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15 September 2019

Corporate Relationship Department
BSE Limited
25th Floor, P.J. Towers, Dalal Street, Fort,
Mumbai – 400 001

Company Code - 524000

The Manager
Listing Department,
National Stock Exchange of India Limited
“Exchange Plaza”
Bandra- Kurla Complex, Bandra (E),
Mumbai – 400 051

Symbol - MAGMA

Sub: Investors/Analysts' Presentation

Ref: Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Dear Sir,

In furtherance to our letter dated 13 September 2019 and pursuant to Regulation 30 of the Listing Regulations we are enclosing herewith the presentation to be made to the Investors/Analysts at the investor meet in London scheduled on 18 and 19 September 2019.

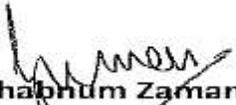
The presentation is also being uploaded on the website of the Company at the URL <https://magma.co.in/about-us/investor-relations/financial-results/investor-presentation/> in accordance with Regulation 46 of the Listing Regulations.

Kindly take the same on record

Thanking you,

Yours faithfully,

For Magma Fincorp Limited


Shabnum Zaman
Company Secretary
ACS No. 13918
Encl:as above

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



Magma Fincorp Limited

1 India – Economy & Financial Sector Outlook

2 About Magma

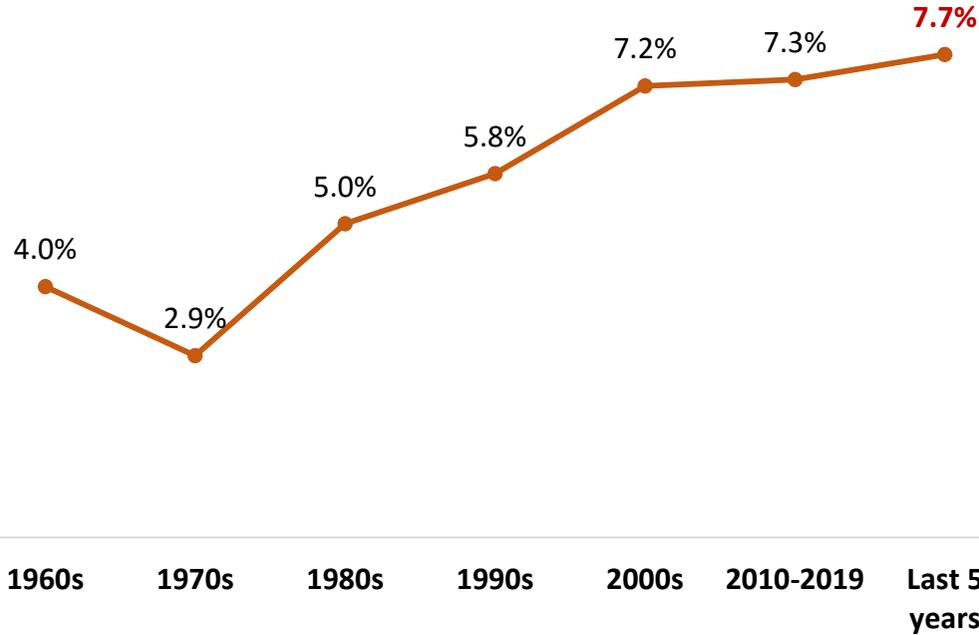
3 Magma Business Strategy

4 Key Pillars to Drive Sustainable Growth

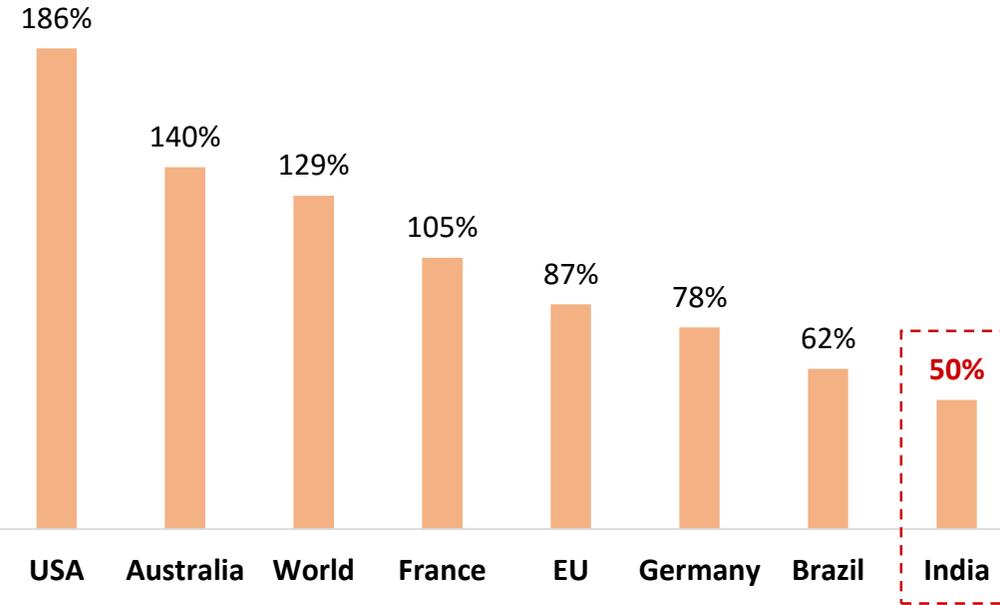
5 Annexures

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India's GDP Growth Rate

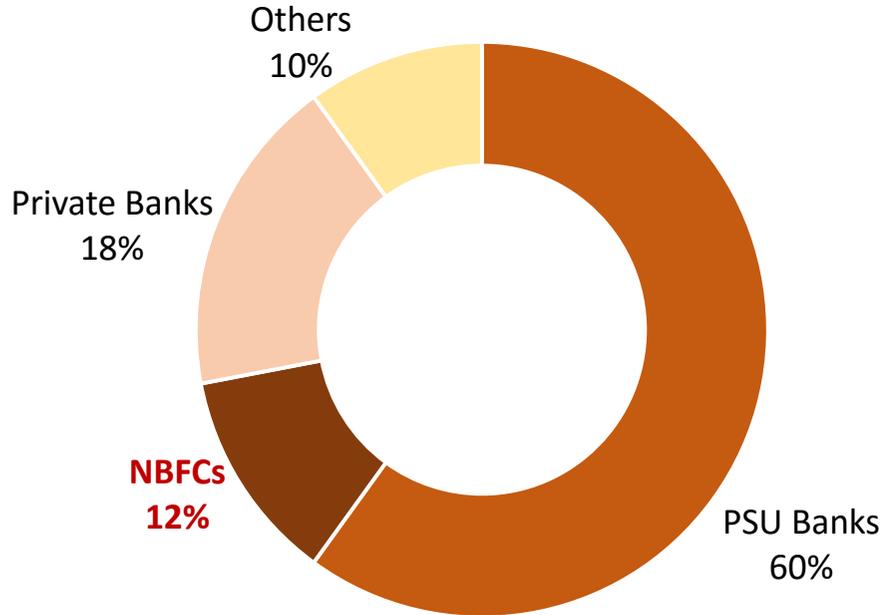


Domestic Credit to Private Sector as % of GDP

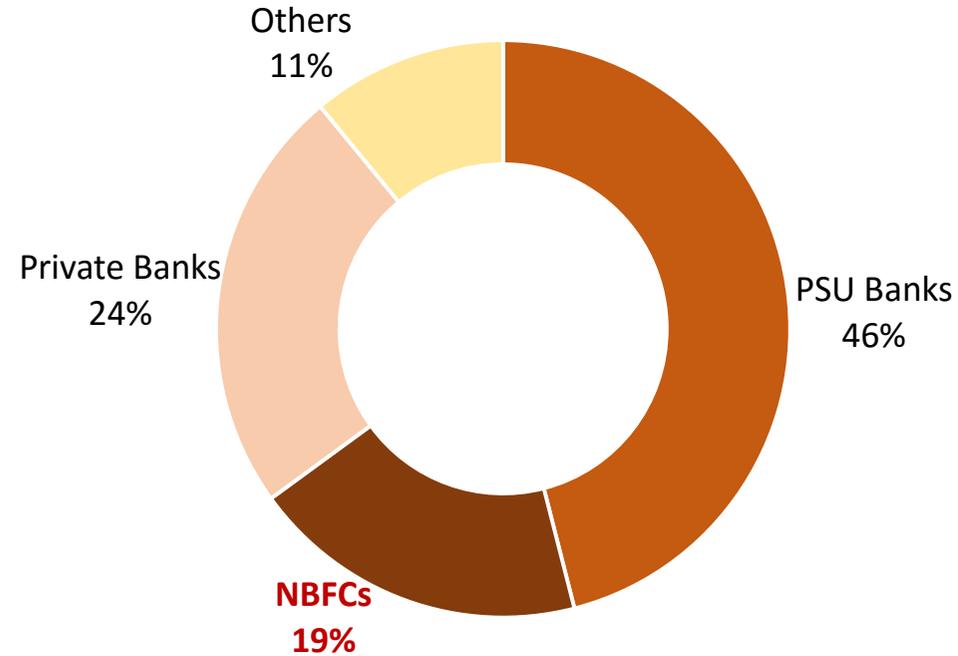


Note: India GDP stands at USD 2.6 Trillion, aspires to reach USD 5.0 Trillion by 2024

