

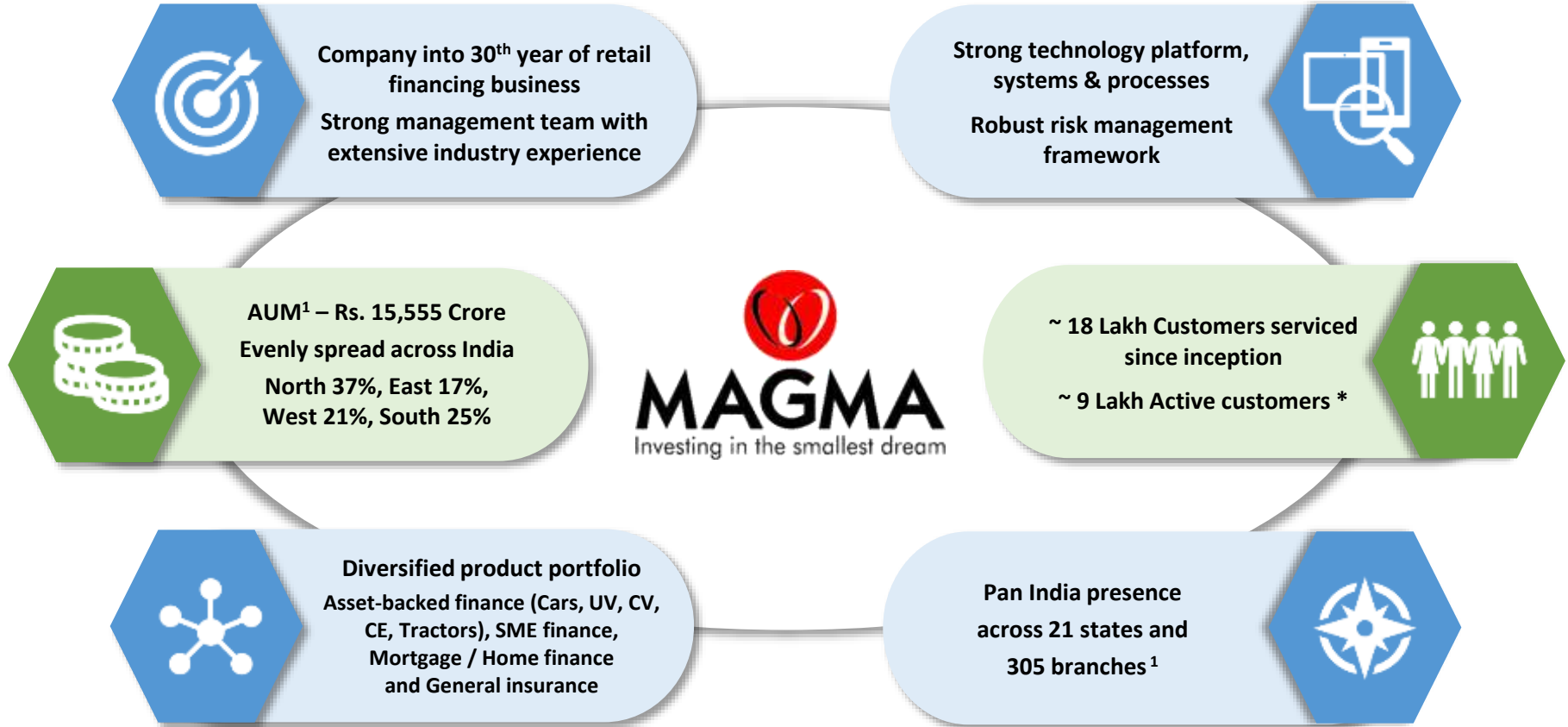
*Poised for Robust,
Sustainable and
Profitable Growth*



Magma Fincorp Limited

- 1 **Business Overview**
- 2 **Business Transformation**
- 3 **Financial Performance – Q4 FY18 & FY18**
- 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.



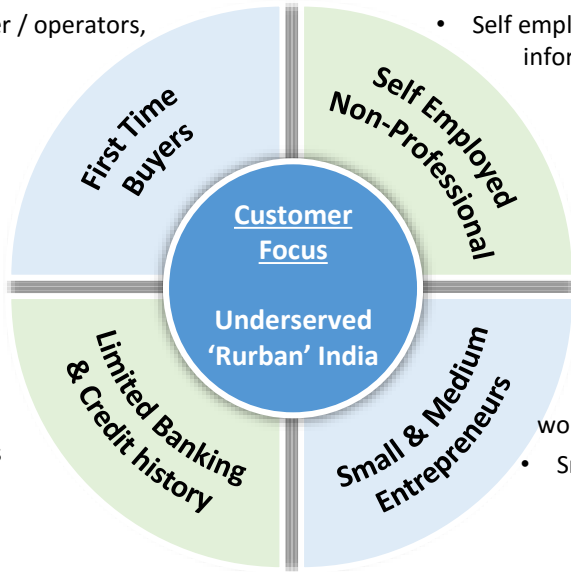
UV – Utility Vehicles, CV – Commercial Vehicles, CE – Construction Equipment

* ~5 Lakh customers in Finance Business and ~4 Lakh customers in General Insurance Business as on 31st March 2018

1 - As of 31st March 2018

Recognised and Trusted Brand in 'Rurban' India

- Taxi / Truck driver / operators, Small Farmers



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

- Customers with informal income and low eligibility for bank loans

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

Asset Backed Finance (ABF) AUM¹: Rs. 10,877 Cr



SME Finance AUM¹: Rs. 1,943 Cr.



Mortgage/Home Finance AUM¹: Rs. 2,735 Cr.



General Insurance GWP²: Rs. 560 Cr.



Total AUM¹
(ABF, SME, Mortgage)
: Rs. 15,555 Cr

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

1 - As of 31st March 2018; 2 - FY 2018

Focus on Higher Cross-Selling of Products for Lifetime 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)
ABF: Commercial Finance	●	●	●	●	4-6	75-80%	40-45
ABF: Agri Finance	●	●		●	3-4	65-70%	45-50
SME Finance		●	●	●	20-22	N/A	30-35
Mortgage / Home Finance	●	●	●	●	12-14	LAP 35-45% HL 55-65%	120-160
General Insurance	●	●	●	●			

Financing Solutions

Numbers indicative of disbursements done during Q4 FY18

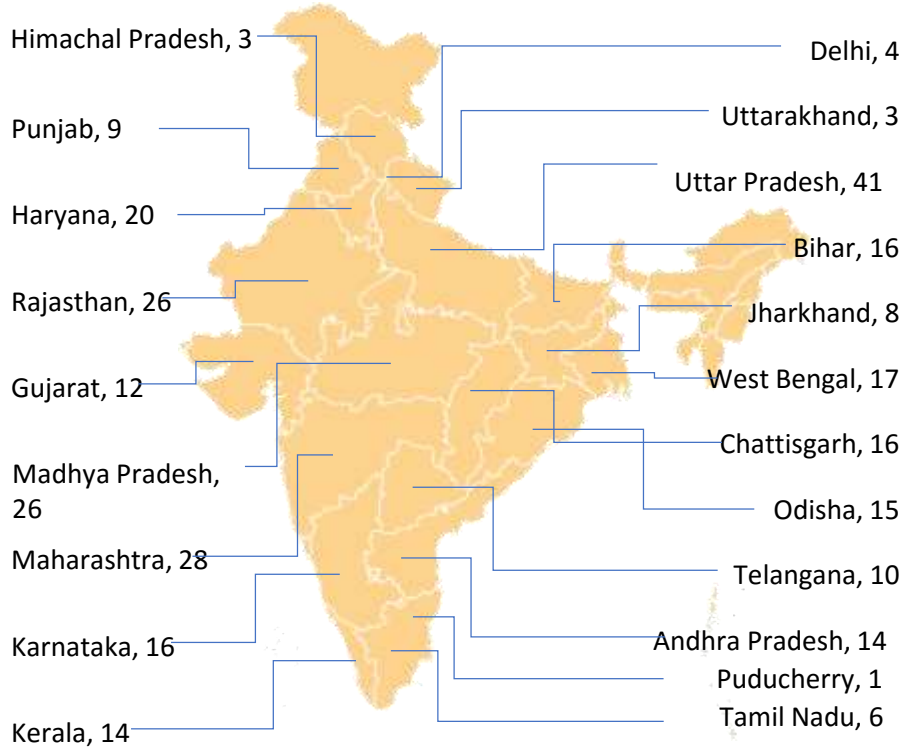
Commercial Finance includes Cars, UVs & CE;

SME Finance includes Unsecured Loans to Business Enterprises;

