

LO



MANBA
FINANCE

MANBA FINANCE LTD.

CORPORATE PRESENTATION

PRIVATE & CONFIDENTIAL

AN

www.manbafinance.com

COMPANY SNAPSHOT

₹ 90,000+ Lakhs
AUM



NBFC-BL providing tailored financial solutions for two wheelers, three wheelers, used Cars, small business loans and personal Loans

28+
years of
Experience

Presence in
6
states

Spread over
66
locations

1100+
Dealers

190+
EV Dealers



COMPANY SNAPSHOT

CARE rating of BBB+ (Stable outlook)
and ACUTE rating of A- (stable outlook)



HIGH-GROWTH TRAJECTORY

(FROM FY22 TO FY24)

AUM – grown with CAGR of
37.5%

NII – grown with CAGR of
35.5%

PAT has grown with CAGR of
79.7%

1,344

Employees

600+

are sales personnel & sales representative



KEY FINANCIAL METRICS (1/2)

AUM Size of
₹ 93,685.54
Lakhs

Disbursements
₹ 63,286.39
Lakhs

Net Interest Income
₹ 8,761.57 Lakhs

Gross NPA
3.95%

Profit After Tax
₹ 3,141.97 Lakhs

Net NPA
3.16%

Total Assets
₹ 97,375.39 Lakhs

Return on Equity
17.03%

Total Borrowings
to Equity
3.75 Times

Net Interest
Margin
11.16%

KEY FINANCIAL METRICS (2/2)

Average Yield on Average AUM

21.4%

Cost of Borrowings

11.98%

Provision Coverage Ratio

20%

PAT to Average AUM

4%

Return on Average Asset [%]