Total Credit mix in FY08: ~INR 30 trillion

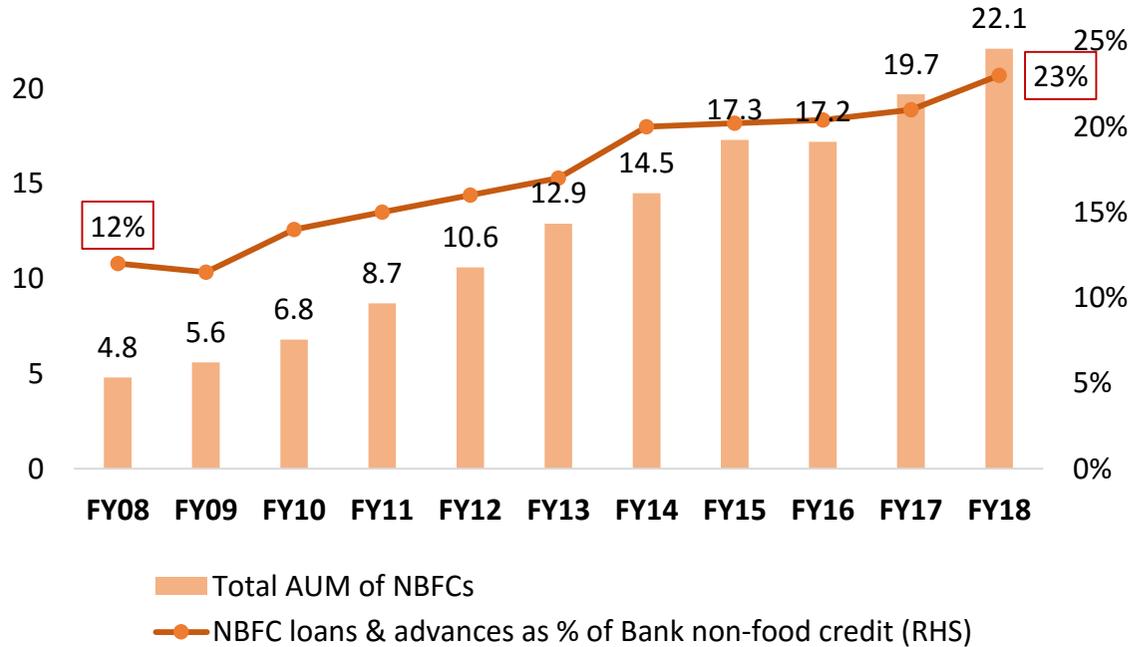


Total Credit mix in FY18: ~INR 113 trillion

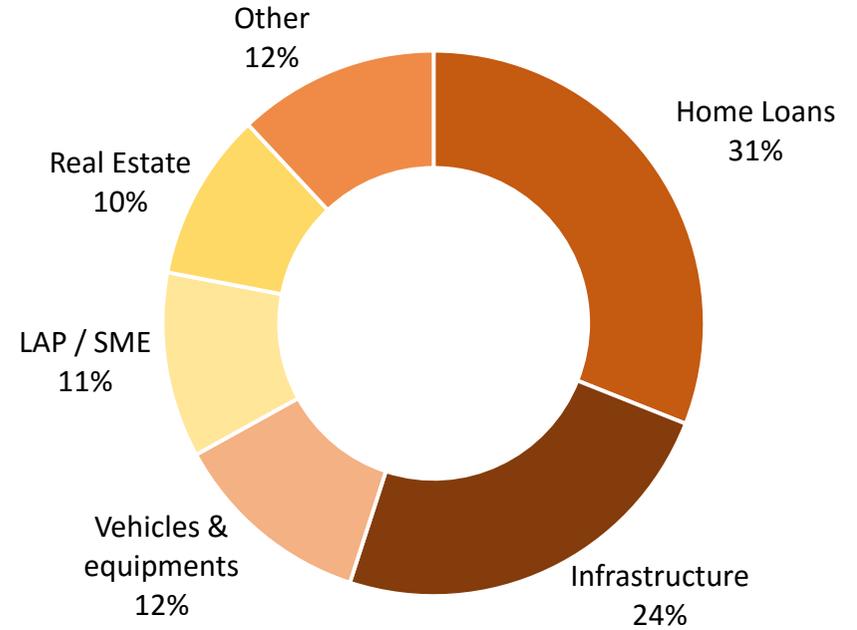


Note: NBFCs share has increased from 12% (~INR 3.6 trillion) in FY08 to 19% (~INR 22.1 trillion) in FY18, a CAGR of ~20%

NBFCs' AUM touched INR 22.1 trillion in FY18



Segment-wise share of lending from NBFCs



