

***Towards a Robust,  
Sustainable and  
Profitable Growth***



**Magma Fincorp Limited**  
**Investor Presentation – Q3 FY19**

1

## Business Overview

2

## Transformed Business Strategy to drive sustainable growth

3

## Financial Performance – Q3 FY19

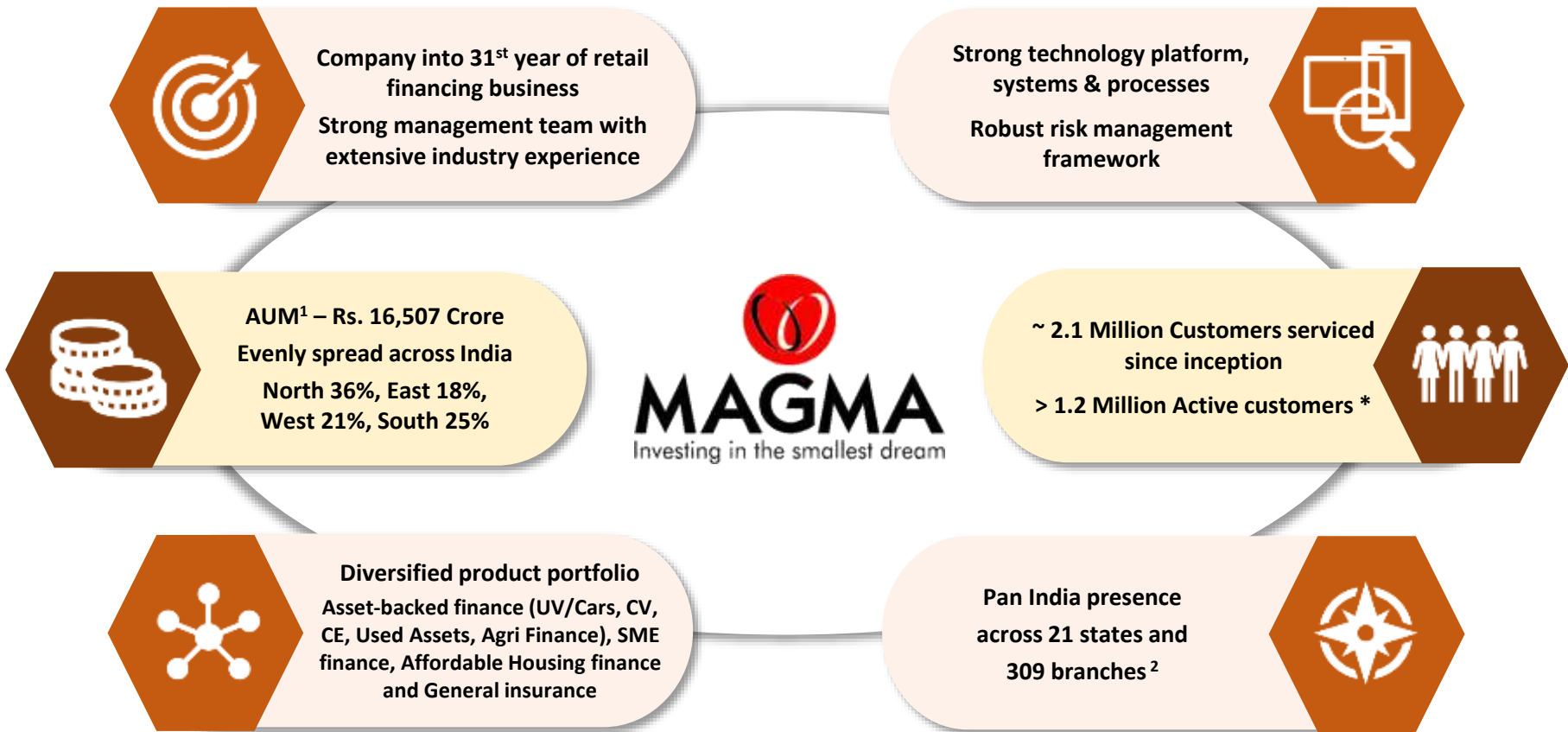
4

## Leadership Team & Shareholding Structure

5

## Annexures

*Note: We have used various abbreviations, nomenclature, financial & non-financial ratios in this presentation. These may differ from the customary or industry practices and some of the products / geographical breakup are on best estimate basis. Please refer to the Glossary in this presentation for the definition or description of such abbreviations, nomenclature, financial & non-financial ratios.*



UV – Utility Vehicles, CV – Commercial Vehicles, CE – Construction Equipment

\* > 0.4 Million customers in Finance Business and > 0.8 Million customers in General Insurance Business as on 31<sup>st</sup> Dec 2018

1 – As per Ind AS on 31<sup>st</sup> Dec 2018

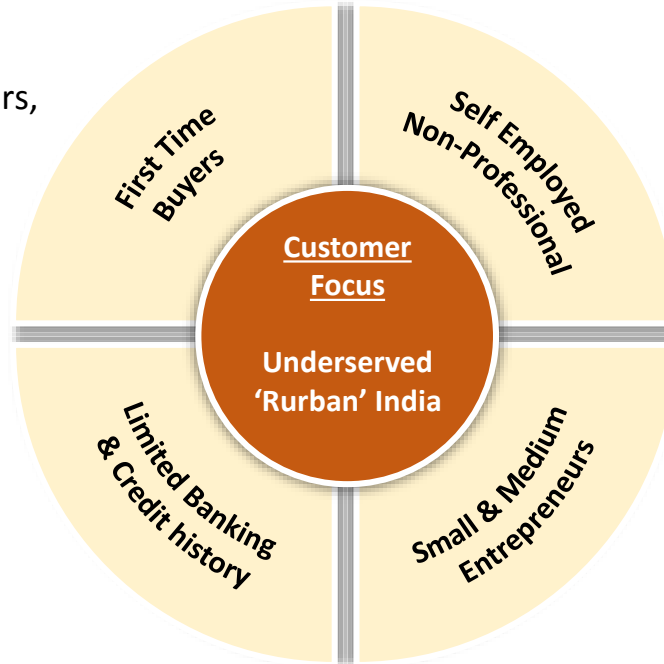
2 – As on 31<sup>st</sup> Dec 2018

# Provide Financing Solutions to Underbanked Customers in 'Rurban' India

## Recognised and Trusted Brand in 'Rurban' India

- Taxi / Truck driver / operators, Small Farmers

- Customers with informal income and low eligibility for bank loans



- Self employed customer with informal income sources (Home / Car buyer)

- Small trader, factory owner, shop owner with working capital needs
- Small fleet operator

**Core strengths - Widespread presence, deep 'Rurban' insight, robust technology for faster customer acquisition, loan servicing and effective cross-sell**

Rurban includes Rural and Semi-Urban locations

# Focus on Higher Cross-Selling of Products for Deep Customer Engagement

		Customer Segments				Illustrative Asset Profile		
		First Time Buyers	Self Employed Non Professionals	Small & Medium Entrepreneurs	Limited banking / credit history	Average Ticket Size (Rs lakh)	Average Loan to Value Ratio	Average Tenure (months)
Financing & General Insurance Solutions	ABF: Commercial Finance	●	●	●	●	4-6	75-80%	40-45
	ABF: Agri Finance	●	●		●	3-4	65-70%	45-50
	SME Finance		●	●	●	19-21	N/A	30-35
	AHF: Affordable Housing Finance	●	●	●	●	9-12	60-70%	150-180
	General Insurance	●	●	●	●			

Numbers indicative of disbursements done during Q3 FY19

Commercial Finance includes Cars, UVs & CE;

SME Finance includes Unsecured Loans to Business Enterprises;

Agri Finance includes Tractors

Affordable Housing Finance includes LAP and Home Loans

# A well diversified portfolio across segment and geography

**Total AUM<sup>1</sup> : Rs. 16,507 Cr.**

**Asset Backed Finance (ABF)**  
AUM<sup>1</sup> : Rs. 11,291Cr.



**Diverse  
Product  
Offerings**

**SME Finance**  
AUM<sup>1</sup> : Rs. 2,244Cr.



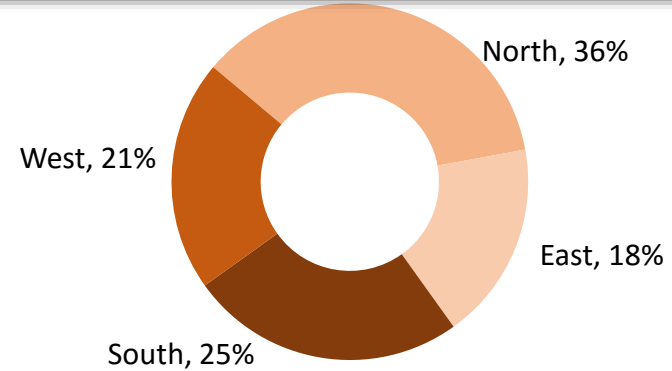
**Affordable Housing Finance (AHF)**  
AUM<sup>1</sup>: Rs. 2,972 Cr.



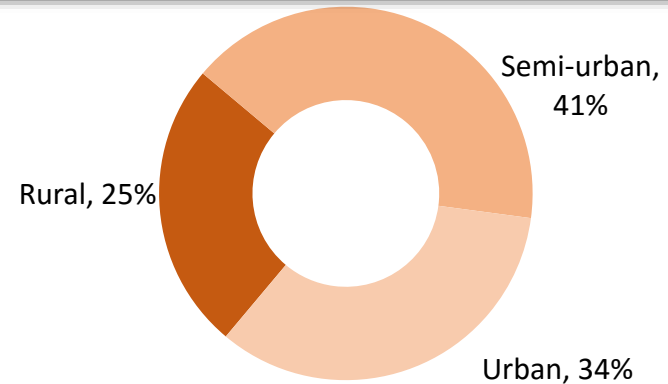
**General Insurance**  
GWP<sup>2</sup> : Rs. 267 Cr.



**Zone-wise Breakup**

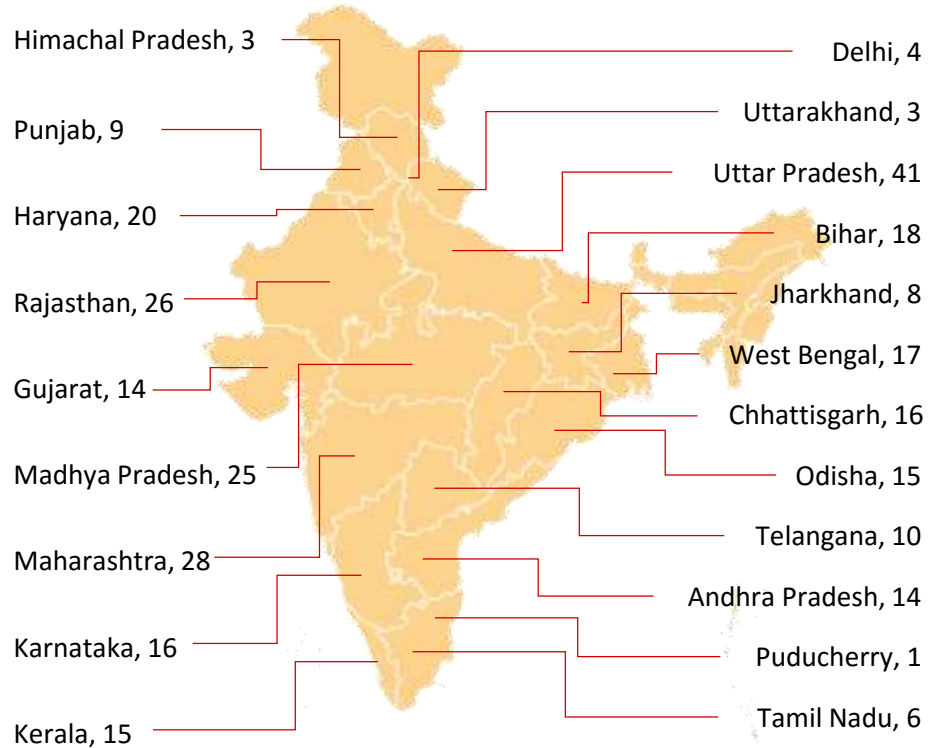


**Rural-Urban Breakup**



1 - As of 31<sup>st</sup> Dec 2018; 2 – Q3 FY19

## 309 Branches as on 31<sup>st</sup> December 2018



## Asset Light Branch Network

- **Wide retail presence through hub and spoke model**
- **Technology solutions** enable FOS to conduct business from channel/customer location leading to better sales productivity, better market coverage, improved channel and customer experience
- **Strong customer engagement** through large team of Field Executives
- **Toll free Inbound/Outbound Customer Call Centre** for servicing and cross sell





