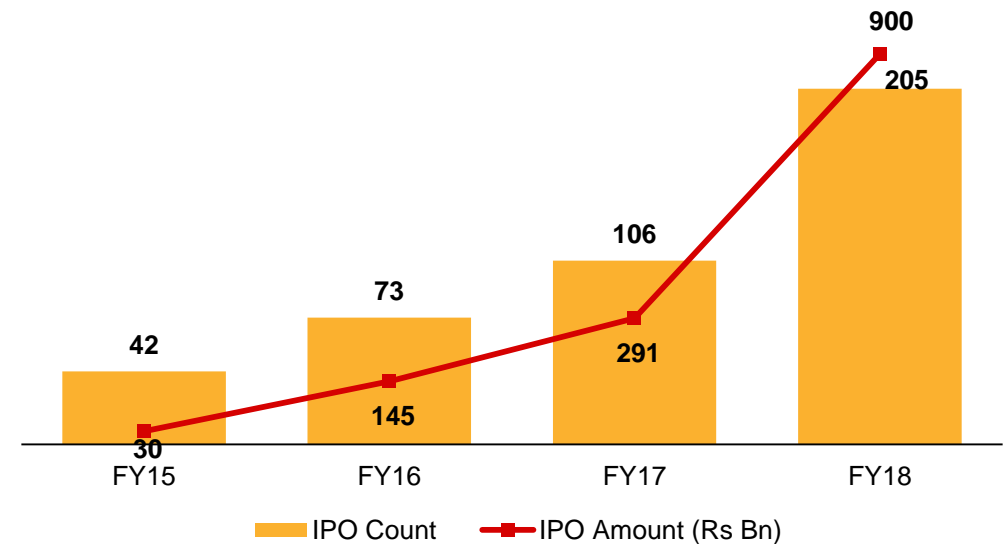
As momentum in IPO activity continued, incremental Demat accounts continued to grow at a healthy pace