Note: Magma caters to ~55% of lending segment under NBFC space

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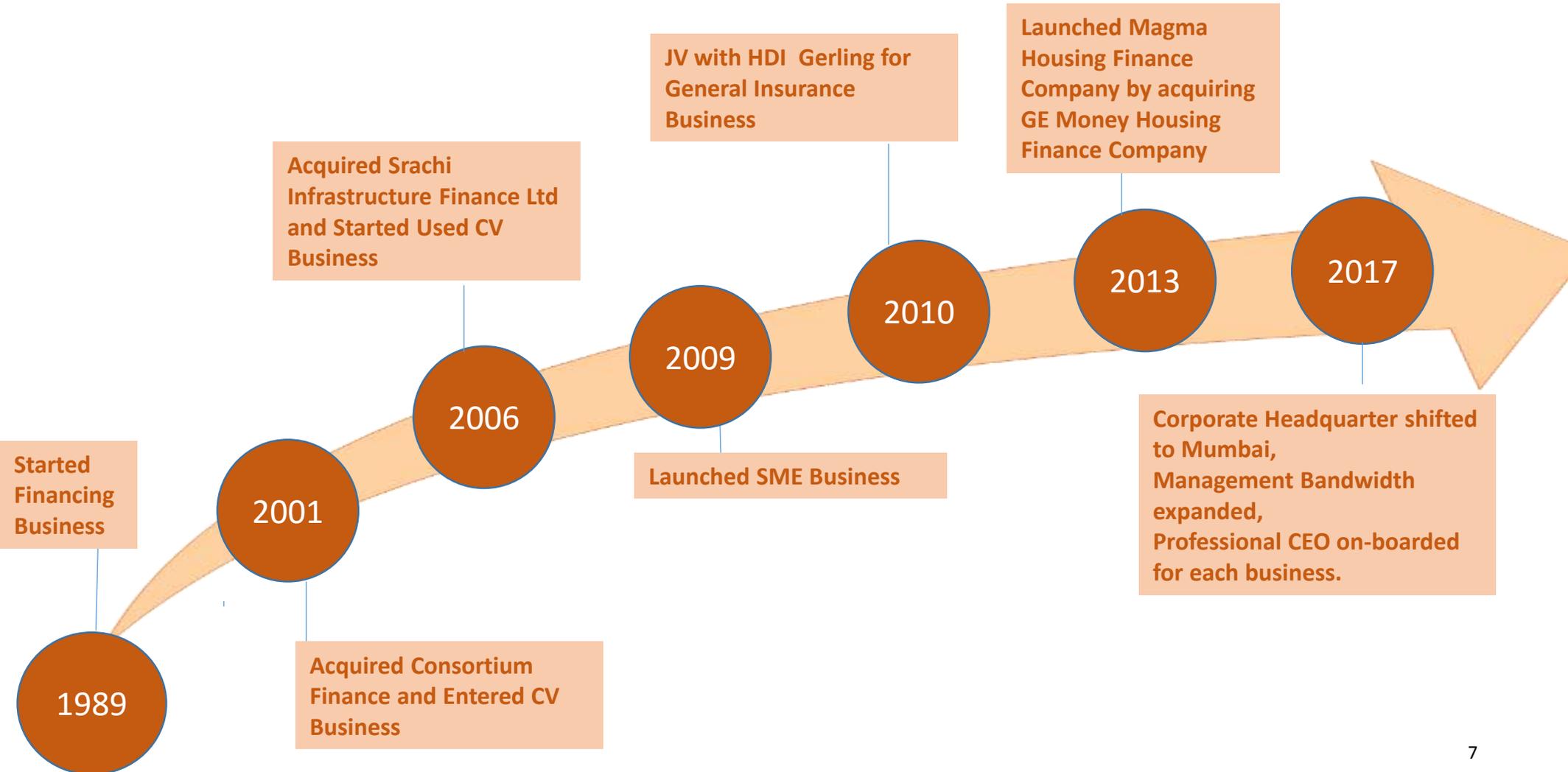
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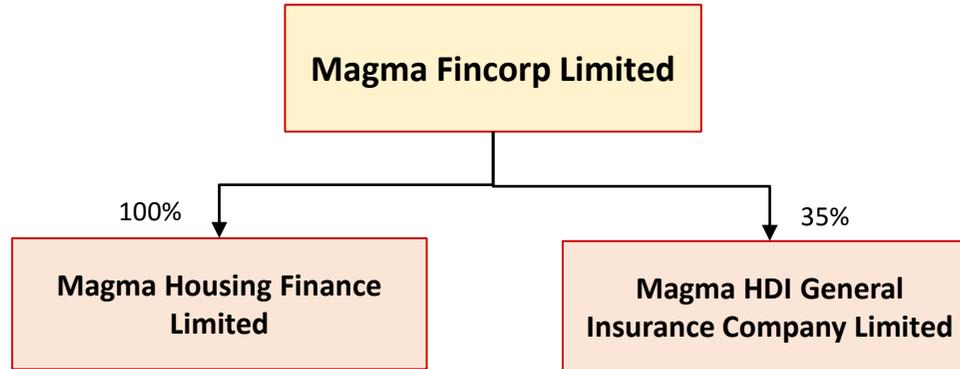
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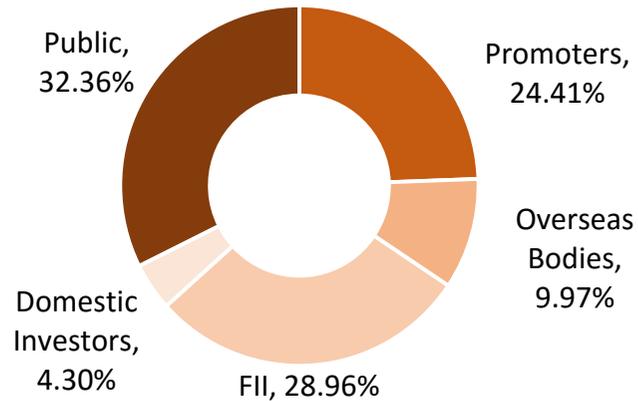
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Magma Journey