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Business process re-engineered leading to Sustainable Growth

B

Strong and Independent Risk Framework Interwoven with the Business Strategy

C

Robust Collection Process leading to improvement in Asset Quality

D

Implemented state of the art CRM system to build strong cross sell/up sell capabilities and customer delight

E

Technology and Digital Initiatives to enhance customer connect

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People Initiatives leading to Employee Delight

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# A. Business process re-engineered leading to Sustainable Growth

## Asset Back Finance (ABF)

- **Product Mix:** Realigned product mix to increase focus on New SCV, New LCV, CE and Used Assets
- **Channel Sales Managers:** Sourcing & fulfilment through hunter & harvester model
- **Branch business model:** Branch Manager ownership for both origination and collections (0-60 buckets)
- **Branch & Product Grading:** Categorization as per asset quality performance
- **Credit Underwriting** automated through a rule engine
- Special focus on **Portfolio Management** with increased collection effectiveness

## Affordable Housing Finance (AHF)

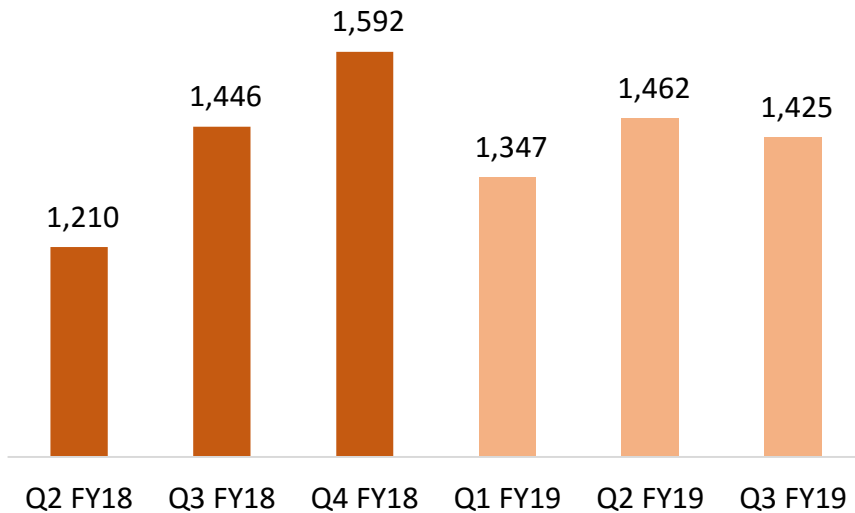
- Leadership deck revamped to foster and **transform in to a National Affordable Housing Finance Company**
- **Focused deep market penetration** in 93 locations across 10 states using unit model implementation
- **Leveraging cross-sell capabilities** to drive industry best productivity
- Innovation and strategy unit in place for **digital transformations**
- Proactive **early warning risk management** triggers for portfolio management

## SME Finance

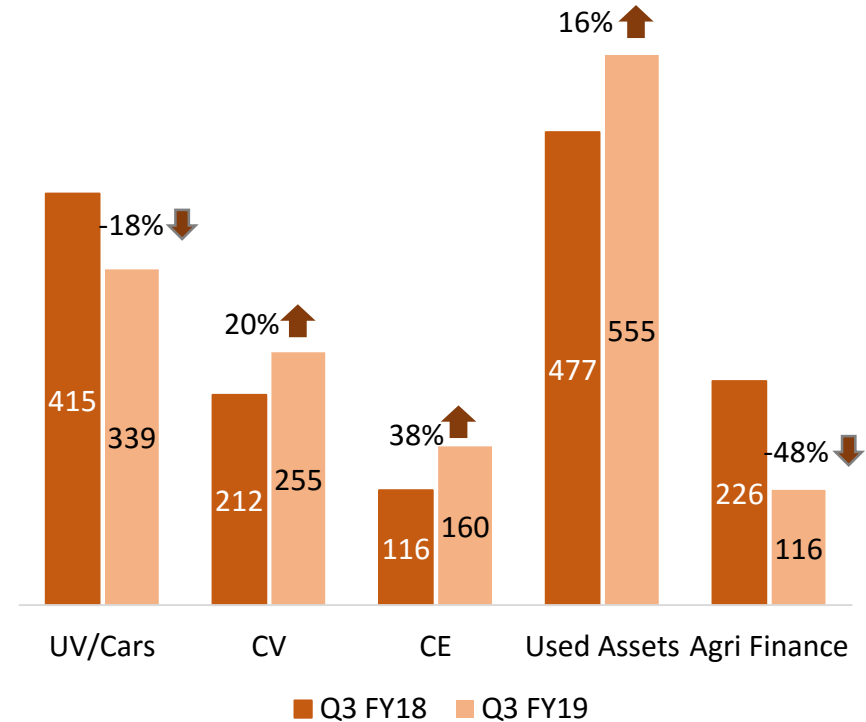
- **Leveraging on the existing branch Infrastructure**
  - Present in 78 out of 309 branches
  - Focus on Tier II (11-78) locations
  - Geo expansion to Tier III & IV locations
- **Product-suite expansion** for increasing target market, to cater to semi-formal economy customer segments
- Building **Credit Rule Engine for Underwriting**
- Launch **Revamped process** with simplified **digital Login** and **Auto Workflow Management**
- Launch **Direct Sales model** for Automated top-ups, to increase Products per customer

# A. ABF Disbursal Strategy: Change is evident

### Disbursement



### Disbursement Mix

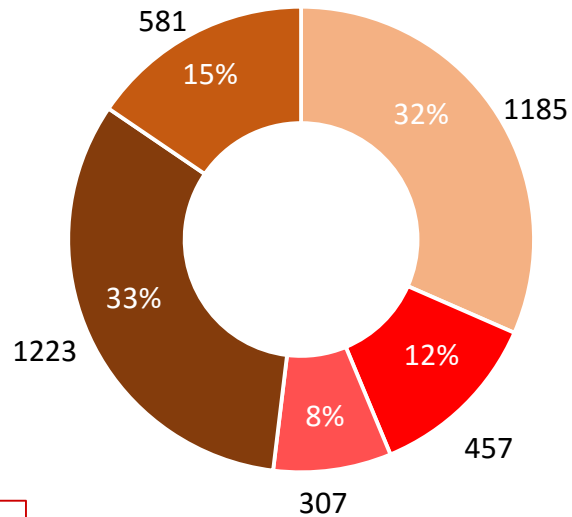


- Significant growth in focus products i.e. CV, CE and Used Assets

# A. ABF Disbursal: Change is evident

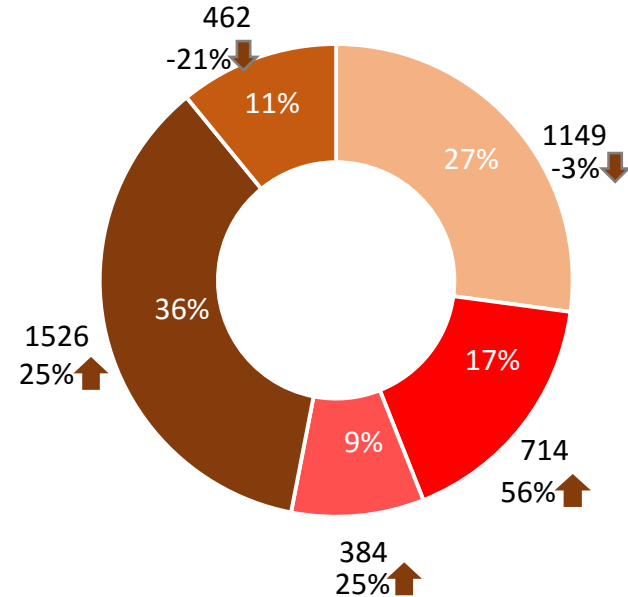
## Product-wise Disbursal Contribution

### YTD FY18 ABF Disbursement



Rs. 3,753 Cr.

### YTD FY19 ABF Disbursement



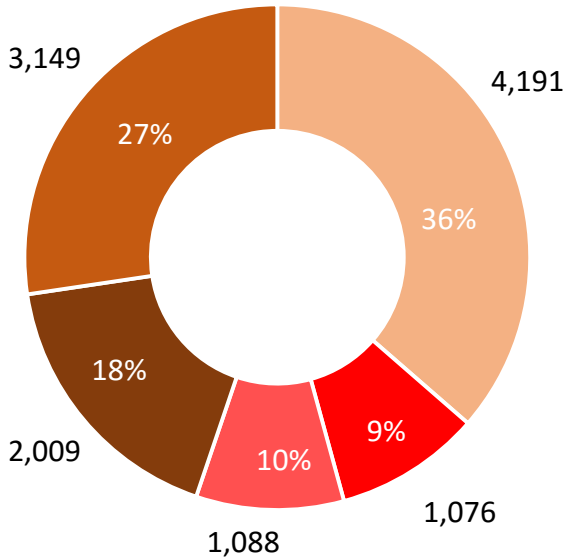
Rs. 4,235 Cr.