Agri Finance includes Tractors

Mortgage Finance / Home Finance includes LAP and Home Loans

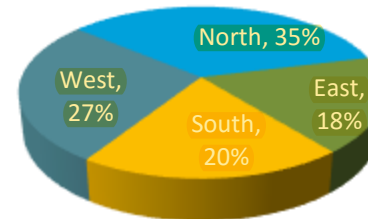
305 Branches as on 31st March 2018



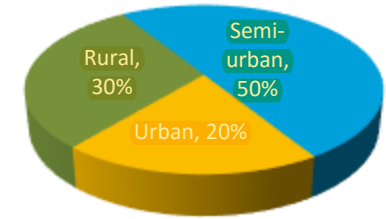
Asset Light Branch Network

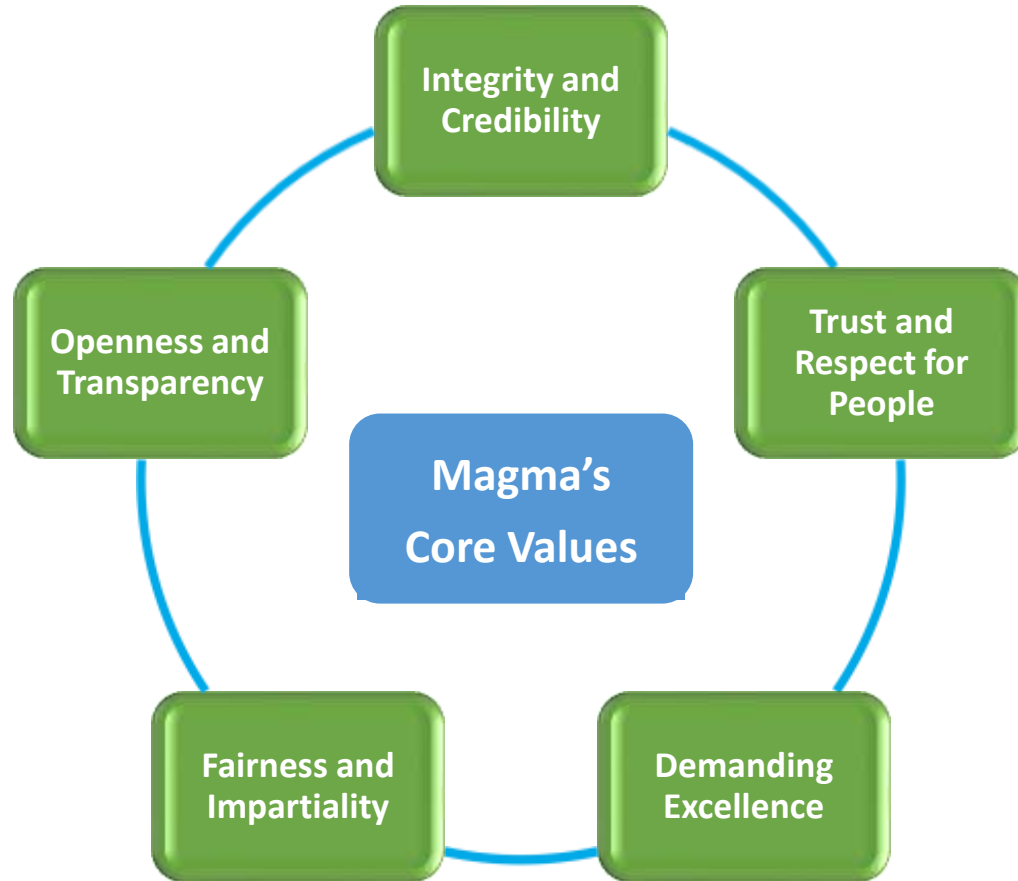
- **Wide retail presence through hub and spoke model**
- **Technology solutions** enable FOS to conduct business from channel/customer location leading to better sales productivity, better market coverage, improved channel and customer experience
- **Strong customer engagement** through large team of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

Zone-wise Breakup



Rural-Urban Breakup





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A

Business CEO Structure
driving Execution and
Performance

B

Business process
re-engineering leading to
Sustainable Growth

C

Robust Collection Process
leading to visible
improvement in Asset
Quality

D

Strong Risk Framework
Interwoven with the
Business Strategy

E

Technology, Service and
People Initiatives leading
to Employee and
Customer Delight

A. Business CEO Structure Driving Execution and Performance

- CEO structure with complete P&L responsibility of their respective business
- The structure adds significant bandwidth at top management level
- Business CEOs have complete ownership & control to execute strategy and drive business
- Individual wealth creation linked to stakeholder wealth creation for respective businesses

Asset backed Finance Business



Mr. Kaushik Banerjee
CEO & President – ABF

Previous Company:
President, Strategy & Corporate Affairs,
Cholamandalam Finance

Mortgage / Home Finance Business SME Finance Business



Mr. Manish Jaiswal
MD & CEO – HFC, CEO – SME

Previous Company:
Head, Risk Advisory, Research and SME
Ratings, CRISIL

General Insurance Business (Magma HDI)



Mr. Rajive Kumaraswami
MD & CEO – MHDl

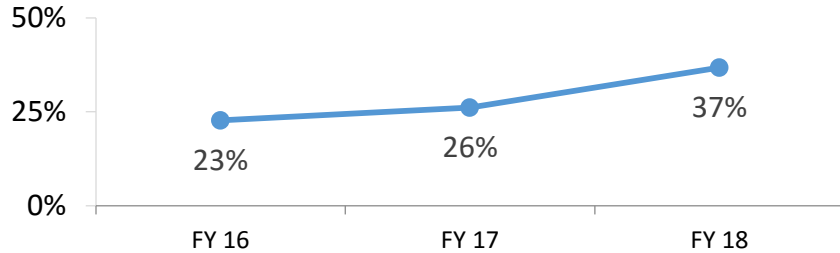
Previous Company:
Chief Representative Officer - India Liaison
office, SCOR Re, India



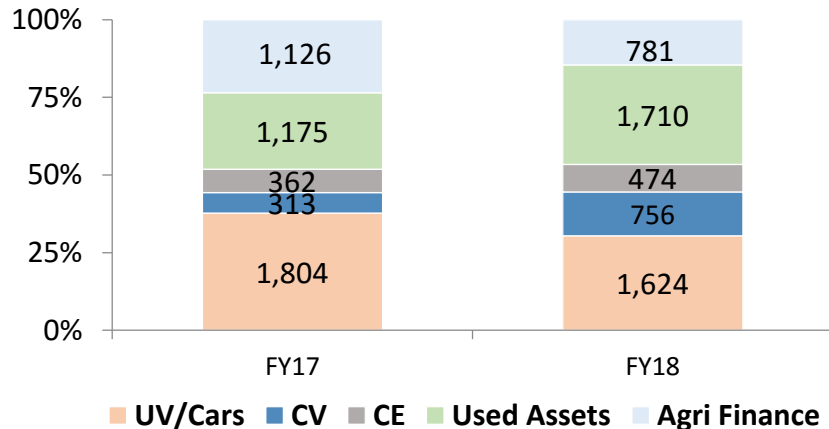
Disbursement	Portfolio	Technology	People
<ul style="list-style-type: none"> • Product Mix: Realigned product mix to focus on high RoA Used Asset product • Increased Upsell and Cross Sell of loans to credit tested customers • Significant improvement in Direct Sourcing • Channel Sales Managers: Sourcing & fulfilment through hunter & harvester model • Branch business model with Branch Manager ownership for both origination and collections (0-60 buckets) 	<ul style="list-style-type: none"> • Branch & Product Grading: Categorization as per asset quality performance • Credit Underwriting separated from Business, Credit Structure in place • Dedicated Tractor Collections team in tractor dominant markets • Trigger application basis portfolio quality indicator against a benchmark • Increased generation of fresh business with Non Cash mode of repayment 	<ul style="list-style-type: none"> • Tablets: Feet on Street equipped with Tablets and Bluetooth printers • Decision Support System (DSS) in all tablets for immediate confirmation of customer's eligibility basis few simple questions • Multiple daily Review Dashboards: Robust Review by supervisors 	<ul style="list-style-type: none"> • Learning & Development: Execution effectiveness, potential development and product knowledge focused training and development programs • Reward & Recognition: Structured schemes and parameterized recognition Programs for all levels

B. ABF Disbursal Strategy: Change is evident

Direct Business % of total ABF Disbursal

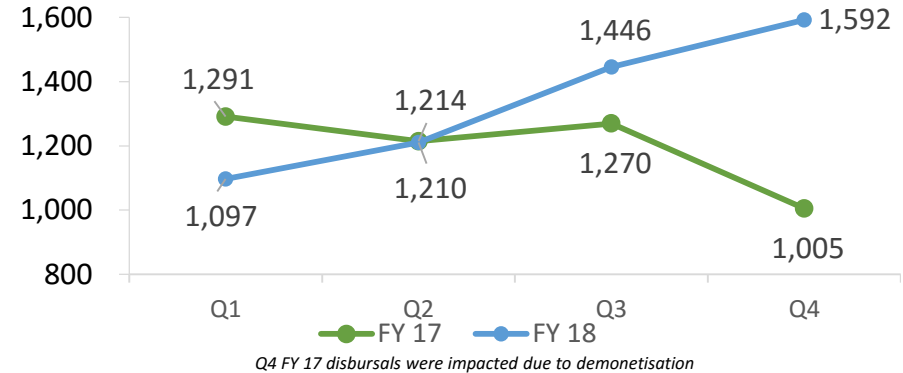


Product-wise Disbursal Contribution



Values in Rs crore; Direct Biz means Business directly generated by Magma employees without help from DDSAs / NDSAs / Connectors / Brokers, and includes Cross-sell

Disbursement (Rs. Cr.)



Key Takeaways

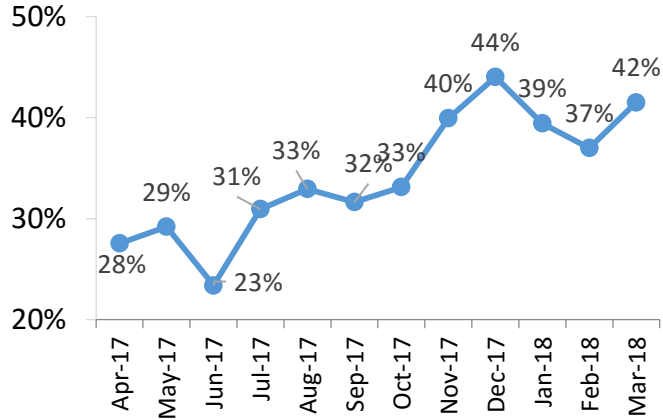
- Direct sourcing improved by 41% YoY
- Broad basing product mix with increase in contribution from Used assets and New SCV LCV
- 112% increase in new disbursements with electronic repayment mode.

