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23 June 2020

Corporate Relationship Department  
**BSE Limited**  
25<sup>th</sup> 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 Update**


Dear Sir,

Please find enclosed herewith the update which will be sent to the investors of the Company on the performance of the Company for the financial year ended 31 March 2020.

Kindly take the same on record.

Thanking you,

**Yours faithfully,**  
**For Magma Fincorp Limited**

  
**Shabnum Zaman**  
**Company Secretary**

**Encl: as above**

Dear Investor,

I hope you are staying safe and your family is doing fine.

We have just finished our board meeting last week and approved the annual financial performance and our performance deck is enclosed herewith for your kind perusal and reference.

The last 21 months since Sep,18 starting with the collapse of IL&FS followed by the wider trust deficit in the entire financial sector and liquidity crisis following downfall of DHFL n Yes bank and many other small and mid-sized NBFCs/HFCs and finally, with outbreak of Covid 19 has been the most adversarial period we have ever encountered in our corporate life of 32 years. It has tested our capacity to endure negative news and hurdles after hurdles in the path of recovery and our tenacity to hold on and continue to fight.

We have thus far managed to keep our spirits and coping with the situation and focused on the key imperative of preserving capital and keeping our flock together and motivated. The macro economic outlook for Fy21 is projected to be bleak with GDP degrowth estimated between 3.2-5.0% and vehicle sales going down by more than 25-30%.

At Magma, we have kept constant engagement with our board members and investor observers and the entire leadership team has worked together for the past 60 days to develop a plan to navigate through these Covid times. First, we have defined the following broad principles of our strategy for the year FY 21 within the overall framework of survive, revive and thrive.

1. Employee safety and welfare programs
2. Customer engagement and support in these times of crisis
3. Digitalized platform for contact less lending and collections
4. Prudent Liquidity management
5. Opex control
6. Portfolio quality
7. Capital preservation

**Employee safety and welfare:**

We have been providing 24/7 support through Emergency Response Team of 85 persons to 9,000+ people for any health-related issues as well as for their families and moved in to work from home during the lock down period. Now with unlock 1.0 underway and more than 70% of our branches being located in rural and semi-rural markets, more than 95% of our 7,500 field staff are in the field interacting with the customers and the supervisory staff and managers have been operating from their homes and going to office as required and using secure networks to access the data and reports which are available throughout 24/7.

**Customer engagement and support:**

We have established personal contact with more than 3.0 lac live customers during April and May to enquire about their own and family health, impact of lock down on deployment of asset, cash flow

situation and how we can support them. Our field executives and call center executives reached out to these customers across phone calls, sms, whatsapp, emails etc and tabulated the feedback thru the questionnaire and assisted the customers to avail benefit from the various support schemes of moratorium, interest subvention and providing further financial support, its cost implications and collecting instalments where the customers have started operations during last 4 weeks.

### **Digital initiatives:**

We had launched ambitious project on digitalization called Navodaya in Feb,2019 and timing couldn't have been better to launch the cloud native LOS with scorecard enabled credit rule engine and while it has already been implemented in SME biz, similarly new LOS has been launched for mortgage in March and it will get stabilized with biz resumption in June,20 and ABF LOS roll out is underway and all the 3<sup>rd</sup> party API integrations with fintech's are complete for automated data-collation.

We have enhanced digital collection efforts through mobile payment gateways and can accept payments via UPI, debit cards, or Net Banking, and apps including PayTM, Google Pay etc. Customer education on usage of digital medium to pay has helped collection during lockdown. As of now over 75% of our collection is through digital modes which has already led to gains in field team productivity.

These LOS's have allowed digital processing of loans, and we have introduced robotic process automation (RPA) technology for intelligent automation of back-office processes to boost efficiency and accuracy at a lower cost of operations.

### **Liquidity management:**

FY20 was by far the most challenging year from liquidity perspective for mid-sized NBFCs like Magma. We retired all short-term loans and procured new long-term loans. The steps taken have resulted in our entire liabilities being converted into long term, gradual improvement in ALM position quarter on quarter, with adequate liquidity. The movement to long term funding sources amid tight liquidity situation prevailing during the year, however, pushed up our cost of funds from 9.02% in FY19 to 9.94% in FY20

Over last 6 months, we have maintained surplus liquidity in the form of unutilized limits and available balances in the range of Rs. 1,200 to 1,500 crores. We have drawn additional borrowings of Rs. 545 Cr crs during the lock down. We have liquidity of over Rs. 1600 Crore as on 31<sup>st</sup> May 2020, and an additional pipeline of Rs. 600 crores under various liquidity schemes announced by the RBI and Govt of India.

Due to existing liquidity, new facilities received during lockdown and improving collection trends in June 20, we decided not to seek moratorium on payment of interest and repayment of principal during the entire period of March till August 20. We are comfortably placed well in terms of liquidity until the 3<sup>rd</sup> quarter of FY21.

### **Opex Control:**

As part of significant internal controls, we have kept tight leash on the operating expenses all through the year and despite marginal de-growth in AuM by 5%, we have managed to keep opex ratio at same level of 4.1% and with various measures taken during Covid times, are targeting to bring it below 4% during

FY21. We are further targeting to bring down our overall opex by 15% over FY20 levels to give us a saving of Rs. 125 crores approx.