Shareholding (30-June-2019)



Key investors

- True North
- Chrys Capital
- Amansa
- Goldman Sachs
- Leapfrog
- Mobius Capital Partners
- HDFC Life Insurance
- Reliance Nippon Mutual Fund
- IDFC Mutual Fund
- Aviva

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

Independent 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 Development Corporation Limited and Emami Limited

VK Viswanatha
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.

Vijayalakshmi R Iyer
Non-Executive Independent Director

Previously served as an Executive Director of Central Bank of India, Chairperson and Managing Director of Bank of India. She was also a Whole Time Member (Finance and Investment) in the IRDAI.

Management Team



Sanjay Chamria
VC and MD

Business CEO / Functions

Support Functions



Manish Jaiswal
MD & CEO - HFC,
CEO - SME



Rajive Kumaraswami
MD & CEO -MHD



Mahender Bagrodia
CCO - ABF



Harshvardhan Chamria
Chief Digital Officer



Rajneesh Mishra
Chief People Officer



Deepak Patkar
Chief Risk Officer



Kailash Baheti
Chief Financial Officer

Jun-2017

Head, Risk
Advisory, Research
and SME Ratings,
CRISIL

Jun-2016

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

Oct-2000

General Manager,
Tijaya Enterprises
Ltd.

Sept-2014

Chief Strategy
Officer- Housing
and SME, Magma
Fincorp Limited

Jan-2019

Vice president-HR,
Bajaj Finserv
Limited

Sept-2018

Chief Risk Officer,
Fullerton India
Credit Company
Limited.

Oct-2011

CEO,
Century Extrusions
Limited

Kaushik Banerjee: Advisor – ABF business

Joined

Title and Previous Company

Growing
economy,
**NBFC gaining
Market share**

Nation-wide
urban, semi
urban & rural
**Distribution
network**

**Diversified
product suite**
to support
**customer life
cycle**

Leveraging
**analytics &
state of art
digital
platform**

**Robust risk
management,**
focus on asset
quality

Strong
**Corporate
Governance**
Structure

Focus on
profitability,
Capital
management

Environment



- A programme for Truck Drivers to train them on **Road Safety and vehicle maintenance**. The lone formal Training camp run by PCRA, Govt of India, with a Truck Financing NBFC in India.
- **Training provided to over 1.75 Lac Truck Drivers** at 250 camps across the country.
- **Reduction in CO2 Emission** estimated 790 Lac kg and Diesel consumption reduced by 2 crore Litres per year.
- **E-Toilets for Sanitation** at Transport Nagars benefit approx. 50,000 Truck drivers per year

Poverty alleviation

- **Mid-day Meal** offered to 6500 kids in Govt. Schools in 7 states (West Bengal, NCR, Maharashtra, Jharkhand, Andhra, Haryana and Rajasthan)