3.57%



AUM Per Location

₹ 1,441.32 Lakhs

Disbursement Per Location

₹ 973.64 Lakhs

Disbursement Per Employee

₹ 55.86 Lakhs

Disbursement Per Location Per Month

₹ 81.14 Lakhs

AUM Per Employee

₹ 82.69 Lakhs

PRESENCE IN ATTRACTIVE LENDING SEGMENTS

NEW VEHICLE
LOANS



USED
CAR LOANS



SMALL BUSINESS
LOANS



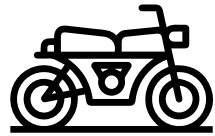
PERSONAL
LOANS



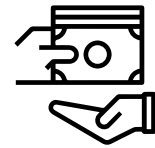
THREE WHEELER
LOANS



AUM – BIFURCATION



Two Wheeler
91.59%
85,808.43



Topup Loan
5.12%
4,796.75



Three Wheeler
1.18%
1,108.53



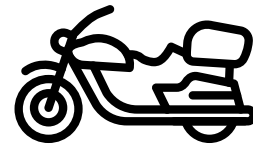
Personal Loan
0.78%
731.09



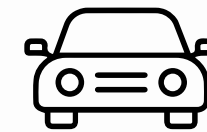
Small
Business Loan
0.75%
706.77



Other
Loans
0.27%
250.00

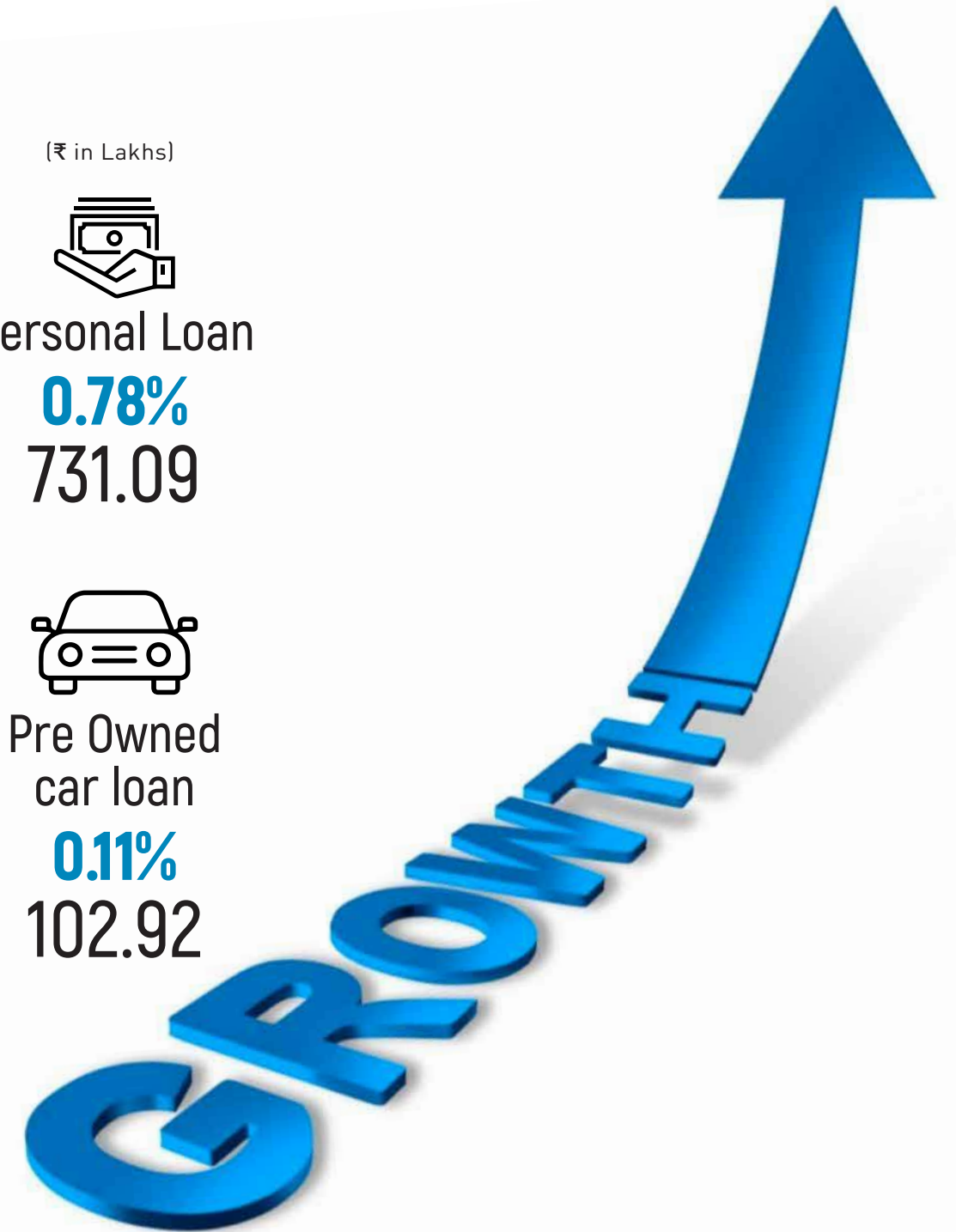


Used
Two-Wheeler
0.19%
181.06

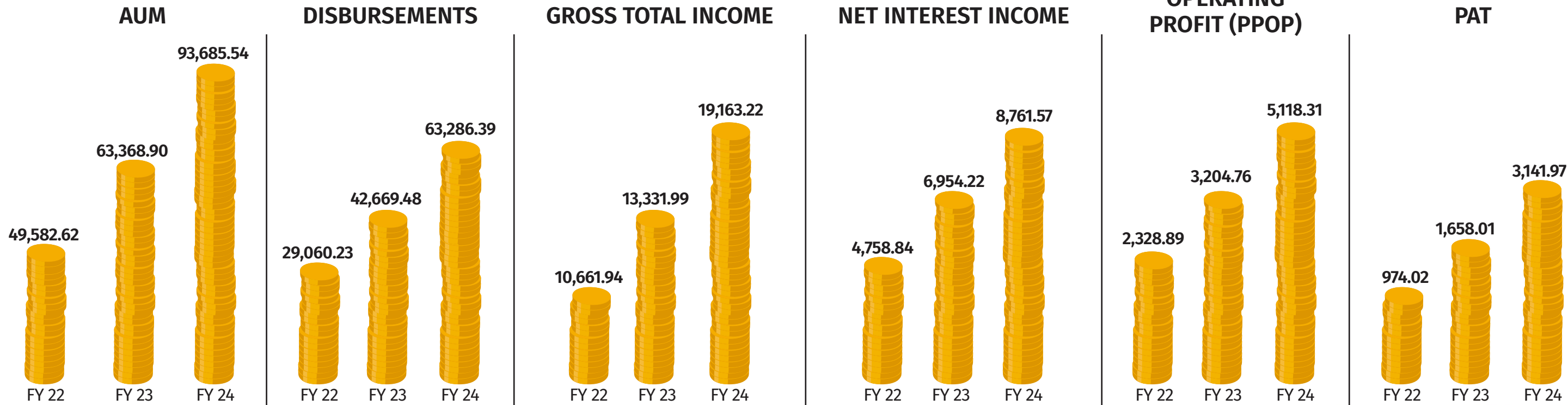


Pre Owned
car loan
0.11%
102.92

(₹ in Lakhs)

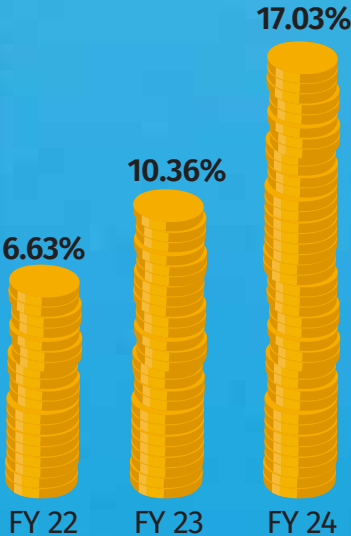


GROWTH AT A GLANCE

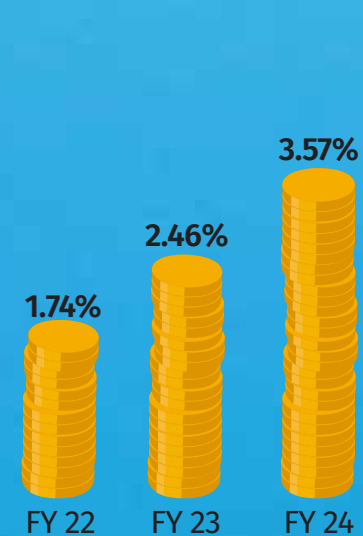


GROWTH AT A GLANCE

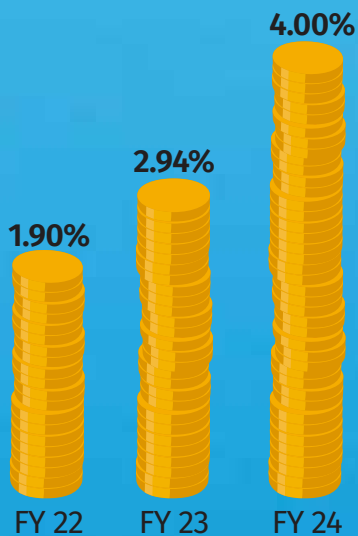
ROE (%)



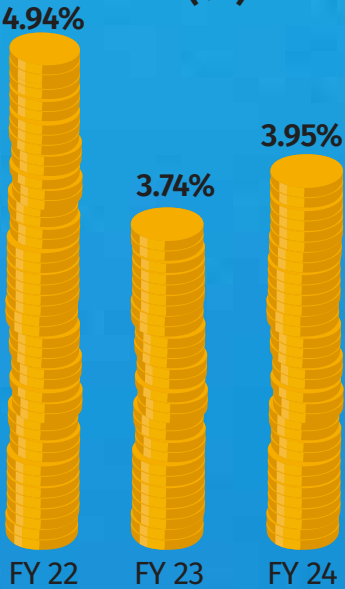
RETURN ON AVERAGE ASSET (%)



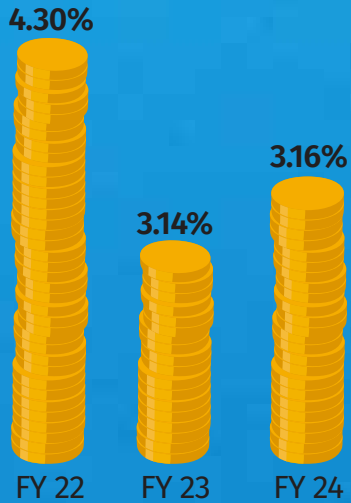
PAT TO AVERAGE AUM



GROSS NPA (%)