### **Portfolio Quality:**

Our GNPA & NNPA ratio improved to 6.4% & 4.2% as of March, 20 compared to 6.7% & 4.5% as on Dec, 19. We have suffered on a/c of credit losses during the year 2019-20 owing to poor economic activity and vehicle portfolio not doing well and our improvement in Q4 suffered a jolt due to lock down in the last 10 days of the fiscal year. We therefore slowed down our disbursements in FY20 by tightening our credit screens and processes and we have strengthened the provisioning as on March 20 and increased the Stage I n II ECL from 2.0% to 2.2% and also created one-time Covid provisioning amounting to Rs. 117 crs in Q4, FY20.

We are reasonably confident that the additional provisioning created for Covid scenario should be sufficient to take care of additional slippages, if any during FY 21. We are seeing positive early trends in collection and expect rural India bounce back to normalcy by Oct, which will preserve the portfolio quality.

### **Capital Allocation and Preservation:**

Given the ongoing uncertainties on the health side and its consequential impact on the macro economy, we have decided to ensure preservation of capital under all circumstances and take requisite measures to achieve the same. Our Net Worth as on 31<sup>st</sup> March, 2020 is Rs. 2748 crs and our endeavor is to ensure that there is no erosion in the value of net worth as on 31<sup>st</sup> March, 2021 and all our efforts and focus is directed towards achieving the same.

We have taken series of measures to deal with the moratorium offerings to the needy customers, liquidity management, supporting with additional funds to good existing customers under the ECLGS/CGTMSE schemes, increasing the product weightage to more secure and stable products, increasing cross sell to the customers and raising cheaper debt under various programs such as PCG 2.0, TLTRO 2.0 etc announced by the Govt of India.

Amongst our various businesses, Insurance and Housing business have been doing quite well and we have detailed the performance update in our performance deck for our 100% subsidiary, Magma Housing Finance Limited and Joint Venture company, Magma HDI GI Company Limited for your ready reference. Both the entities have achieved economic scale and augmented capital of more than Rs. 200 crs during the last 15 months and will be growing in its targeted products and customer segment. In fact, Magma HDI has been awarded the title "Rising Star Company" in the Indian Insurance Awards, 2020. Magma Housing Finance has been able to provide PMAY benefits to more than 845 customers and further processing over 4000 applications, thereby have better stickiness and superior performance of the portfolio.

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Our SME biz is completely digital as on date right from sourcing to disbursal and further on to collections and we are amongst the first company off the block to disburse additional loans under ECGLS launched by the Govt of India. Majority of our SME portfolio (Over 76%) are anyways secured under CGTMSE guarantee. We have also provided interest subsidy to our customers (those who maintain good repayment) under support programs of MSME ministry and it helps to build fiscal discipline amongst the customers.

We are thankful for your support during these difficult times and will keep communicating and sharing the update on initiatives undertaken and progress achieved by us and hurdles being faced.

**For Magma Fincorp Limited**

**Vice Chairman and Managing Director**

# TOWARDS A ROBUST, SUSTAINABLE AND PROFITABLE GROWTH

Magma Fincorp Limited

Investor Presentation – Q4 & FY20



**MAGMA**

Investing in the smallest dream



- 1 Company Overview
- 2 Financial Performance – Q4 & FY20
- 3 Business Strategy
- 4 Business enablers to drive sustainable growth
- 5 Leadership Team & Shareholding Structure
- 6 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.

# COMPANY OVERVIEW





# Quick Snapshot



Company into 32<sup>nd</sup> year of retail Financing business

Strong management team with extensive industry experience



AUM<sup>1</sup> - ₹ 16,134 Crore  
Evenly spread across India

North 37%, East 20%  
West 18%, South 25%



### Diversified product portfolio

Asset-backed finance (Cars, CV, CE, Used Assets, Agri Finance), SME Finance, Affordable Housing Finance and General Insurance



Strong technology platform systems & processes

Robust risk management framework



~ 3 Million customers serviced since inception

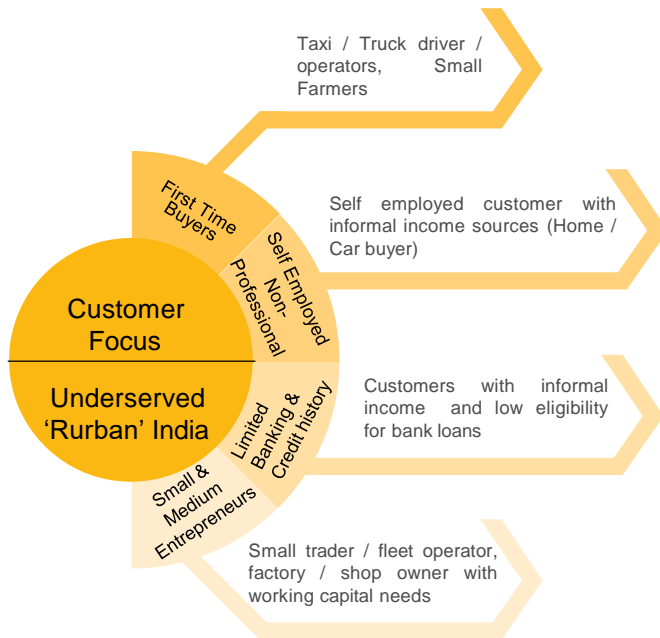
> 2 Million Active customer



Pan India presence across 21 States

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

Recognised and  
Trusted Brand in  
'Rurban' India



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 <sup>1</sup>		
	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 <sup>2</sup>	●	●	●	●	4-6	75-80%	40-45
ABF: Agri Finance <sup>3</sup>	●	●		●	3-4	65-70%	45-50
SME Finance <sup>4</sup>		●	●	●	17-20	NA	30-35
AHF: Affordable Housing Finance <sup>5</sup>	●	●	●	●	9-13	50-60%	150-180
General Insurance	●	●	●	●			