ECM markets

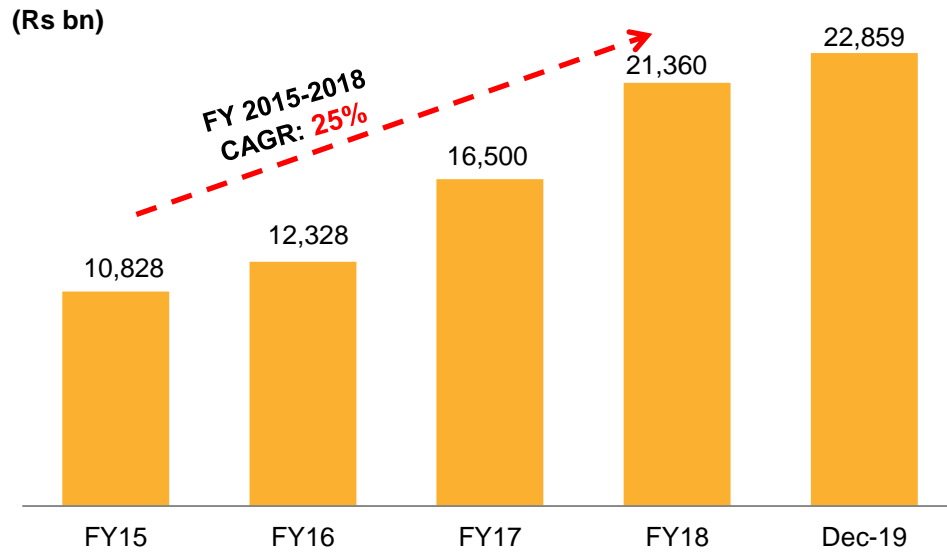


IPO raising has picked up since the last FY15

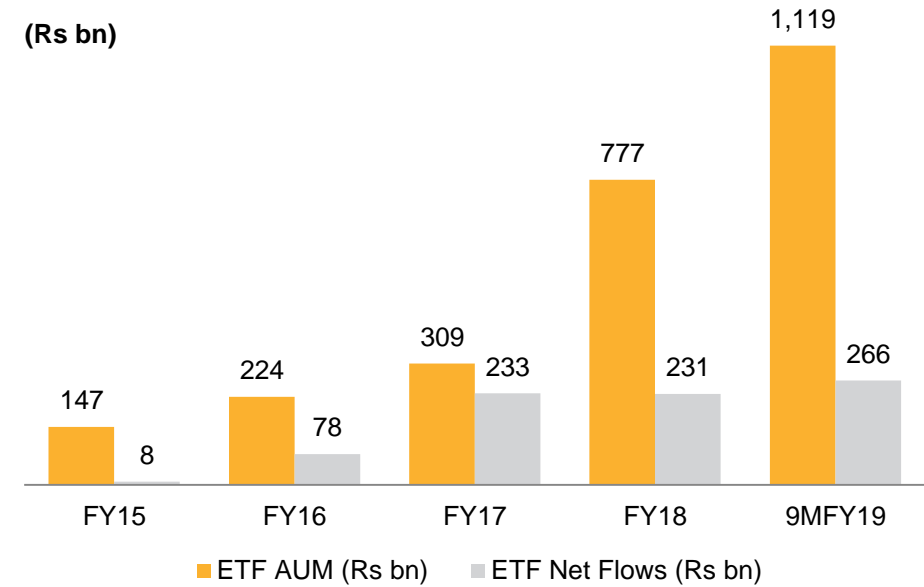


Asset Management – Strong AUM growth story

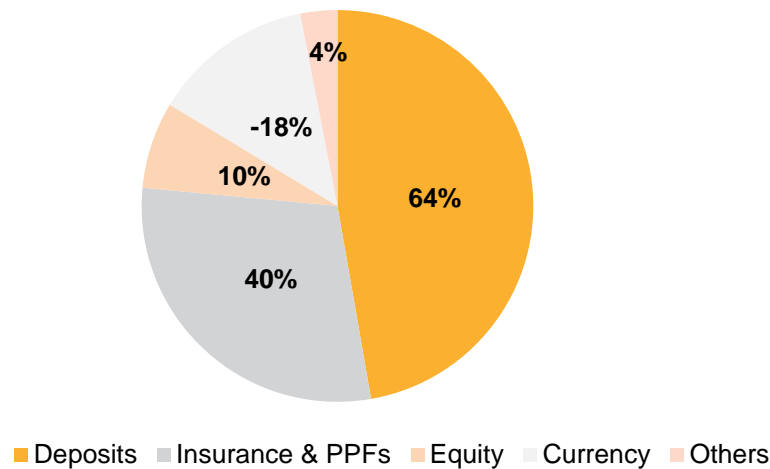
MF AUM growth provides optimism



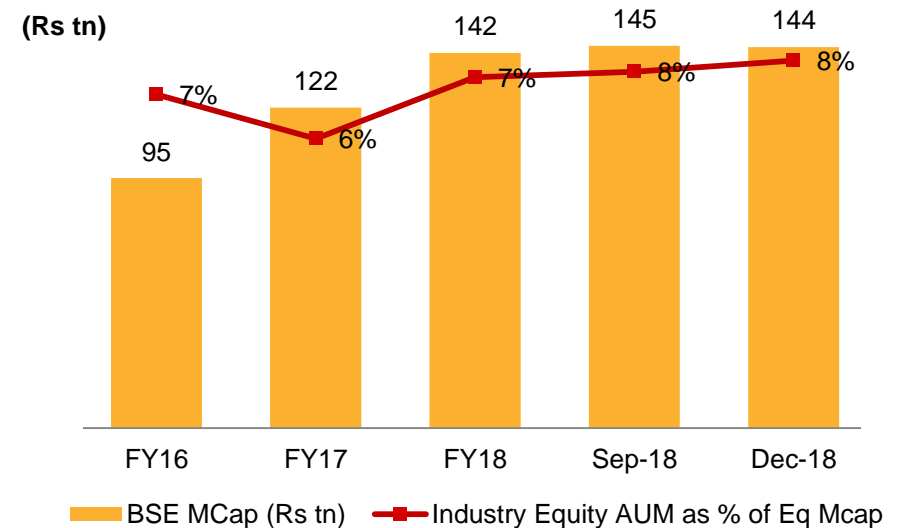
ETF AUM has grown ~10x in past 3 years



Equities are underpenetrated within Indian financial savings

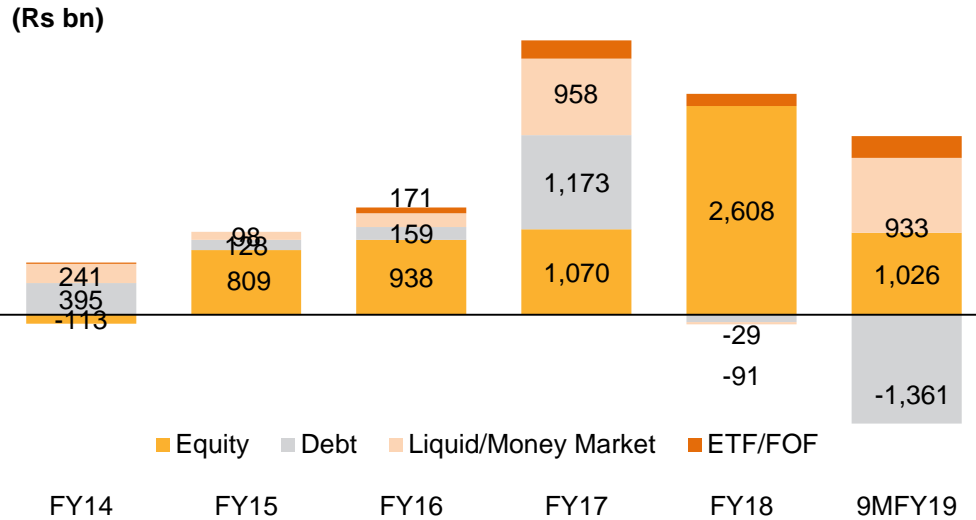


Equity assets as a % of BSE Mcap on a rise

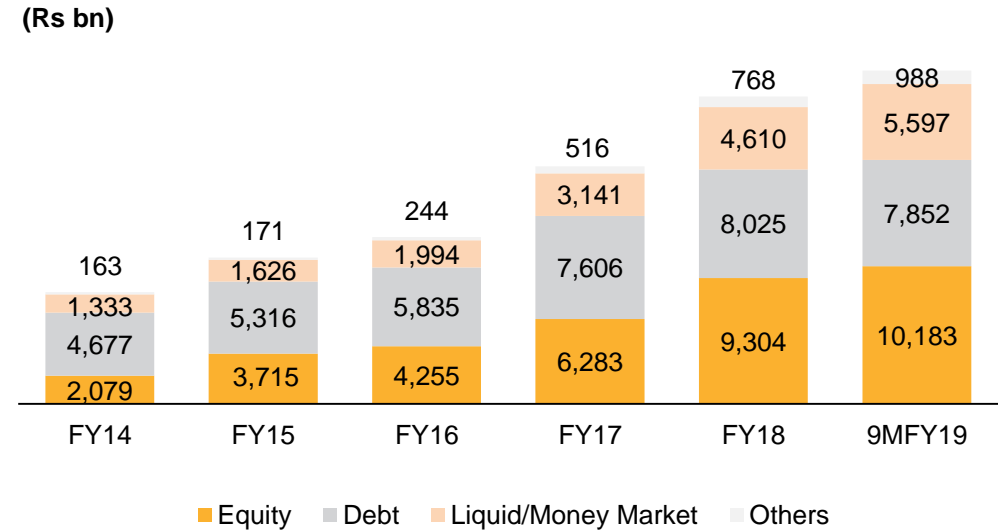


Asset Management – Stickiness of Equity asset class

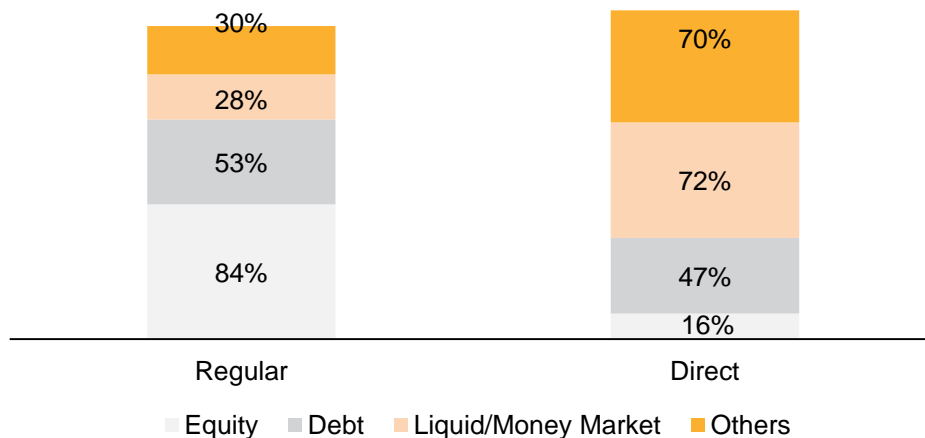
Equity-oriented funds lead the charge in net inflows



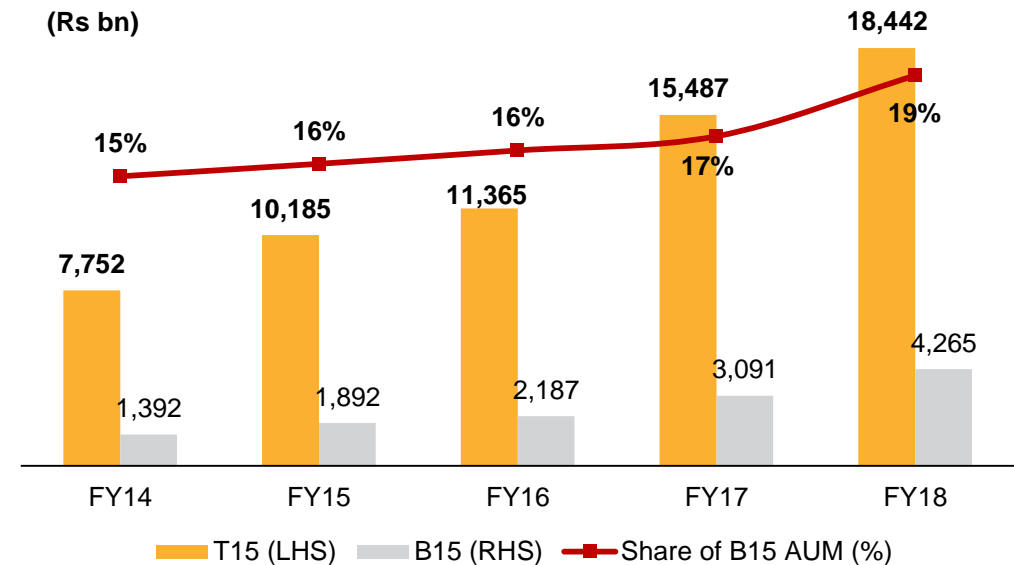
B30 cities allocation towards equity asset class rises