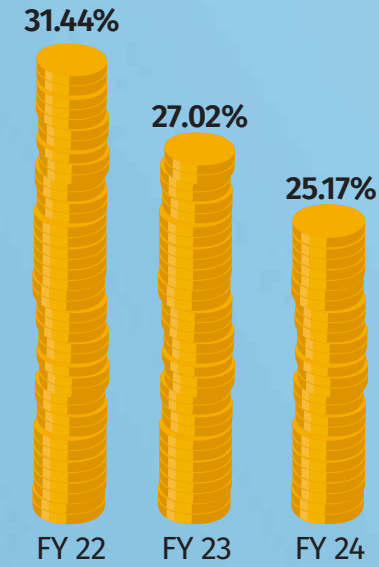
NET NPA (%)



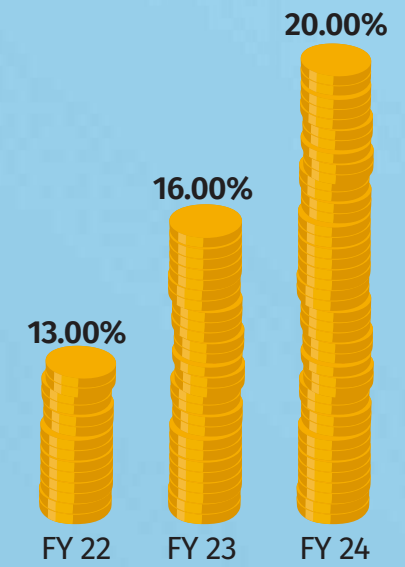
GROWTH AT A GLANCE



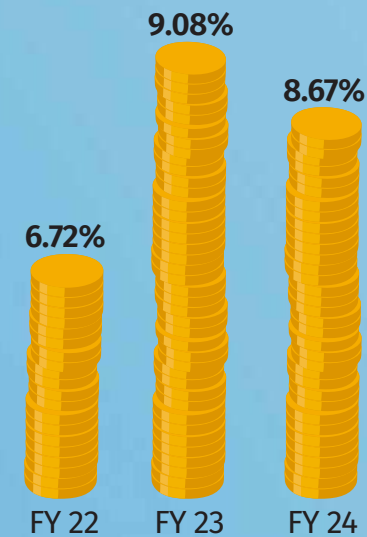
CAPITAL ADEQUACY RATIO



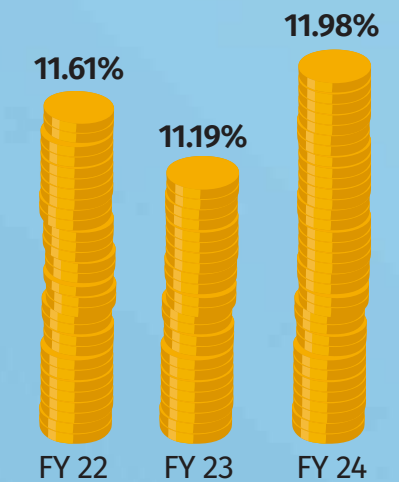
PROVISION COVERAGE RATIO (%)



ADJUSTED SPREAD (%)



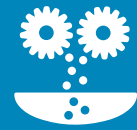
COST OF BORROWINGS



TECHNOLOGY DRIVEN OPERATING MODEL - MANBA FINANCE QUADRANT



End-to-end solution covering customer onboarding through to loan maturity, ensuring seamless management of the entire loan lifecycle



In-house software suite of products catering to Loan Origination System (LOS), Loan Management Systems (LMS) and Loan Accounting System (LAS)



Includes various modules like lead monitoring, straight through process ensuring a sub minute approval, disbursement, collection process, foreclosure and loan maturity system, cash collection using secure devices, SMS gateways & related systems



Integrated with payment gateways like Razorpay, virtual bank payment facility and others



Collection process is managed on a maker and checker based model and automatic posting to accounting system (LAS) with the objective of single point entry



CUSTOMIZED SOFTWARES TO STRENGTHEN INTERNAL PROCESSES

CRM

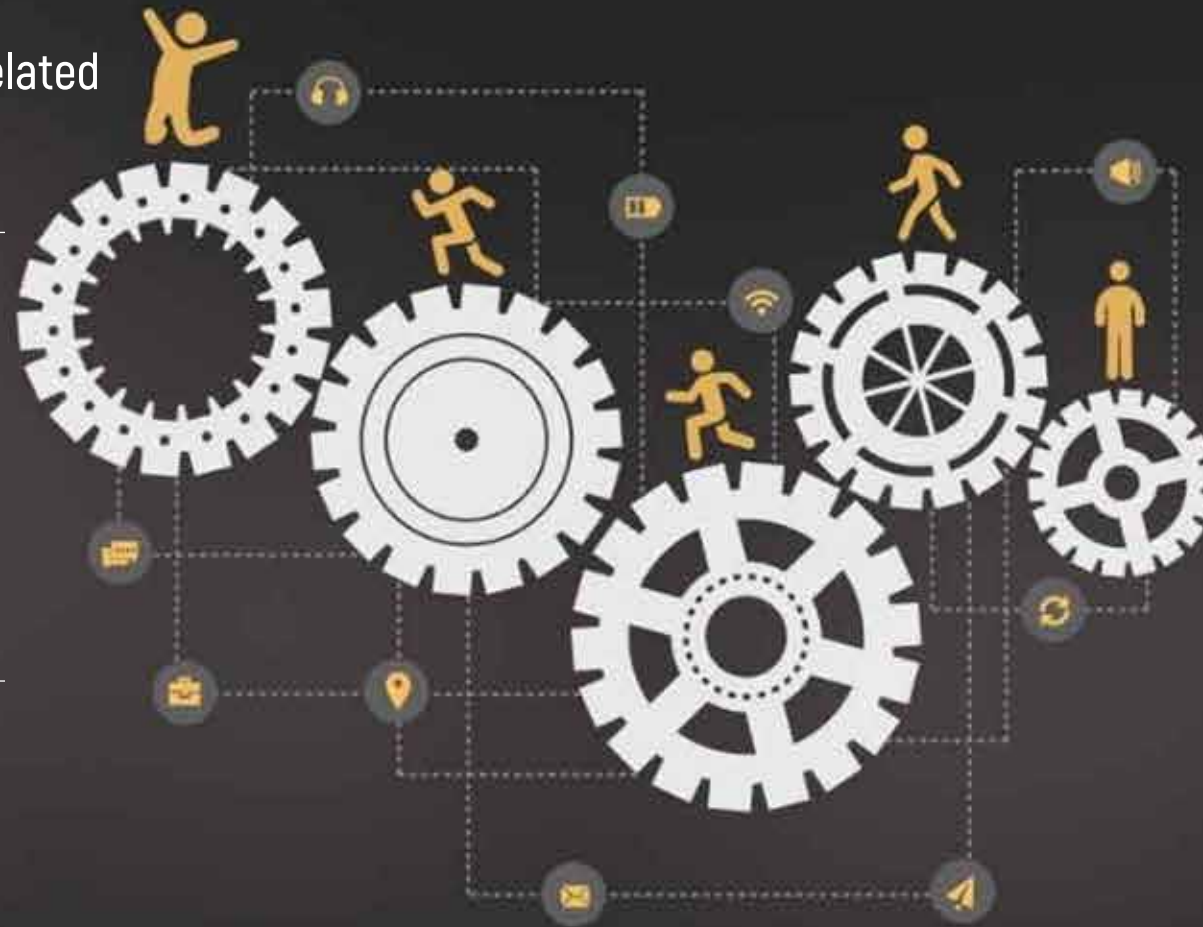
- Use the Salesforce CRM for loan origination
- Helps to provide real time resolution
- Creating a trail of records related to loan related queries of sales team to the credit team
- Creates an audit record in the system