■ UV/Cars   
 ■ CV   
 ■ CE   
 ■ Used Assets   
 ■ Agri Finance

# A. ABF AUM Strategy: Change is evident

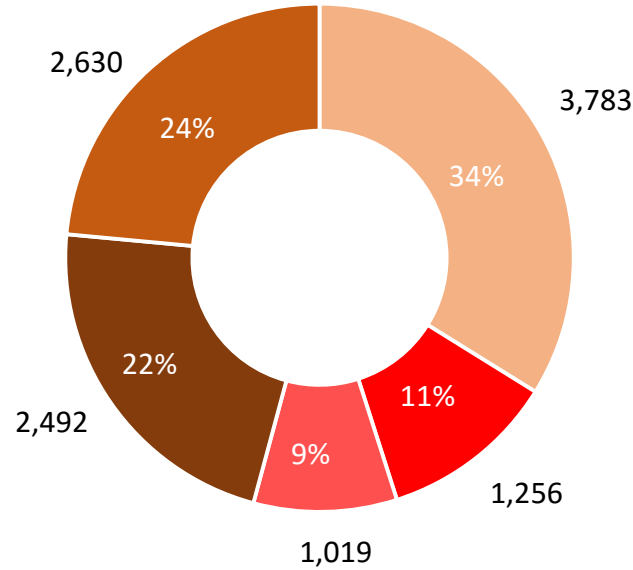
## Product-wise AUM Contribution

**Mar '17**



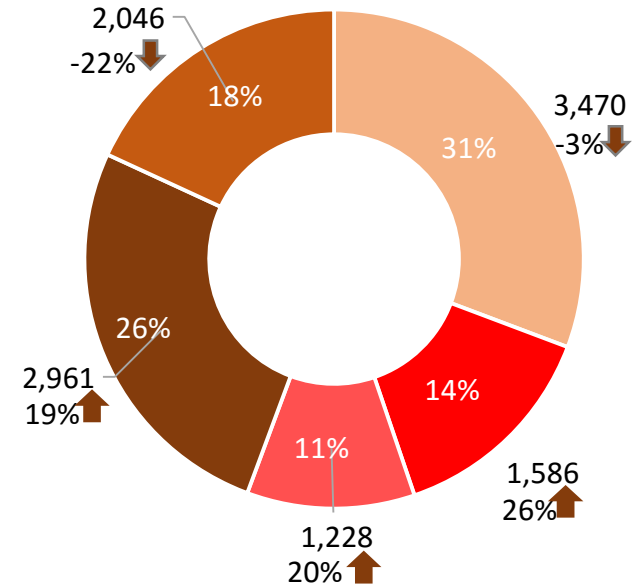
**Rs. 11,513 Cr.**

**Mar '18**



**Rs. 11,180 Cr.**

**Dec '18**

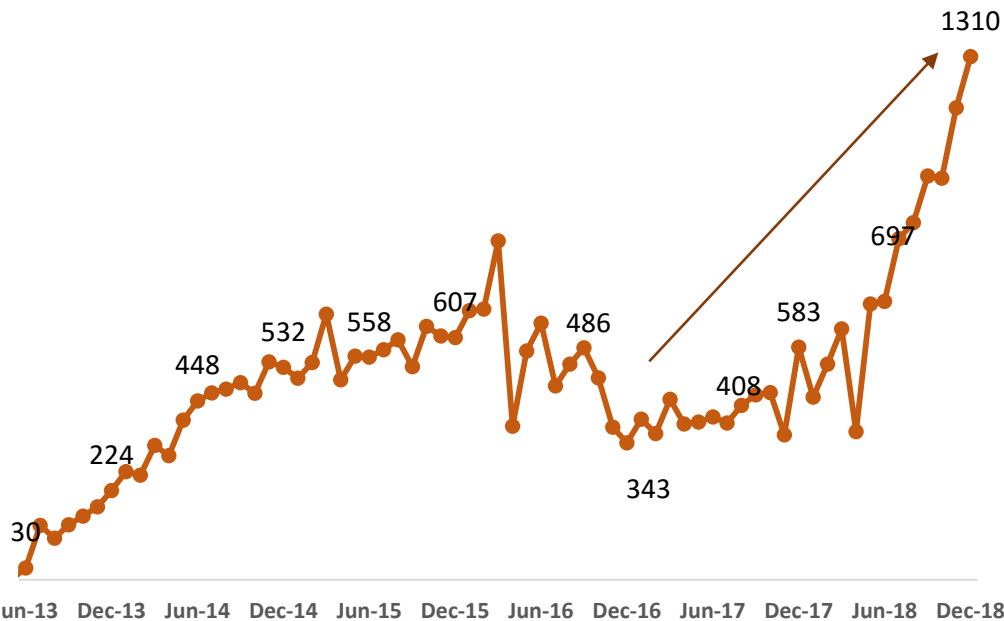


**Rs. 11,291 Cr.**

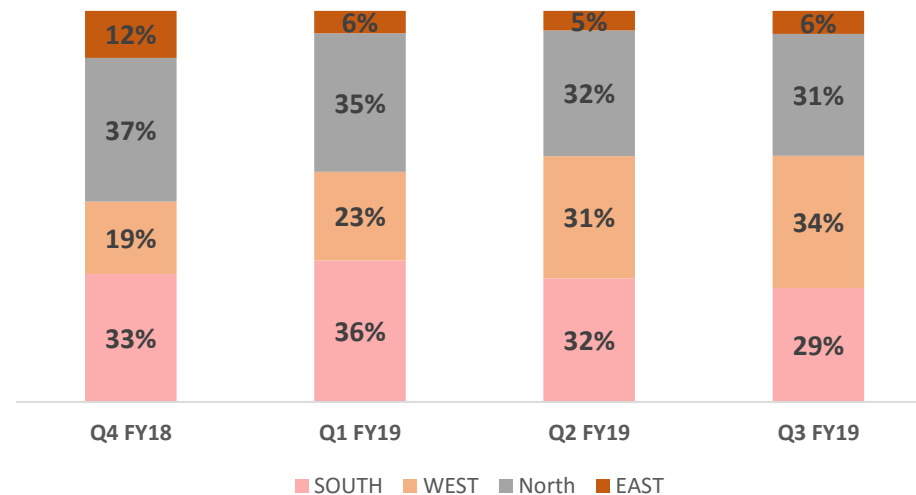
■ UV/Cars   
 ■ CV   
 ■ CE   
 ■ Used Assets   
 ■ Agri Finance

# A. Affordable Housing Finance (AHF) Disbursal Strategy: Change is evident

### Total AHF Disbursement (Units)



### National Presence



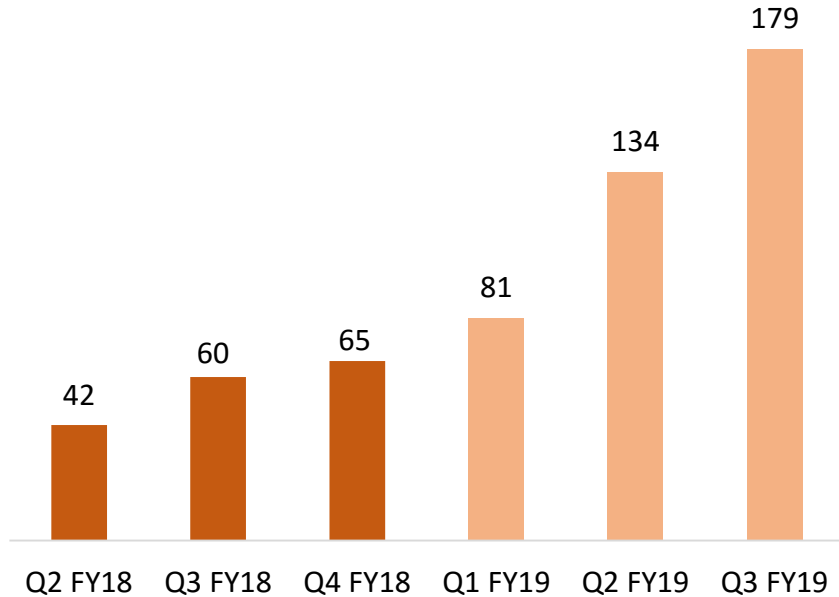
- AHF Disbursements (units) have been growing consistently, from #343 units in Dec-16 to #1310 units in Dec-18
- Q3- FY19 – Disbursements units have increased by 147% Y-o-Y basis

- West, North and South zones are now contributing almost equal volume to the overall business
- Significant reduction in the concentration risk

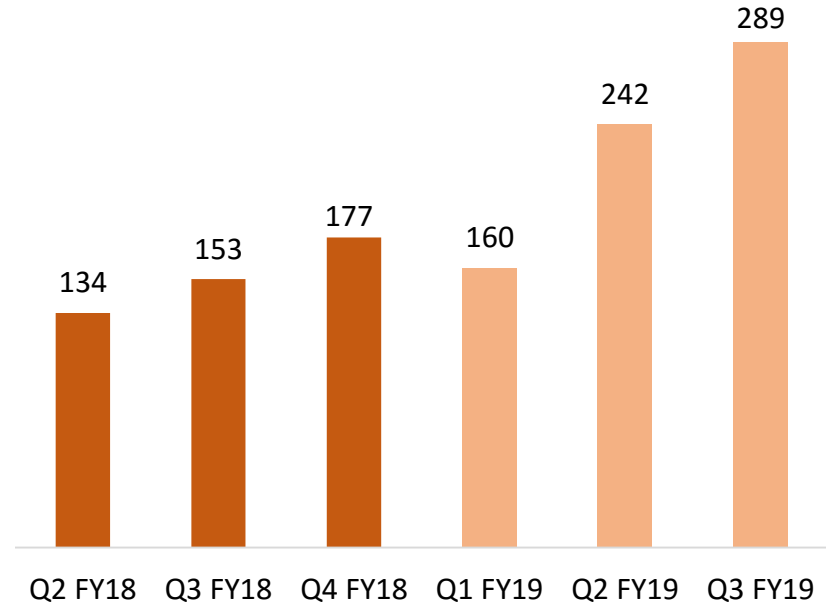


# A. Affordable Housing Finance (AHF) Disbursal Strategy: Change is evident

### Home Loan Disbursement



### Total AHF Disbursement



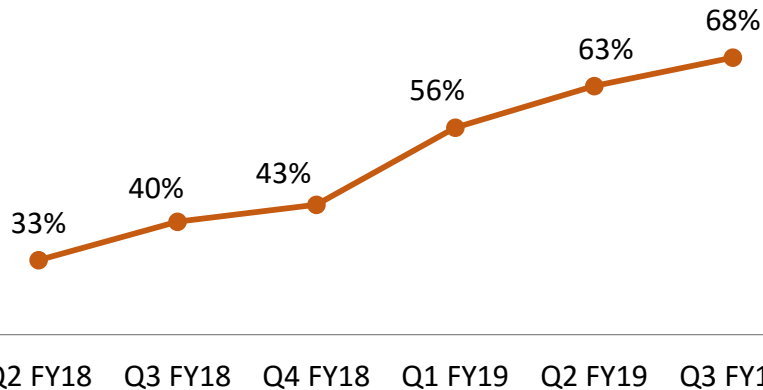
- 201% Y-o-Y improvement in HL in Q3 FY19 and 88% Y-o-Y improvement in overall Affordable Housing Finance Disbursals in Q3 FY19

Values in Rs Crore; HL does not include Construction Finance

# A. Affordable Housing Finance (AHF): Business Initiatives

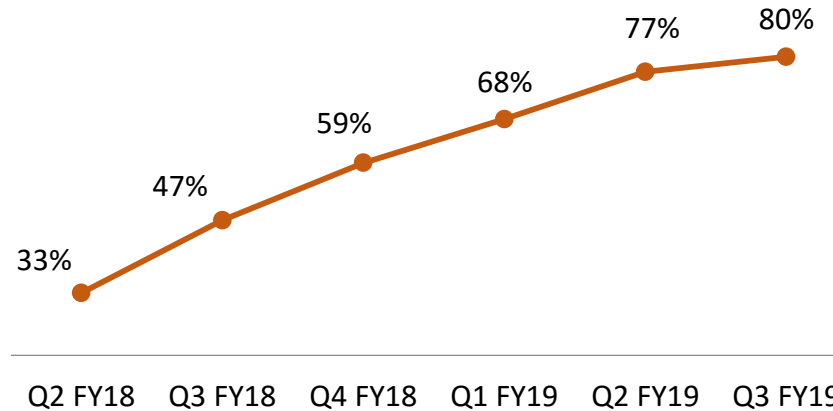
## Go Home Loan

HL Ratio (Units)



## Go Direct

Direct Ratio (Units)

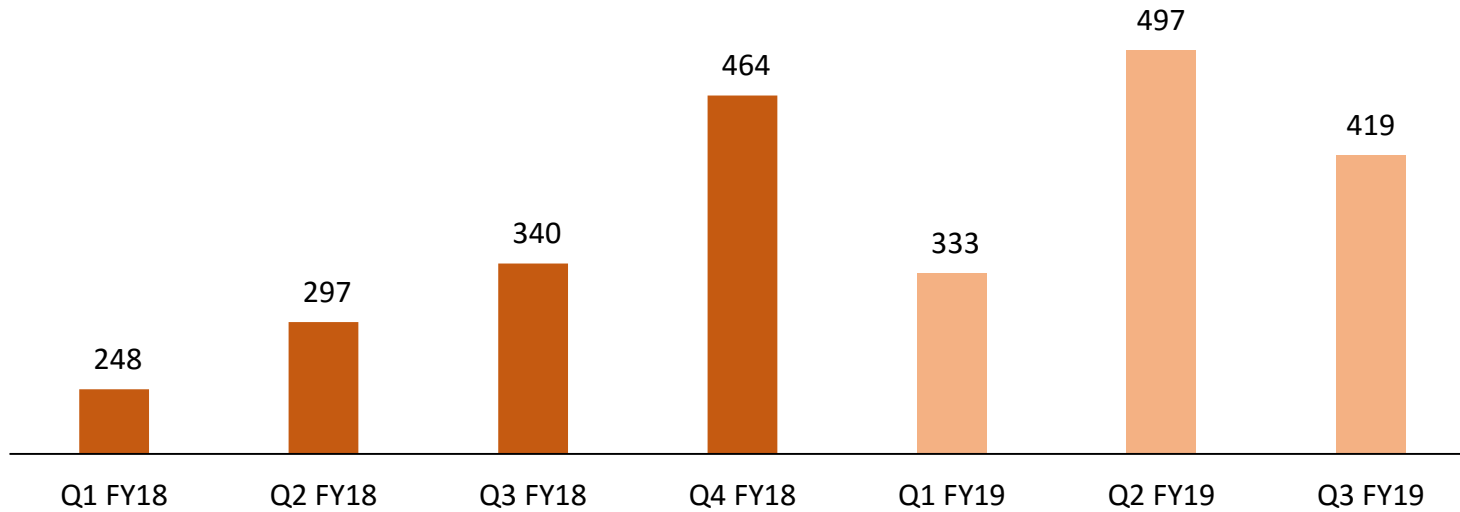


### Key Takeaways

- HL Ratio has improved from 33% in Q2 FY18 to 68% in Q3 FY19
- Direct distribution capabilities being built-up; direct sourcing has improved from 33% in Q2 FY18 to 80% in Q3 FY19
- Focus on Go-to market strategy for further improvement in HL and Direct Sourcing – Spot Sanction Events, Builder Activities, Existing Customer Referrals, Micro Market Activities etc.