B. Business process re-engineering leading to Sustainable Growth: Mortgage / Home Finance

Disbursement	Portfolio	Business	People
<ul style="list-style-type: none"> • Unit Business structure: (6+1+1+1 model – 6 FOS, 1 sales supervisor, 1 Credit Ops Executive, 1 credit supervisor) under implementation • Digging Deep in 75 locations across 10 focus states • Sales ‘span of control’ being improved to 6 from 2.5 for effective capacity utilization • Sales-to-Credit ratio being optimized for effective capacity utilization 	<ul style="list-style-type: none"> • Dedicated Collections Team • Portfolio Management Unit set up for analytics and hind-sighting for improved asset quality • Focused portfolio attrition management initiatives <ul style="list-style-type: none"> • Credit bureau triggered pre-emptive attrition management • Offer value proposition to existing good customers, i.e. minimal documentation for top-up, pricing, etc. 	<ul style="list-style-type: none"> • Focus on affordable housing segment • Focus on Informal Income Customers in - SENP, SEP, NIP and Cash salaried customers • Dedicated frontline team being built-up for direct home loan sourcing • Construction Finance to feed retail business • Process Re-engineering and Simplified Lead to Disbursal for Cross-sell to existing customers 	<ul style="list-style-type: none"> • Long Term Incentive Plan (LTIP) for retention and controlling attrition • Structured Talent Management program for GM and above • Capability building initiatives <ul style="list-style-type: none"> • Role-based learning interventions to enhance on-job performance • Leaders as trainers • Capability building of FOS via rigorous training interventions

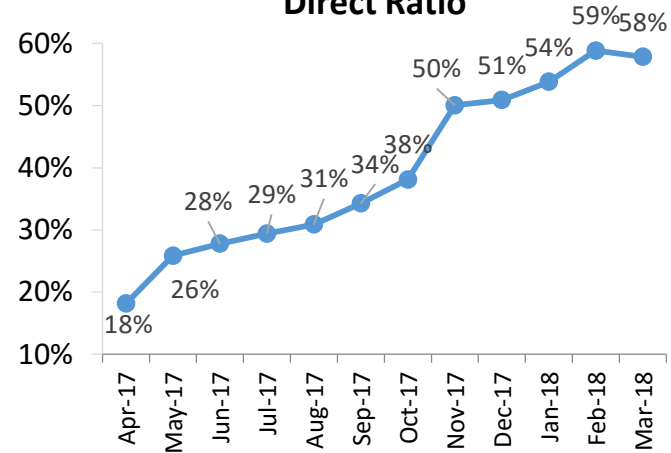
Go Home Loan

HL Ratio



Go Direct

Direct Ratio



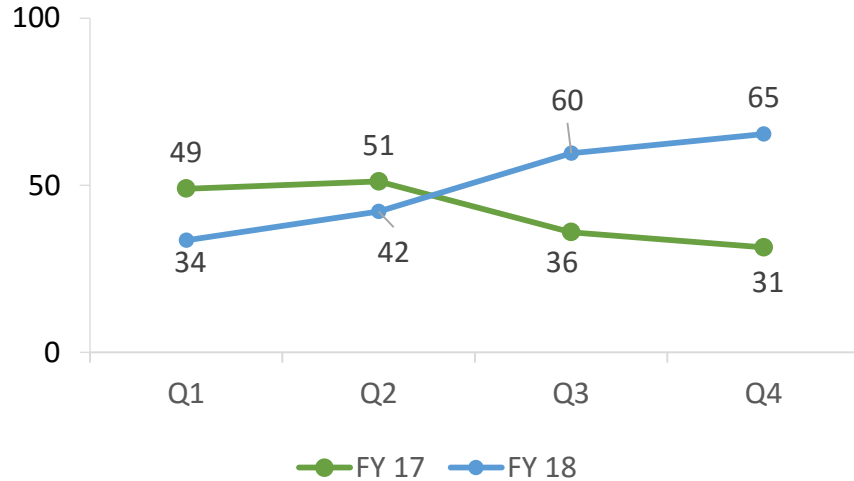
Key Takeaways

- HL Ratio has improved from 28% in Apr'17 to 42% in Mar'18
- Direct distribution capabilities being built-up; direct sourcing has improved to 58% in Mar'18 from 18% in Apr'17
- 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.

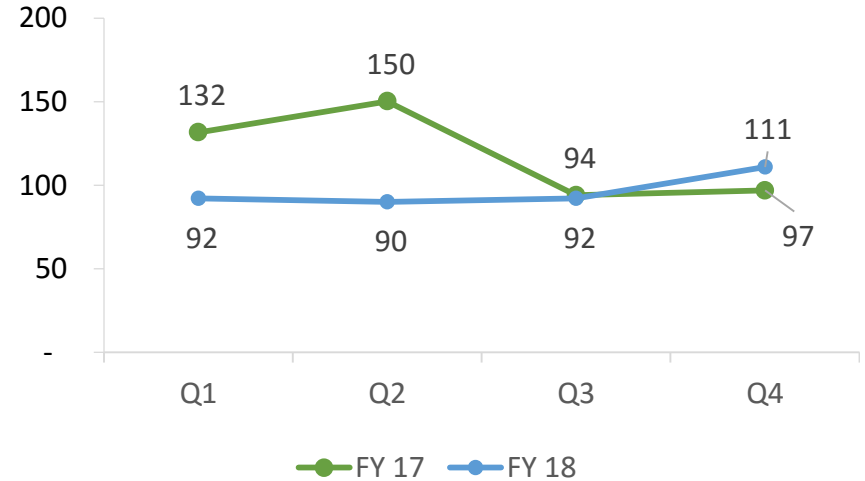
HL does not include Construction Finance. Direct Biz means Business directly generated by Magma employees without help from DDSAs / NDSAs / Connectors / Brokers, and includes Cross-sell

B. Mortgage / Home Finance Disbursal Strategy: Change is evident

Home Loan Disbursement (Rs. Cr.)



LAP Disbursement (Rs. Cr.)

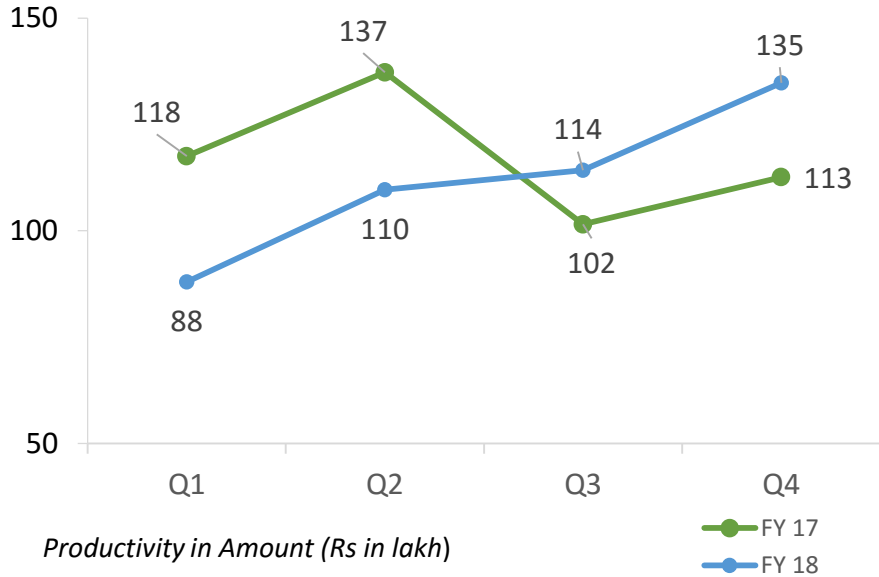


- 16% Q-o-Q improvement and 38% Y-o-Y improvement in overall Mortgage / Home Finance Disbursals in Q4 FY 18

HL does not include Construction Finance

Product & Geo expansion	Digital transformation	Business Transformation	People
<ul style="list-style-type: none"> • Leveraging on the existing branch Infrastructure <ul style="list-style-type: none"> • Present in 61 out of 305 branches • Focus on Tier II (11-61) locations • Geo expansion to Tier III & IV locations • Product-suite expansion for increasing target market, to cater to semi-formal economy customer segments • Intending to launch FinTech enabled solutions for short-term capital needs of MSME's 	<ul style="list-style-type: none"> • SME digital scoring model improved conversion efficiency from 45% in Q1 FY18 to 55% in Q4 FY 18 • Building digital cross-sell capabilities across existing customer loan life-cycle • Building Credit Rule Engine for Underwriting 	<ul style="list-style-type: none"> • Launch Revamped process with simplified digital Login and Disbursal Checklists, reduced documentation, and Auto Workflow Management • Launch Portfolio Trigger Management through automated exception reporting dashboards • Launch Direct Sales model for Automated top-ups, to increase Products per customer 	<ul style="list-style-type: none"> • Systematic Learning & Development, with focused training for FOS • Focused interventions to enhance productivity and enhance FOS incentive penetration • Engage sales leadership <ul style="list-style-type: none"> • Structured L&D programs • Performance/Potential Grid • Revamped KRA/KPI grid • Credit Audit scores for leaders

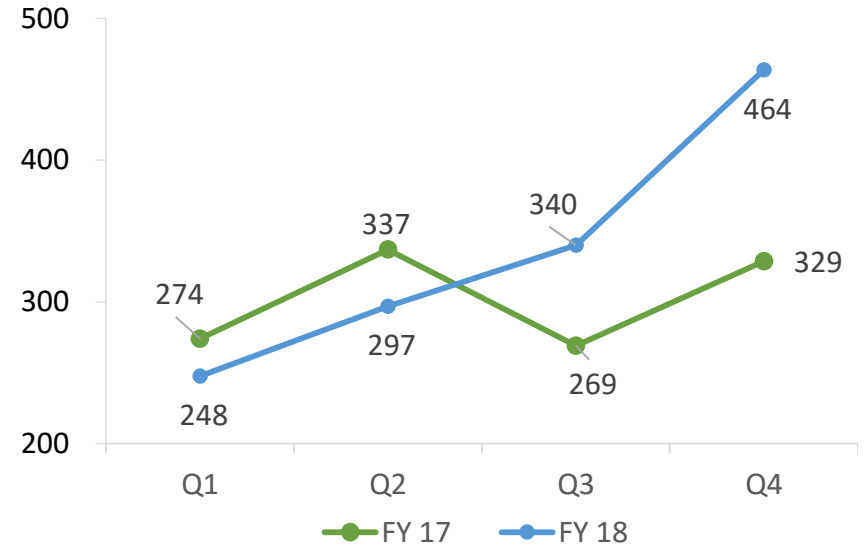
Sales FOS Productivity



- Significant step up in FOS productivity in SME from Q4 FY17 to Q4 FY18

Values in Rs crore

Disbursement picking up momentum



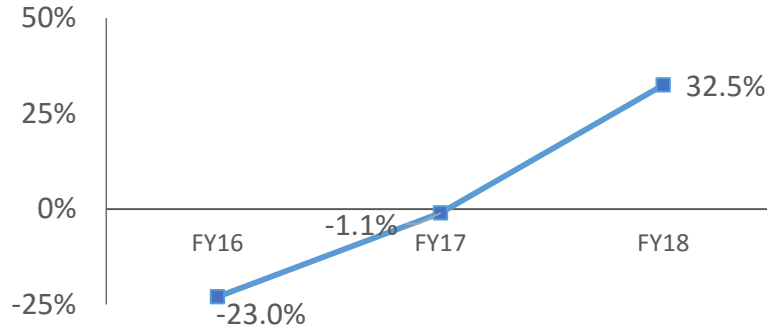
- 36% Q-o-Q improvement and 41% Y-o-Y improvement in SME Disbursals in Q4 FY18