SMS GATEWAY

- Integrated with business software systems including Loan origination & Loan management
- Such business transaction is triggered to the customer, sales executive or dealers on a real time basis

POWER BI

- Used for analytics and powering the decision-making process
- Leveraging the data available in the entire ecosystem of Salesforce & MFQ
- Intuitive dashboards are designed and used for real time and bulk analytics based on trend analysis



IT SERVICE MANAGEMENT SYSTEM

- Resolving internal users IT related issues and monitoring the TAT for better productivity and efficiency

TICKETING SYSTEM

- Web-based service to raise complaints or incidents and receive a ticket number by way of a SMS
- Ticket number can be used by the customer to follow up

ZING HR

- Streamlined recruitment, onboarding, performance management and payroll processing

ROBUST COLLECTION AND MONITORING MECHANISM



Continuous monitoring where customers are reminded of their payment schedules through text messages and to maintain adequate balance on the due date



In-house legal department to initiate legal proceedings, for the purposes of recovering the amounts due from defaulting customers



Recovery action immediately after the customer defaults in their monthly payment and the severity of action increases including seizure of the vehicle after 90 DPD



Low risk accounts are treated through interactive phone calls and text messages



Low-to-medium risk loans, (1 DPD to 30 DPD) are treated through in-house call centers for collection including reminder messages, calls from Branch and visits to the customer's business or residence



For medium-to-high risk accounts, (31 DPD to 60 DPD) are allocated to in-house collection teams who pay a visit to the customer in-person.



Between 61 DPD to 90+ DPD, there is follow-up activity which may include the serving of a legal notice, filing of legal proceedings



Send notices for possession of the vehicle in case of default in repayment of loan and interest which is unpaid by the borrowers

NEW VEHICLE LOANS

- **Target Customers** - Focus on customers purchasing EV two-wheelers and three-wheelers.
- **Loan Amt. (Avg. ticket size)** - ₹ 0.80 lakhs
- **Loan Tenure** - 6 months to 48 months
- **Loan Processing**- Over 85% sanctioned same day; 60% within one minute
- **Market Focus** - Emphasis on the growing EV market
- **Other Key Points** –
 1. covers 97.90% of our total AUM
 2. Top up loan - Additional credit that can be availed by a customer over and above an existing New Vehicle loan

USED CAR LOANS

- **Target Customers** - Existing customers aspiring to own a four-wheeler.
- **Loan Amt. (Avg. ticket size)** - ₹ 2 lakhs to ₹ 6 lakhs
- **Loan Tenure** - 12 months to 48 months
- **Loan Processing**- Swift approvals with notifications within one minute
- **Market Focus** - Tapping into the growing used car market
- **Other Key Points** –
 1. vehicles proposed to be acquired can be up to 12 years old
 2. CRISIL projects the overall industry growth for the used car market to be at 13-15%