*HL does not include Construction Finance. Direct Biz means Business directly generated by Magma employees without help from DDSAs / NDSAs / Brokers, and includes Cross-sell*

### Disbursement picking up momentum



- 23% Y-o-Y improvement in SME Disbursals in Q3 FY19

*Values in Rs crore*

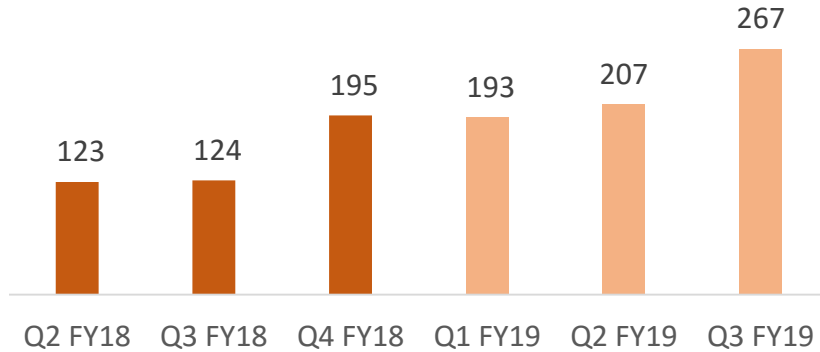
# A. Business process re-engineering leading to Sustainable Growth – Magma HDI

## General Insurance

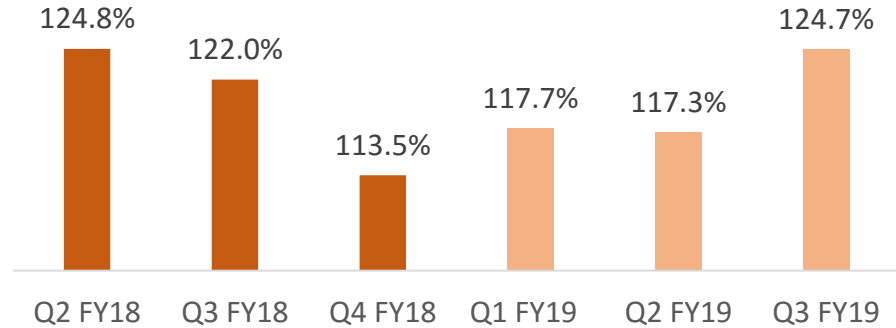
Premium Growth	Portfolio	Technology	People
<ul style="list-style-type: none"><li>• <b>Business growth</b> – 115.0% growth in Q3 FY19 over Q3 FY18 resulting in 82.6% growth in YTD FY19 over YTD FY18</li><li>• <b>Branch expansion</b> roll out planned in FY 19, in Q3 FY19 branch strength at 154 vis-à-vis 86 branches in Q3 FY18</li><li>• OEM tie-up contributed 14.2% of GWP for Q3 FY19 &amp; Continue to <b>explore other OEM and Banca</b> opportunities</li><li>• <b>Productivity</b> Improvement in both retail agency and banc-assurance &amp; alliances channel.</li><li>• Continued increase in the <b>Non Motor commercial portfolio</b>; backed by a <b>strong panel of reinsurers</b></li></ul>	<ul style="list-style-type: none"><li>• <b>Motor Portfolio:</b> Continue to enjoy the best OD loss ratio in the industry as per Q2 FY19 NL disclosures</li><li>• <b>Commercial Portfolio:</b> Defined table of retentions based on Hazard grades. Preferred, referral and declined list of Occupancies in place. Underwriting delegations in place with a four eye principle</li><li>• <b>Health &amp; Accident Portfolio:</b> Continued focus on building critical illness portfolio on underlying credit portfolios</li><li>• Sale of Retail health indemnity: significant increase of 34% in sales through agency channel</li><li>• Group Health launched in Nov'18 and contributed Rs. 1.04 Crores till December FY19 by focusing on smaller Corporate clients</li></ul>	<ul style="list-style-type: none"><li>• <b>Tablets:</b> Feet on Street equipped with Tablets enabling instant quotation &amp; policy generation</li><li>• <b>Agent Portal:</b> Enabling customer &amp; channel delight; one of lowest usage of manual cover notes</li><li>• <b>Automated Dashboards:</b> Facilitates regular reviews by supervisors</li><li>• <b>Branch level profitability tool</b> matrices currently being defined so as to drive overall improvement in profitability</li><li>• <b>Claims System</b> : Modern claims system live in July 18, Pre-Inspective I-survey module live in Nov 18</li></ul>	<ul style="list-style-type: none"><li>• <b>Stable leadership team</b> operating out of <b>Mumbai Corporate Office</b></li><li>• <b>Learning &amp; Development:</b> Execution effectiveness, potential development and product knowledge focused training and development programs</li><li>• <b>Reward &amp; Recognition:</b> Structured schemes and parameterized recognition</li><li>• Introduction of schemes to contain Front line attrition</li></ul>

# A. Magma HDI General Insurance: Robust growth

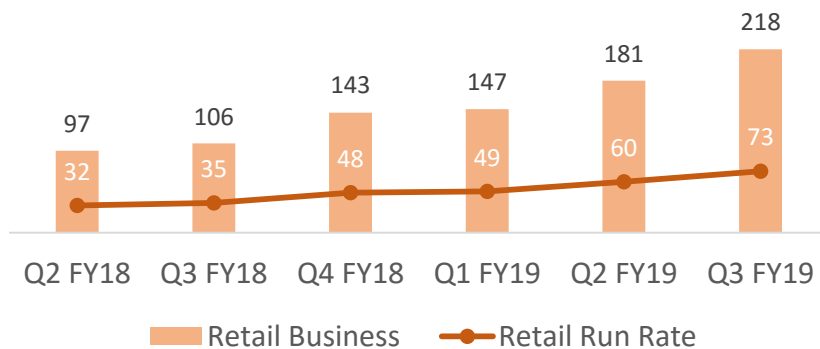
## Gross Written Premium



## Combined Ratio Movement

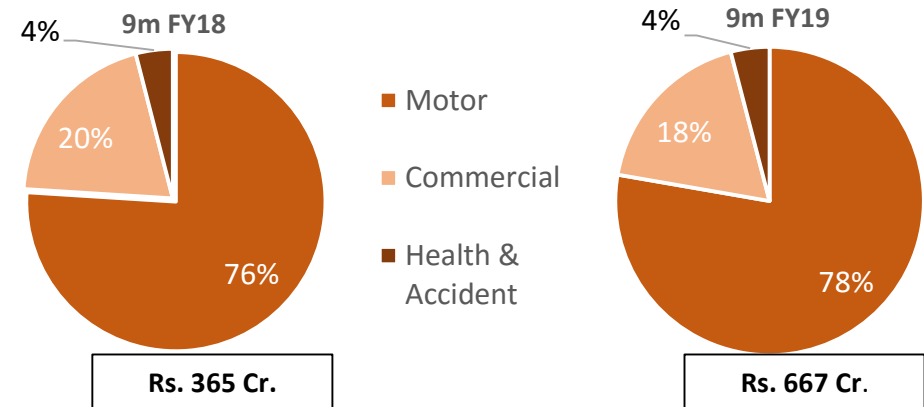


## Retail Run Rate



Values in Rs crore

## Portfolio Construct



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## B. Strong Risk Framework Interwoven with the Business Strategy

### Comprehensive Risk Framework developed in association with a leading Credit Rating Agency

#### Calibrated Product-Customer-Geography Mix

- OEM, End-Use and Resale demand driven product classification for ABF
- Differentiated offering in various markets considering Net Adjusted Return

#### Refined Credit Screens & Processes

- Customized screens to consider informal income streams with relevant experience
- Rolled out 'credit scoring platform' for ABF Business with ~70% automated decision in Q3 FY19; to achieve standardization, enhance efficiency and result in better portfolio quality

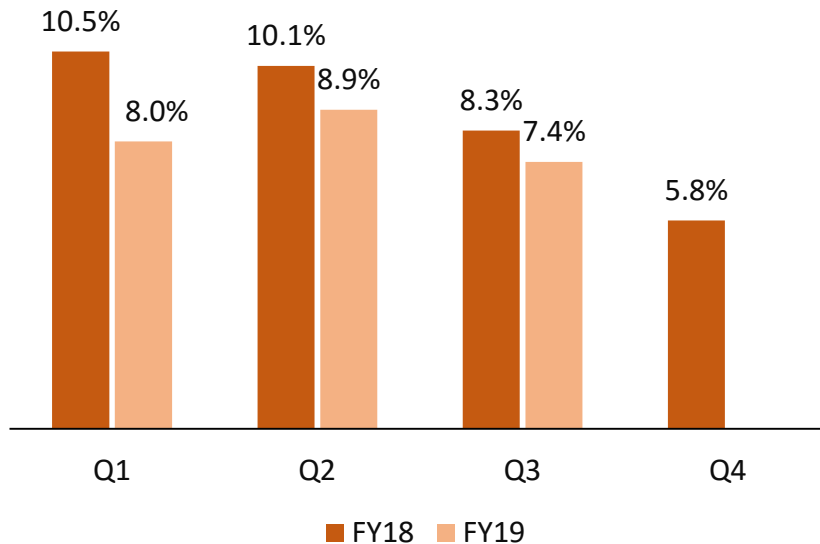
#### Early Warning Indicators

- Early Warning Indicators (EWI) and Continuous Portfolio Monitoring Indicators (CPMI) implemented for ABF with benchmarks basis targeted loss
- Branch, product, dealer & asset grading established for ABF and linked to CPMI, for continuous monitoring and improvement of asset quality
- Credit hind sighting of early delinquent cases to resolve and use as feedback mechanism in credit screens

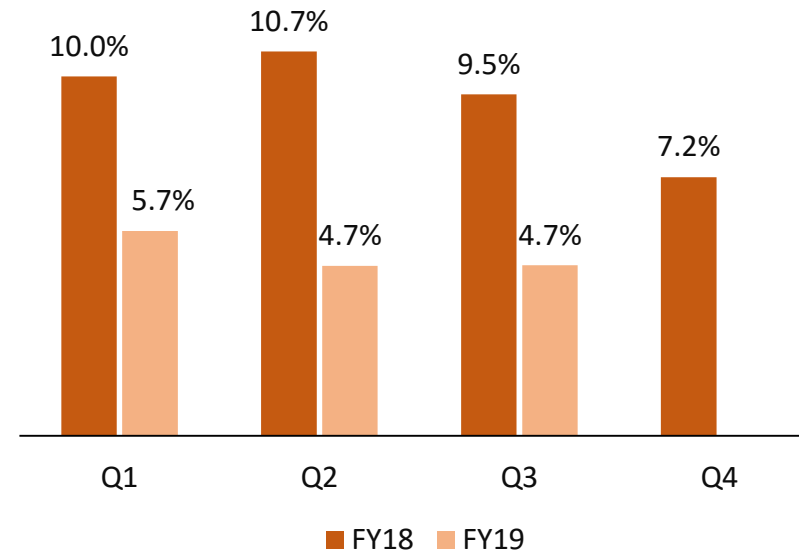
Strong analytics through in-house team, credit bureau modelling & competitive analysis, better process & technology has led to significant improvement of asset quality in the portfolio