B. Business process re-engineering leading to Sustainable Growth – Magma HDI General Insurance

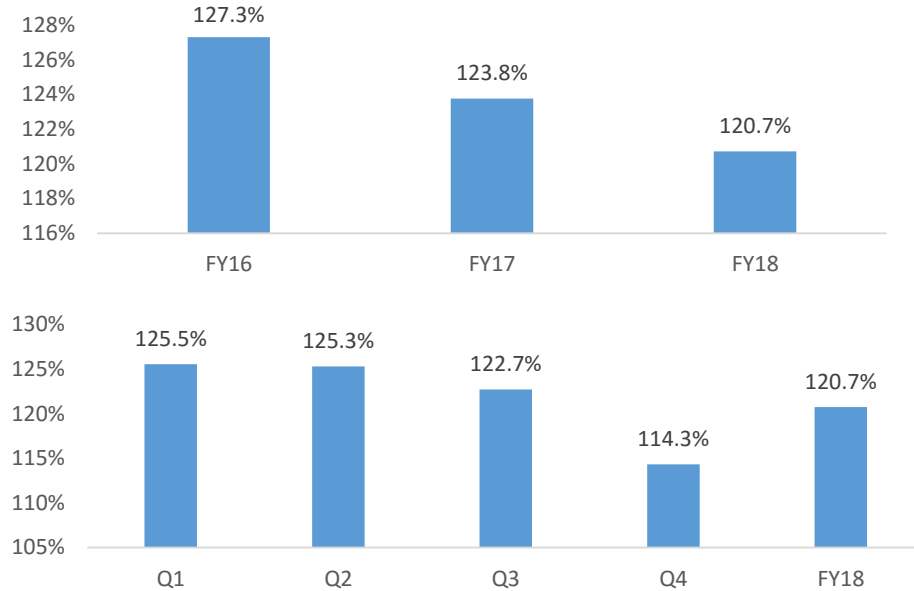
Premium Growth	Portfolio	Technology	People
<ul style="list-style-type: none"> • Business growth 32.5% growth in FY 18 • Significant increase on the commercial portfolio; backed by a strong panel of reinsurers • Added a large OEM in September 2017 & March 18; benefit of full year to accrue in FY 19 • Productivity: Improvement in productivity of both retail agency and banc-assurance & alliances channel. Branch expansion planned in FY 19 ~ benefit for both Motor & Retail health indemnity • Critical illness : First full year of sales with healthy attachment rates 	<ul style="list-style-type: none"> • Motor Portfolio: Continuous improvement in Own Damage (OD) loss ratio. One of the best OD loss ratio in the industry. • Commercial Portfolio: 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 • Health & Accident Portfolio: Continued focus on building critical illness portfolio on underlying credit portfolios • Sale of Retail indemnity started in October 2017 ~ benefit of full year to accrue in FY 19 	<ul style="list-style-type: none"> • Tablets: Feet on Street equipped with Tablets enabling instant quotation & policy generation • Agent Portal: Enabling customer & channel delight; one of lowest usage of manual cover notes • Automated Dashboards: Facilitates regular reviews by supervisors • Branch level profitability tool in place in Q4 in FY 18; • Claims System : Modern claims system under implementation. Go live expected in FY 19 	<ul style="list-style-type: none"> • Stable leadership team operating out of Mumbai Corporate Office • Learning & Development: Execution effectiveness, potential development and product knowledge focused training and development programs • Reward & Recognition: Structured schemes and parameterized recognition

B. Magma HDI General Insurance: Robust growth

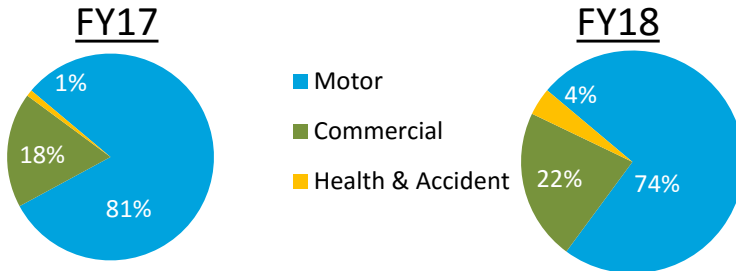
Gross Written Premium Growth %



Combined Ratio Movement



Portfolio Construct



Rs 423 Cr.

Rs 560 Cr.

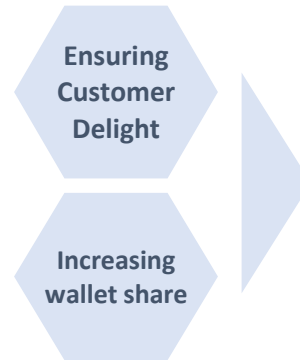
Key Takeaways

- Dependence on motor being reduced and the Company has now a presence in the growing Health & Accident class
- The benefit of growth and scale is evident with the QoQ improvement in Combined Ratio

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

Initiatives under way

- 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



Impact so far

- 56 % YOY increase in cross sell leads
- 54 % increase in cross sell disbursement in FY 18 vs FY 17
- 50% reduction complaints in FY 18 vs FY 17

Targeting in FY 19

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

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
- Early repossession in case of other than situational default cases to secure recovery
- Use available legal tools such as Arbitration, Sec 138, SARFAESI effectively to ensure maximum recovery

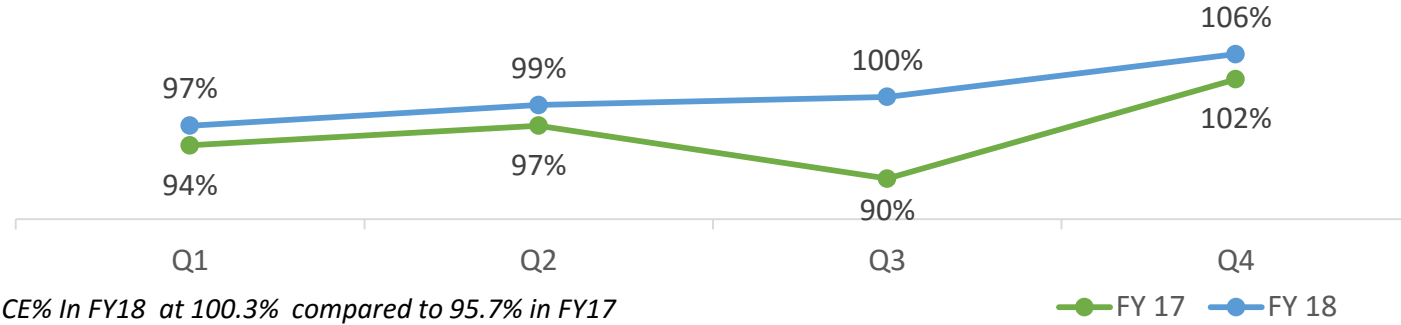
Leading to -

- 90+ GNPA reduction to 7.0% in FY18 from 8.8% in FY17
- Increase in collection efficiency to 100.3% in FY18 from 95.7% in FY17

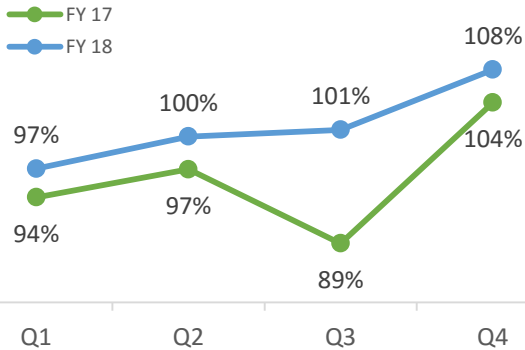
C. Improving Overall Collection Efficiency



All Products

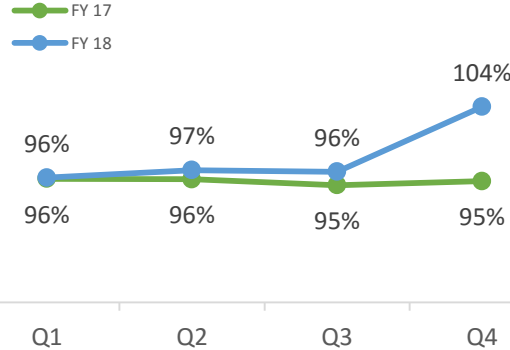


ABF



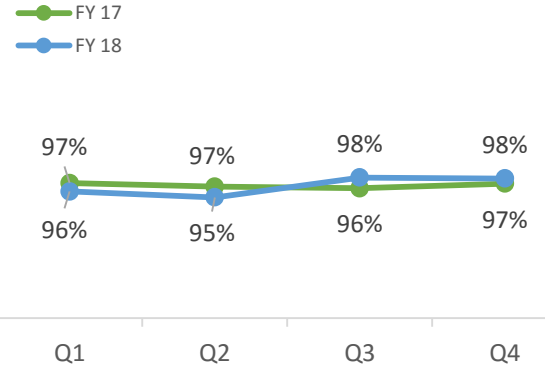
CE% In FY18 at 101.4% compared to 95.5% in FY17

Housing



CE% In FY18 at 98.0% compared to 95.5% in FY17

SME



CE% In FY18 & FY17 stable at 96.7%

Collection Efficiency of All Buckets

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
- Differentiated offering in various markets considering Net Adjusted Return

Refined Credit Screens & Processes

- Customised screens to consider informal income streams with relevant experience
- Work on to enable quicker & consistent credit decision by implementing 'credit scoring platform' with targeted 70% automated decision; to also result in better portfolio quality

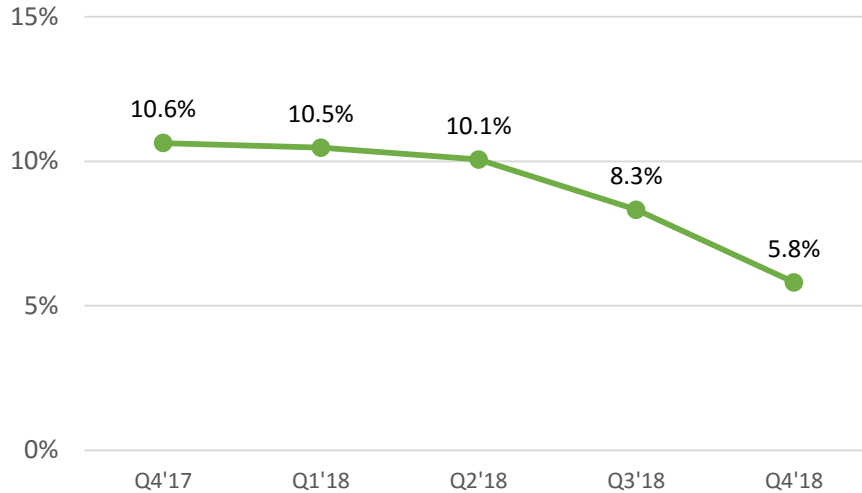
Early Warning Indicators

- Early Warning Indicators (EWI) and Continuous Portfolio Monitoring Indicators (CPMI) implemented for ABF with benchmarks basis targeted loss
- Branch, product, dealer and asset grading established linked to CPMI & asset quality 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 newly generated portfolio