Regular plans constitute majority of equity assets

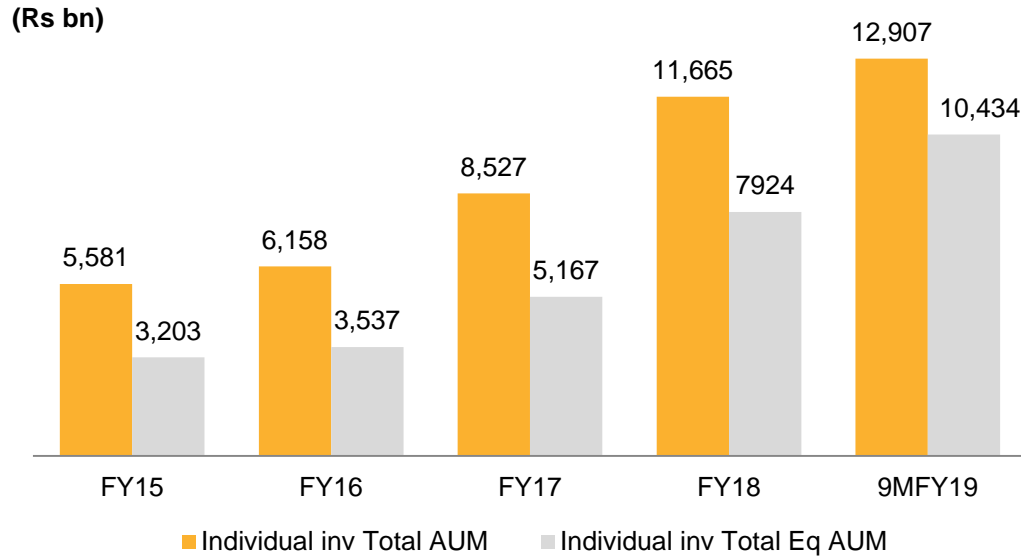


Smaller cities picking up pace, with increasing equity allocation

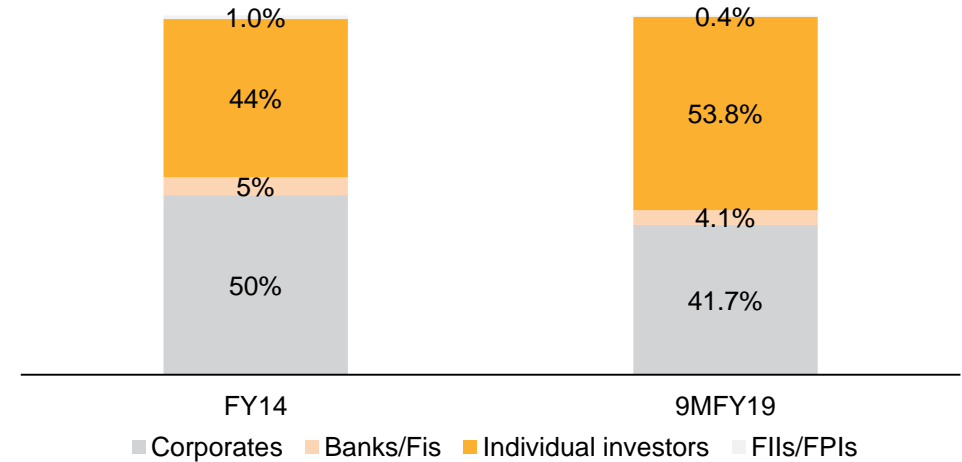


Asset Management – Stickiness of Individual (Retail + HNI) investors

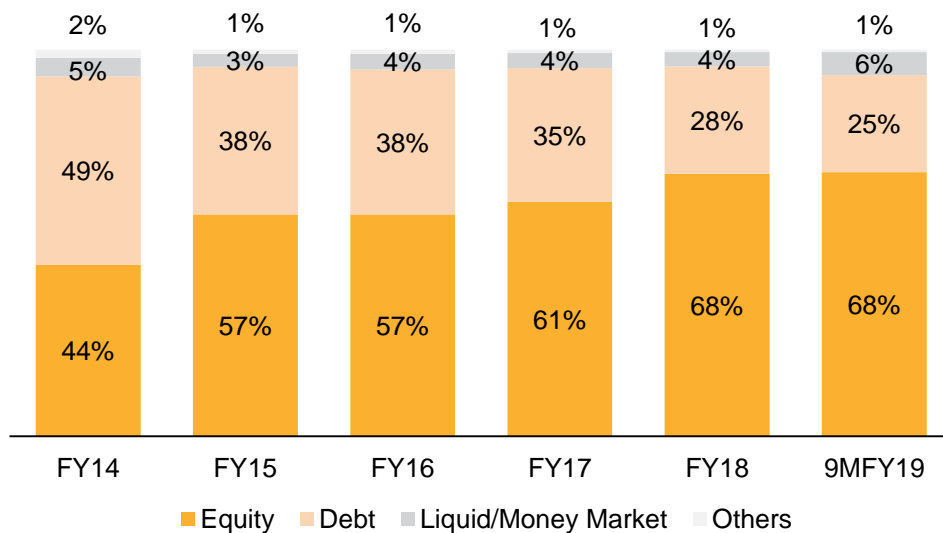
Mutual fund assets of individual investors on the rise



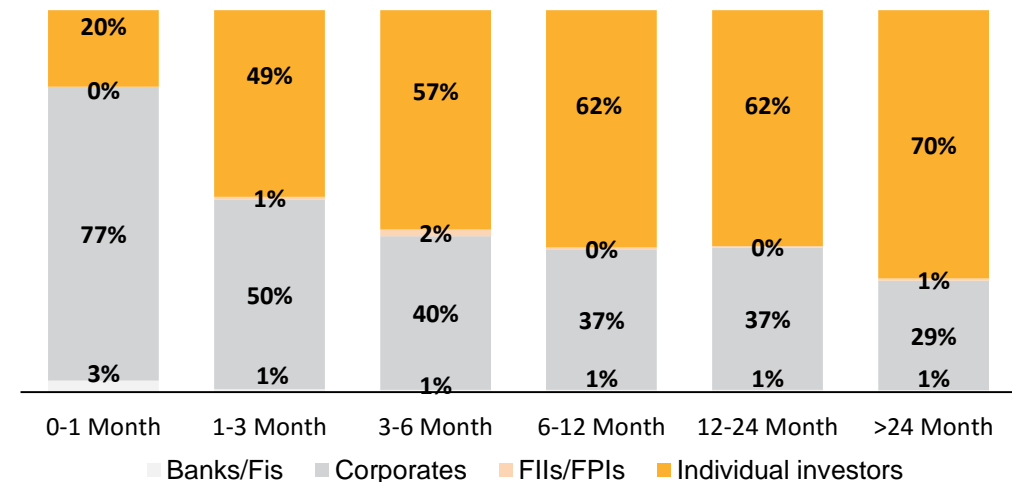
Individual investors' assets claim a bigger share of the AUM pie



Bulk of Individual investor assets are in equity-oriented funds



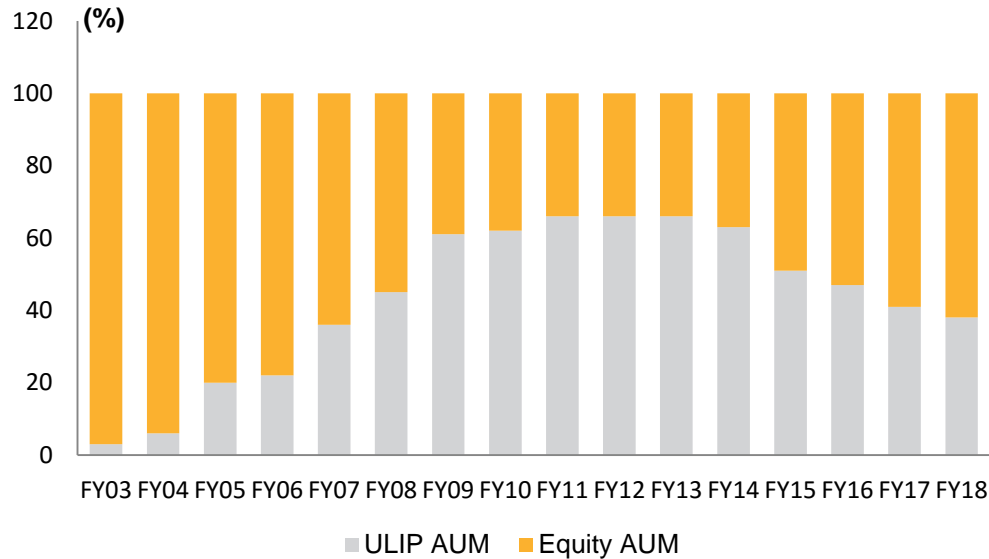
Individual investors tend to remain invested longer



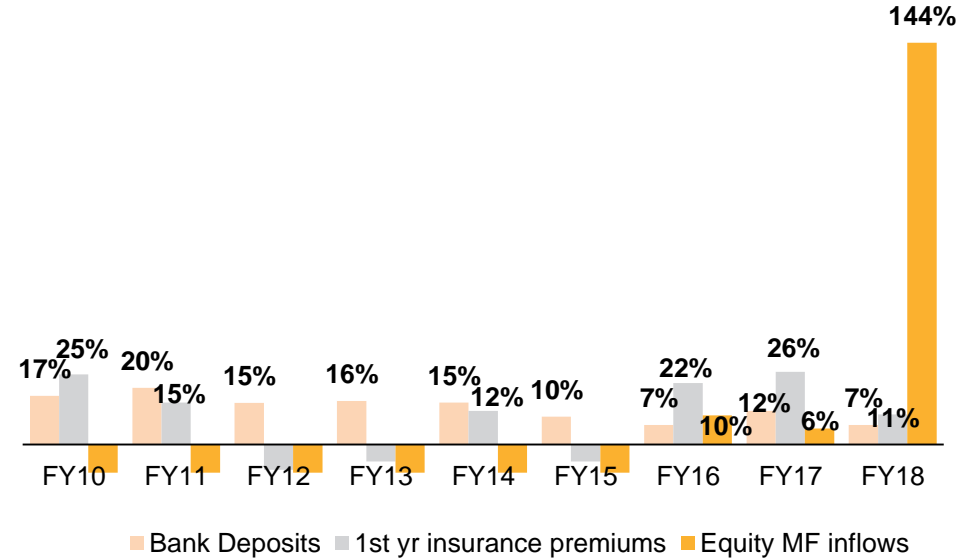
Source: AMFI

Asset Management – Rising financialization of savings

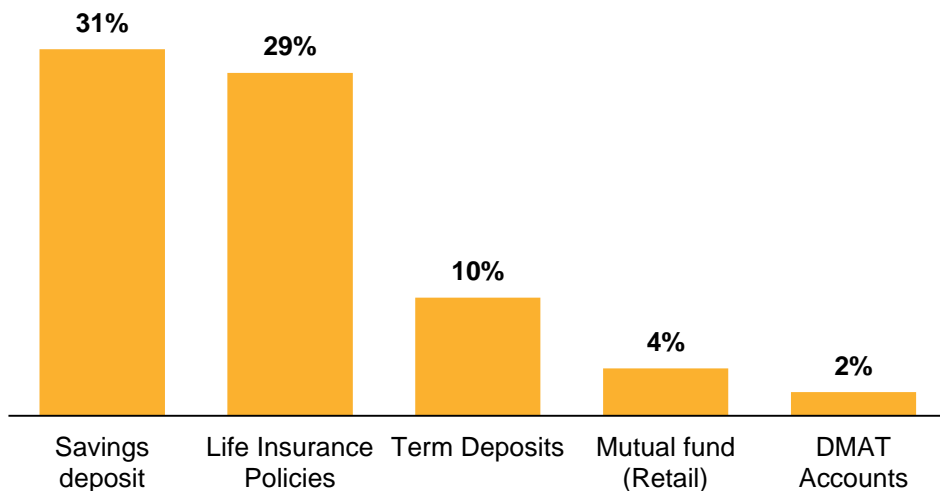
Shift of financial savings from ULIP to Equity MF