1. Numbers indicative of disbursements done during FY20

2. Commercial Finance includes trucks, construction equipment, cars, auto lease

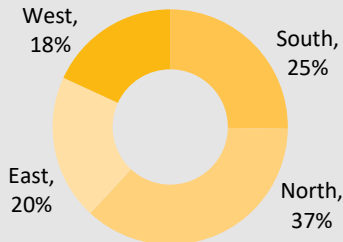
3. Agri Finance includes Tractors

4. SME Finance includes Unsecured Loans to Business Enterprises

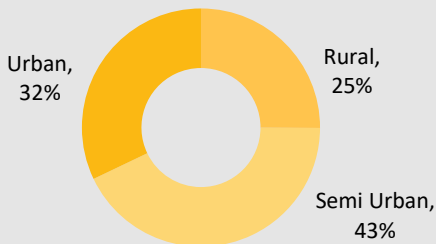
5. Affordable Housing Finance includes Home Loans and Loan against property

# Well diversified portfolio across segment & geography

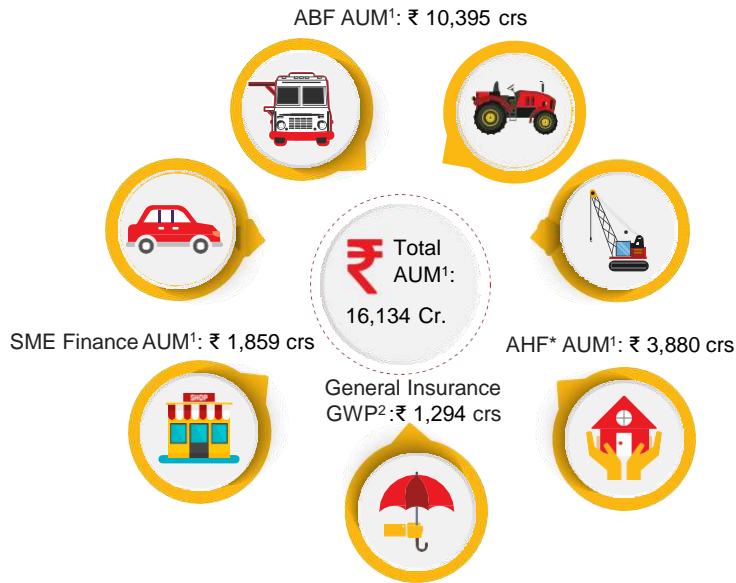
## Zone-wise Breakup



## Rural-Urban Breakup



## Diverse Product Offerings



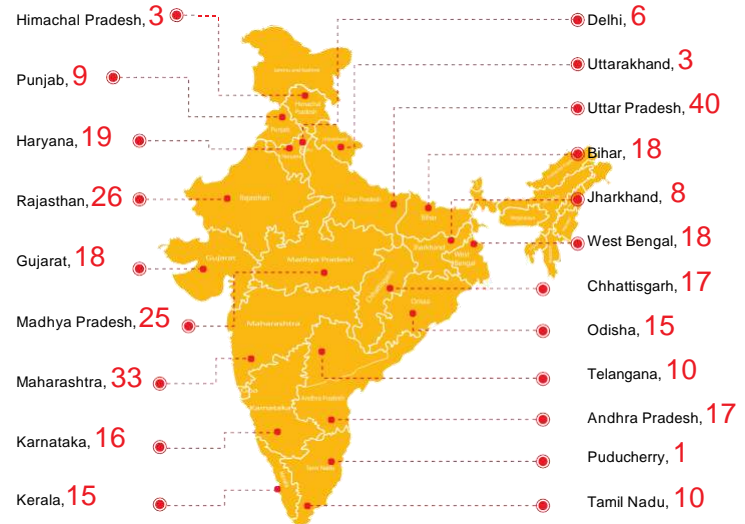
# Extensive Pan India Network

## Asset Light Branch Network

- ✓ Wide retail presence through hub and spoke model
- ✓ Digital footprint enables Field Executives to conduct business from channel/customer locations, leading to better sales productivity, deepens market coverage and improves 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

## 327 Branches as on 31<sup>st</sup> March, 2020

Wide retail presence through hub and spoke model



# Magma Culture Code



## **INTEGRITY**

Do the right thing




## **COLLABORATION**

Invite ideas and inspiration  
from all



## **RESPECT**

Treat people  
equally

A close-up photograph of a person's hand placing a wooden block on top of a stack of four blocks. To the right, there are three more stacks of blocks, each shorter than the one to its left, creating a descending staircase effect. The background is blurred, showing a person in a blue shirt.