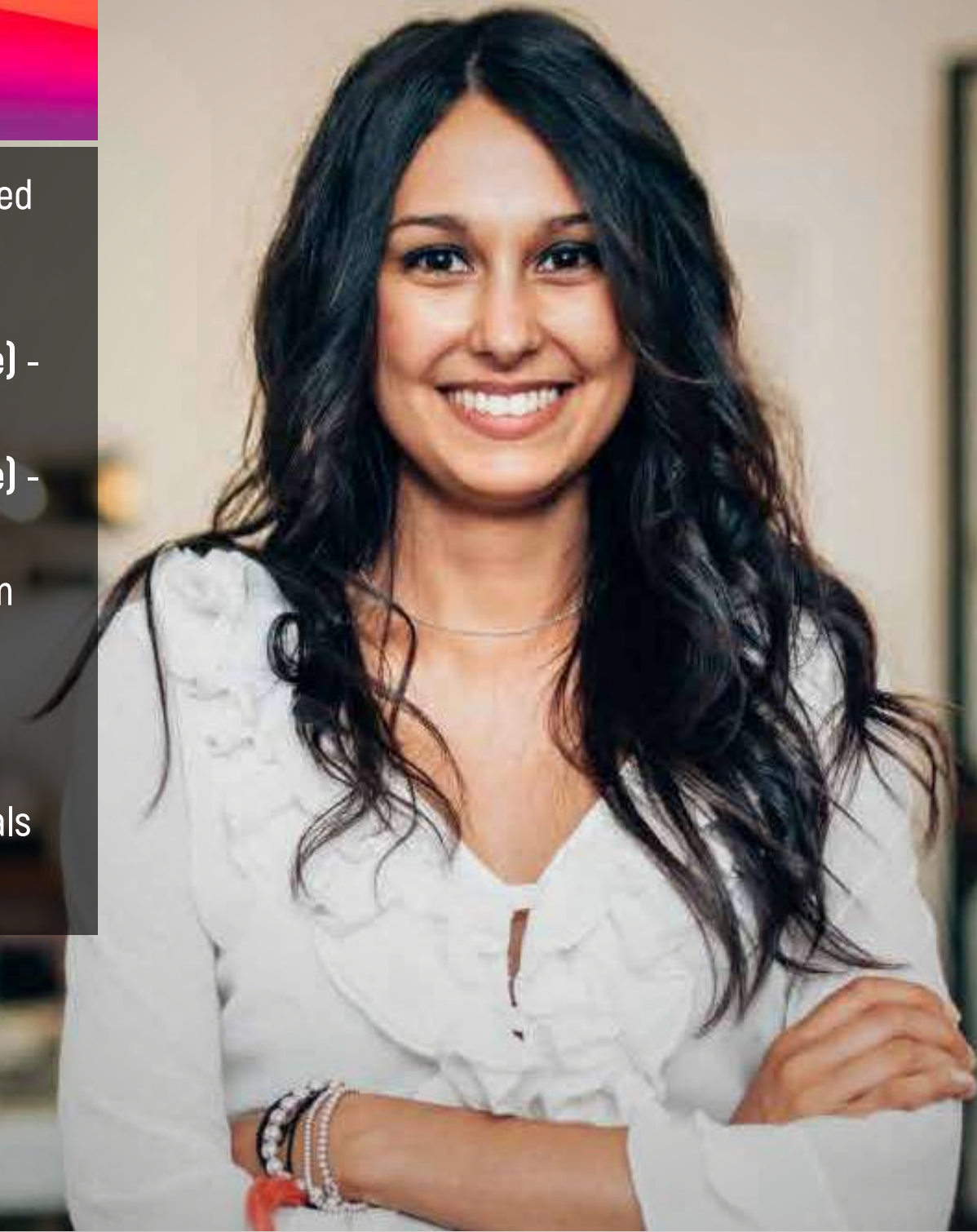


SMALL BUSINESS LOANS (MANBA VYAPAAR LOANS)

- **Target Customers** - Small businesses like kirana stores, medical stores, carpenters, etc.
- **Loan Amt. (Avg. ticket size)** - ₹ 0.75 lakhs to ₹ 10.00 lakhs.
- **Loan Tenure** - 12 months to 48 months
- **Loan Processing** - Once approved, verified and loan agreement is digitally signed
- **Market Focus** - Focused on MSME sector

PERSONAL LOANS

- **Target Customers** - Salaried and self-employed individuals
- **Loan Amt. (Avg. ticket size)** - Up to ₹ 1 lakh
- **Loan Amt. (Avg. ticket size)** - Up to ₹ 1 lakh
- **Loan Tenure** - Short - term
- **Loan Processing** - Quick turnaround time
- **Market Focus** - Broad market targeting individuals needing immediate funds



ESTABLISHED DEALER RELATIONSHIP

Name of State	Number of Dealers
Maharashtra	502
Gujarat	248
Rajasthan	160
Chhattisgarh	138
Madhya Pradesh	49
Uttar Pradesh	7
Total	1,104



WIDESPREAD GEOGRAPHICAL PRESENCE

MAHARASHTRA

- Alibaug
- Ahmednagar
- Akola
- Aurangabad
- Baramati
- Bhusawal
- Buldhana
- Dhule
- Ichalkaranji
- Jalgaon
- Karad
- Karjat
- Malegaon
- Manchar
- Thane
- Kolhapur
- Mumbai
- Nagpur
- Nashik
- Palghar
- Panvel
- Pune
- Sangamner
- Sangli
- Shirur
- Satara
- Solapur
- Yavatmal
- Narayngaon

GUJARAT

- Ahmedabad
- Anand
- Bharuch
- Bhavnagar
- Gandhinagar
- Mehsana
- Nadiad
- Palanpur
- Panchamahhal
- Patan
- Rajkot
- Surat
- Vadodara
- Vapi

RAJASTHAN

- Ajmer
- Alwar
- Bhilwara
- Bikaner
- Chittorgarh
- Chomu
- Jaipur
- Jodhpur
- Rajasmand
- Gangapur
- Sikar
- Pali

