

### Issue Highlights:

**Issuer:** MAS Financial Services Limited

**Issue Type:** 100% Book Built Issue IPO

**Issue Open:** Friday, Oct 06, 2017

**Issue Close:** Tuesday, Oct 10, 2017

**Issue Size (Rs):** Rs. 4,600.42 million

**Fresh Issue:** Rs. 2,330 million

**Offer for Sale:** Rs. 2,270.42 million

**Face Value:** Rs.10 per Equity Share

**Price Band:** Rs.456 – Rs.459 per Equity Share

**Minimum Order Quantity Retail:** 32 Shares and in multiples thereof

**Maximum Bid amount for Retail:** Rs. 2 Lakhs

**Listing:** NSE & BSE

**Employee Reservation:** Rs. 70 million

**Employee Discount:** Rs. 45/-

### Issue Size and Investor Category Allocation

**Total Issue Size:** 1,00,22,702 Equity Shares<sup>^</sup>

**QIB:** 50% of the issue size (49,35,099 Equity Shares)<sup>^</sup>

**NIB:** 15% of the issue size (14,80,530 Equity Shares)<sup>^</sup>

**Retail Individual Bidders:** 35% of the issue size (34,54,569 Equity Shares)<sup>^</sup>

<sup>^</sup> **Upper Price Band**

### Book Running Lead Managers:

Motilal Oswal Investment Advisors Pvt Ltd

### Registrar:

Link Intime India Pvt Limited

### Key Business Strategies:

- Strengthen marketing and sourcing channels while maintaining stable growth and quality of portfolio
- Expand product offerings
- Leverage existing network and customer base to develop housing finance business
- Leverage technology to foster growth

### Key Strengths:

- Track record of consistent growth with quality loan portfolio
- Diversified product offerings presenting significant

growth opportunities

- Access to diversified sources of capital and cost-effective funding
- Deep market knowledge through extensive sourcing channels
- Robust credit assessment and risk management framework
- Experienced management team with reputed investors

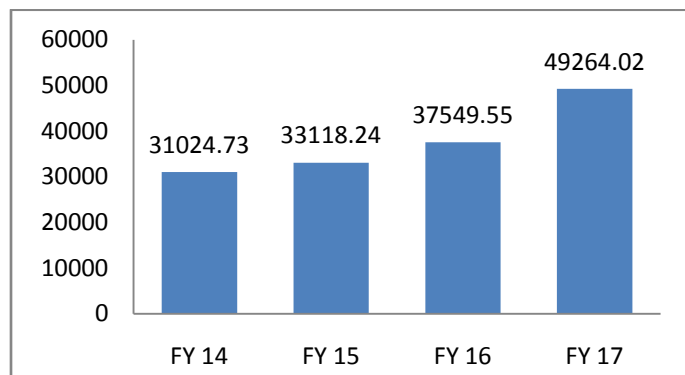
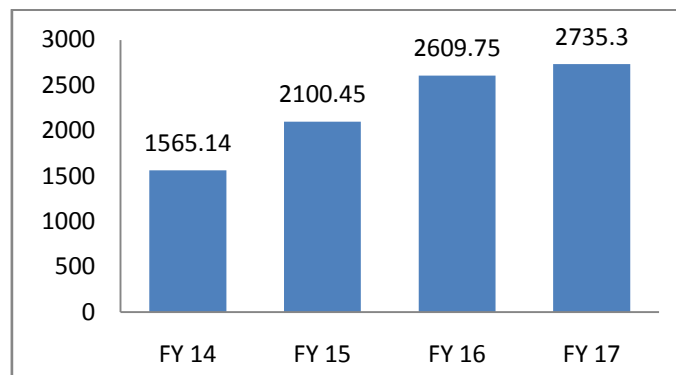
### Objects of the Issue:

1. The objects of the Offer are to achieve the benefits of listing Equity Shares on the Stock Exchanges and to carry out the Fresh issue of Rs. 2330 million and an offer for sale of Rs. 2270.42 million by MAS Financial Services Ltd.
2. General corporate purposes

**Public issue of 1,00,22,702** equity shares of Rs. 10/- each ("equity shares") of **MAS Financial Services Ltd** (Company or Issuer).