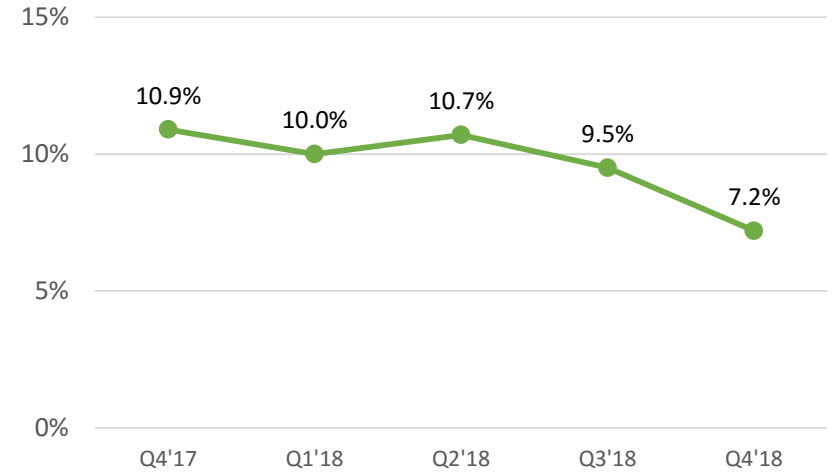
D. Early Indicators: EWI & CPMI Trend

EWI Trend for ABF



Consistent reduction in EWI. Reduced by 45% Y-o-Y as on Q4FY18

CPMI Trend for ABF



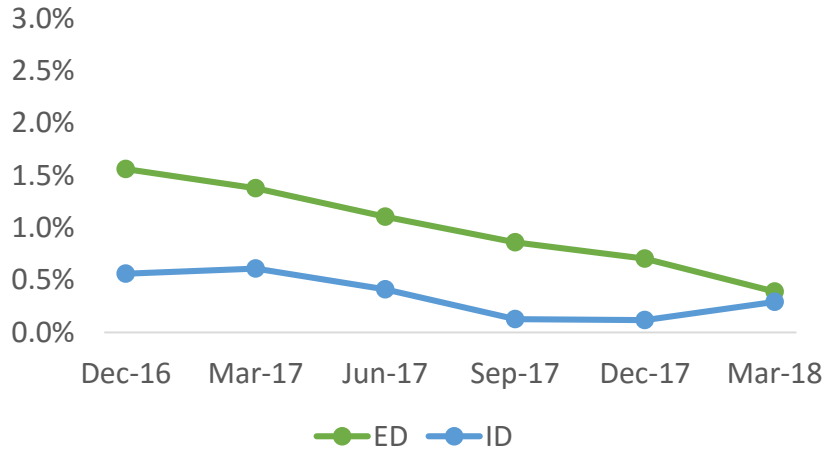
CPMI has reduced by 34% Y-o-Y as on Q4FY18

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

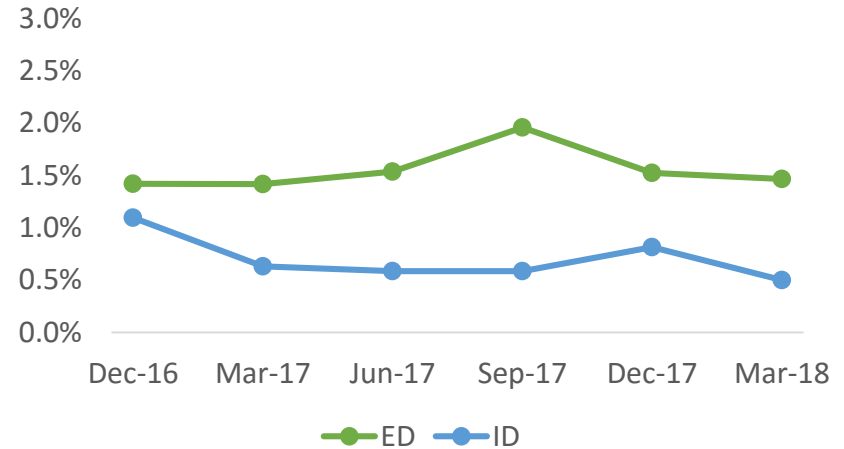
CPMI: Continuous Portfolio Monitoring Indicator is a composite index of 4 indices monitoring the 60+% movement of quarterly portfolio at different time lag

D. Early Indicators: ID & ED Trends

ID-ED Trend for Home Loan / Mortgage



ID-ED Trend for SME



Y-o-Y improvement seen in ED & ID for Home Loan / Mortgage Finance

Consistent trend visible in SME Finance

EWI & CPII parameters for Home Loan / Mortgage and SME Finance are under development

ID = 30+ bkt % for cases sourced in last 6 months on 2 months lag basis including current month .
 ED = 60+ bkt % for cases sourced in last 12 months on 3 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.



Digital

- Launched online mode of payment for Customers in Q2 FY18, already contributing 2% of overall collection and rapidly growing
- Enhancing modes of online payment for Customers, including Netbanking, Debit cards, UPI, Payment bank and Payment Wallet



Operational Efficiency

- Automated credit decision engine launched with complete workflow, to provide credit decision instantly, thereby improving consistency of credit assessment
- Introduced customer tracking mechanism at key branches to track Customer footfall enabling enhanced lead generation and cross-sell opportunities at branches
- Improved efficiency of Branch Operations for loan booking process by 11% through optimization of user experience



Security

- State of the art data protection system with Digital Rights Management to ensure complete safety of company information and customer privacy

Growing digital footprint to drive cost optimization, improve efficiency and enhance quality of service

To exceed customer expectations through exceptional service

Key initiatives

- Enhanced customer connect
 - 360° customer view across LoBs
 - Unique Customer ID across the group
- Best in class customer on-boarding experience using India-stack (e-kyc, e-sign)
- 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
- 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

E. People Initiatives leading to Employee Delight

Technology	Policies & process	Learning & development	New initiatives
<p>Comprehensive plan to leverage technology and transit to employee self service model</p> <ul style="list-style-type: none">Fully operational PeopleSoft architecture with integration of satellite systemsSystem driven Flexi Pay plan, to go live in June 2018	<ul style="list-style-type: none">Complete relook and revamp of policies & SOP's to make them contemporaryStructured and comprehensive employee communication to enable appreciation of the changes through calls, mails and town halls across branches	<ul style="list-style-type: none">'Maitree', signature onboarding program for all new hires31 new training programs developed and training delivered for various job families.Over 8500 employees attended a range of training interventions during the yearOver 20,000 man days of training across classroom, on-the-job and LMS platforms.Mandatory online certifications for various company policies.	<ul style="list-style-type: none">Talent management (GM & above) with objective of building internal succession planning bench and strengthening retentionFocus on top talent development including Executive Committee

We are on the way to creating a WOW employee experience

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Q4 FY18: Consolidated Result Highlights

Disbursements

Q4 FY18 - Rs 2,233 Cr

Q4 FY17 - Rs 1,478 Cr

AUM

Q4 FY18 – Rs. 15,555 Cr

Q4 FY17 – Rs. 16,101 Cr

NIM

Q4 FY18 – 9.7 %

Q4 FY17 - 7.6 %

Opex / AUM

Q4 FY18 - 4.9 %

Q4 FY17 - 3.6 %

NNPA(@90dpd)

Q4 FY18 - 5.2 %

#Q4 FY17 - 7.5 %

PAT

Q4 FY18 – Rs 71 Cr

*Q4 FY17 - Rs (122) Cr

ROA

Q4 FY18 – 1.9 %

Q4 FY17 – (2.9%)

ROE

Q4 FY18 – 12.5 %

Q4 FY17 – (21.0%)

Q4 FY 18

Networkth - Rs 2,319 Cr

BVPS - Rs 97.9, EPS - Rs 3.0

Capital Adequacy – 20.7%

#Q4FY17 NNPA calculated at 90dpd to make like to like comparison *Negative PAT in Q4FY17 due to loss on NPA sale .

- Significant improvement in NNPA, RoA and RoE
- Growth to take off in ensuing quarters → Improved Financial Performance in Future

FY18: Consolidated Result Highlights

Disbursements

FY18 - Rs 7,287 Cr

FY17 - Rs 6,716 Cr

AUM

FY18 – Rs. 15,555 Cr

FY17 – Rs. 16,101 Cr

NIM

FY18 – 8.8 %

FY17 - 7.4 %

Opex / AUM

FY18 - 4.4 %

FY17 - 3.6 %

NNPA(@90dpd)