# Financial Performance – Q4 & FY20

# External Environment stressed by liquidity and growth issues, further impacted by COVID-19

- Liquidity crisis in financial services sector since Sep-18 resulted in broader economic slowdown impacting all sections of economy, however government interventions improved the liquidity scenario in Q3FY20.
- Unprecedented prolonged lockdown in times of COVID-19 impacted entire world economy; India's GDP is estimated to contract 3.2%-5% in FY21.
- Lock down has severely impacted MSME segment, barring few sectors like Health care, FMCG, Allied Agri etc.
- Surge in unemployment numbers, leading to uncertainty of income, will slowdown consumption.
- Restart of economic activity after a prolonged lockdown, under fear of COVID-19, is very challenging.
- Government schemes to recuperate Indian economy, under 'Atmanirbhar Bharat', Liquidity measures to MSME like ECLGS, Sub-debt for Stressed MSMEs, Equity Infusion via fund, etc. should provide help to resume march to normalcy.
- Prolonged disruption – started with the liquidity crisis, transcended into confidence crisis and now the Covid-19 crisis – has led **NBFCs / HFCs to sacrifice growth, prune balance sheets and become asset light.**



# Executive Summary - Living in times of Covid-19

## **Our Strategy**

- A robust Business Continuity Plan as a response to COVID-19 addressing financial planning, business strategy realignment, employee productivity re-focus, IT enablement and renewed customer engagement.
- Focus on capital preservation, collections, stringent operating expenses management and strengthening Balance Sheet.
- Company has a healthy capital adequacy, strong liquidity position, a well diversified retail portfolio with excellent geographic distribution and 97% of receivables are either secured by collateral or have a sovereign guarantee cover.

## **Business & Liquidity Management**

- First the economic downturn and then the COVID-19 impact led to FY20 disbursement decrease by 27%. Decrease in AUM by 5% YoY to ₹16,134 crs.
- Continued with change in Product mix towards focus products. Contribution of focus products in AUM increase to 60% (PY 51%). Contribution of safest asset class, Affordable Housing Finance, increases to 24% (PY 19%).
- Amidst Covid-19, taken a cautious stance on new business, tightened underwriting norms. Currently open for business in 305 locations (as on 12-Jun-20).
- Company exited March 2020 with a comfortable liquidity of over ₹1,500 crs.
- Offered the option of moratorium to all customers. Have not availed moratorium on any borrowing. In spite of this, have comfortable Liquidity of over ₹1,600 Crore as on 31<sup>st</sup> May 2020.

# Executive Summary - Living in times of Covid-19

## **Customer engagement**

- Supported MSME and Affordable Housing Customers during lockdown with various government benefits such as Interest subvention, PMAY scheme etc.
- Undertaken Customer survey covering over 75% customers during April & May, to understand customers' liquidity, business impact and support they need.

## **Employee engagement**

- Enabled Employees to Work From Home, providing adequate protection in times of COVID-19.
- By mid June 2020, ~95% of employees are working in nearly 'Business as Usual' environment
- Ensuring Employee welfare – A very active health support desk and medical emergency helpline etc. for employees and their families.

## **Moratorium & COVID-19 Provisioning**

- Moratorium 1.0 - ABF ~84%, AHF ~53% and SME ~56% customers opted for moratorium.
- Additional one-time COVID-19 provision amounting to ₹117 crore in Q4. Provision @0.9% on ABF AUM, @0.4% on AHF AUM and @0.3% on SME portfolio.
- Focus on collections with additional rigour on customers availing moratorium.

# Executive Summary - Living in times of Covid-19

## **Opex Management**

- Stringent control over operating expenses with Go Direct and Go Digital policy
- Digital platform supporting end-to-end customer lifecycle implemented in FY20, increasing productivity and reducing cost
- Initiated cost rationalisation journey in FY20, leading to absolute reduction in operating expense YoY

## **Profitability and Balance Sheet strength**

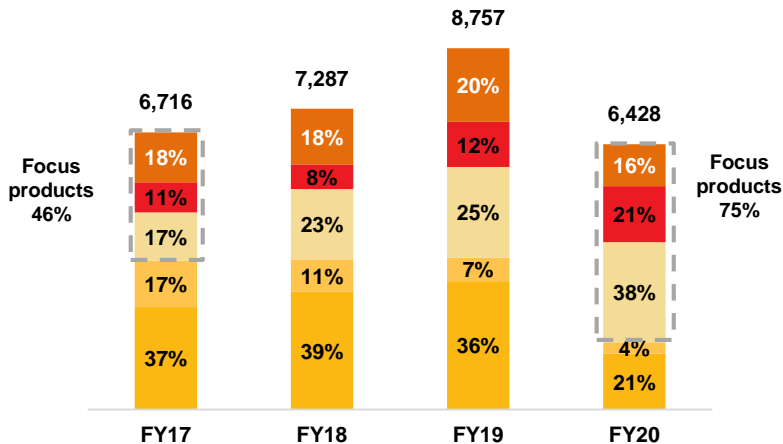
- Operating profit before COVID provision at ₹199 crore in a very challenging year; After COVID-19 provision, PBT stood at ₹83 crore
- Standard asset provisioning increased to 2.2% from 2.0% in previous year
- Healthy PCR of 36.5%
- Strong Capital adequacy at 25.9%

## **Priorities for FY21**

- Focus on Collections and improvement in Asset Quality
- Continued reduction in operating expense
- Improve NIMs, by change in product mix and reduction in Cost of Funds.
- Maintain adequate liquidity and protect capital.