## B. Early Indicators: ABF - EWI & CPI Trend

### EWI Trend for ABF



### CPI Trend for ABF



**EWI reduced by 11% Y-o-Y as on Q3 FY19**

**CPI has reduced by 50% Y-o-Y as on Q3 FY19**

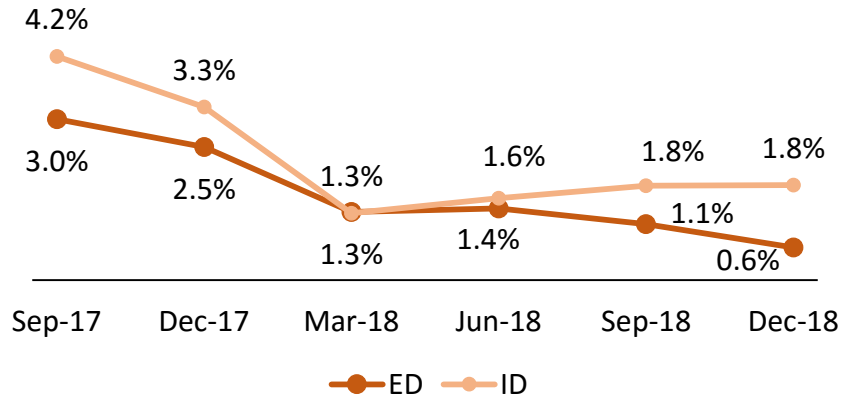
*EWI: Early Warning Indicators are the 0+% of each quarterly portfolio with 1 Quarter Lag (Tractor Non-Monthly structure is with 2 Quarter Lag)*

*CPI: Continuous Portfolio Monitoring Indicator is a composite index of 4 indices monitoring the 60+% movement of quarterly portfolio at different time lag*

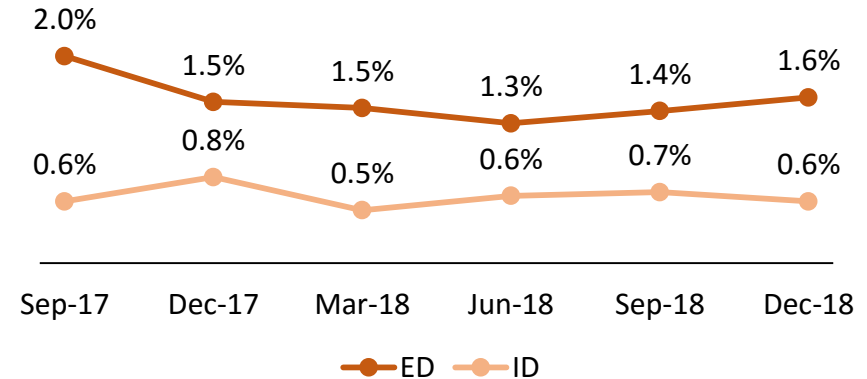


## B. Early Indicators: AHF & SME - ID & ED Trends

### ID & ED Trend for Affordable Housing (AHF)



### ID & ED Trend for SME



**Y-o-Y improvement in ED and ID for Affordable Housing Finance**

**Consistent ID trend visible in SME Finance**

**EWI & CPI parameters for Affordable Housing Loan and SME Finance are under development**

ID = 0+ bkt % for cases sourced in last 6 months on 1 months lag basis including current month .

ED = 30+ bkt % for cases sourced in last 12 months on 2 month lag basis including current month.

ID = 0+ bkt % for cases sourced in last 6 months on 1 month lag basis including current month .

ED = 60+ bkt % for cases sourced in last 12 months on 3 month lag basis including current month.

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### Three stage effective recovery process

- Large and highly trained employee network, whose substantial earning is linked to recovery in pre NPA and early NPA buckets
- Strict implementation of triggers at early delinquency
- Use available legal tools such as Arbitration, Sec 138, SARFAESI effectively to ensure maximum recovery

### Leading to -

- Reduction in Gross Stage 3 Assets from 10.7% in Q3 FY18 to 6.3% in Q3 FY19
- Stage 1 & 2 - ECL Provision ratio reduced from 3.1% in Q3 FY18 to 2.4% in Q3 FY19, reflecting significant improvement in lower bucket composition

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## D. Implemented state of the art CRM system to build strong cross sell/up sell capabilities and customer delight

**Key endeavour: To meet and exceed customer expectations fast and proactively**

### Initiatives

- Strengthening Cross-sell
  - Activate cross-sell at all touch-points
  - Deploy analytics for enhanced cross-sell
- Customized offers on FoS Tablets
- Strengthening lead management
  - Alerts to Field officers and automated escalations to sales hierarchy
- Robust training to enhance sales skills of branch & customer service staff

Ensuring  
Customer  
Delight

Increasing wallet  
share

### Early gains visible

- 13% increase in cross sell disbursement in YTD FY18 vs FY19.
- 50% reduction in complaints in FY18 vs FY17 and 57% reduction in complaints in Q3 FY19 vs. Q3 FY18

### Targeting in FY20

- High Double digit growth of cross sell disbursements
- Continue to reduce complaints aggressively
- Industry best First Call Resolution Rate (FCR) by resolving 80%+ queries on call

### To exceed customer expectations through exceptional service

#### Key initiatives

- Enhanced customer connect
  - 360° customer view across LoBs
  - Unique Customer ID across finance business
- Moving from paper to e-communication
  - Documents sent as SMS links
- Empowering front line staff to ensure smooth exit experience



#### Key initiatives

- Communication in customer's language
  - Call centre with 10 languages
  - Key SMS to customers in vernacular languages
- Expanding avenues of EMI payment
  - Increased adoption of Mobile payments
- Structured customer engagement program
  - Welcome calling to customers
  - Proactive connect to prevent complaints
- Transparent communication of all charges

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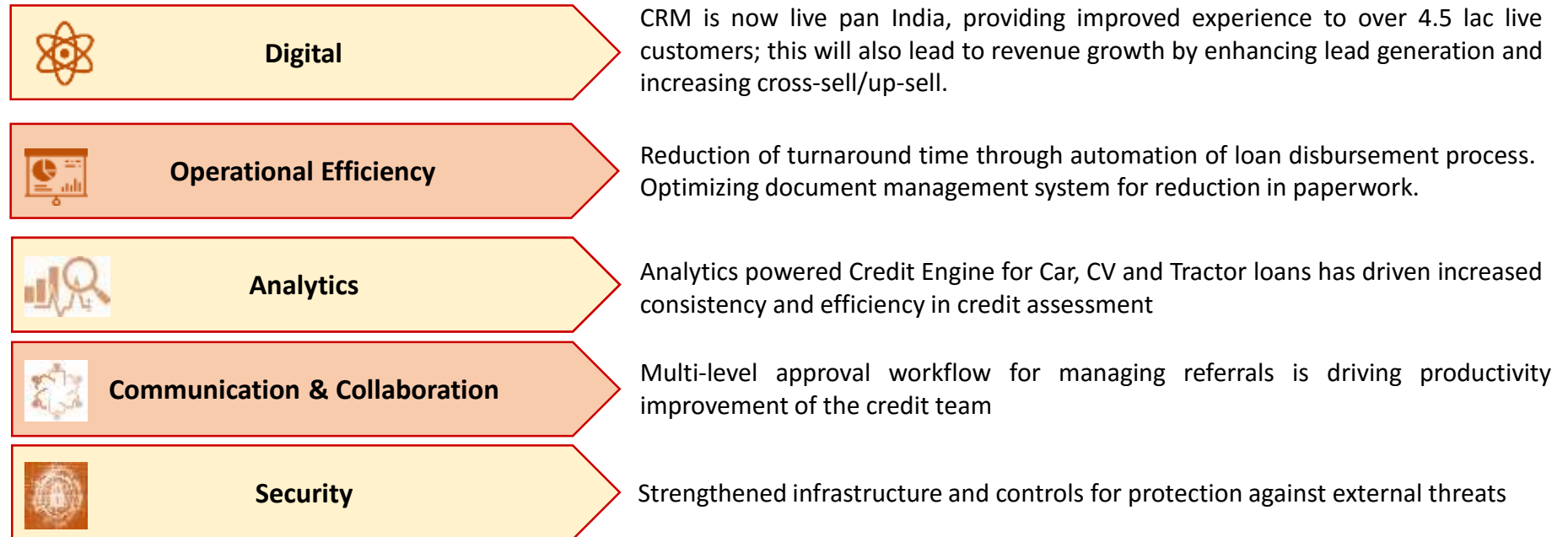
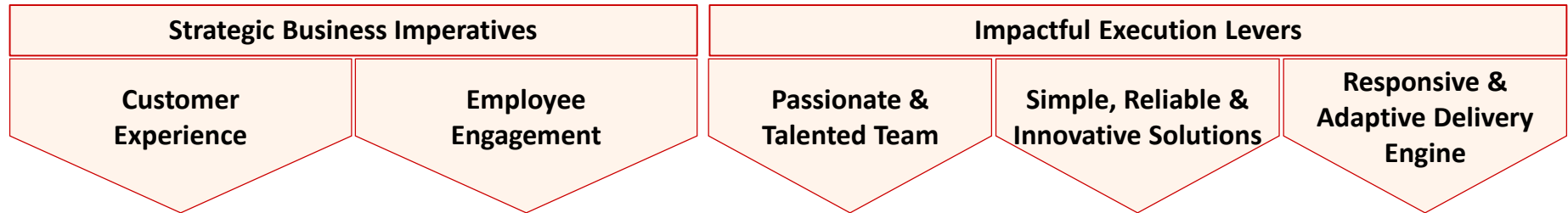
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## E. Technology and Digital Initiatives to enhance customer connect





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### Focus on learning & development

- Fully functional role based training framework aimed to enhance productivity and behavior
- LMS, our web based learning platform being leveraged to create blended training programs, increasing efficiency
- Structured **development intervention** for Senior leadership commenced

### Managing talent & enhancing retention

- **Talent management framework** with objective of building internal succession planning bench and strengthening retention
- **Leadership Development** for VPs & SVPs to commence with an objective of building leadership depth

### Creating a WOW employee experience

### Strengthened engagement & onboarding

- Structured onboarding focused on middle and senior management (General Manager+)
- Calendared employee engagement events at local and national level
- **Quarterly MD** webcast across all locations with live Q&A

### Embedding technology

- HR automation and technology leveraged to empower employees and simplify their life
  - System driven **Flexi Pay plan for employees**
  - Empowering business leaders with **real time HR dashboard** to drive people agenda proactively

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### Adoption of Indian Accounting Standards (“IND-AS”)

- This is the first financial year of adoption of Indian Accounting Standards (“IND-AS”) for the purposes of the Company’s financial reporting.
- The impact of the transition from previous GAAP (“I-GAAP”) has been made in the opening reserves of FY18.
- Except for the financial results for quarter ended 31<sup>st</sup> Dec 2018, quarter ended 30<sup>th</sup> Sept 2018 and 9months period ended 31<sup>st</sup> Dec2018 which has been subject to limited review, all other reporting's and disclosures made in the presentation are based on management reports.
- The disclosures provided here are to merely provide a summary of the performance and for comparing key differences with previous accounting standards.
- The financial results and the additional disclosures may be updated, modified or amended because of adjustments which may be required to be made on account of introduction of new standards or their interpretation, receipt of guidelines or circulars from Reserve Bank of India and/or Other Government or Regulatory Bodies and/or changes because of exercising any available exemptions.