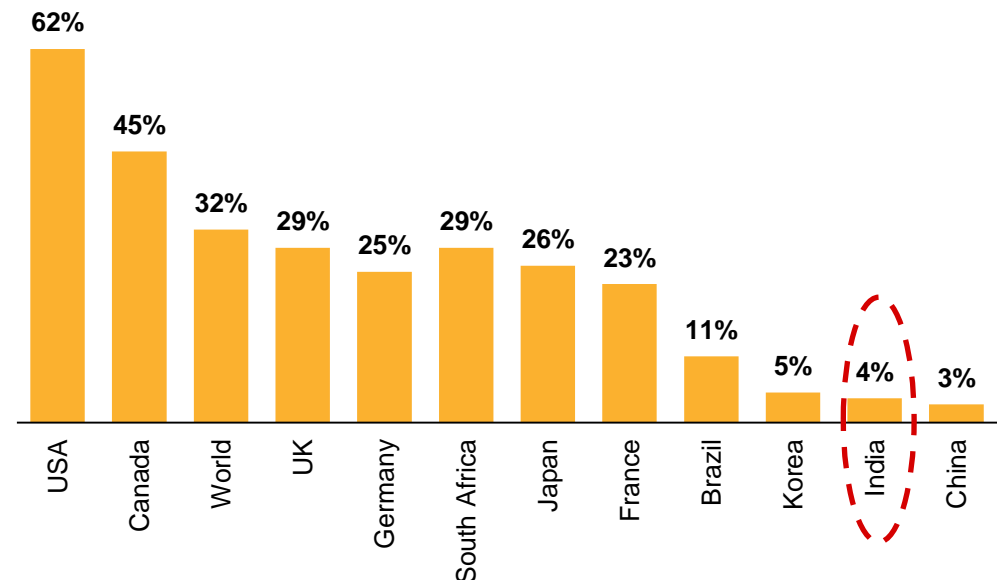
Strong traction in Equity MF inflows (growth YoY %)



MF is the most underpenetrated savings instrument



MF Equity AUM / GDP – Headroom for growth

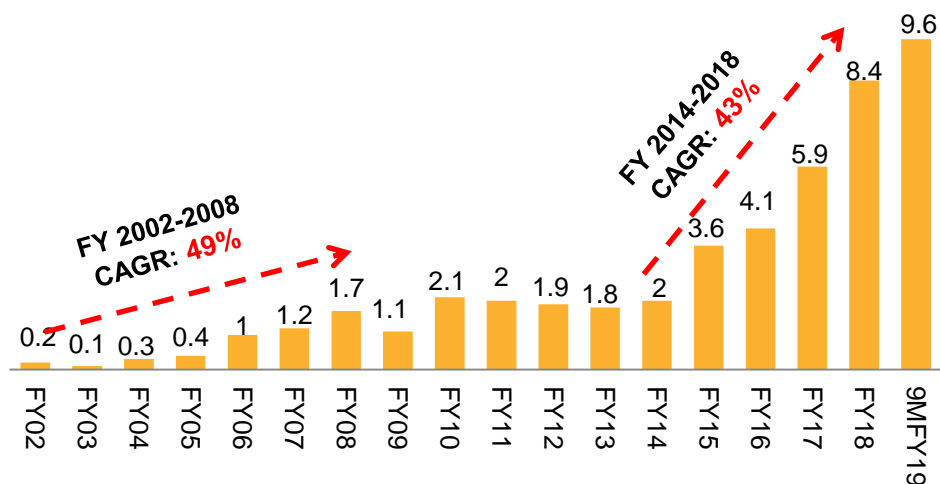


Source: AMFI, IRDA, RBI, World bank

Asset Management – Current Equity MF uptrend is just like FY02-08 cycle

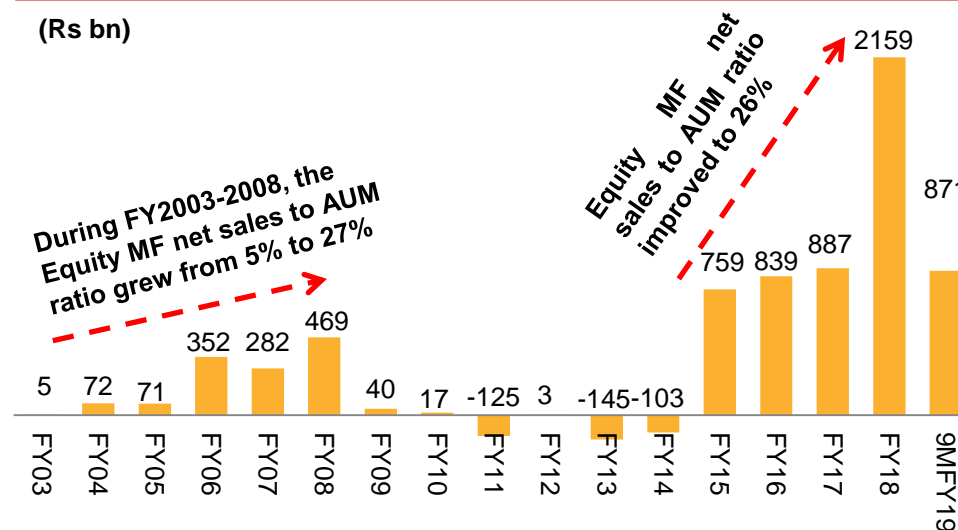
Significant inflows in Eq MF AUM in last up-cycle (FY02-08) ; same traction has been witnessed from FY14 onwards

(Rs tn)



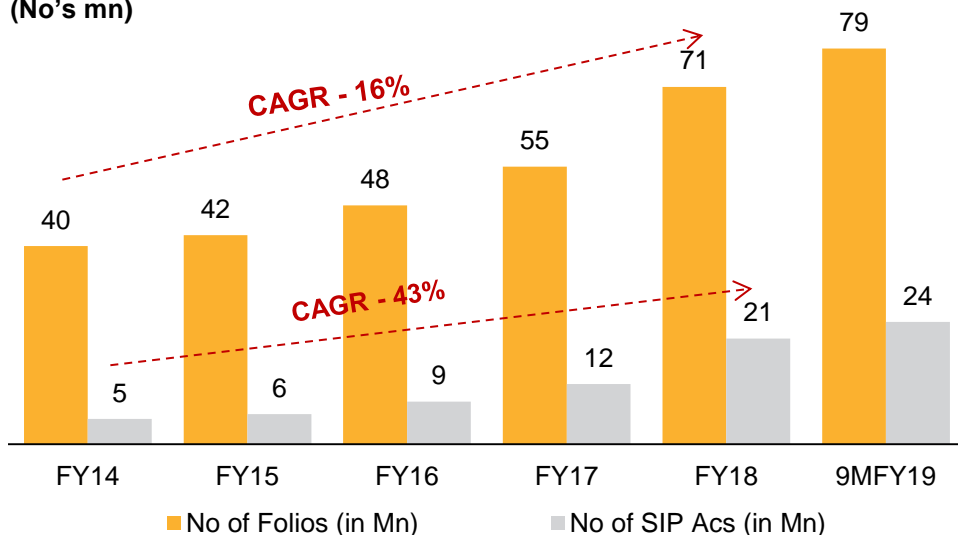
Market performance drives MF net flows, a repeat of the last cycle

(Rs bn)



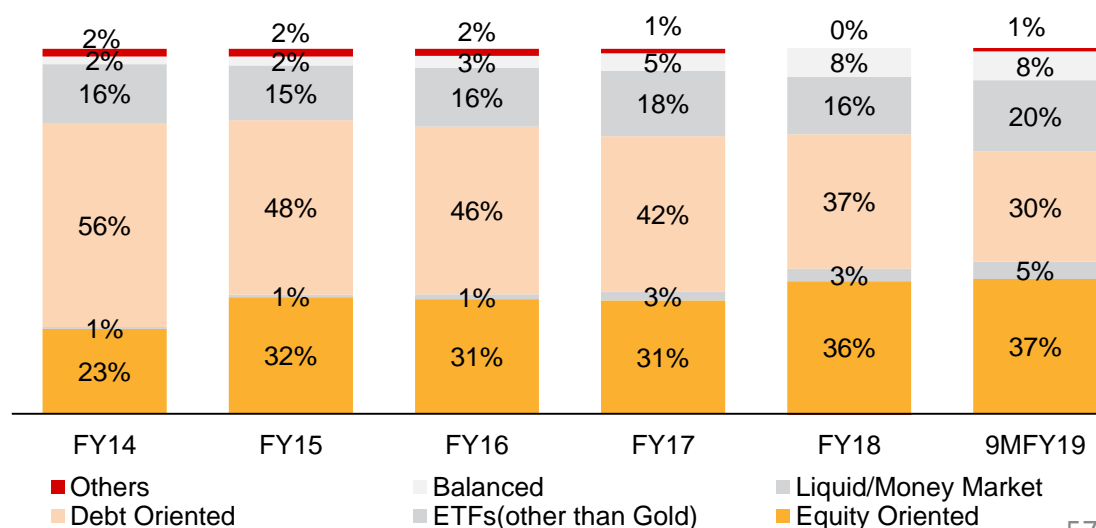
Investor A/Cs in MF industry took off since mid-2014

(No's mn)



Source: AMFI

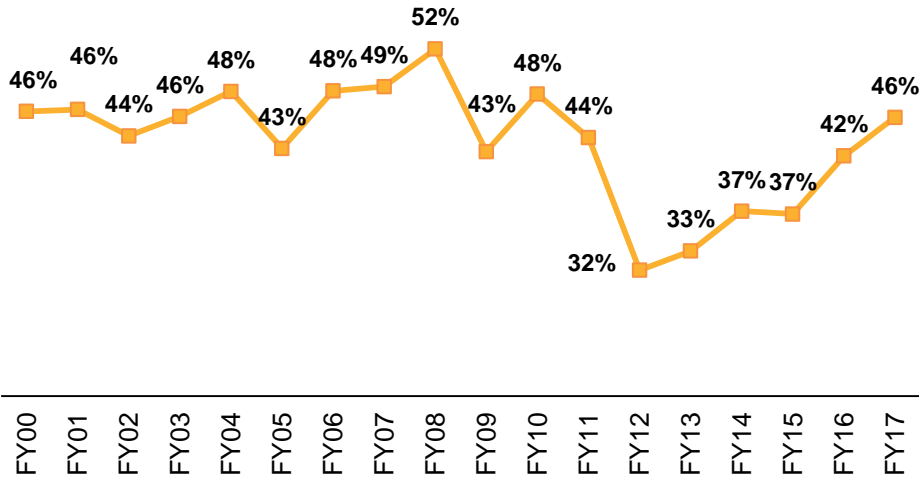
Proportion of Equity in Industry MF AUM mix went up in 5 years



Asset Management – Financialisation of savings wave...