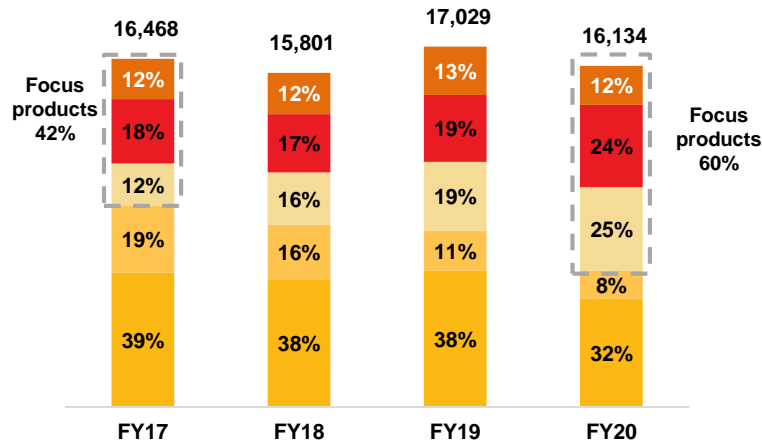
# Disbursal momentum of previous 3 years impacted due to Liquidity Crisis and COVID-19

## Disbursement



- Cars / CV / CE
- Agri
- Used Assets
- Affordable Housing
- SME & Others

## AUM



- Cars / CV / CE
- Agri
- Used Assets
- Affordable Housing
- SME & Others

# Business enabler for sustained growth – Technology

## Digital

**LOS:** End-to-End Digital Loan Processing powered by engines for real-time decisioning, API driven ecosystem engagement with FinTechs, automated workflows, rules for multi-bureau analysis, analytical scorecards, digital NACH and eSign

**BYOD:** Empowered Field-force with Bring-Your-Own-Device to securely access corporate applications using personal mobile devices

**Digital Collections:** Over 75% of monthly collections via digital modes of NACH, PDC, RTGS, UPI, Net Banking, Debit Cards, Google Pay, PhonePe and PayTM



## Operational Efficiency



**Lead-To-Disbursal TAT** reduction powered by Digital Workflows, STP and automated checkers

**Robotic Process Automation** for delivering scale to recon activities in back-office functions

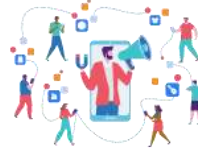
## Data Analytics



**Credit Rule Engine:** 2/3rd of credit underwriting is Straight-Through-Processed and digital Approved

**Data Marts:** for Risk Analytics, Cross Sell and Financial Analytics

## Customer Engagement



**CRM:** Omni-channel 360 degree view of Customer across various mediums of engagements such as Branch OTC, SMS, Email, Call Centre, WhatsApp, Facebook, LinkedIn and Twitter

**WhatsApp Chatbot:** launched for Customer-service and Channel-engagement; Website ChatBot launched for facilitating dialog on moratorium

**Digital document delivery:** Achieved across 11 vernacular languages to customers

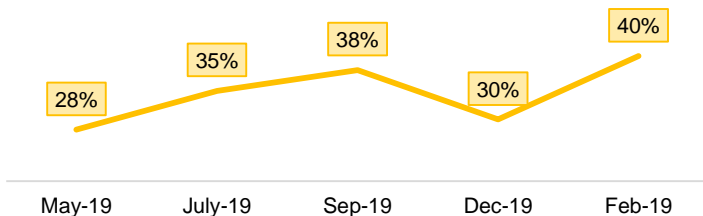
## Security



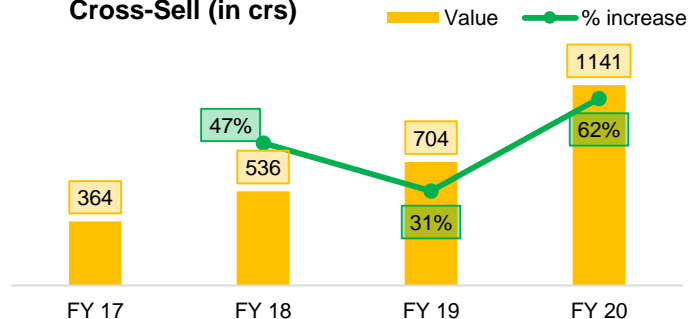
Work-From-Home enabled through secured infrastructure encompassing **hardened laptops, Firewalls, Virtual Private Network, Mobile Device Management** and **24x7 Security Operations Center**

# Business enabler for sustained growth – Customer Service

**Magma NPS**



**Cross-Sell (in crs)**

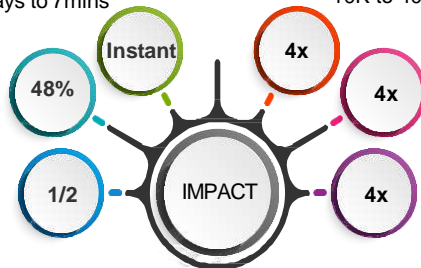


**Servicing TAT**

7days to 7mins

**Customer Interactions**

10K to 40K



**Net Promoters Score**

28% to 48%

**Leads**

3K to 12K

**Call Handling Time**

8mins to 4mins

**Disbursal per month**

35 crs to 150 crs

**Key Initiatives :**

- Significant Tat reduction through automated STP (Straight Through Processing) initiatives
- Best in class Net promoter scores (NPS) in Asset finance business
- Analytics driven customized cross-sell product offers for customers
- Servicing customers in 11 regional languages

# Key Financial Metrics

Parameter	FY19	FY20 Before COVID	FY20 After COVID
AUM	₹ 17,029 crs	₹ 16,134 crs	₹ 16,134 crs
Disbursement	₹ 8,757 crs	₹ 6,428 crs	₹ 6,428 crs
NIM	8.4%	7.7%	7.7%
Opex Ratio <sup>#</sup>	4.1%	4.1%	4.1%
NCL <sup>#</sup>	1.5%	2.4%	3.1%
Net NPA	3.1%	4.2%	4.2%
Profit Before Tax	₹ 442 crs	₹ 199 crs	₹ 83 crs
CRAR	24.9%	25.9%	25.9%

<sup>#</sup> Premium paid under Credit Guarantee scheme clubbed with NCL.