- Adopted 16 Ekal Vidyalaya Schools in Tribal areas of CG, Jharkhand

Education



- **Magma M Scholar** offers Scholarship to meritorious students from poor families
- Over past 4 years, M Scholar has offered 300 scholarships. 2015 batch students now work for ISRO, Grant Thornton, Qualcomm, Amdots etc.
- Adopted 16 Ekal Vidyalaya Schools in Tribal areas of CG, Jharkhand



Healthcare

- Magma runs **M Care health camps at Rural India**. Till date, nearly 1 Lac people benefitted.
- Magma's M Care camps in Post Flood Kerala



Group level CSR activities are managed by Magma Foundation



1 India – Economy & Financial Sector Outlook

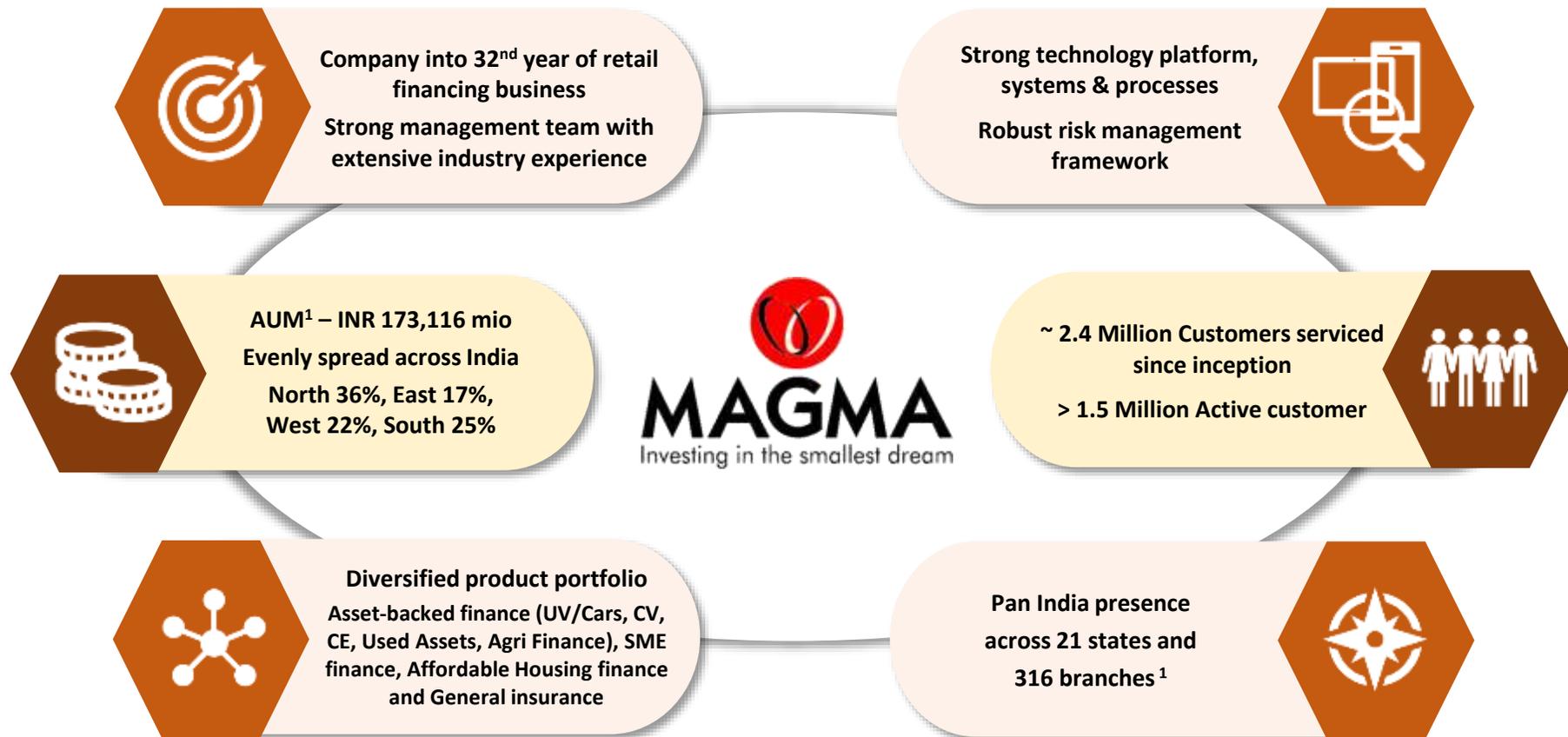
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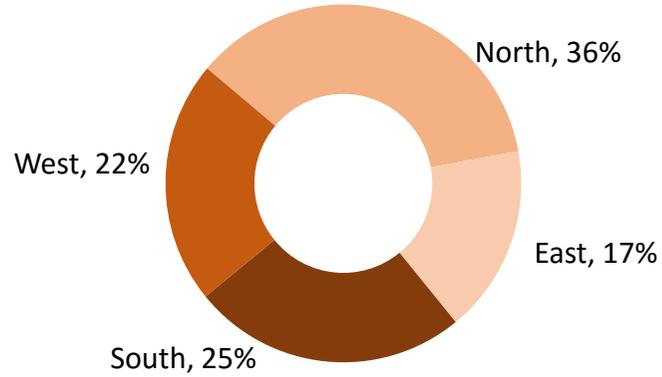
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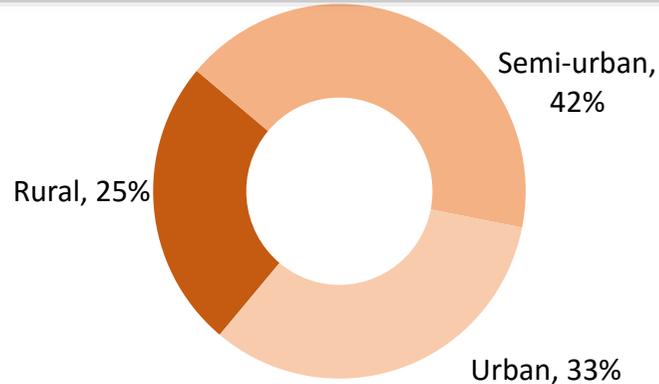
UV – Utility Vehicles, CV – Commercial Vehicles, CE – Construction Equipment