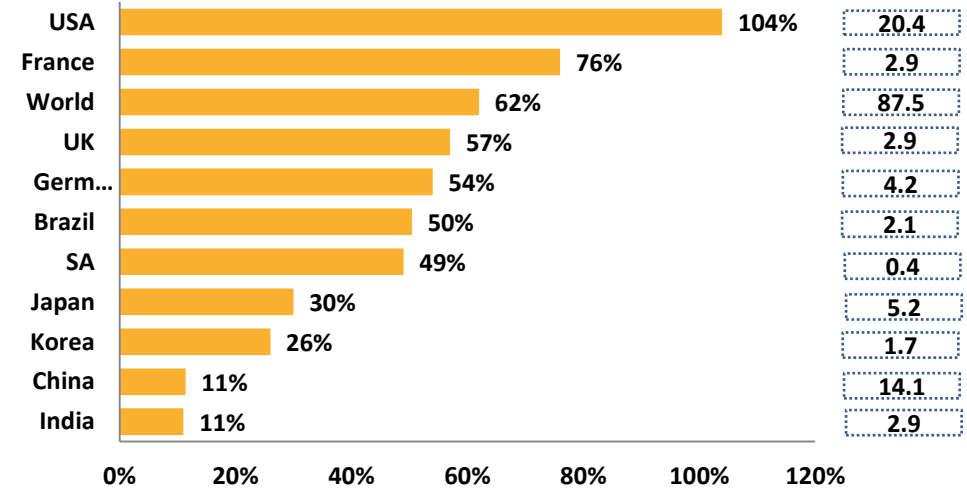
Higher financial savings signifying opportunity for MFs

(% of household savings)

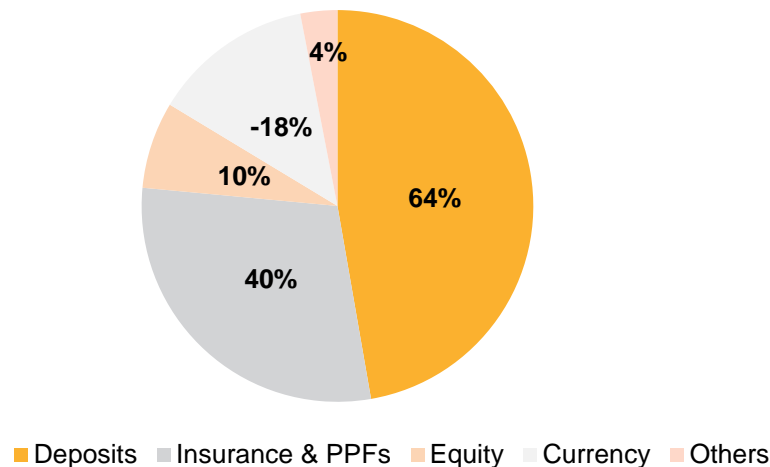


Low penetration of MFs provides headroom for growth

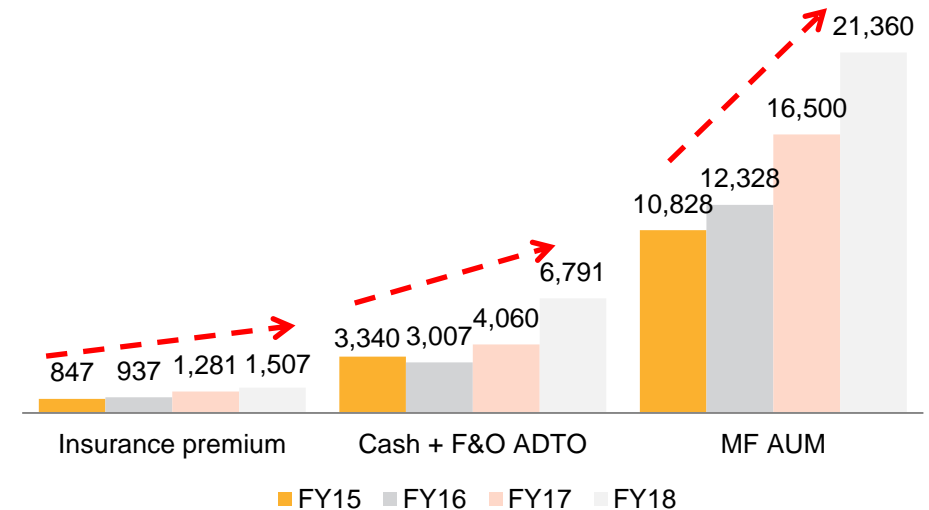
MF penetration (AUM/GDP%); Global AUM (\$Tn)



Equities are underpenetrated within Indian financial savings

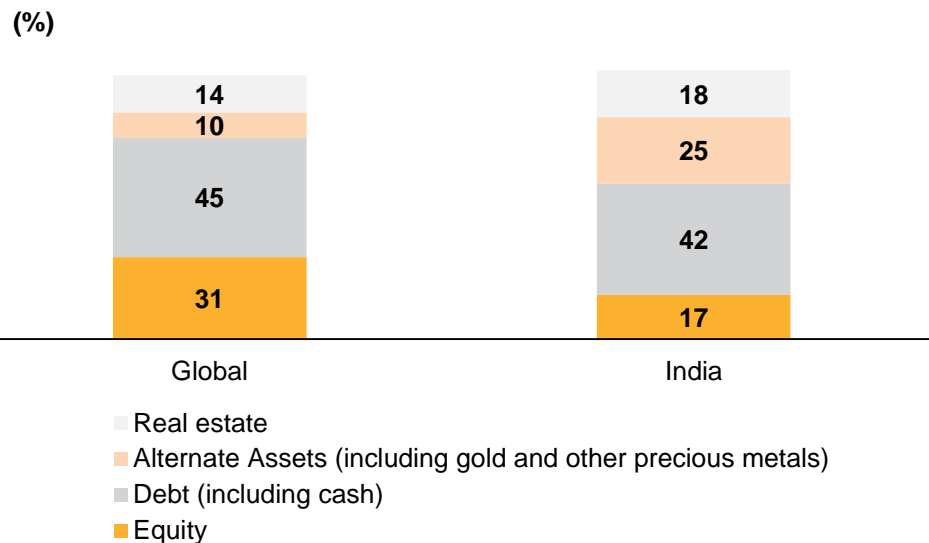


Financial investments on a rise

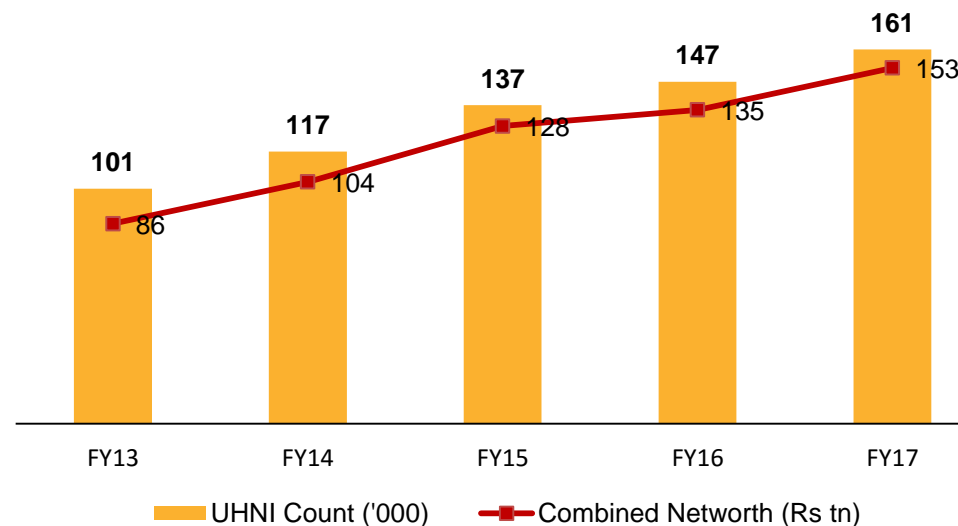


Wealth Management – HNI Wealth picking up; HNI assets in equity MFs growing

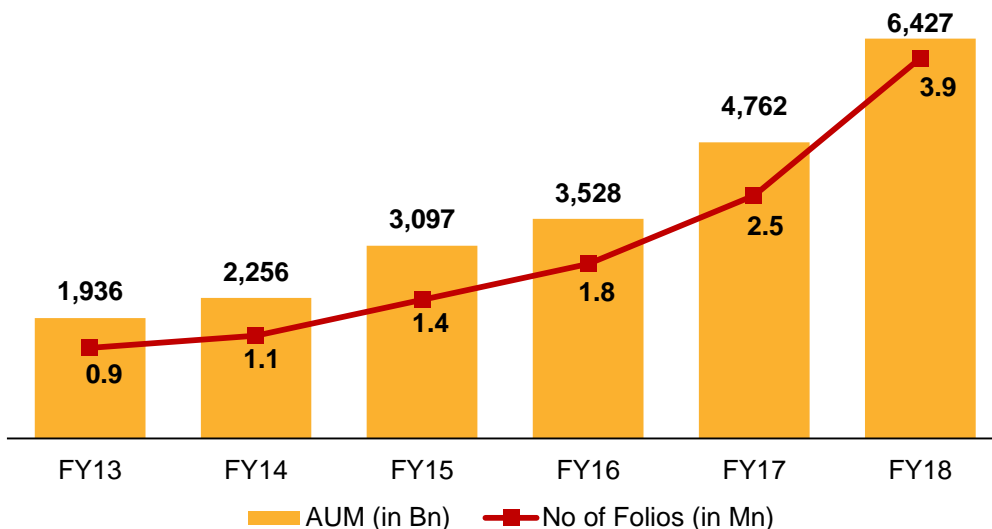
Individual Wealth distribution shows India has a higher share of Alternates, but lower share of Equity, to global averages