# Moratorium Impact

Segment	AUM as of 31 March 2020	% of AUM under Moratorium (May exit)	Collection Efficiency (Apr-20)	Collection Efficiency (May-20)	COVID-19 Provision amount	COVID-19 Provision as % of AUM
ABF	10,395	84%	94.6%	136.1%	96	0.9%
AHF	3,880	53%	95.0%	92.1%	15	0.4%
SME & Others	1,859	56%	92.4%	92.3%	6	0.3%
<b>Total</b>	<b>16,134</b>	<b>73%</b>	<b>93.9%</b>	<b>112.2%</b>	<b>117</b>	<b>0.7%</b>

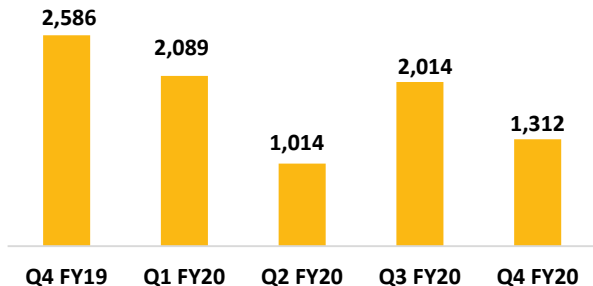
**Note:**

1. Customers availing moratorium (by value) for March-20 was 26% and for April was 64%.
2. MTD Collections as on 16-Jun-20 is ~81% of Mar-20 MTD Collections, assuming 100% billing (ABF: 86%; AHF: 74% & SME: 73%)



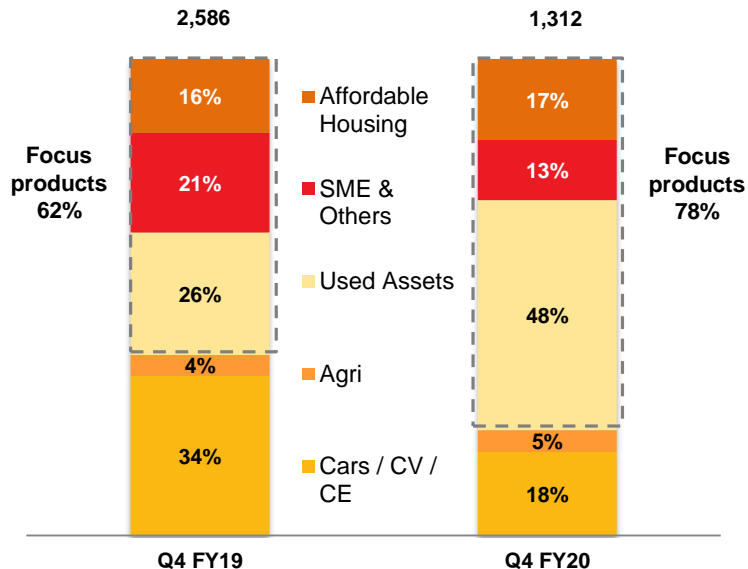
# Disbursal - Product mix moving towards focus products

### QoQ Disbursement

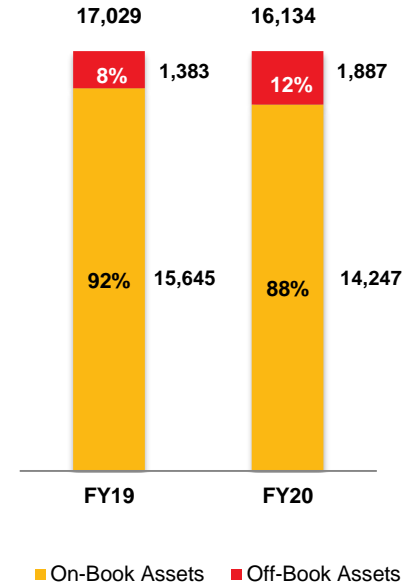
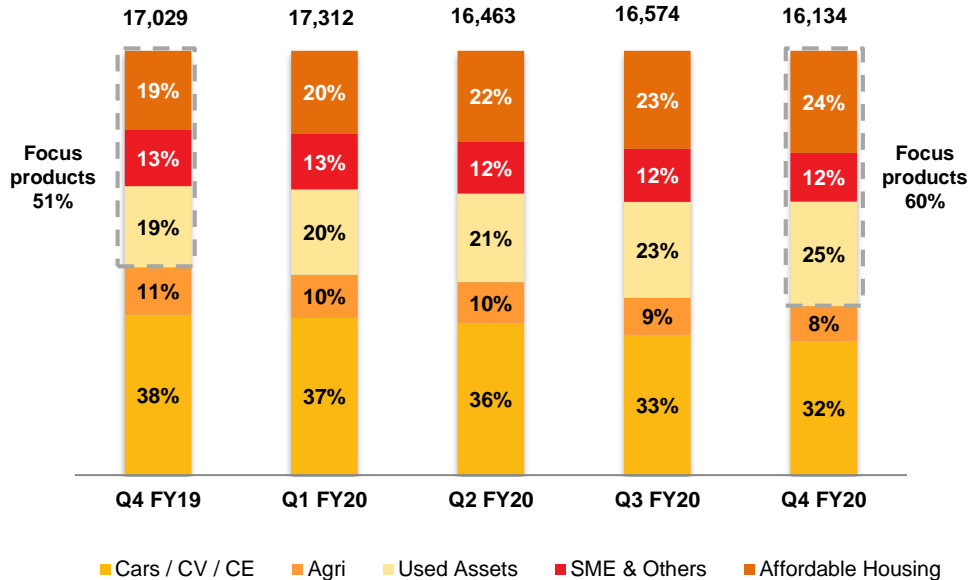