# Q3 FY19: Consolidated Result Highlights (as per Ind AS)

<b>Disbursements</b> Q3 FY19 – Rs 2,133 Cr Q3 FY18 – Rs 1,939 Cr	<b>AUM</b> Q3 FY19 – Rs 16,507 Cr Q3 FY18 – Rs 15,605 Cr	<b>NIM</b> Q3 FY19 – 8.4% Q3 FY18 – 7.8%
<b>Opex / AAUM</b> Q3 FY19 – 4.2% Q3 FY18 – 3.8%	<b>NNPA</b> Q3 FY19 – 4.0% Q3 FY18 – 5.6%	<b>PAT</b> Q3 FY19 – Rs 74 Cr Q3 FY18 – Rs 45 Cr
<b>ROA</b> Q3 FY19 – 1.8% Q3 FY18 – 1.1%	<b>ROE</b> Q3 FY19 – 11.4% Q3 FY18 – 9.7%	<b>Q3 FY19</b> Networth - Rs 2,662Cr BVPS - Rs 98.3, EPS - Rs 2.7 Capital Adequacy – 22.6%

- Disbursement up 10%
- NNPA has improved by 28%
- PAT up by 65%

# YTD FY19: Consolidated Result Highlights (as per Ind AS)

## Disbursements

YTD FY19 – Rs 6,174 Cr

YTD FY18 – Rs 5,054 Cr

## AUM

YTD FY19 – Rs 16,507 Cr

YTD FY18 – Rs 15,605 Cr

## NIM

YTD FY19 – 8.7%

YTD FY18 – 7.8%

## Opex / AAUM

YTD FY19 – 4.2%

YTD FY18 – 3.6%

## NNPA

YTD FY19 – 4.0%

YTD FY18 – 5.6%

## PAT

YTD FY19 – Rs 219 Cr

YTD FY18 – Rs 157 Cr

## ROA

YTD FY19 – 1.8%

YTD FY18 – 1.3%

## ROE

YTD FY19 – 12.7%

YTD FY18 – 11.6%

## YTD FY19

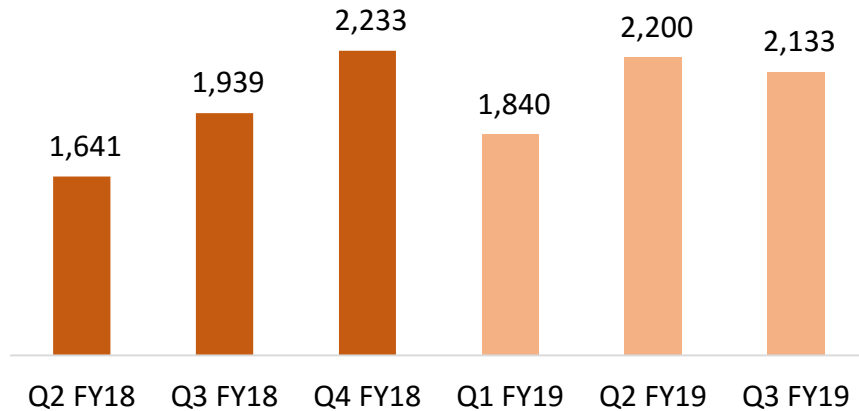
Networth - Rs 2,662Cr

BVPS - Rs 98.3, EPS - Rs 8.1

Capital Adequacy – 22.6%

- Disbursement up 22%
- NNPA has improved by 28%
- PAT up by 39%

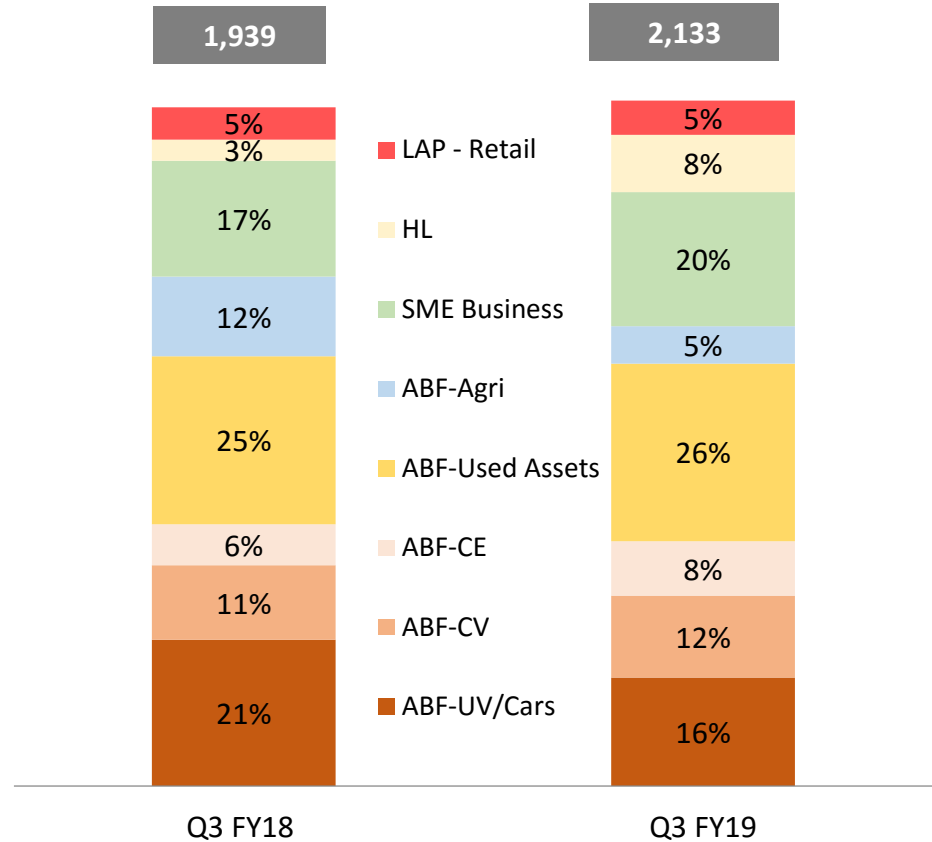
## QoQ growth in Disbursement



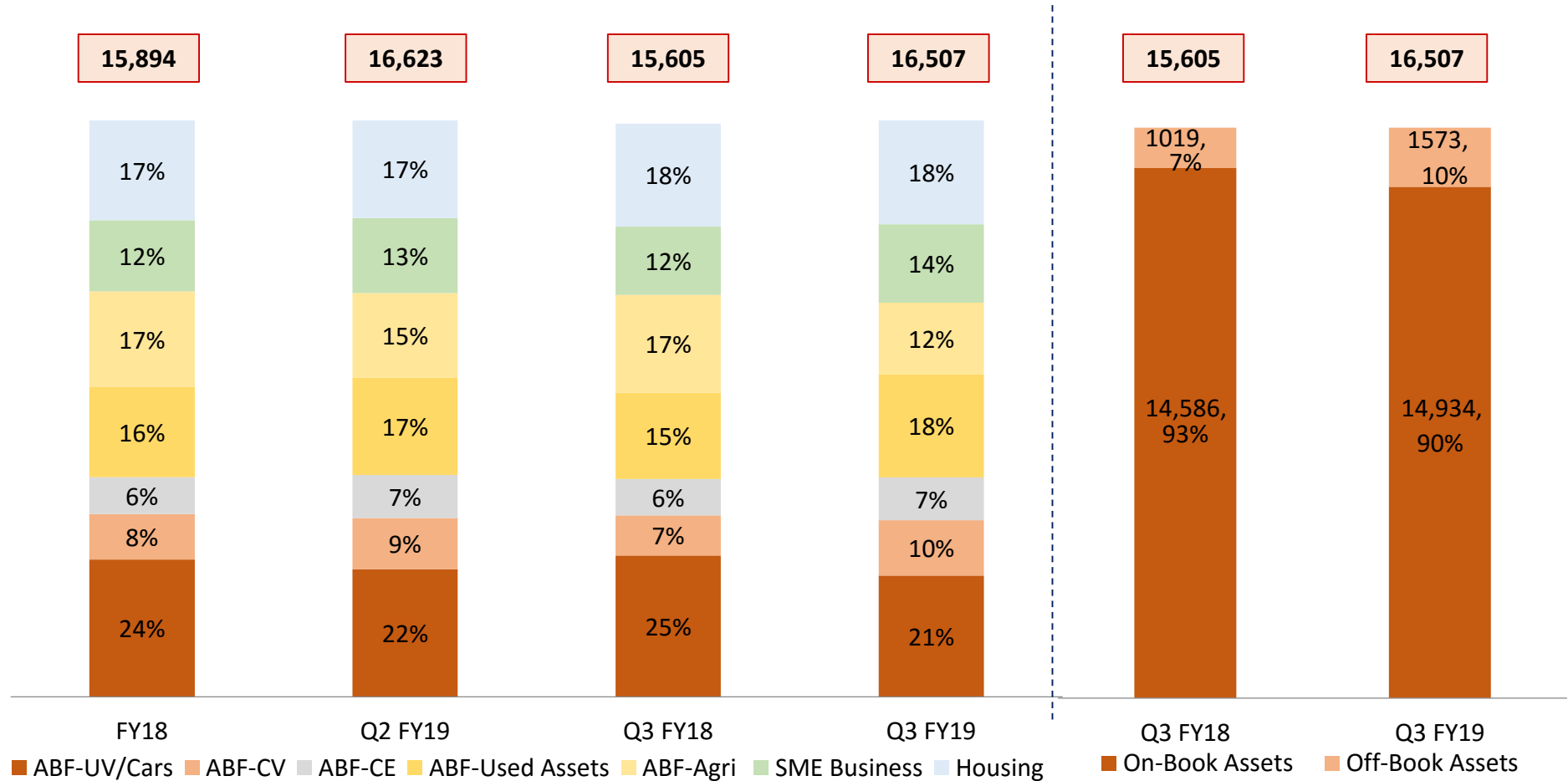
- Continued focus on core products as evidenced by rising share in disbursement of CV, CE, Used Assets, Affordable Housing and SME Finance

Values in Rs crore

## YoY Change in Disbursement Mix



# Assets Under Management (AUM) – Ind AS



Values in Rs crore



## Assets Quality (Ind AS)

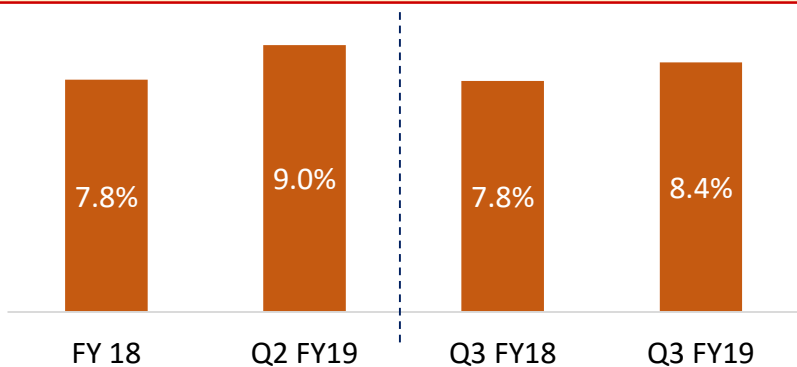
Particulars	FY18	Q2 FY19	Q3 FY18	Q3 FY19
Gross Stage 1 and Stage 2 Assets	13,384	13,866	13,023	13,988
ECL Provision – Stage 1 and 2	388	348	407	333
<b>Stage 1 and Stage 2 Coverage Ratio (%)</b>	<b>2.9%</b>	<b>2.5%</b>	<b>3.1%</b>	<b>2.4%</b>
Gross Stage 3 Assets	1,373	1,452	1563	946
ECL Provision – Stage 3	748	821	790	361
Gross Stage 3 Assets (%) (~ GNPA)	9.3%	9.5%	10.7%	6.3%
<b>Net Stage 3 Assets (%) (~NNPA)</b>	<b>4.5%</b>	<b>4.4%</b>	<b>5.6%</b>	<b>4.0%</b>
<b>Stage 3 Coverage Ratio (%)</b>	<b>54.5%</b>	<b>56.5%</b>	<b>50.6%</b>	<b>38.1%</b>

Note: Assets quality ratios are calculated basis On Book AUM (i.e. Direct Assignment book is excluded)  
Stage 1 and Stage 2 coverage ratio declines, reflecting improvement in lower bucket composition.