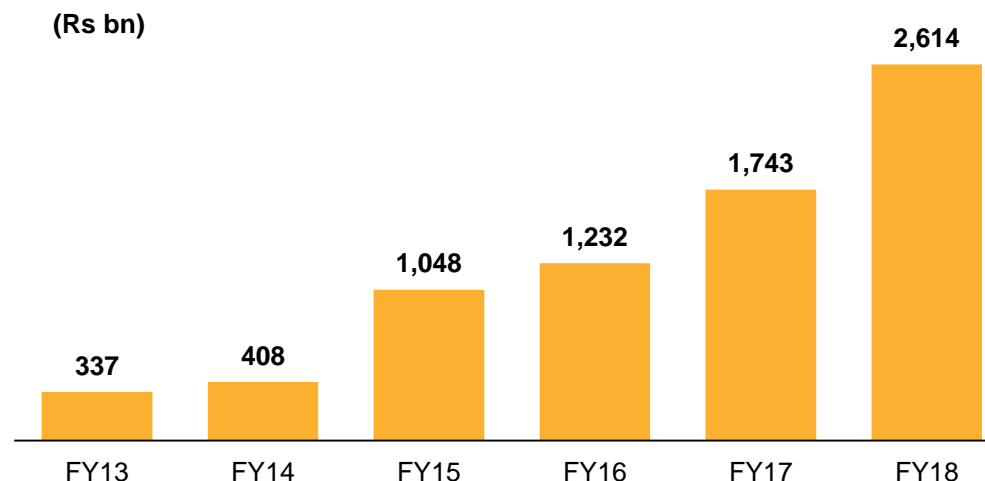
India is Home to ~0.2 mn HNIs, out of which ~0.15 mn are UHNIs; UHNI growth and count has seen steady growth last 6 years



HNI's Mutual Funds AUM grew at 27% CAGR in the last 5 years (Rs bn); Folios grew at 33% CAGR (mn)



HNI's equity Mutual Funds AUM have picked up at a higher CAGR of 51% in the last 5 years

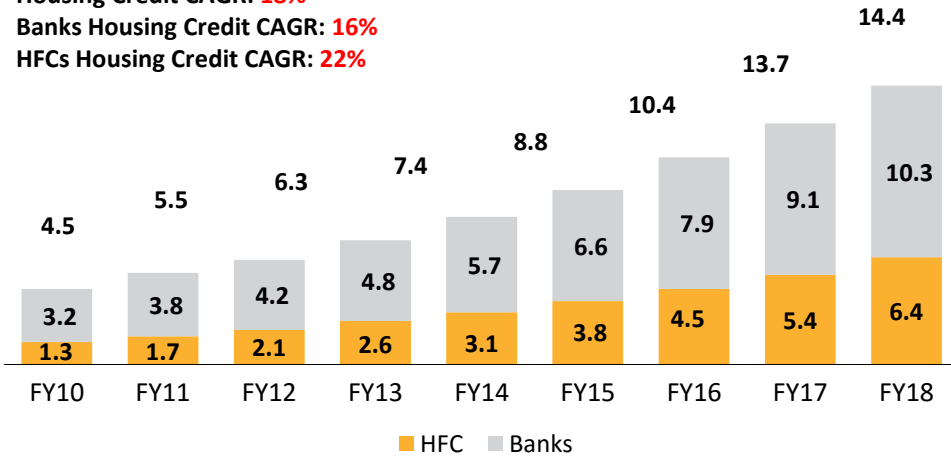


Housing Finance holds ample potential; moving from Banks to HFCs

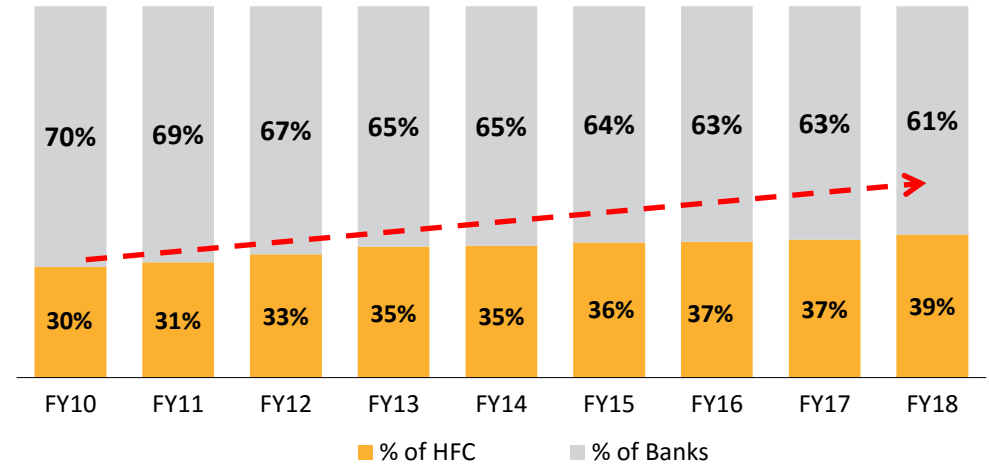
India's housing credit growing significantly

(Rs tn)

Housing Credit CAGR: **18%**
 Banks Housing Credit CAGR: **16%**
 HFCs Housing Credit CAGR: **22%**



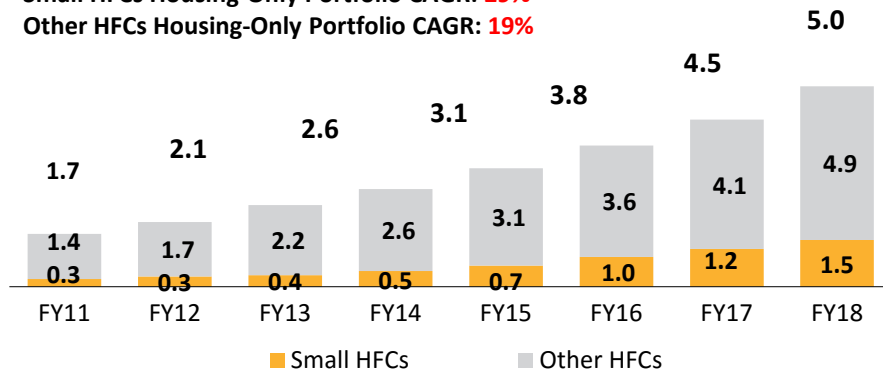
HFCs gaining share from banks



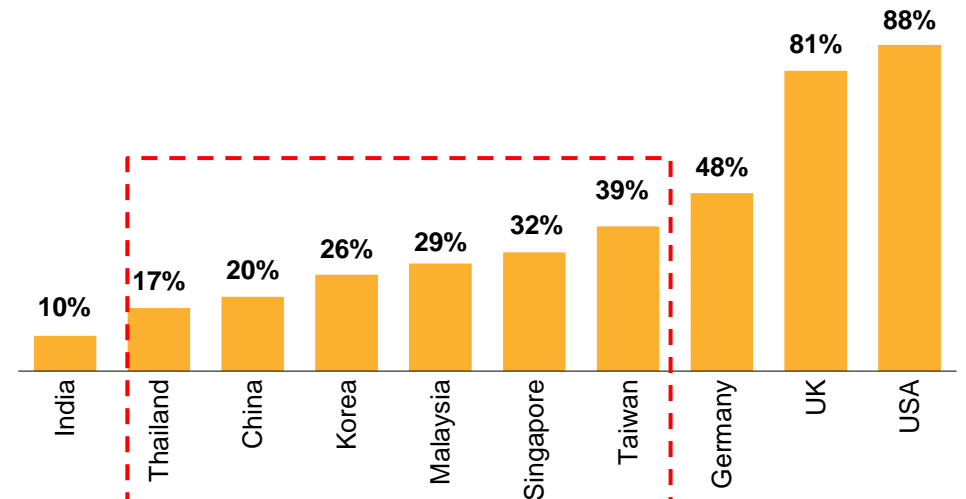
Small HFCs outpaced large HFCs

(Rs tn)

All HFCs Housing-Only Portfolio CAGR: **21%**
 Small HFCs Housing-Only Portfolio CAGR: **29%**
 Other HFCs Housing-Only Portfolio CAGR: **19%**