FY18 - 5.2 %

#FY17 - 7.5 %

PAT

FY18 – Rs 230 Cr

*FY17 - Rs 13 Cr

ROA

FY18 - 1.5 %

FY17 - 0.1 %

ROE

FY18 – 10.4 %

FY17 – 1.0%

FY 18

Networth - Rs 2,319 Cr

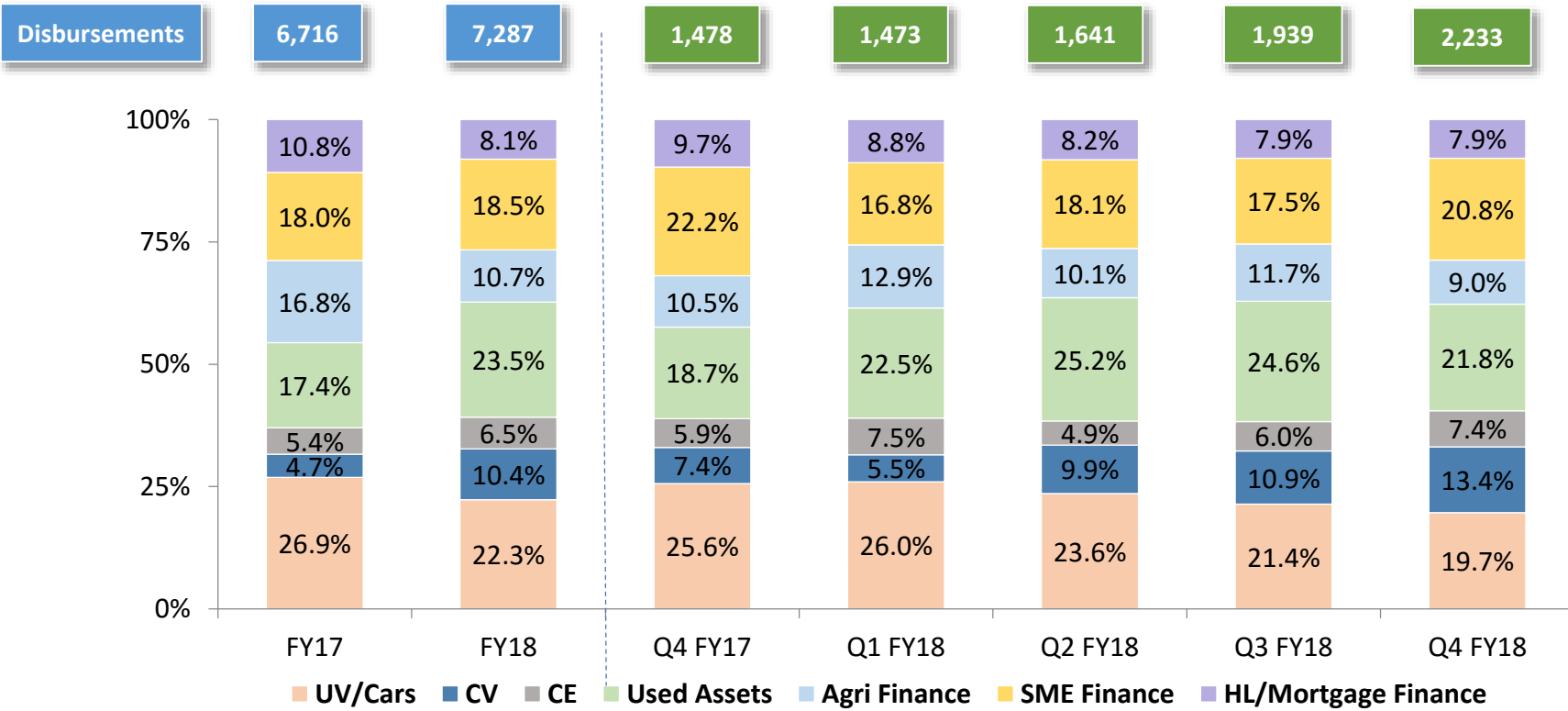
BVPS - Rs 97.9, EPS - Rs 9.7

Capital Adequacy – 20.7%

#FY17 NNPA calculated at 90dpd to make like to like comparison *Low PAT in FY17 due to loss on NPA sale .

- Significant improvement in NNPA, RoA and RoE
- Growth to take off in coming year → Improved Financial Performance in Future

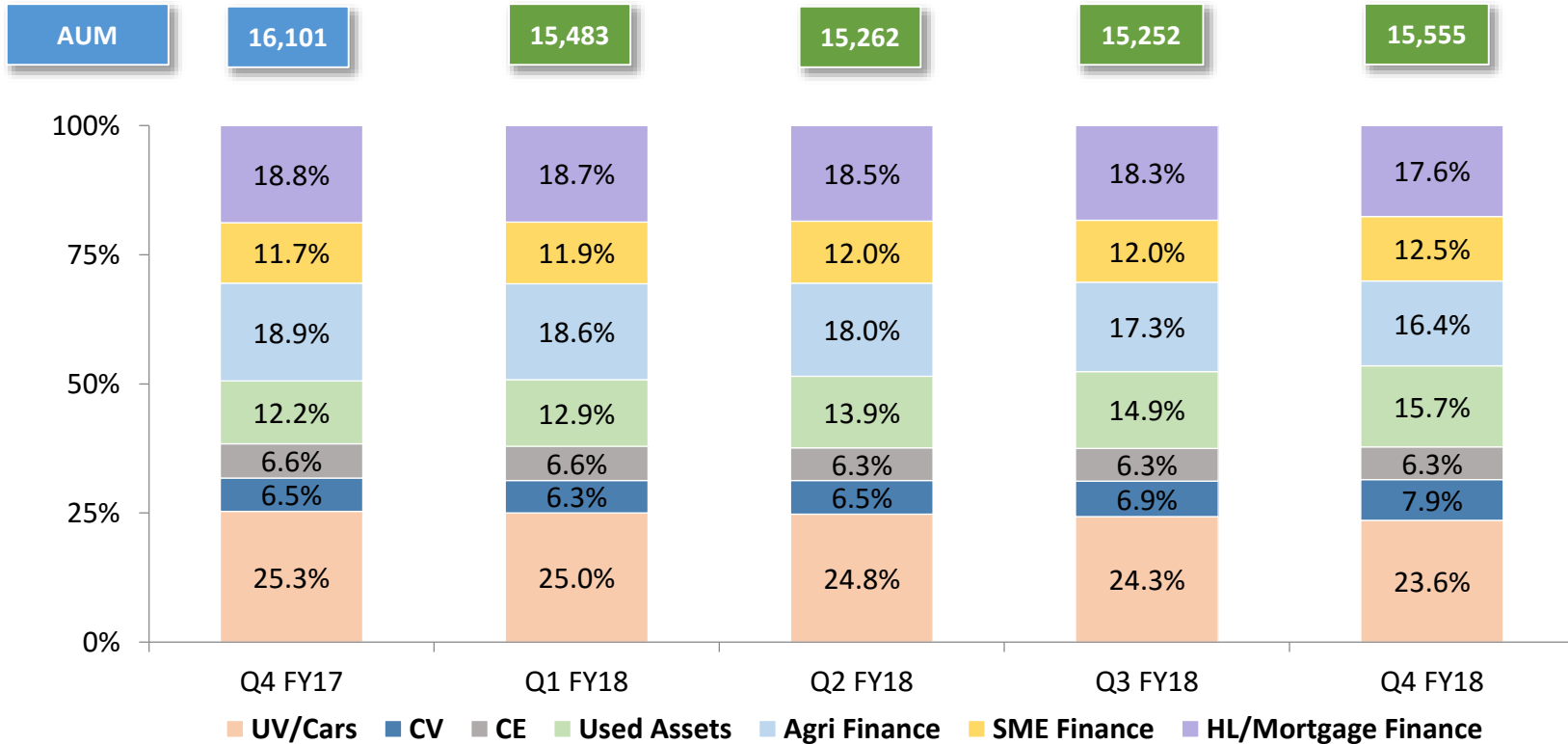
Disbursals



• Disbursals gaining momentum with Y-o-Y improvement of 51% for Q4FY18 and 9% Y-o-Y for FY18

Values in Rs crore

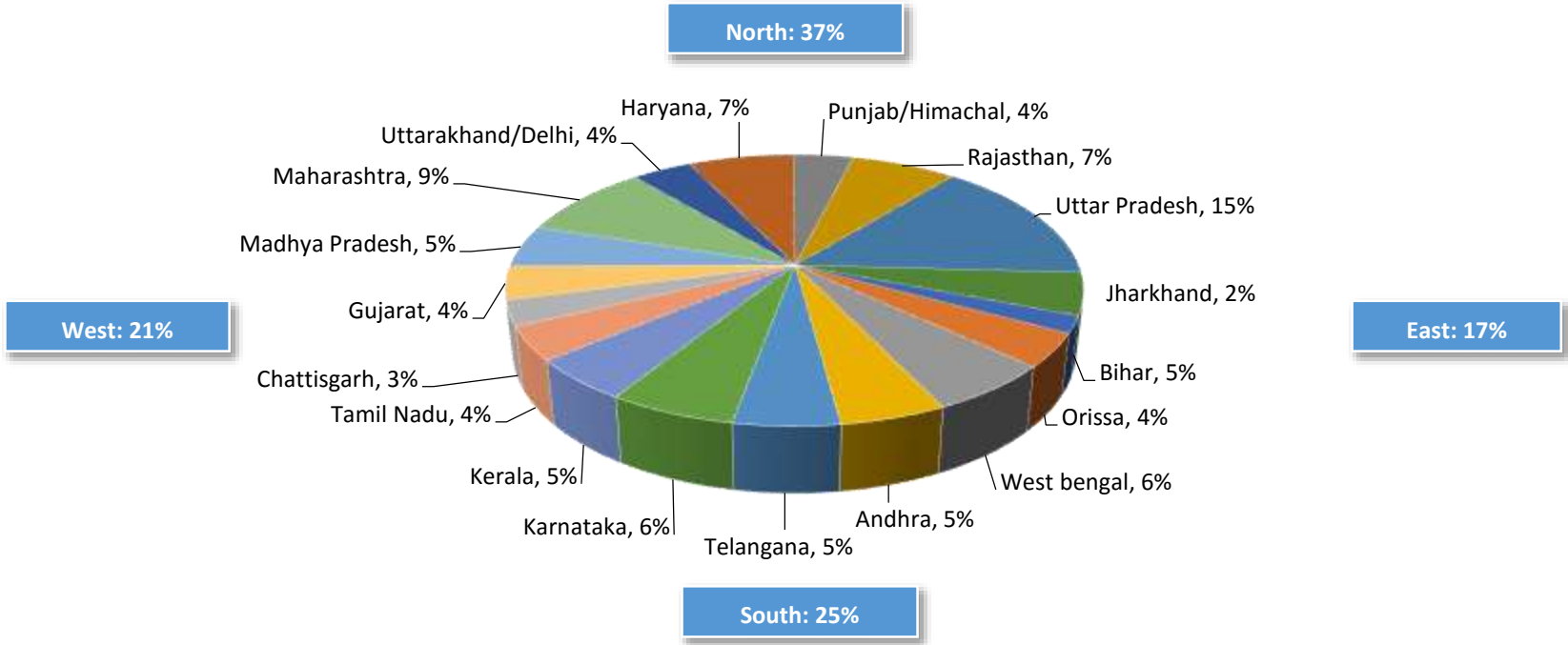
Assets Under Management (AUM)



• Return to AUM growth in Q4FY18.