Values in Rs crore

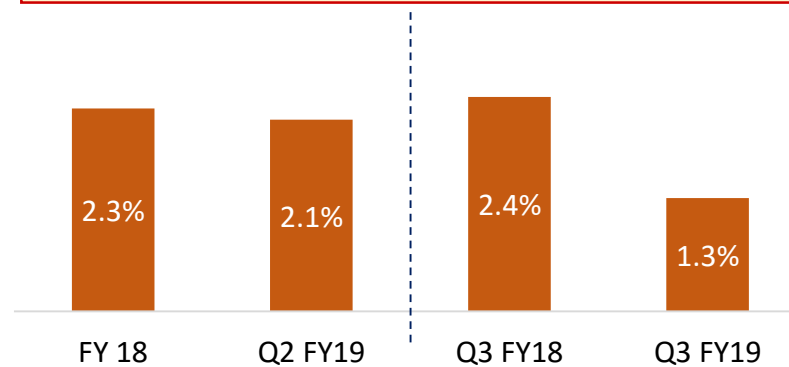
# Key Ratios – Ind AS

## NIM Analysis (% of AUM)



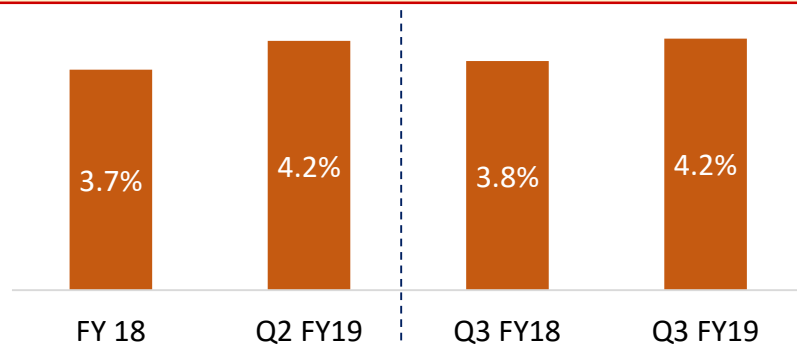
*NIM: (Total Income (incl. Other Income) – Interest Expenses) / Average AUM*

## NCL (% of AUM)



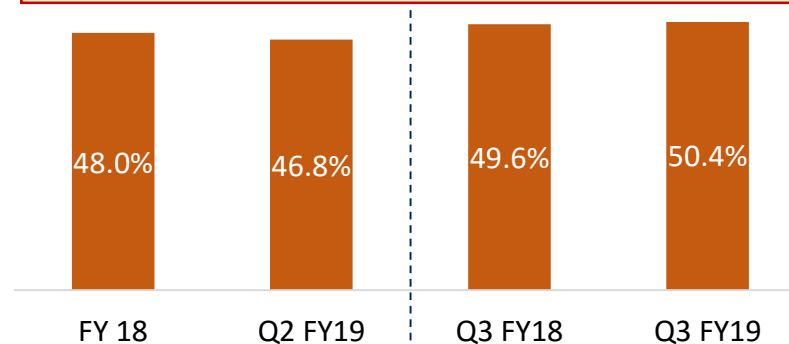
*NCL: Net Credit Loss / Average AUM*

## Opex Ratio



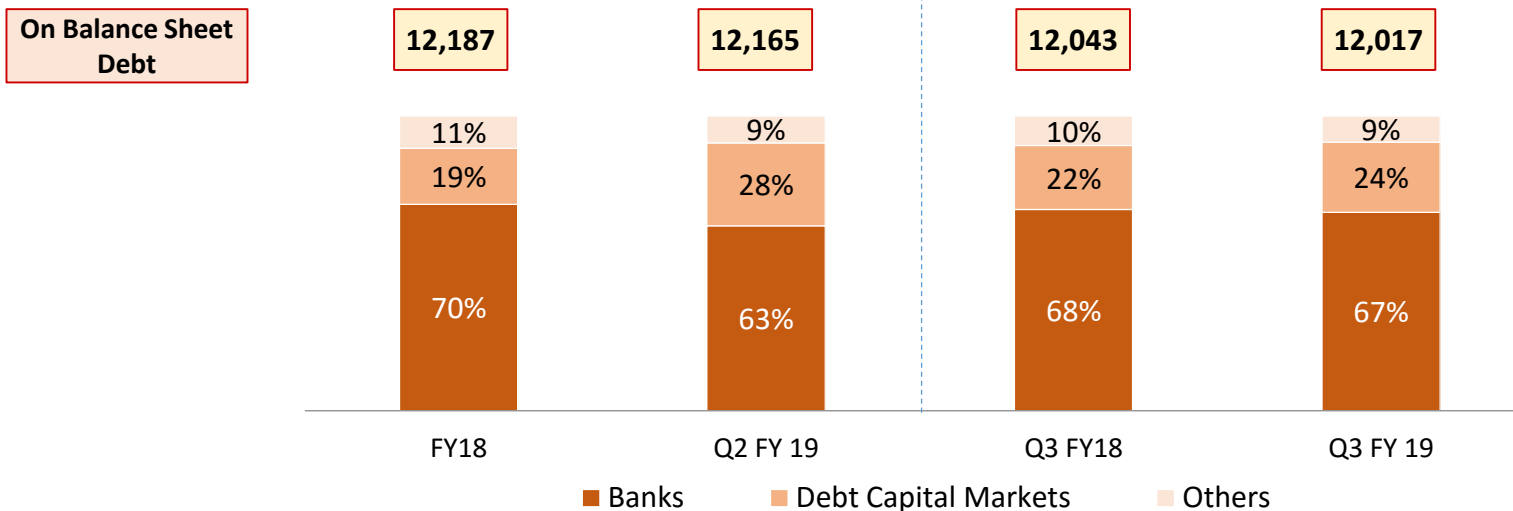
*Opex: Total operating cost / Average AUM*

## Cost / Net Income (%)



*Cost / Net Income% : Total operating cost / (Total Income (incl. Other Income) – Interest Expenses)*

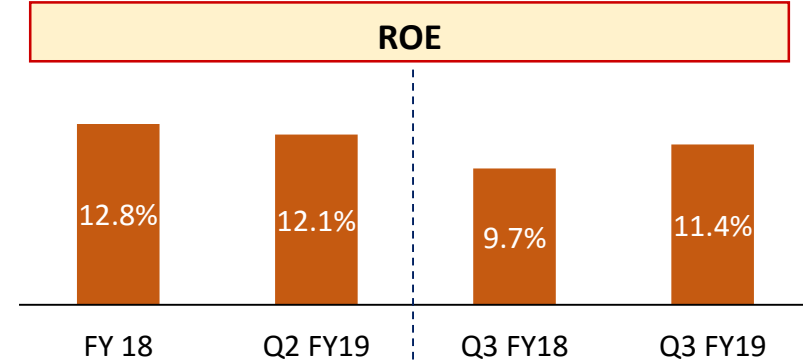
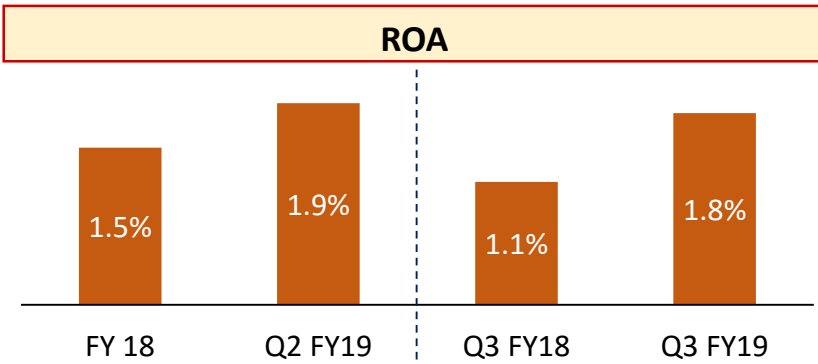
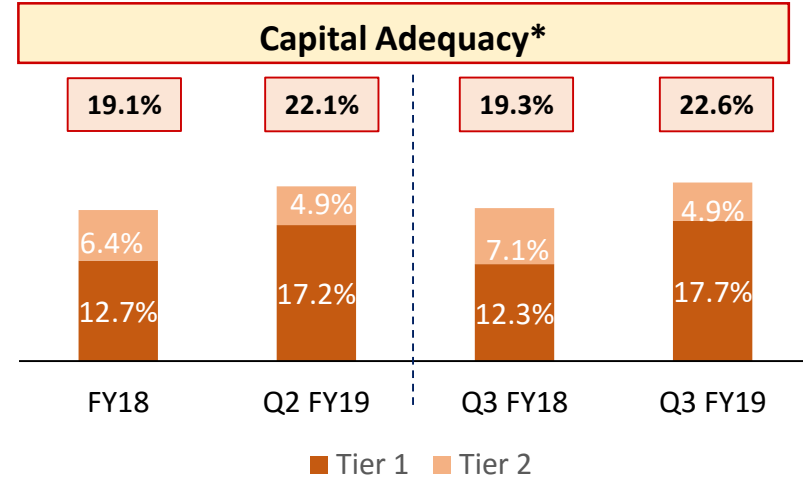
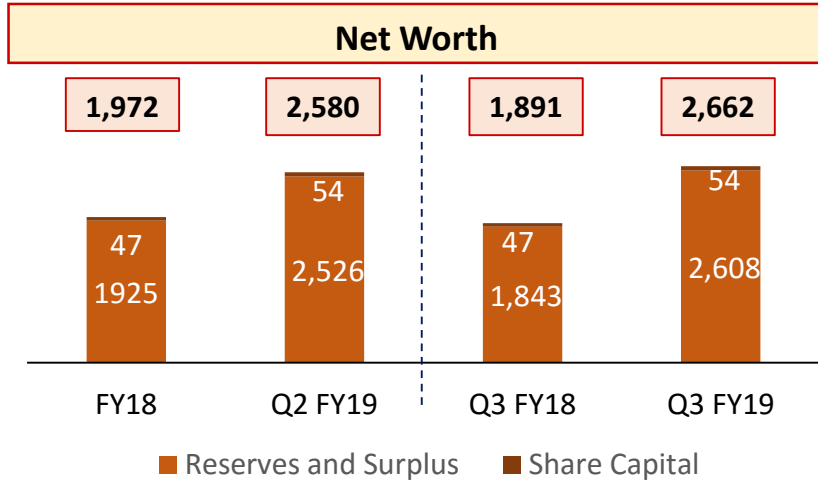
# Liability Profile



Instrument	Rating
Short term Debt	<b>A1+</b> (By CARE & CRISIL)
Long term Debt	<b>AA-</b> (By CARE, ICRA & India Ratings)* <i>*Outlook- Stable</i>

- Diversified liability sources limit concentration risk, allows stable flow of funds, stable rating - all leading to lower costs
- Debt Capital market funding from wide spectrum of lenders including MFs, Insurance companies, Pension / Provident funds and Corporates among others
- Other debt includes Perpetual debt, Sub debt.
- The above chart is based on average utilization of Funds basis

Balance Sheet Debt based on MFL Consolidated financials; Values in Rs crore.



ROA- PAT (excluding OCI) / Average AUM

ROE- PAT (excluding OCI) / Average Net Worth

\* Subject to RBI guidelines

Values in Rs crore

# Consolidated Profit & Loss Statement – Ind AS

Ind AS						
INR Crs	Q3 FY19	Q2 FY19	Q3 FY18	YTD FY19	YTD FY18	FY18
Net Revenue	347	365	303	1,052	937	1,262
Expenses	175	171	150	513	439	605
<b>Operating Profit</b>	<b>172</b>	<b>194</b>	<b>153</b>	<b>540</b>	<b>498</b>	<b>656</b>
Net Credit Loss	53	87	94	224	334	367
<b>Profit Before Tax</b>	<b>120</b>	<b>107</b>	<b>59</b>	<b>315</b>	<b>164</b>	<b>289</b>
Tax	43	27	15	99	10	54
<b>Profit After Tax</b>	<b>77</b>	<b>80</b>	<b>44</b>	<b>216</b>	<b>155</b>	<b>235</b>
Share of profit in Joint Ventures / Associates	-3	-3	1	2	2	2
<b>Consolidated Profit After Tax</b>	<b>74</b>	<b>77</b>	<b>45</b>	<b>219</b>	<b>157</b>	<b>237</b>
RoA	1.8%	1.9%	1.1%	1.8%	1.3%	1.5%
RoE	11.4%	12.1%	9.7%	12.7%	11.6%	12.8%

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**Business Overview**

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**Leadership Team & Shareholding Structure**

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**Annexures**

*Note: We have used various abbreviations, nomenclature, financial & non-financial ratios in this presentation. These may differ from the customary or industry practices and some of the products / geographical breakup are on best estimate basis. Please refer to the Glossary in this presentation for the definition or description of such abbreviations, nomenclature, financial & non-financial ratios.*

## Promoter Directors

**Mayank Poddar**  
*Chairman*  
*Emeritus and*  
*Whole time*  
*Director*

- Supports policy formulation and guidance to the Management/Board
- Over 30 years of experience in the financial sector.

**Sanjay Chamria**  
*VC and MD*

- Anchors strategic policy formulation and execution.
- Drives new business initiatives and leads management team

## Non Promoter Directors

**Narayan K Seshadri**  
*Non- executive*  
*Independent*  
*Chairman*

He is on the Board of companies including Clearing Corporation of India Limited, PI Industries Limited and TVS Electronics Limited

**Satya Brata Ganguly**  
*Independent*  
*Director*

Serves on the Boards of various reputed Indian companies including West Bengal Industrial Corporation Limited and Rupa and Company Limited

**VK Viswanathan**  
*Independent*  
*Director*

Chairman of Bosch Ltd. Previously he served as Managing Director of Bosch Ltd. He currently serves on board of various reputed Indian corporates as an Independent Director.