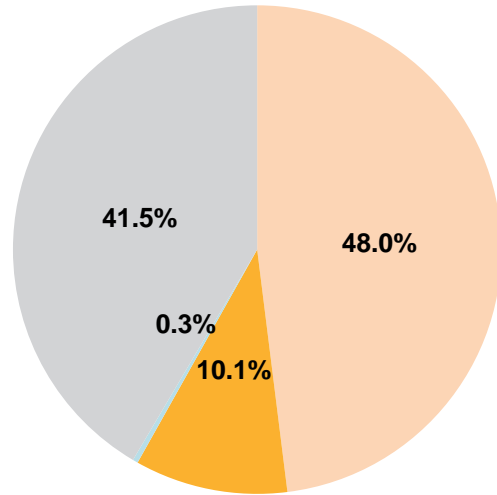
Indian mortgage underpenetrated versus Asian peers (Mortgage to GDP)



Note : * Includes only retail mortgages; does not include LAP and Construction Finance

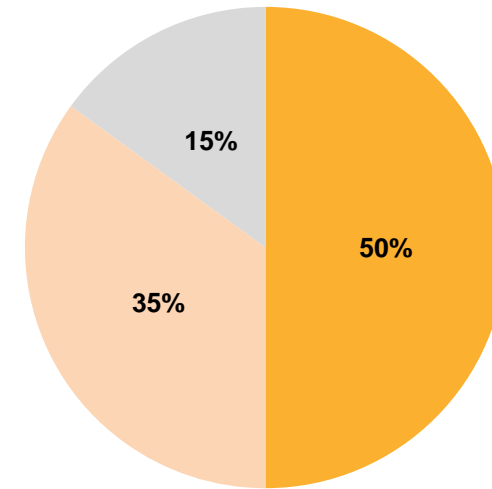
Source: ICRA, World Bank, RBI

Housing market Split in India – Dominated by Affordable Housing



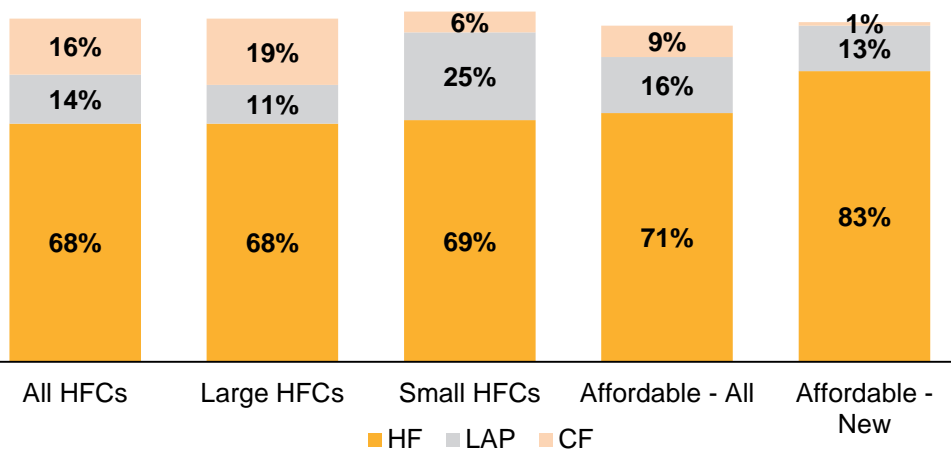
PSU Banks Private Banks Foreign Banks NBFCs & HFCs

Affordable Housing (up to Rs 25 lacs) lending pie



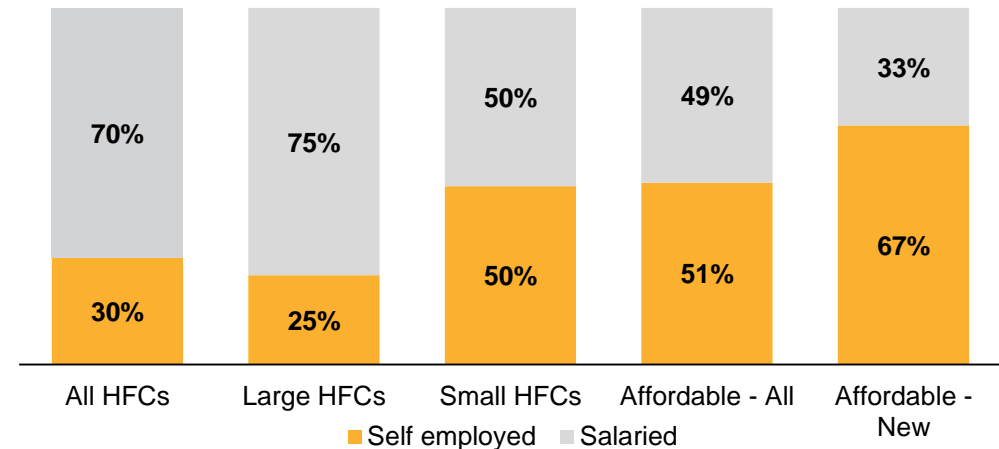
Affordable Housing (upto Rs 25 lacs) Regular Housing (Rs 25 lacs-75 lacs) Premium Housing (>75 Lacs)

Loan Mix of HFCs – Affordable segment focusing on retail loans



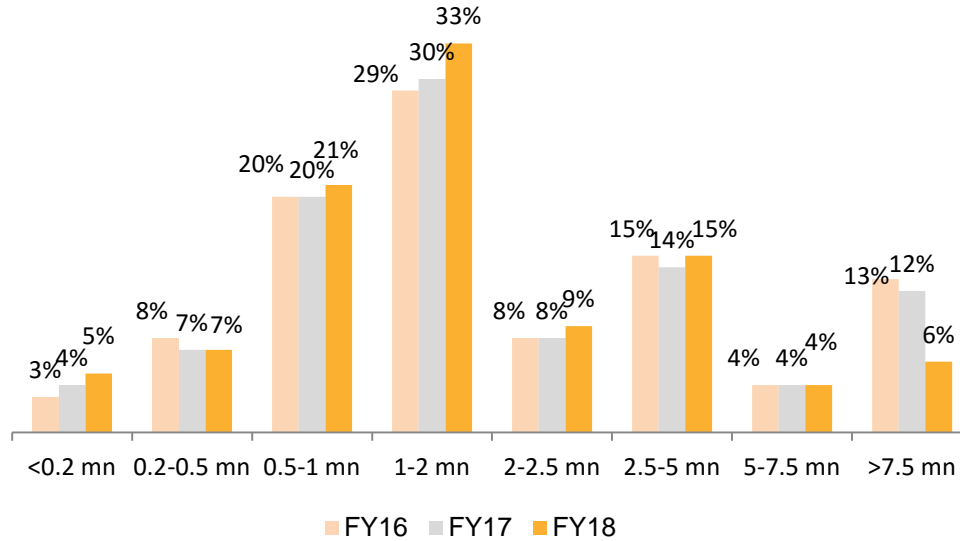
HF LAP CF

Customer Mix – Affordable HFCs focuses on Self employed class

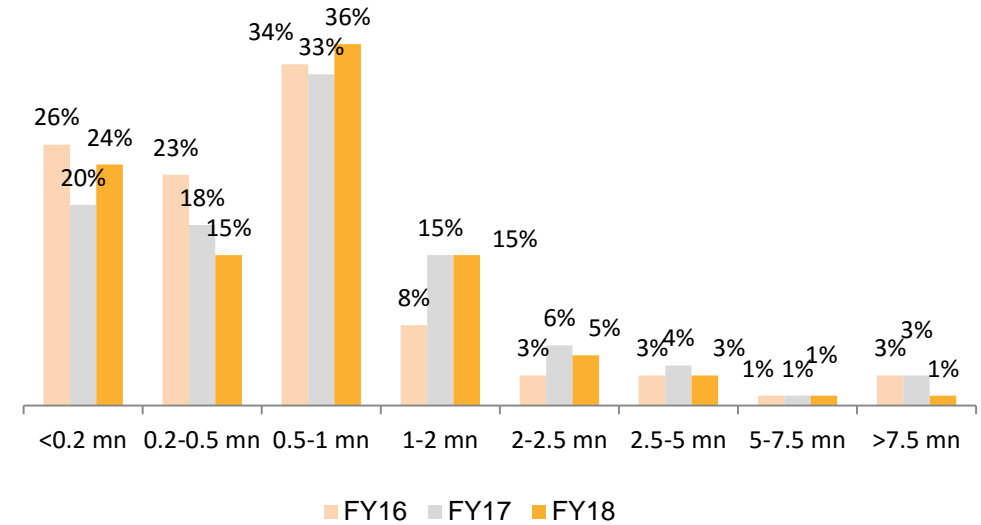


Self employed Salaried

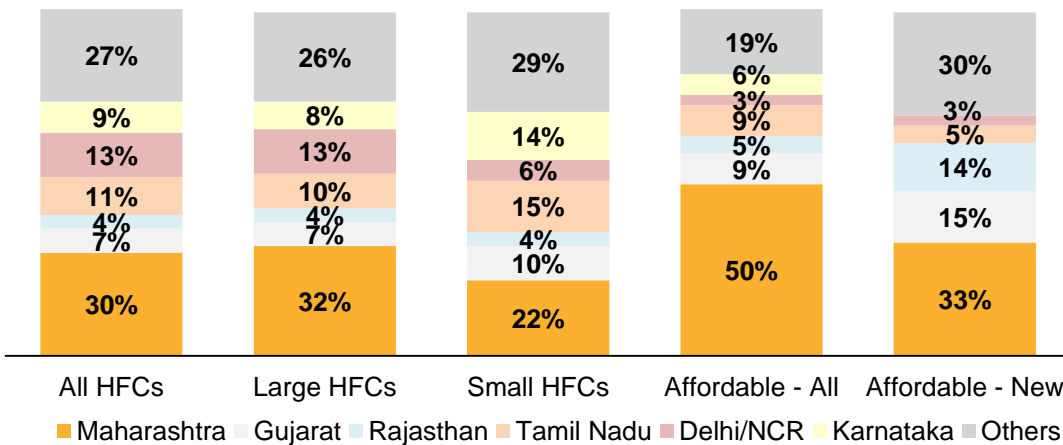
Ticket size wise break-up of home loan book of Affordable All HFCs