Values in Rs crore

AUM – Rs 15,555 Cr as on 31-March-18: State-wise Breakup



Diversification of loan book exposure minimizes impact of regional / local / single event risks

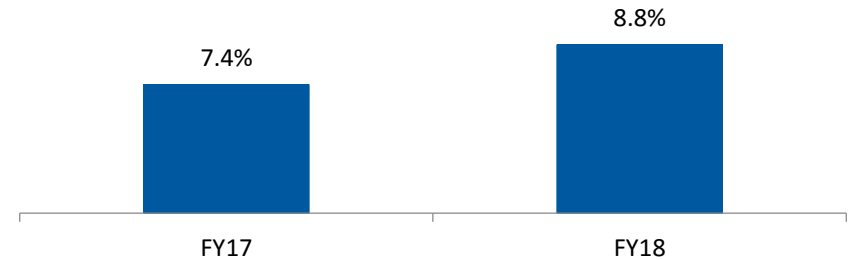
FY18: Consolidated Result Highlights



AUM = On-Book + Off-Book Loan Assets

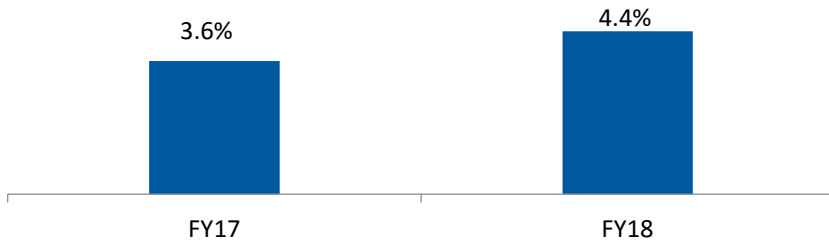


NIM Analysis (% of AUM)



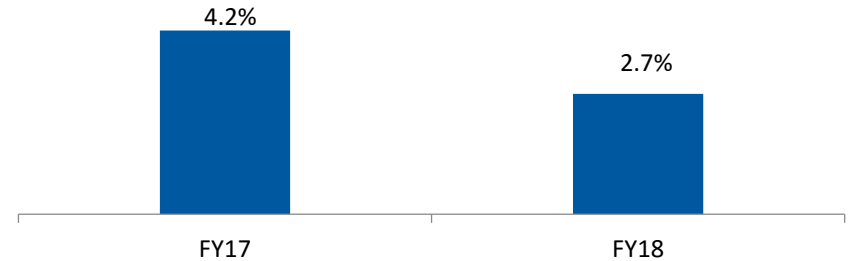
NIM: (Total Income (incl. Other Income) – Interest Expenses)/Average AUM

Opex / AUM (%)



AUM includes both On-book and Off-Book Loan Assets and is average of opening and closing Loan Assets

Provisions & Write-Offs / Total Assets (%)



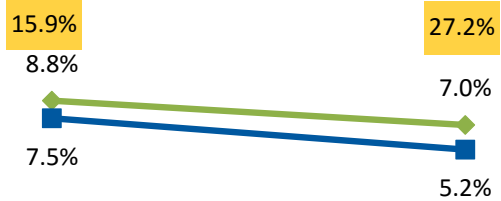
Provisions & WO/Total Assets is higher in FY17 as it includes Loss on account of NPA sale. Total Assets is average of opening and closing balance of On B/S Assets of MFL (Consolidated)

- Reduction in CoF and increase in share of earning book has led to NIM Expansion
- Investment in management bandwidth has led to increase in opex ratio; expected to reduce with better productivity and loan book growth in ensuing quarters

FY18: Consolidated Result Highlights



NPA Analysis (% of total Loan Assets)



FY17

FY18

◆ GNPA %

■ NNPA %

■ PCR %

NPA is recognised on 90 dpd basis and is compliant with RBI guidelines:
FY17 No's has been re-casted at 90dpd for comparison

Network (Rs Cr) & BVPS (Rs)



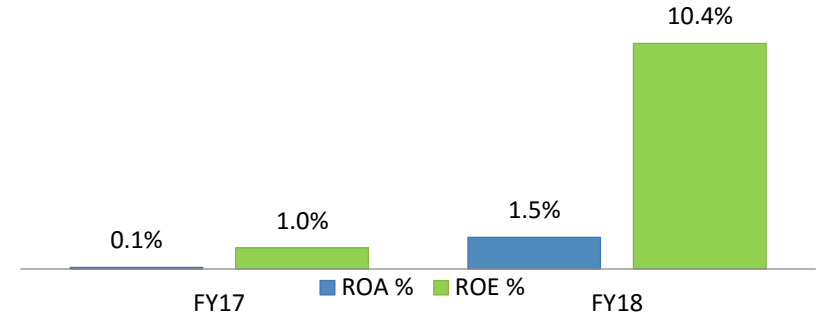
FY17

FY18

■ Network

■ BVPS

Return Ratios (%)



FY17

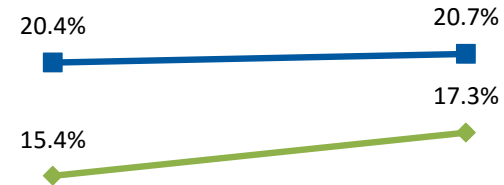
FY18

■ ROA %

■ ROE %

Negative impact on PAT in FY17 on account of NPA sale is Rs. 145 cr.

Capital Adequacy (%)



FY17

FY18

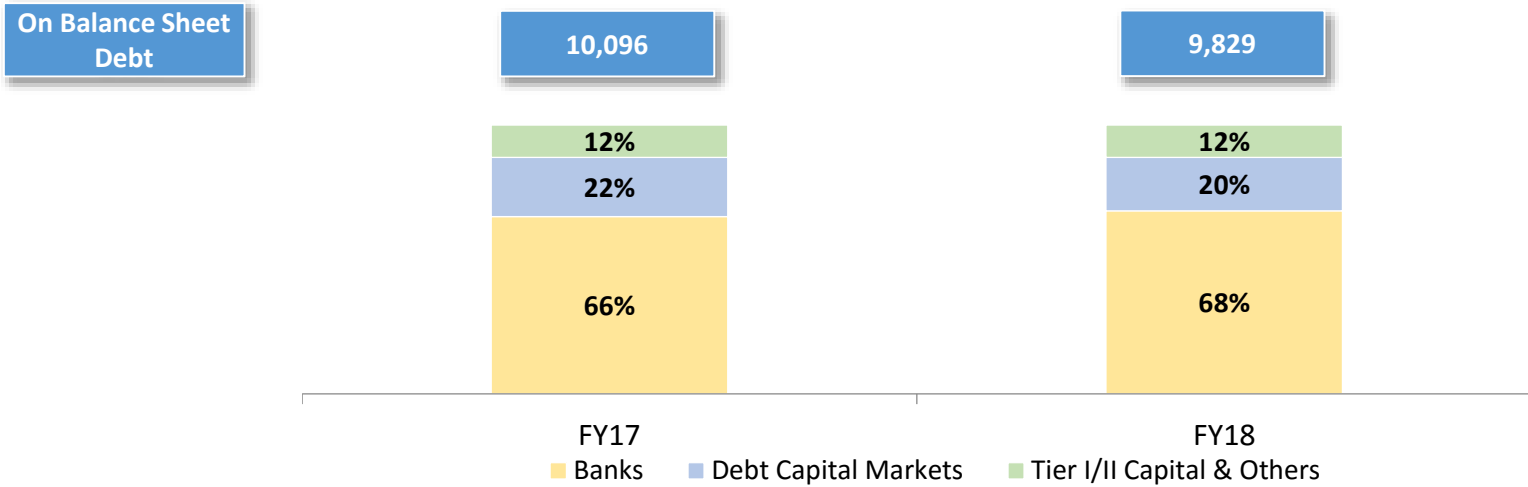
◆ Tier 1 CRAR %

■ Total CRAR %

CRAR based on MFL (Standalone) financials.

- GNPA and NNPA numbers substantially lower, PCR substantially higher.
- Consistent up-trend in Return Ratios Y-o-Y

FY18: Liability Profile



Instrument	Rating
Short term Debt	A1+ (By CARE & CRISIL)
Long term Debt	AA- (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
- Consortium of 18 public & private sector banks
- Debt Capital market funding from wide spectrum of lenders including MFs, Insurance companies, Pension / Provident funds and Corporates among others
- Other unsecured debt includes Perpetual debt, Sub debt and Preference capital
- The above chart is based on average utilization of Funds basis

Balance Sheet Debt includes Preference Capital and based on MFL Consolidated financials; Values in Rs crore.

Consolidated Profit & Loss Statement

Particulars (In Rs Crore)	Q4 FY18	Q3 FY18	Q4 FY17	FY18	*FY17
1 Revenue					
a Revenue from operations	581.0	579.9	562.1	2241.5	2351.5
b Operating result from general insurance business	-0.1	0.6	-0.7	0.6	-1.1
c Other income	9.3	9.9	13.9	56.5	55.0
Total Revenue	590.2	590.4	575.3	2298.6	2405.3
2 Expenses					
a Employee benefits expense	96.1	94.8	66.4	368.5	293.3
b Finance costs	216.5	220.7	258.3	905.5	1131.3
c Depreciation and amortisation expense	12.8	11.9	12.3	49.2	48.5
d Provision and bad debts written-off	105.8	101.8	319.3	373.9	606.9
e Brokerage and commission	24.1	24.7	29.0	95.8	111.8
f Other expenses	56.9	44.2	41.5	187.6	166.8
Total Expenses	512.2	498.0	726.9	1980.5	2358.5
3 Profit from ordinary activities before tax(1-2)	78.0	92.4	-151.5	318.1	46.8
4 Tax expense					
a Current Tax	24.3	20.3	-77.5	97.7	15.0
b Deferred Tax	-17.8	7.1	47.9	-10.1	19.1
4 Tax expense (includes deferred tax)	6.6	27.4	-29.6	87.6	34.1
5 Net Profit from ordinary activities after tax (3-4)	71.5	65.0	-121.9	230.4	12.7

*Negative impact on PAT in FY17 on account of NPA sale is Rs. 145 cr.

Consolidated Balance Sheet (Condensed)

Particulars (In Rs Crore)	31st Mar 2018	31st Mar 2017
LIABILITIES:		
Share Capital	47	47
Reserves and Surplus	2,272	2,125
Minority Interest *	-	34
Net Worth	2,319	2,172
Borrowings	9,829	10,096
Other Liabilities	1,553	1,320
TOTAL LIABILITIES	13,701	13,622
ASSETS:		
Loan Assets	12,044	11,968
Fixed Assets	143	218
Other Assets	1,097	1,083
Cash & Bank Balance	418	353
TOTAL ASSETS	13,701	13,622

*MITL has now been merged with MFL.