**Madhumita Dutta-Sen**  
*(Nominee of IFC)*

Ms. Madhumita Dutta-Sen has worked for IFC for almost 25 year. She has a Master's degree in Finance from the American University, Washington D.C..

# Key Management Team



**Sanjay Chamria**  
VC and MD

## Business CEO

## Support Functions



**Kaushik Banerjee**  
President & CEO - ABF



**Manish Jaiswal**  
MD & CEO - HFC,  
CEO - SME



**Rajive Kumaraswami**  
MD & CEO-MHDI



**Chirag Jain**  
Chief Operating  
Officer



**Rajneesh Mishra**  
Chief People Officer



**Deepak Patkar**  
Chief Risk Officer



**Kailash Baheti**  
Chief Financial Officer

Nov-2016

President, Strategy  
& Corporate Affairs,  
Cholamandalam  
Investment &  
Finance Limited

Jun-2017

Head, Risk Advisory,  
Research and SME  
Ratings, CRISIL

Jun-2016

Chief  
Representative  
Officer - India  
Liaison office,  
SCOR Re, India

Feb-2017

Director -  
Operations, Canara  
HSBC Oriental Bank  
of Commerce Life  
Insurance Co Ltd

Jan-2019

Vice president-HR,  
Bajaj Finserv Limited

Sept-2018

Chief Risk Officer,  
Fullerton India  
Credit Company  
Limited.

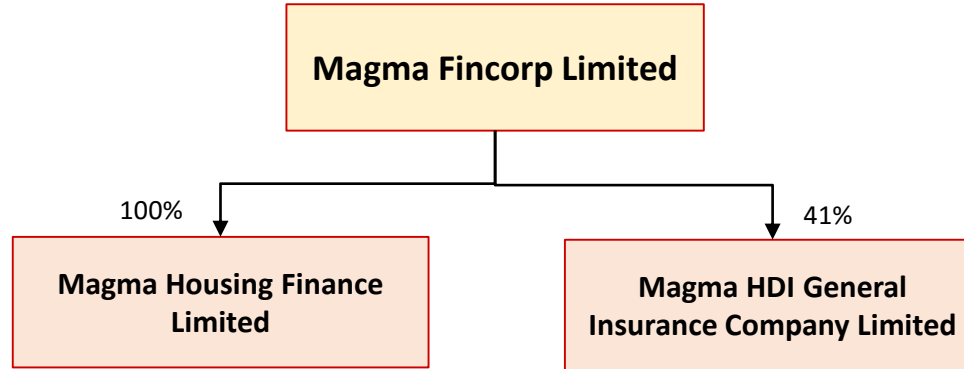
Oct-2011

CEO,  
Century Extrusions  
Limited

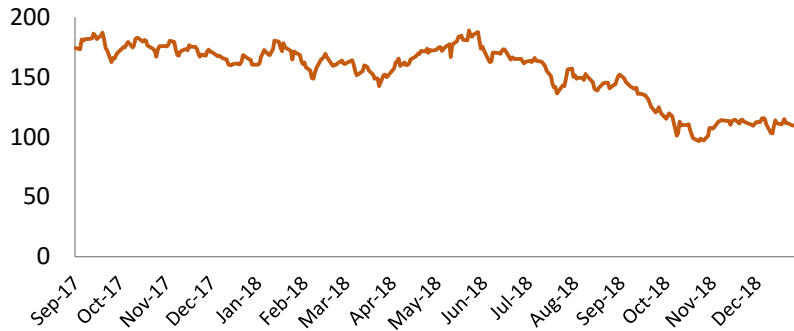
Joined

Title and Previous Company



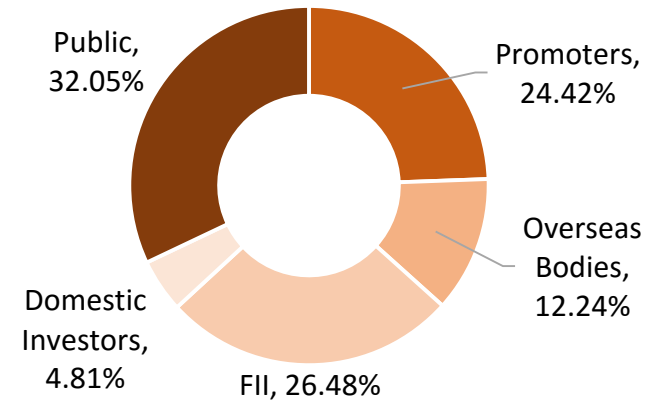


## Share Price Performance



Average share price data from NSE

## Shareholding (31-Dec-2018)



*THANK YOU*



# Glossary

AUM	Assets Under Management: On-Book & Off-Book Loan Assets
Average AUM (AAUM)	Average of opening and closing AUM
FOS / Field Officer	Feet on Street
ABF	Asset Backed Finance
AHF	Affordable Housing Finance
HL	Home Loan
LAP	Loan against property
SME	Small & Medium Enterprises
NDSA	Non-dealer Direct Selling Agent
DDSA	Dealer Direct Selling Agent
Direct Biz	Direct Biz means Business directly generated by Magma employees without help from DDSAs / NDSAs / Brokers, and includes Cross-sell
Mortgage Direct Biz	Business through connectors is included in Direct business
ATS	Average Ticket Size
Mortgage ATS	Disbursals during the month / Number of first time disbursals
ODPOS	Overdue + Principal Outstanding
NIM	Net Interest Margin: [Total Income (incl. Other Income)– Interest Expenses]/Average AUM
Yield	Weighted average yield on Loan Assets including Off-Book Loan assets
CoF	Cost of Funds: Weighted average cost of borrowings including securitization
Opex / AUM%	Opex / Average AUM
Total Assets	On B/S Assets of MFL (Consolidated)
NCL	Prov. & Write-off/ Average AUM
Gross Stage 3 Assets %	Gross Stage 3 Assets / Closing AUM (On-book)
Net Stage 3 Assets %	(Gross Stage 3 Assets – ECL Provision – Stage 3) / (Closing AUM (On-book) – ECL Provision Stage 3)
ECL	Estimated Credit Loss
RoA	PAT (excluding OCI) / Average AUM
RoE	PAT (Excluding OCI)/ (Net worth - Goodwill)
Networth	Equity Share Capital +Reserves & Surplus
BVPS	Book Value per share: (Net worth-Goodwill) / No. of Equity shares outstanding
EPS	Earnings Per Share (Diluted)
MITL	Magma ITL Finance Limited (Merged with MFL)
MHF	Magma Housing Finance Limited (100% Subsidiary)
MHDI	Magma HDI General Insurance Company Limited (Joint Venture)
SENP	Self-employed Non Professional
SEP	Self-employed Professional
NIP	No income Proof

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# Magma Fincorp Ltd. (MFL) Standalone Profit & Loss Statement

Ind AS						
INR Crs	Q3 FY19	Q2 FY19	Q3 FY18	YTD FY19	YTD FY18	FY18
Net Revenue	311	331	279	954	847	1,137
Expenses	155	152	137	457	400	552
<b>Operating Profit</b>	<b>157</b>	<b>179</b>	<b>141</b>	<b>498</b>	<b>447</b>	<b>585</b>
Net Credit Loss	51	85	94	220	326	347
<b>Profit Before Tax</b>	<b>105</b>	<b>94</b>	<b>48</b>	<b>277</b>	<b>121</b>	<b>237</b>
Tax	39	24	11	89	-5	36
<b>Profit After Tax</b>	<b>67</b>	<b>71</b>	<b>36</b>	<b>189</b>	<b>127</b>	<b>201</b>

# Magma Housing Finance Ltd. (MHFL) Profit & Loss Statement

Ind AS						
INR Crs	Q3 FY19	Q2 FY19	Q3 FY18	YTD FY19	YTD FY18	FY18
Net Revenue	36	33	25	98	90	125
Expenses	20	19	13	56	38	53
<b>Operating Profit</b>	<b>15</b>	<b>15</b>	<b>12</b>	<b>42</b>	<b>52</b>	<b>72</b>
Net Credit Loss	1	2	0	4	8	20
<b>Profit Before Tax</b>	<b>14</b>	<b>13</b>	<b>12</b>	<b>38</b>	<b>43</b>	<b>52</b>
Tax	4	4	4	10	15	18
<b>Profit After Tax</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>28</b>	<b>28</b>	<b>34</b>

# Magma HDI General Insurance Company (MHDI) Profit & Loss Statement

Ind AS						
INR Crs	Q3 FY19	Q2 FY19	Q3 FY18	YTD FY19	YTD FY18	FY18
Gross Written Premium	267	208	124	667	365	560
Net Written Premium	154	157	88	293	251	376
<b>Net Earned Premium</b>	<b>134</b>	<b>115</b>	<b>84</b>	<b>197</b>	<b>249</b>	<b>335</b>
Net Claims Incurred	112	89	71	106	204	278
Net Commission	-17	1	-3	-14	-9	-12
Management Expenses	71	55	37	172	116	154
Impairment loss (including recoveries)	0	2	0	2	0	0
<b>Underwriting Profit</b>	<b>-32</b>	<b>-32</b>	<b>-21</b>	<b>-69</b>	<b>-62</b>	<b>-86</b>
Investment & Other Income	26	23	23	74	67	91
<b>Profit Before Tax</b>	<b>-6</b>	<b>-8</b>	<b>2</b>	<b>5</b>	<b>6</b>	<b>5</b>
Taxes	0	0	0	0	1	1
<b>Profit After Tax</b>	<b>-5.8</b>	<b>-8.3</b>	<b>1.9</b>	<b>5.3</b>	<b>4.5</b>	<b>4.3</b>



## Corporate Social Responsibility

Magma has received several awards in the last few years for its CSR activities. Among them below are our last 4 achievements

- Asian Customer Engagement Forum & Awards - Best CSR Event, 2018 **(M Care)**
- BT CSR Excellence Awards - Innovation in CSR Practices, 2017 **(Highway Heroes)**
- Asian Customer Engagement Forum & Awards - Best CSR Event, 2017 **(Highway Heroes)**
- CSR Journal Excellence Award - Health and Sanitation, 2017 **(M Care)**

## Corporate Communication

- League of American Communications Professionals (LACP) Spotlight Awards, 2017 for Annual Report Design
- EPC Awards 2017, Best PR Campaign of the Year

## Information Technology

- CIO Crown Award for Innovation, 2017





## Health & Wellbeing



- Free medical Consultation to approx.100,000 truckers through health check up camps
- Renovation of Mid Day meal kitchen room in Chandigarh for the preparation of healthy food
- M-Care Health camps including basic test across several states in the country. Have treated around 15000 plus patients till date
- Free cataract surgery for 200 rural masses in a village in West Bengal

## Environment Sustainability



- **Magma Truckers Initiative** for Environment Sustainability. In association with PCRA, Govt. of India undertaking
- Training Safer Driving Skills to Truck Drivers in 250 location. Estimated 175,000 truckers benefitted
- Better Mileage + Fuel Conservation = Saving about 2 crore Lt. of Diesel to date
- Reduction in CO2 Emission estimated 790 Lac kg.
- E-Toilets for Sanitation at Transport Nagars to benefit to approx. 60,000 Truck drivers

## Promotion of Education



- **M Scholar** Total strength of students enrolled under the scheme would reach 300 including 2018 batch
- Adoption of 16 Schools in Tribal areas in CG, Jharkhand in Tribal areas
- **Mid-day Meal Programmed:** Offering mid-day meal to 6500 students in Govt. Schools in Kolkata (East), Delhi (North), Mumbai (West), Saraikela (East), Nellore (South), Faridabad ( North), Jaipur (North) – through Food Relief Foundation

## Swayam - Corporate Volunteering



- **Every Child is Special:** Providing toys and other pre school kits for the under privileged kids of Mewat area in Alwar Dist.
- Supporting Free Student Hostel for the tribal kids to have easy access to school, shelter, food , clothing and other life values

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