### About the Issuer:

- It is a Gujarat-headquartered NBFC with more than two decades of business operations and as of September 30, 2016, it has operated across six States and the NCT of Delhi. Our business and financing products are primarily focused on middle and low income customer segments, and include five principal categories:(i) micro-enterprise loans; (ii) SME loans; (iii) two-wheeler loans; (iv) Commercial Vehicle loans (which include new and used commercial vehicle loans, used car loans and tractor loans); and (v) housing loans.
- It provides two categories of micro-enterprise loans: (i) loans up to Rs.75,000, typically to self-employed individuals engaged in trading or manufacturing business; and (ii) loans ranging between Rs. 75,000 and Rs.300,000, typically to sole proprietors and partnership firms.
- It has entered into commercial arrangements with a large number of sourcing intermediaries, including commission based DSAs and revenue sharing arrangements with various dealers and distributors where part of loan default is guaranteed by such sourcing partners. As of September 30, 2016, it had 344 such sourcing intermediaries for two-wheeler loan segment and 350 such sourcing intermediaries for Commercial Vehicle loan segment.

**Revenue from Operations (Rs. Millions)**

**Net Profit After Tax (Rs. Millions)**

**SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

(₹ in Millions)

Particulars	As at					
	September 30, 2016	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>EQUITY AND LIABILITIES</b>						
<b>Shareholders' funds</b>						
Share capital	634.72	594.72	594.72	594.72	534.71	934.71
Reserves and surplus	1,527.05	1,186.52	850.19	595.40	437.05	328.56
	<b>2,161.77</b>	<b>1,781.24</b>	<b>1,444.91</b>	<b>1,190.12</b>	<b>971.76</b>	<b>1,263.27</b>
<b>Compulsorily Convertible Debentures</b>	499.80	499.80	499.80	499.80	499.80	-
<b>Non-current liabilities</b>						
Deferred subsidy	-	-	-	0.08	0.22	0.36
Long-term borrowings	2,832.59	3,040.17	1,138.67	632.42	491.66	780.86
Other long-term liabilities	1,534.34	1,510.77	929.24	1,022.78	522.13	221.97
Long-term provisions	19.89	14.40	8.61	7.18	4.95	2.11
	<b>4,386.82</b>	<b>4,565.34</b>	<b>2,076.52</b>	<b>1,662.46</b>	<b>1,018.96</b>	<b>1,005.30</b>
<b>Current liabilities</b>						
Short-term borrowings	7,955.14	7,411.15	7,434.06	5,500.93	3,530.32	2,271.36
Trade payables						
- Total outstanding dues to creditors other than micro enterprises and small enterprises	22.80	45.76	13.86	19.99	20.92	15.48
Other current liabilities	4,067.25	3,725.72	3,205.75	1,768.49	1,556.42	1,236.59
Short-term provisions	121.75	97.50	202.95	134.53	117.50	123.56
	<b>12,166.94</b>	<b>11,280.13</b>	<b>10,856.62</b>	<b>7,423.94</b>	<b>5,225.16</b>	<b>3,646.99</b>
<b>TOTAL</b>	<b>19,215.33</b>	<b>18,126.51</b>	<b>14,877.85</b>	<b>10,776.32</b>	<b>7,715.68</b>	<b>5,915.56</b>
<b>ASSETS</b>						
<b>Non-current assets</b>						
<b>Fixed assets</b>						
Tangible assets	67.24	63.73	44.19	57.19	59.68	60.25
Intangible assets	-	-	-	0.61	0.93	0.90
Capital work-in-progress	1.91	-	0.99	-	-	-
	<b>69.15</b>	<b>63.73</b>	<b>45.18</b>	<b>57.80</b>	<b>60.61</b>	<b>61.15</b>
Non-current investments	107.57	110.23	110.99	108.33	108.33	108.33
Deferred tax assets (net)	34.40	30.09	22.58	11.41	4.39	1.32
Long-term loans and advances	5,703.86	4,803.08	3,445.57	2,870.43	1,980.30	845.18
Other non-current assets	91.76	76.65	101.75	90.87	111.86	70.74
	<b>6,006.74</b>	<b>5,083.78</b>	<b>3,726.07</b>	<b>3,138.84</b>	<b>2,265.49</b>	<b>1,086.72</b>
<b>Current assets</b>						
Cash and bank balances	2,372.78	1,753.79	2,173.29	1,847.30	1,748.96	1,407.41
Short-term loans and advances	10,658.66	11,099.05	8,835.74	5,705.69	3,625.79	3,357.11
Other current assets	177.15	189.89	142.75	84.49	75.44	64.32
	<b>13,208.59</b>	<b>13,042.73</b>	<b>11,151.78</b>	<b>7,637.48</b>	<b>5,450.19</b>	<b>4,828.84</b>
<b>TOTAL</b>	<b>19,215.33</b>	<b>18,126.51</b>	<b>14,877.85</b>	<b>10,776.32</b>	<b>7,715.68</b>	<b>5,915.56</b>

**SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED**

(₹ in Millions)

Particulars	For the half year ended September 30, 2016	For the year ended				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<b>INCOME</b>						
Revenue from operations	1,696.41	2,877.80	2,256.75	1,769.29	1,379.36	1,120.81
Other income	4.57	9.24	8.53	7.49	9.11	9.65
<b>Total Revenue (I)</b>	<b>1,700.98</b>	<b>2,887.04</b>	<b>2,265.28</b>	<b>1,776.78</b>	<b>1,388.47</b>	<b>1,130.46</b>
<b>EXPENSES</b>						
Employee benefits expense	129.60	223.74	159.90	136.52	123.11	93.64
Finance costs	769.74	1,340.38	1,055.43	754.15	546.57	431.82
Depreciation and amortisation expense	4.39	8.72	10.35	5.70	6.24	5.32
Provisions and loan losses	123.68	232.69	193.47	144.59	83.95	89.43
Other expenses	154.11	317.40	258.32	257.65	231.27	226.28
<b>Total expenses (II)</b>	<b>1,181.52</b>	<b>2,122.93</b>	<b>1,677.47</b>	<b>1,298.61</b>	<b>991.14</b>	<b>846.49</b>
<b>Profit before tax (III) = (I) - (II)</b>	<b>519.46</b>	<b>764.11</b>	<b>587.81</b>	<b>478.17</b>	<b>397.33</b>	<b>283.97</b>
<b>Tax expense / (benefit):</b>						
Current tax	183.24	271.54	207.12	168.43	132.01	84.18
Deferred tax	(4.31)	(7.51)	(7.51)	(7.02)	(3.07)	0.38
<b>Net tax expense (IV)</b>	<b>178.93</b>	<b>264.03</b>	<b>199.61</b>	<b>161.41</b>	<b>128.94</b>	<b>84.56</b>
<b>Profit after tax (as restated) (V) = (III) - (IV)</b>	<b>340.53</b>	<b>500.08</b>	<b>388.20</b>	<b>316.76</b>	<b>268.39</b>	<b>199.41</b>
<b>Earnings per equity share (of Rs. 10/- each)</b>						
Basic (Rs.)	8.03	11.63	8.83	7.10	5.52	3.17
Diluted (Rs.)	7.63	11.63	8.83	7.10	5.52	3.17

**Source for Note: DRHP**
**IMPORTANT: Please read the Red Herring Prospectus of this issue carefully before investing in the same.**
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