UTTAR PRADESH

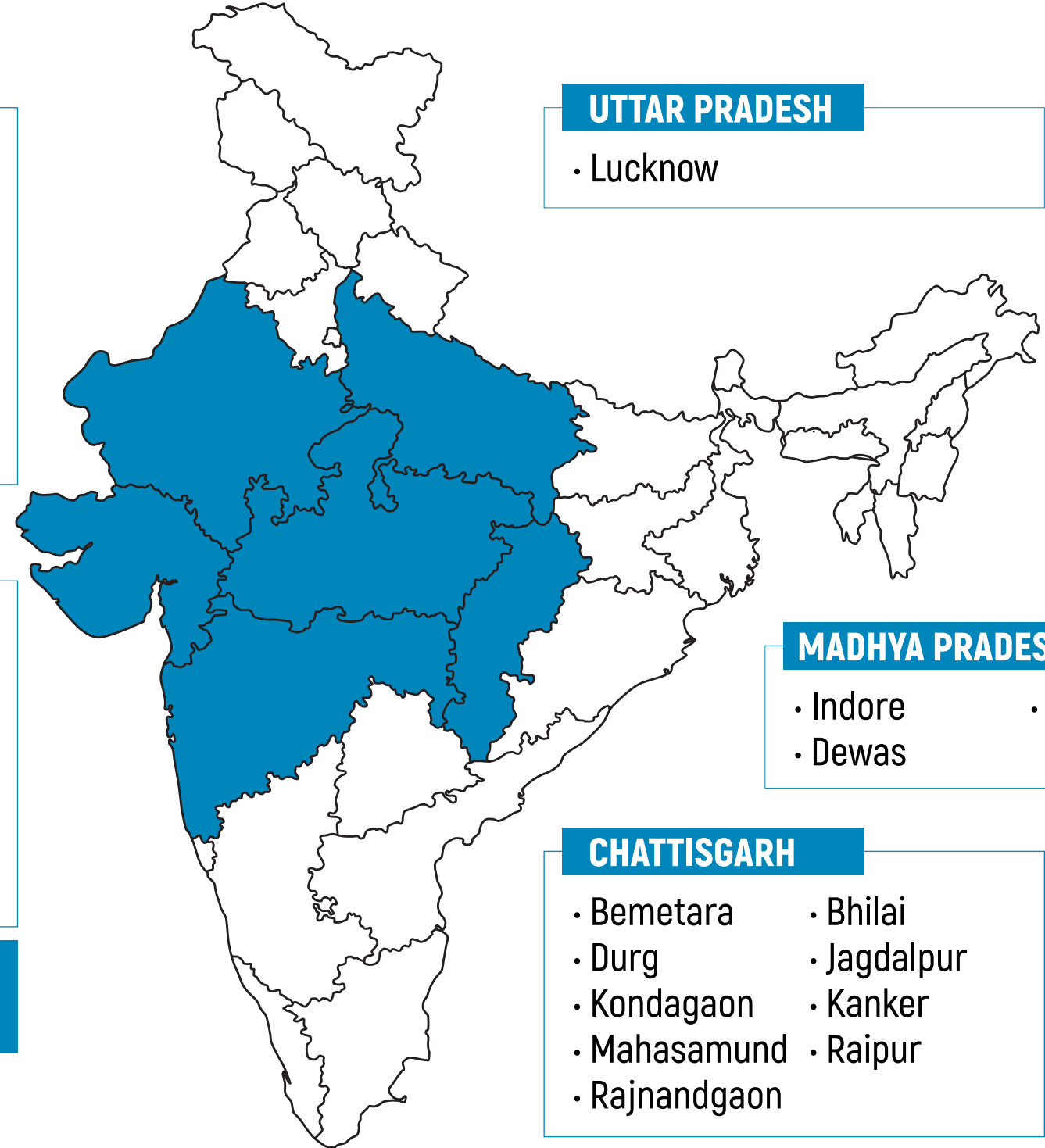
- Lucknow

MADHYA PRADESH

- Indore
- Dewas
- Dhar

CHATTISGARH

- Bemetara
- Durg
- Kondagaon
- Mahasamund
- Rajnandgaon
- Bhilai
- Jagdalpur
- Kanker
- Raipur



• **95% OF THE GROSS LOANS ARE ALLOCATED TO THE STATES OF GUJARAT AND MAHARASHTRA**

BUSINESS STRATEGIES

INCREASING PENETRATION IN EXISTING MARKETS & DIVERSIFYING INTO NEW MARKETS

- New loan products such as Used Car Loans, Small Business Loans and Personal Loans
- Identified Chhattisgarh and Madhya Pradesh for expansion
- Intend to further add the state of Uttar Pradesh and Bihar

INVESTING IN TECHNOLOGY AND DIGITIZATION

- Plan to launch web-based app for business correspondents
- Integrating Salesforce marketing cloud for potential customers
- WhatsApp based messaging system

GROWING 2WS/ 3WS/ EV2WS/ EV3WS MARKET

- Focusing on EV2Ws and EV3Ws financing due to various benefits in an era of high fuel prices
- Small businesses and private transporters are preferring EV3Ws for business purpose

ENHANCING BRAND RECALL TO ATTRACT NEW CUSTOMERS

- Initiatives to increase the strength and recall of 'Manba' brand to attract new customers
- Referral scheme for customers to introduce new customers



STRONG BRANDING & MARKETING INITIATIVES

Sell and market Vehicle loan products through communication channels like digital marketing, mass media like radio, in-store branding, hoardings, organizing and sponsoring celebrity events and religious festivals



Organize specific events, launch offer incentives and schemes for Dealers

Establishing relationships with Used Cars Dealers considering the fact that it is a new and growing segment in the vehicle financing space

Organizing dealer conferences and get together events to support marketing efforts & to generate more business