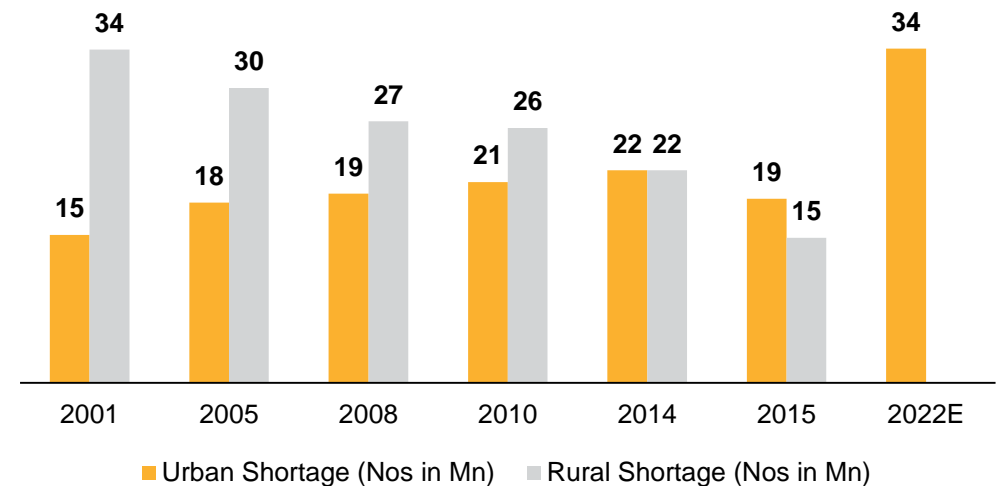
Ticket size wise break-up of home loan book of Affordable New HFCs



Affordable Housing concentrated in few states

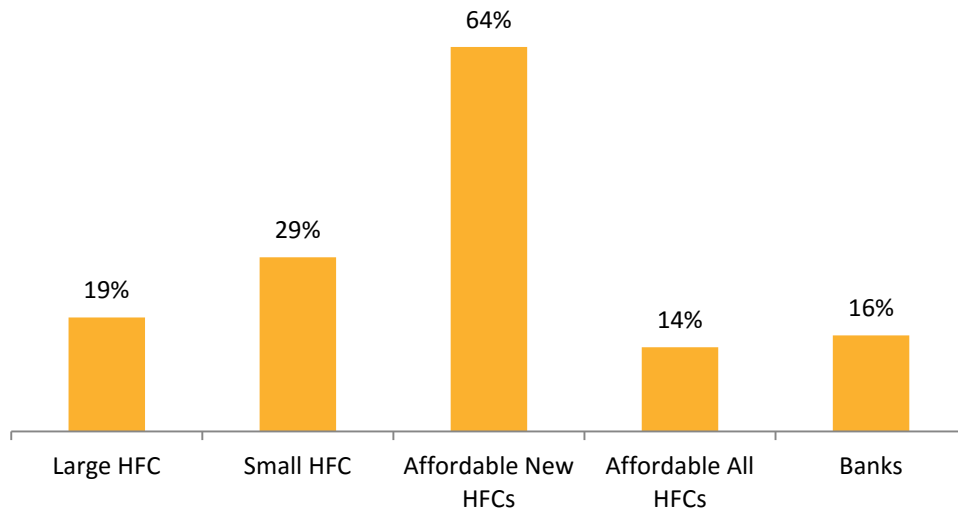


Affordable Housing opportunity – Shortage of urban & rural housing

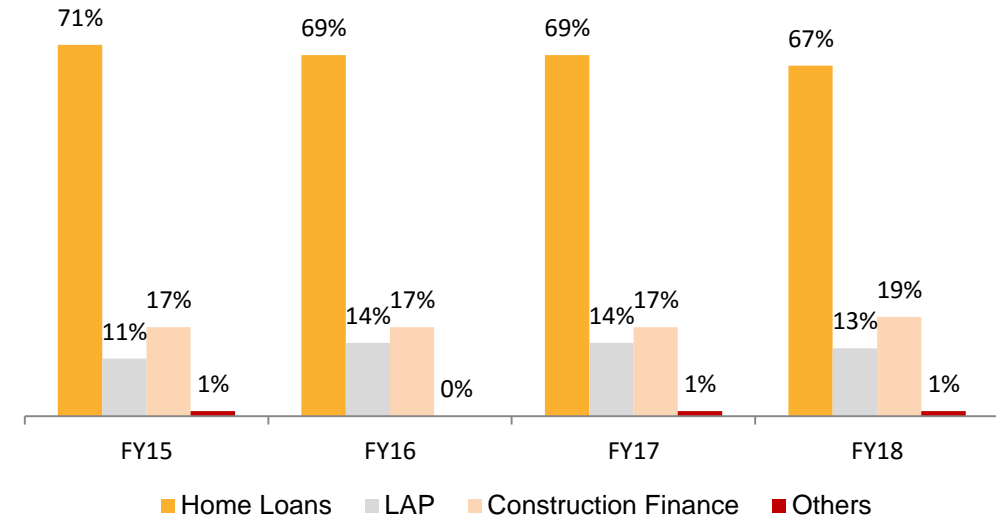


Source: RBI, MHUPA, Knight Frank, CRIF, ICRA report

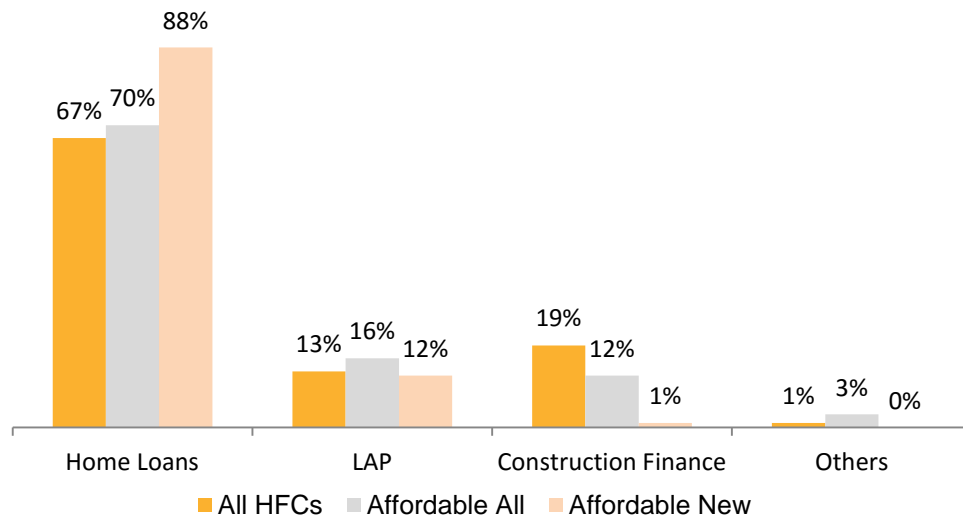
Trends in Home loan CAGR (FY15-18) for various lender groups



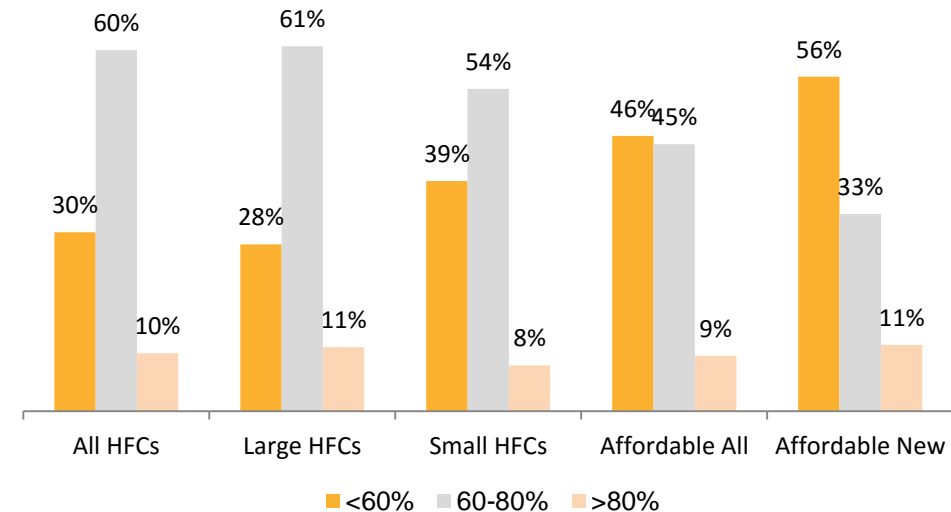
Industry's loan book proportion trend



Comparison of portfolio compositions across HFC types



LTV wise break-up of portfolio across HFC categories a



Source: RBI, MHUPA, Knight Frank, CRIF, ICRA report

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