- Q4 FY20 Disbursals impacted due to COVID-19
- Increase in contribution of focus products, i.e., Used assets, Affordable Housing and SME from 62% to 78%

### YoY Change in Disbursement Mix



# AUM - Product mix moving towards focus products

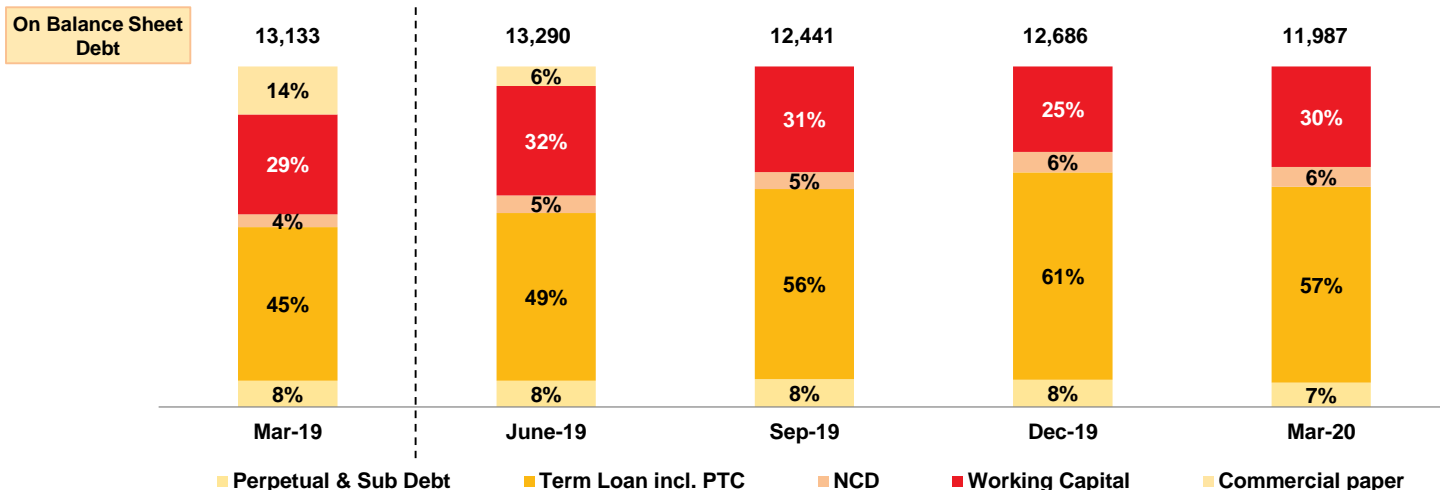


# Asset Quality

Particulars	Q1 FY20	Q2 FY20	Q3 FY20	FY19	FY20
Gross Stage 1 and Stage 2 Assets	15,282	13,653	13,790	14,898	13,333
ECL Provision – Stage 1 and 2	300	286	277	293	291
<b>Stage 1 and Stage 2 Coverage Ratio (%)</b>	<b>2.0%</b>	<b>2.1%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.2%</b>
Gross Stage 3 Assets	814	928	987	747	914
Net Stage 3 Assets	523	599	647	472	580
<b>Gross Stage 3 Assets (%) (~ GNPA)</b>	<b>5.1%</b>	<b>6.4%</b>	<b>6.7%</b>	<b>4.8%</b>	<b>6.4%</b>
<b>Net Stage 3 Assets (%) (~NNPA)</b>	<b>3.3%</b>	<b>4.2%</b>	<b>4.5%</b>	<b>3.1%</b>	<b>4.2%</b>
<b>Stage 3 Coverage Ratio (%)</b>	<b>35.8%</b>	<b>35.4%</b>	<b>34.4%</b>	<b>36.8%</b>	<b>36.5%</b>

- Assets quality ratios are calculated basis On Book AUM (i.e. Direct Assignment book is excluded)
- Figures for the previous periods have been restated/ regrouped to align with current quarter's presentation.

# Liability Profile - Structural Shift to Long Term Liquidity



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

- Entire borrowings from Long Term Sources of funds (Working Capital facilities are long term in nature, though shown as repayable in 6m-12m bucket for purpose of ALM).
- Source of liabilities as at 31 March 2020 – Banks: 83%, Debt capital market: 17%.