INDUSTRY OVERVIEW

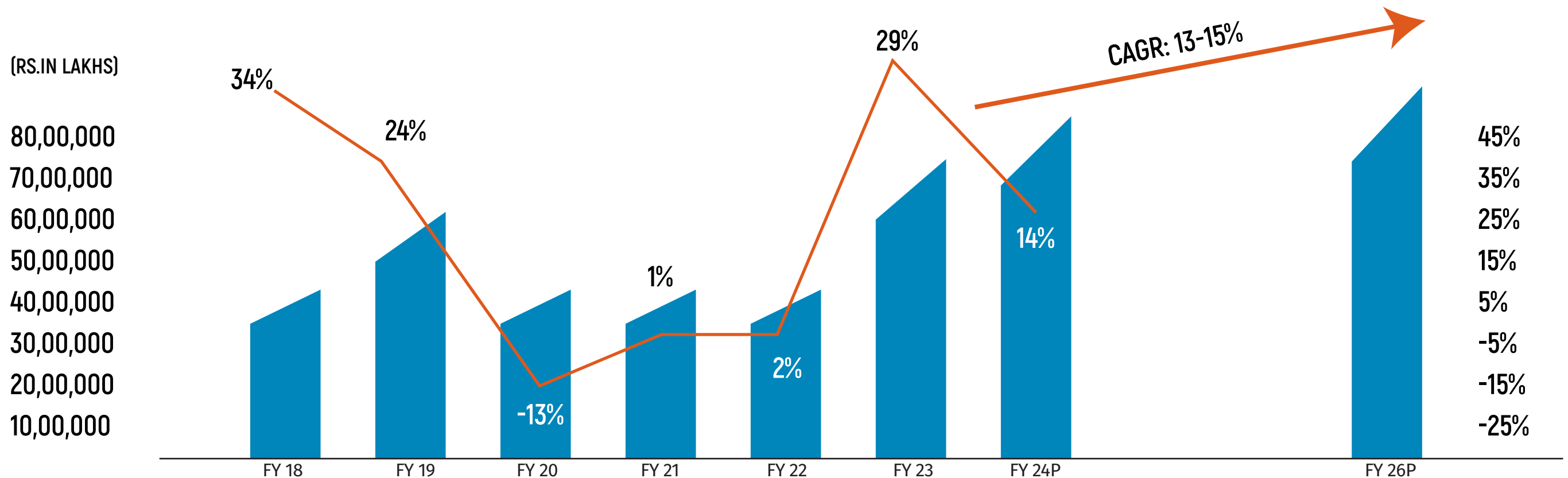
NBFC INDUSTRY POISED FOR STRONG INCREMENTAL GROWTH

- Corporate credit determines the growth in overall credit as it accounts for nearly two-third of systemic credit
- In Fiscal 2021, credit grew by 6.4% supported by disbursements to MSMEs under the Emergency Credit Line Guarantee Scheme (ECLGS)
- In Fiscal 2022, the systemic credit growth picked up steam - systemic credit grew at 9% from the previous year to reach approximately ₹1,648,637,596 Lakh
- In Fiscal 2023, Systemic credit showed strong growth on back of pent-up retail demand from sectors like housing and auto. Credit demand also grew due to strong credit demand from NBFCs and trade segment
- CRISIL MI&A projects systemic credit to grow at 10-12% CAGR between Fiscals 2023 and 2025



CRISIL REPORT OVER INDUSTRY

- Rural income growth is an important determinant of two-wheeler demand. Rural income is a major driver for motorcycle sales as it contributes about 55-60% of total sales.
- As of FY 2023, motorcycles account for 63% of overall two-wheeler volumes whereas scooters account for 30% and the rest is moped and EVs.
- As of March 31, 2023, rural areas, which accounted for 47% of GDP, received 8% of the overall banking credit, which shows the vast market opportunity for banks and NBFCs to lend in these areas.
- Two-wheeler loan disbursements increased by 19% CAGR between FY 2015 and 2020, led by an increase in average vehicle prices, considerable shift of consumer preference towards premium segments, increasing loan-to-value (LTV) and higher finance penetration



TREASURY OPERATIONS AND BORROWINGS

- Borrowed from 3 public sector banks, 12 private sector banks and 26 NBFCs
- Co-lending arrangement with Muthoot Capital Services Limited on an 80:20 fund sharing basis

(₹ in Lakhs)

Particulars	As of & for Fiscal		
	2024	2023	2022
Term Loans – Secured			
Banks	16,281.27	14,991.18	13,302.04
NBFCs and Financial Institutions	25,218.22	24,525.51	12,706.33
Term Loans - Unsecured			
Banks	-	-	-
NBFCs and Financial Institutions	-	-	406.18
Debt Securities - Secured			
Non-Convertible Debentures	16,391.52	2,666.67	1,499.92
Subordinated Liabilities	-	-	-
Commercial Papers	-	-	3,000.00
Working Capital Demand Loan	4,378.43	4,679.85	4,628.91
Others	168.78	37.33	45.18
PTC	13,106.35	12,878.83	3,947.52
Unamortised processing fess Borrowings (IND AS)	(317.33)	(186.36)	(96.35)
Total	75,227.24	59,593.01	39,439.73



RISK MANAGEMENT FRAMEWORK

CREDIT RISK

- Risk of financial loss to Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations
- Segregation of responsibilities within functions like sourcing/business, credit underwriting/approval, operations, collection & recovery to avoid conflict of interest
- Risk Management Committee has laid down a credit policy as per RBI guidelines to analyze creditworthiness

LIQUIDITY RISK

- Risk of encounter in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset
- Ensuring sufficient liquidity to meet liabilities
- Monitoring by estimating the future inflows and outflows on a regular basis
- Asset Liability Committee to oversee the liquidity risk management

MARKET RISKS & INTEREST RATE RISKS

- Risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices
- Risk of change in market interest rates which might adversely affect our profitability

OPERATIONAL RISK

- Risks of loss resulting from inadequate or failed internal processes, people and systems, or from external events
- Associated with human error or fraud, system failures and inadequate procedures and controls
- Segregation of duties, access, authorization and reconciliation procedures, staff education & assessment processes such as the use of internal audit



BOARD OF DIRECTORS



MANISH KIRITKUMAR SHAH
Managing Director of Company. He holds a bachelor's degree in commerce from Mumbai University. He has over twenty-five (25) years of experience in the NBFC sector.



NIKITA MANISH SHAH
Whole Time Director and Head - Business Development of Company. She has cleared higher secondary examination in the field of commerce.



MONIL MANISH SHAH
Whole Time Director and Chief Business Officer of Company. Holds a master's degree in marketing from Queen Mary University of London



JAY KHUSHAL MOTA
Whole Time Director and Chief Financial Officer of Company. Holds a bachelor's degree in commerce from Mumbai University. He has over eighteen years of experience



ANSHU SHRIVASTAVA
Chairman and Independent director of the company. He is a member of the Institute of Chartered Accountant of india and also holds a bachelor's degree in commerce from mumbai University. He has over twenty (20) years of experience.



ABHINAV SHARMA
Independent director of the company. He is a Chartered financial analyst and also holds a master's degree in business administration from ICFAI university, Dehradun. He has more than 16 years of experience in the financial sector.



NEELAM TATER
Independent director of the company. She is a member of the Institute of Chartered accountant of india. She has professional experience encompassing audit and risk management & business/management advisory services to diverse mix of corporate clients including banking and financial Institutions.

MILESTONES

1998

Received certificate of registration from RBI for registration of our Company as a NBFC.

2009

Scaled up our operations in vehicle financing.

2013

AUM of our Company crossed ₹ 5,000 lakhs.

2014

AUM of our Company crossed ₹ 10,000 lakhs.

2018

Expansion of our operations to Pune.

2018

AUM of our Company crossed 25,000 lakhs.

2018

Expansion of our operations to Nashik and Satara in the state of Maharashtra and to Ahmedabad in the state of Gujarat.

2020

AUM of our Company crossed ₹50,000 lakhs

2021

Listing of first tranche of non-convertible debentures on the BSE.

2021

Opened branch in Jaipur in the state of Rajasthan.

2022

Expansion of our operations to Nagpur, Vidarbha region in the state of Maharashtra and to Raipur in the state of Chhattisgarh.