1 – AS on 30th June 2019

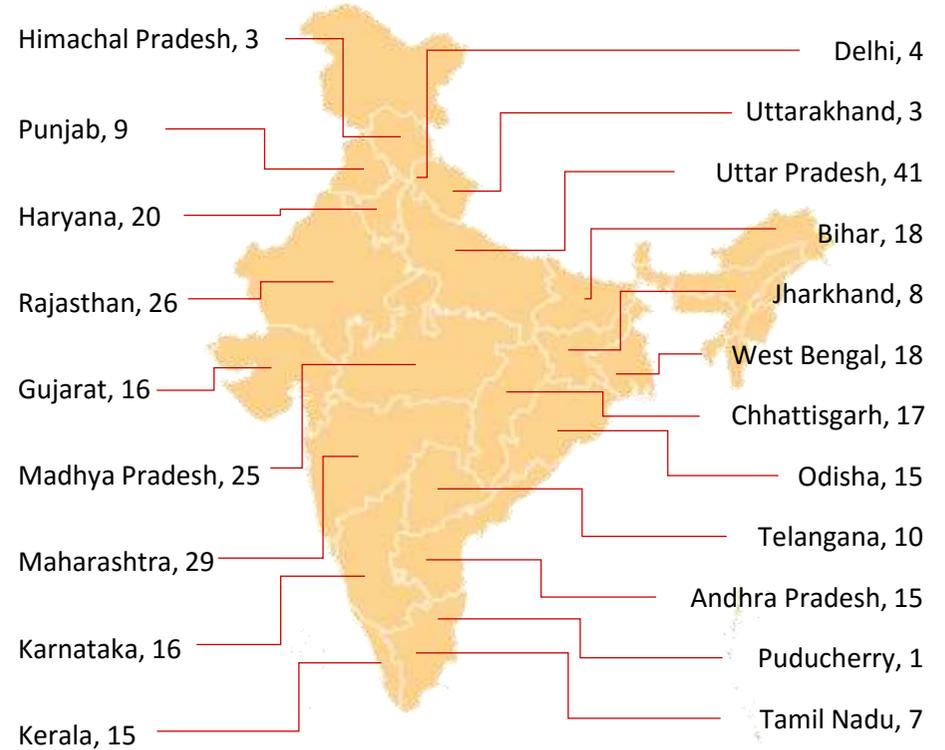
Zone-wise Breakup



Rural-Urban Breakup

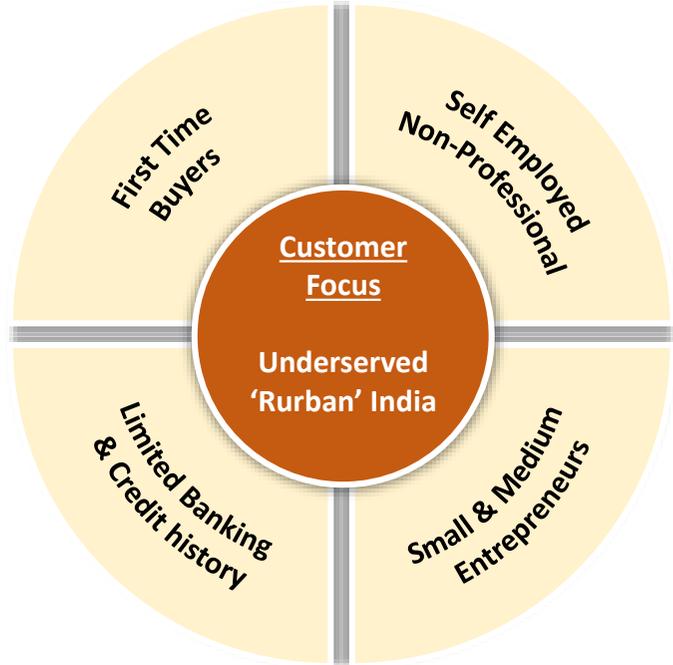


316 Branches as on 30th June 2019



Provide Financing Solutions to Underbanked Customers in 'Rurban' India

Recognised and Trusted Brand in 'Rurban' India



Diverse Product Offerings

Asset Backed Finance (ABF)
AUM¹ : INR 116,553 mio





SME Finance
AUM¹ : INR 22,634 mio



Affordable Housing Finance (AHF)*
AUM¹: INR 33,930 mio



General Insurance
GWP² : INR 2,899 mio



Total AUM¹ : INR 173,116 mio

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

Rurban includes Rural and Semi-Urban locations

Focus Customer Segments - High Cross-Selling of Products

		Customer Segments				Illustrative Asset Profile		
		First Time Buyers	Self Employed Non Professionals	Small & Medium Entrepreneurs	Limited banking / credit history	Average Ticket Size (INR mio)	Average Loan to Value Ratio	Average Tenure (months)
Financing & General Insurance Solutions	ABF: Commercial Finance	●	●	●	●	0.4-0.6	75-80%	40-45
	ABF: Agri Finance	●	●		●	0.3-0.4	65-70%	45-50
	SME Finance		●	●	●	1.9-2.1	N/A	30-35
	AHF: Affordable Housing Finance	●	●	●	●	0.9-1.2	60-70%	150-180
	General Insurance	●	●	●	●			