1 **Business Overview**

2 **Business Transformation**

3 **Financial Performance – Q4 FY18 & FY18**

4 **Leadership Team & Shareholding Structure**

5 **Annexures**

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

Nabankur Gupta
Independent Director

He is on the Board of companies including Raymond Limited, VIP Industries Limited and Quantum Advisors Limited. Served as Group President in Raymond

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.

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

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 Science from the American University, Washington D.C.

Key Management Team



Sanjay Chamria
VC and MD

Business CEO

Support Functions



Kaushik Banerjee
President & CEO - ABF

Nov-2016

President, Strategy & Corporate Affairs, Cholamandalam Finance



Manish Jaiswal
MD & CEO - HFC, CEO - SME

Jun-2017

Head, Risk Advisory, Research and SME Ratings, CRISIL



Rajive Kumaraswami
MD & CEO-MHDI

Jun-2016

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



Chirag Jain
Chief Operating Officer

Feb-2017

Director - Operations, Canara HSBC OBC Life Insurance



Jashobrata Bose
Senior Vice President – Corporate Initiatives

May-2016

Director, Strategy, Sanofi



Debraj Sinha
Chief People Officer

Nov-2016

Chief Human Resource Officer, Max Bupa Health Insurance



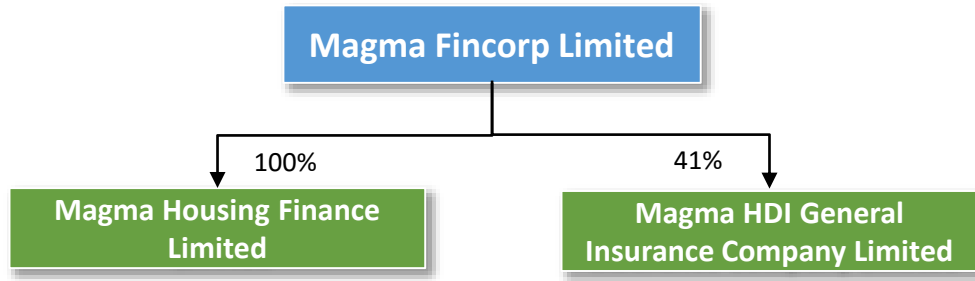
Kailash Baheti
Chief Financial Officer

Oct-2011

CEO, Century Extrusions

Joined

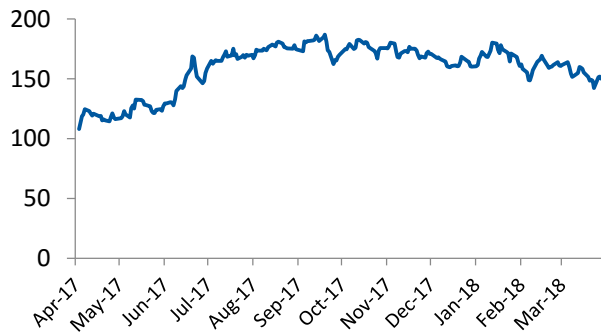
Title and Previous Company



Top 10 Non Promoter Shareholders as on 12-Apr-2018 (Post QIP)

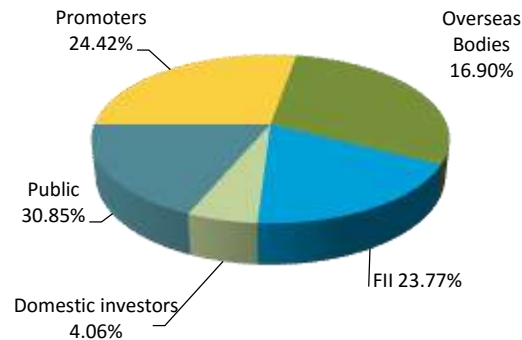
- True North Fund V LLP
- International Finance Corporation
- Lavender Investments Limited
- Leapfrog Financial Inclusion India Holdings Limited
- Amansa Holdings Private Ltd
- Zend Mauritius vc Investments Ltd
- Bank Muscat India Fund
- ICICI Prudential Life Insurance Co.
- HDFC Standard Life Insurance Co. Ltd
- ICICI Prudential Banking And Financial Services Fund

Share Price Performance



Average share price data from NSE

Shareholding (12-Apr-2018-Post QIP)



THANK YOU



AUM	Assets Under Management: On-Book & Off-Book Loan Assets
FOS / Field Officer	Feet on Street
ABF	Asset Backed 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 / Connectors / Brokers, and includes Cross-sell
ATS	Average Ticket Size
ODPOS	Over Due 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 cost of securitised assets
Opex / AUM%	Opex / (Average of opening & closing AUM)
Total Assets	On B/S Assets of MFL (Consolidated)
Prov. & Write-off / Total Assets %	Prov. & Write-off/ Average of opening and closing Total Assets
GNPA %	Gross Non-Performing Assets / Closing AUM
NNPA %	Net Non-Performing Assets / (Closing AUM - Provision)
PCR%	Provision / Closing GNPA
RoA	PAT / (Average of opening & closing AUM)
RoE	PAT / (Networth - Goodwill)
Network	Equity Share Capital +Reserves & Surplus
BVPS	Book Value per share: (Networth-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

- 1 Business Overview**
- 2 Business Transformation**
- 3 Financial Performance – Q4 FY18 & FY18**
- 4 Leadership Team & Shareholding Structure**
- 5 Annexures**

Standalone Profit & Loss Statement

Particulars (In Rs Crore)	Q4 FY18	Q3 FY18	Q4 FY17	FY18	*FY17
1 Revenue					
a Revenue from operations	550.1	498.3	473.1	1,979.2	1,977.7
b Other income	10.4	10.6	13.3	58.0	49.1
Total Revenue	560.5	508.9	486.4	2,037.1	2,026.7
2 Expenses					
a Employee benefits expense	88.0	83.0	57.4	324.3	230.2
b Finance costs	198.7	188.8	216.4	784.7	942.6
c Depreciation and amortisation expense	12.8	11.8	12.2	49.0	48.3
d Provision and bad debts written-off	100.4	90.5	286.8	346.4	542.3
e Brokerage and commission	23.8	23.7	27.6	92.2	106.1
f Other expenses	52.8	39.7	36.0	170.8	146.6
Total Expenses	476.4	437.5	636.5	1,767.4	2,016.0
3 Profit from ordinary activities before tax(1-2)	84.1	71.4	-150.1	269.7	10.7
4 Tax expense					
a Current Tax	18.9	16.4	-84.4	72.8	-3.3
b Deferred Tax	-13.9	7.7	36.8	-5.6	7.9
4 Tax expense (includes deferred tax)	5.0	24.0	-47.6	67.3	4.6
5 Net Profit from ordinary activities after tax (3-4)	79.2	47.4	-102.5	202.5	6.1

*Negative impact on PAT in FY17 on account of NPA sale is Rs. 126 cr.

Standalone Balance Sheet (Condensed)

Particulars (In Rs Crore)	31st Mar 2018	31st Mar 2017
LIABILITIES:		
Share Capital	47	47
Reserves and Surplus	2,149	1,991
Net Worth	2,196	2,038
Borrowings	8,726	8,512
Other Liabilities	1,030	870
LIABILITIES	11,952	11,419
ASSETS:		
Loan Assets	10,597	9,894
Fixed Assets	134	149
Other Assets	846	1,104
Cash & Bank Balance	375	272
ASSETS	11,952	11,419
TOTAL LOAN ASSETS	13,766	13,514

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



Particulars (In Rs Crore)	Q4 FY18	Q3 FY18	Q4 FY17	FY18	*FY17
Total Income	57.2	54.1	58.3	221.7	251.0
Interest Expenses	25.2	26.3	32.6	108.9	142.8
Net Income	32.0	27.8	25.8	112.7	108.2
Operating Expenses	15.7	13.7	10.8	56.0	48.6
Pre Prov Profit	16.3	14.1	15.0	56.8	59.7
Prov./Write Offs	14.0	2.7	-0.7	21.2	7.8
Profit Before Tax	2.3	11.4	15.7	35.6	52.0
Taxes	0.9	3.9	5.4	12.4	18.2
Profit After Tax	1.4	7.5	10.2	23.2	33.7

* Positive impact on PAT in FY17 on account of NPA sale is Rs. 1.8 cr.

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



Particulars (In Rs Crore)	Q4 FY18	Q3 FY18	Q4 FY17	FY18	FY17
Gross Written Premium	194.8	124.2	132.2	560.3	422.9
Net Earned Premium	85.8	84.1	79.2	334.6	327.1
(-) Claims Incurred	73.8	71.3	65.1	277.4	258.7
(-) Premium Deficiency Reserve	0.1	-0.2	-0.6	0.2	-1.3
(-) Net Commission	-2.7	-2.9	-4.1	-11.9	3.8
(-) Management Expenses	38.0	36.5	42.6	153.7	143.4
Underwriting Profit	-23.3	-20.7	-23.9	-84.8	-77.5
(+) Investment Income	23.8	23.1	25.5	90.9	84.7
Profit Before Tax	0.5	2.3	1.5	6.1	7.2
(-) Taxes	0.0	0.5	-0.2	1.2	0.9
Profit After Tax	0.5	1.9	1.7	4.9	6.3



Corporate Social Responsibility

Magma has received several awards in the last few years for its CSR activities. Among them below are the ones won in last year, 2017:

- 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. 80000 truckers through health check up camps
- Contributed to Pausasingh village, Dhenkanal, Orissa become OD Free village by setting up toilets.
- M-Care: Weekly clinic in WB, TE & AP villages. Around 5000+ patients have been treated till date

Environment Sustainability



- **Magma Truckers Initiative** for Environment Sustainability. In association with PCRA, Govt. of India undertaking
- Training Safer Driving Skills to Truck Drivers in 190 location. Estimated 145,000 truckers benefitted
- Better Mileage + Fuel Conservation = Saving about 290 Lac Lt. of Diesel per year
- 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** – 200 meritorious students from poor families offered Scholarships to further under-graduate education.
- Adoption of 16 Schools in Tribal areas in CG, Jharkhand in Tribal areas
- **Mid-day Meal Programme:** Offering mid-day meal to 5100 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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