2023

Employee strength of our Company crossed 1,000 employees.

Launched Inhouse CRM named as FORCE

2023

Entered into a co-lending arrangement with Muthoot Capital

2023

AUM of our Company crossed ₹ 80,000 lakhs as on December 31, 2023.

2023

Expanded the network to more than 850 dealers, including more than 60 EV dealers.

2023

30,000 customers onboarded during the months of September, October and November with 25,000 lakhs disbursement amount.

2023

Expanded operations to the state of Madhya Pradesh by opening a branch in Indore

2023

Launched new products such as Small Business Loans, Used Car Loans and Personal Loans.

2024

AUM of our Company cross ₹ 90,000 lakhs.

2024

Expanded operations to the state of Uttar Pradesh by opening a branch in Lucknow

BALANCE SHEET

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
ASSETS			
I.Financial Assets			
Cash and cash equivalents	3,734.39	6,237.99	3,198.39
Bank balance other than cash and cash equivalents	8,758.16	4,624.53	1,805.57
Loans	78,305.23	62,331.61	48,267.35
Investments	2,666.64	1,835.99	8.04
Other financial assets	1,219.44	933.03	1,080.45
Total Financial Assets	94,683.86	75,963.15	54,359.80
II.Non- financial Assets			
Current tax assets (net)	114.61	-	19.52
Deferred tax assets (net)	70.09	147.21	202.25
Property, plant and equipment	947.64	970.13	1,131.97
Other intangible assets	82.6	79.84	53.79
Right of use of assets	945.25	1,117.85	92.8
Other non-financial assets	531.35	446.57	285.67
Total Non- financial Assets	2,691.53	2,761.60	1,786.00
TOTAL ASSETS	97,375.39	78,724.75	56,145.80
LIABILITIES AND EQUITY			
LIABILITIES			
I.Financial Liabilities			
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	10.84	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	714.1	748.03	1,200.80
Debt securities	16,255.93	2,656.93	1,499.92
Borrowings (other than debt securities)	58,971.31	56,936.08	37,939.81
Lease liabilities	1,051.36	1,166.71	104.42
Other financial liabilities	97.34	94.8	59.02
Total Financial Liabilities	77,100.88	61,602.55	40,803.97
II.Non-Financial Liabilities			
Current tax liabilities (net)	0	46.33	-
Provisions	126.17	116.81	95.02
Other non-financial liabilities	87.59	115.93	72.43
Total Non-Financial Liabilities	213.76	279.07	167.45
EQUITY			
Equity share capital	3,766.94	1,255.65	1,255.65
Other Equity	16,293.81	15,587.48	13,918.73
	20,060.75	16,843.13	15,174.38
TOTAL LIABILITIES AND EQUITY	97,375.39	78,724.75	56,145.80

PROFIT & LOSS STATEMENT

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations			
Interest income	16,835.76	12,496.17	9,397.99
Other operating income	2,322.85	835.47	1,261.07
Total revenue from operations	19,158.61	13,331.64	10,659.06
Other income	4.61	0.07	2.88
Total income	19,163.22	13,331.71	10,661.94
Expenses			
Finance costs	8,186.89	5,661.89	4,658.59
Impairment on financial instruments	1,131.64	831.31	1,003.59
Employee benefit expense	3,842.41	2,799.86	2,287.14
Depreciation, amortisation and impairment	449.05	444.64	379.24
Other expenses	1,663.90	1,315.35	1,067.10
Total expenses	15,273.89	11,053.05	9,395.66
Profit before taxes	3,889.33	2,278.66	1,266.28
Tax expenses			
- Current tax	674.96	569.22	335.52
- Deferred tax	72.39	51.42	-43.27
	747.36	620.65	292.26
Profit for the year	3,141.97	1,658.01	974.02
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains / (losses) on defined benefit plans	18.81	14.39	6.47
(ii) Income tax impact	-4.74	-3.62	-1.63
(iii) Gain on fair value of equity instruments	-	-	3.04
(iv) Income tax impact	-	-	-0.77
Other comprehensive income for the year	14.07	10.77	7.11
Total comprehensive income for the year (comprising profit and other comprehensive income for the year)	3,156.04	1,668.78	981.13
Earnings per equity shares (face value - Rs. 10 per equity share)			
Basic	8.34	4.4	2.59
Diluted	8.34	4.4	2.59

GLOSSARY

- (1) AUM represents Advances under Management as disclosed by the company as of the last day of the relevant period.
- (2) Total Borrowings to Shareholder Equity ratio represents total borrowings as on the last day of the period to total shareholder equity.
- (3) Average cost of borrowings represents finance cost for the relevant period as a percentage of Average Borrowings in such period.
- (4) Net Interest Income on loans represents interest income on loan book less finance costs, for the relevant period.
- (5) Average Yield on Average AUM represents the ratio of interest income on loan assets for a period to the average AUM for the Period
- (6) Adjusted Finance Cost represents aggregate of finance costs excluding interest on lease liabilities for the relevant period
- (7) Operating Expenses to Average AUM represents operating expenses (sum of, Fee and commission expenses, Employee benefits expenses, Depreciation and amortization expense, impairment on financial instruments and Other expenses) divided by average AUM, expressed as percentage.
- (8) Return on Total Average Assets (%) represents profit after tax divided by average total assets, expressed as percentage.
- (9) Return on Equity (%) represents profit after tax divided by total shareholder equity, expressed as percentage.
- (10) Gross NPA (%) represents the Gross NPA as of the last day or the relevant period, represented as a percentage of the Gross Loan Book.
- (11) Net NPA % represents the Net NPA as of the last day or the relevant day or period to the net loan book as of the last day of the relevant period, represented as a percentage
- (12) Provision Coverage Ratio represents total provisions created on Gross NPA for the period, as a percentage of total Gross NPAs as of the last day of the period
- (13) Basic & Diluted EPS as reported by the company represents EPS as computed in accordance with IND AS-33.
- (14) Adjusted spread represents interest income less adjusted finance cost and credit cost to the average total assets.



MANBA FINANCE LTD.

DISCLAIMER

Certain statements in this document may be forward-looking statements. Such forward looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Manba Finance Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.