Numbers indicative of disbursements done during Q1 FY20

Commercial Finance includes trucks, construction equipment, UVs & Cars

SME Finance includes Unsecured Loans to Business Enterprises;

Agri Finance includes Tractors

Affordable Housing Finance includes Home Loans and Loan against property

- **Diversified Product Mix:** Focus on high ROA assets i.e. Used Assets, Tractor and New SCV
- **Scorecard Driven Lending:** 2/3rd of Lending decisions directly through Scorecard
- **Branch & Product Grading:** Trigger applied at granular level to boost asset quality
- **Customer Cross sell Focus:** 1/4th of the business through repeat Loans

**Asset
Backed
Finance
(ABF)**

**Small
Medium
Enterprise
(SME)**

- **Expanding in to Hinterland:** Leveraging in to existing branch infra (current presence at 1/3rd of Magma Network).
- **Expanding Product Suite:** To increase target customer set, moving towards more informal.
- **M-score Launched:** 65% lending decisions straight through along with risk based pricing

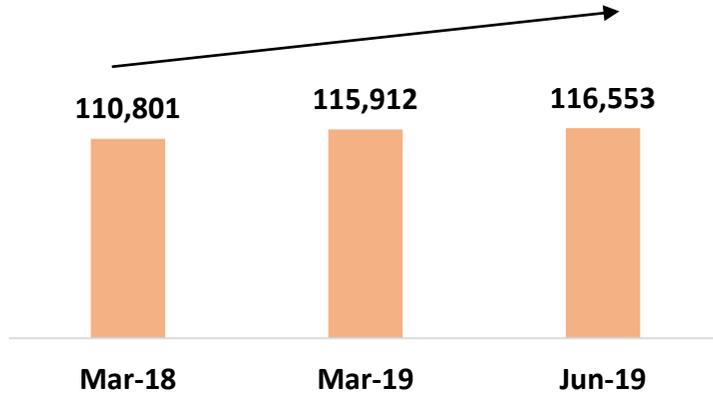
- **Sales Channel Expansion:** Sales now direct, to grow further on PMAY and APF
- **Deepen Localized Legal and Technical Expertise:** Nuanced offerings basis district specific Legal and Technical Rule
- **Cross Sell Focus:** Launched “Griha Pravesh” campaign to cross sell home loans to ABF customers

**Affordable
Housing
(AHF)**

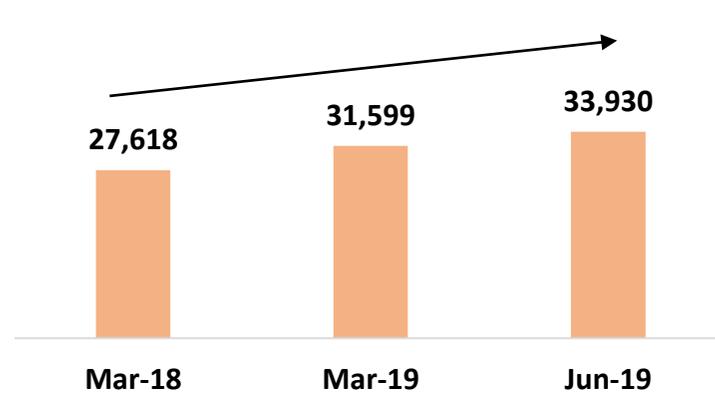
**General
Insurance
(GI)**

- **Ramp up in the OEM business** with current partners. Continue to pitch to other OEMs
- **Innovation & cost rationalisation** continues: Real time claims processing, adoption of RPAs
- Building blocks being put in place for significant growth in **Health business which was launched in end of 2018**

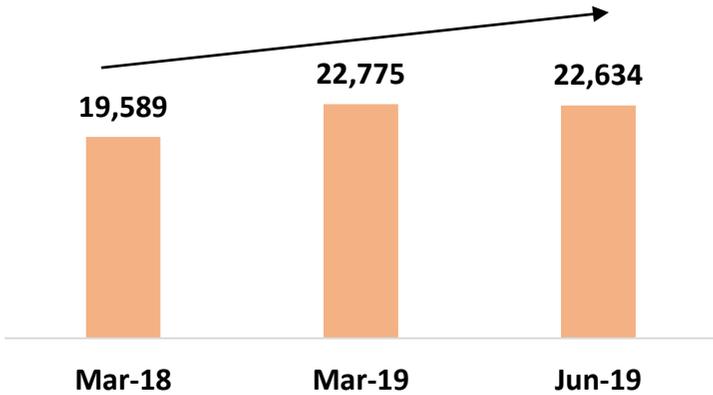
ABF AUM



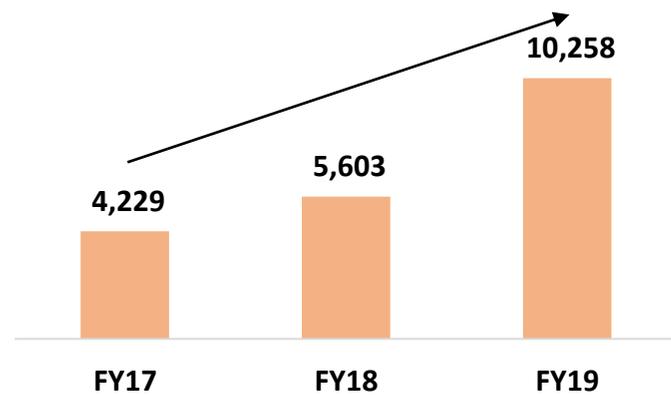
AHF AUM



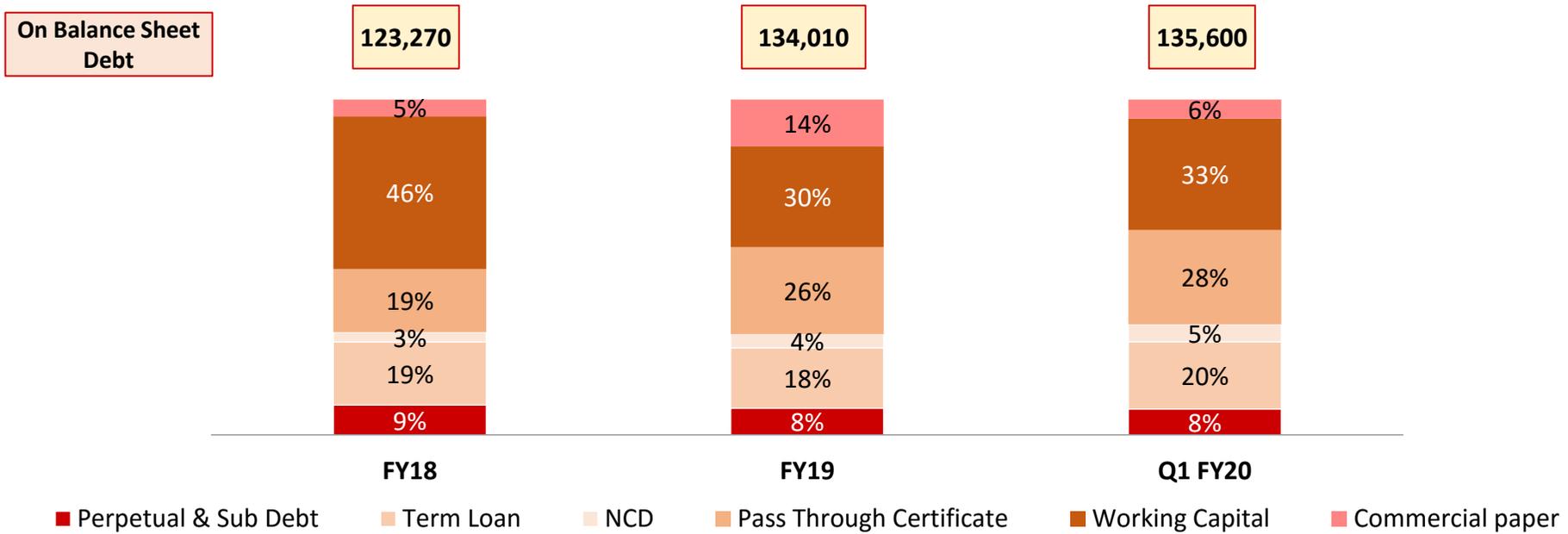
SME AUM



Gross Written Premium



Liability Profile – Stable credit rating and Stable sources of funds



Instrument	Rating
Short term Debt	A1+ (By CARE & CRISIL)
Long term Debt	AA- (By CARE, ICRA & India Ratings)

- Diversified liability sources limit concentration risk and allows stable flow of funds.
- Source of liabilities - Banks 68%, Debt capital market 32%.

Balance Sheet Debt based on MFL Consolidated financials; Values in INR million

NIM

FY18: 7.5%
FY19: 8.5%

NCL

FY18: 2.0%
FY19: 1.6%

ROA

FY18: 1.5%
FY19: 1.9%

ROE

FY18: 12.8%
FY19: 13.0%

**Net
Worth**

FY18: INR 19,720 mio
FY19: INR 27,439 mio

CRAR

FY18: 17.3%
FY19: 24.9%

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Key Pillars to Drive Sustainable Growth

- Deep understanding of **informal (NINJA) customer & cash-flow assessment**; data records & experience from three decades of underwriting
- Diversified Product suite to increase **lifetime value of customer, increasing ability to cross sell (2x post 360 degree view of customer in CRM)**
- Easy accessibility for Customer through **frequent Physical and Digital touch points and communication in 12 vernacular languages**

Customer

Technology

- **Digital vs. physical document flow**: Loan Origination System, Loan Management System
- Geo-tagging, Better Risk controls due to **Automated Workflow**
- **Credit Rule Engine**, Integration into **API economy**: data analytics led decision making
- **Field-force gamification** of incentive plan

People

Risk Management

- Fully functional **role based** and state of the art learning tools aimed at enhancing productivity and behavior
- **International leadership program** for Senior leadership, including 360 degree feedback
- **Talent management framework** with objective of building internal talent pipeline and strengthening retention

- **Independent risk management unit** overlooking Credit Governance, Operational Risk, Fraud Risk, InfoSec and Compliance
- Comprehensive Risk library; **Regular monitoring of Key Risk Indicators**
- Statistically derived **Early Warning Indicators (EWI) and Continuous Portfolio Monitoring Indicators (CPMI)**

THANK YOU



Annexure: FY 19 Financial Results – Profit & Loss Statement

INR Million	FY19	FY18
Net Revenue	13,912	12,104
Expenses	6,841	6,055
Operating Profit	7,071	6,049
Net Credit Loss	2,654	3,159
Profit Before Tax	4,417	2,890
Tax	1,384	540
Profit After Tax	3,033	2,350
Share of profit in Joint Ventures / Associates	7	19
Consolidated Profit After Tax	3,040	2,369
RoA	1.9%	1.5%
RoE	13.0%	12.8%

Annexure: FY 19 Financial Results – Balance Sheet

INR Million	FY19	FY18
Cash and Cash Equivalents	9,568	4,067
Loans and Advances	150,066	135,704
Other Assets	6,371	7,239
Fixed Assets	1,887	1,934
Total Assets	167,893	148,943
Borrowings	134,014	123,266
Other Liabilities	6,440	5,958
Share Capital	539	474
Reserves & Surplus	26,900	19,246
Total Liabilities	167,893	148,943

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