# Borrowing Profile

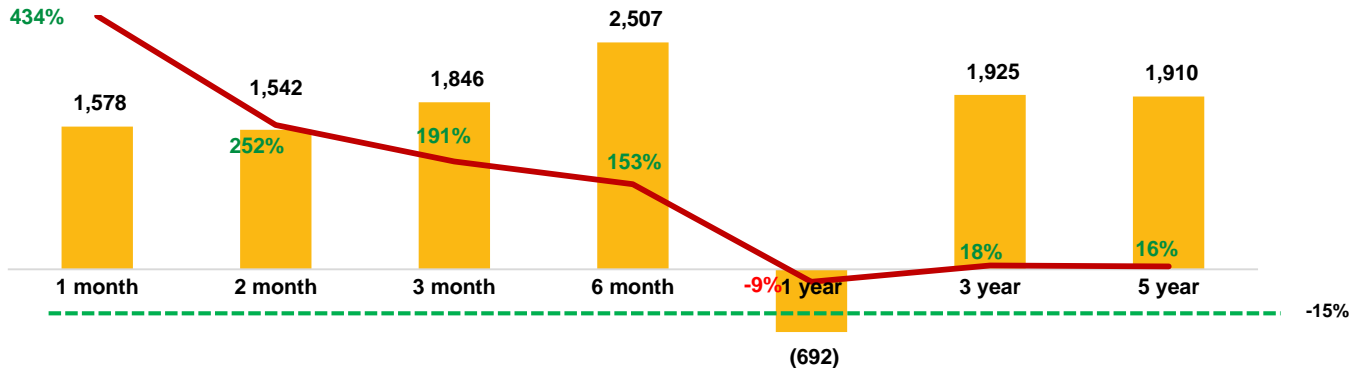
## Fresh Borrowings in FY20

Instrument	MFL	MHFL	Consolidated
Term Loans including PTC/PCG	3,672	962	4,634
NCDs	551	-	551
Direct Assignment	1,000	282	1,282
<b>Total</b>	<b>5,223</b>	<b>1,244</b>	<b>6,467</b>

## Borrowing Mix as at 31 March 2020

Particulars	Fixed Rate Borrowings	Floating Rate Borrowings
MFL	44%	56%
MHFL	15%	85%
<b>Consolidated</b>	<b>40%</b>	<b>60%</b>

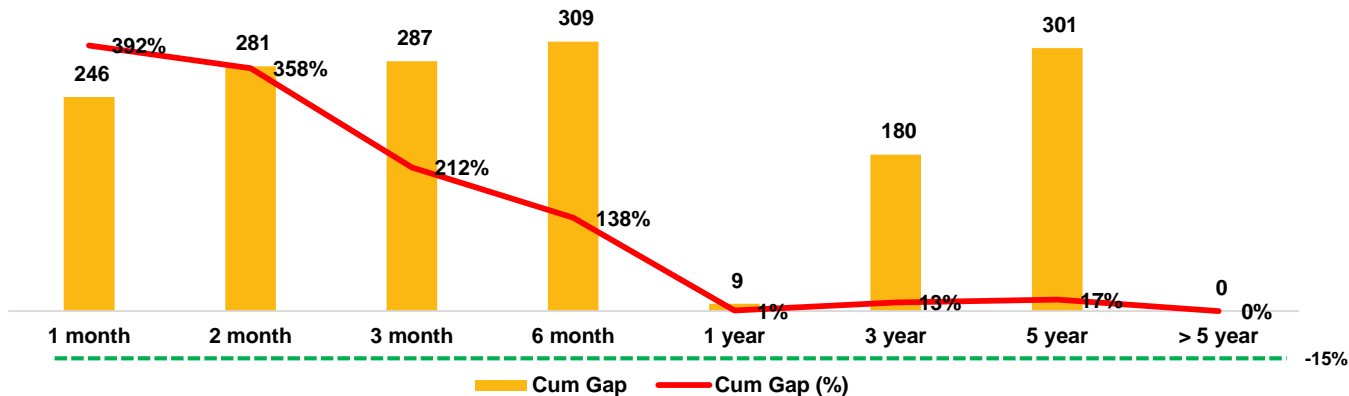
# Structural Liquidity for MFL as at Mar 20



**Note:** ■ Cumulative Mismatch (Rs Crs) — Cumulative Mismatch (%)

- Moratorium was offered to all customers, however did not seek any moratorium from our lenders, leading to a small mismatch in 6 - 12 months time bucket, well within generally accepted mismatch in this bucket
- Working capital limits (30% of total borrowing) are considered as repayable in 6 - 12 months time bucket
- Liquidity Risk Management (LRM) Framework:
  - Adequate High Quality Liquid Assets (HQLA) to cover well over 100% requirement.
  - Surplus in each of the new granular buckets i.e. 1-7 days, 8-14 days, 15-30/31 days

# Structural Liquidity for MHFL as at Mar 20

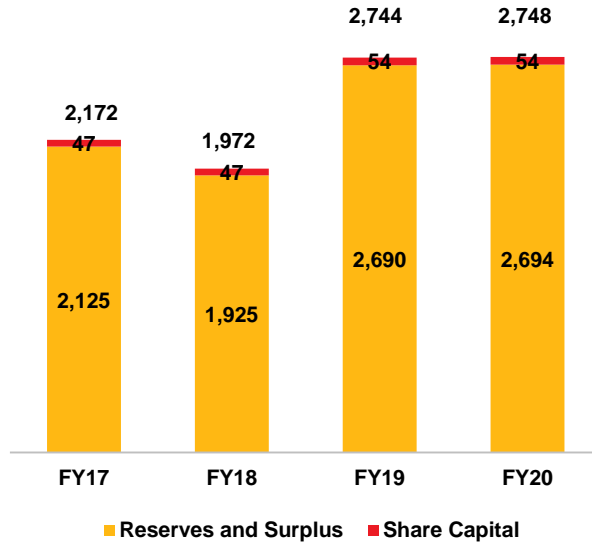


## Note:

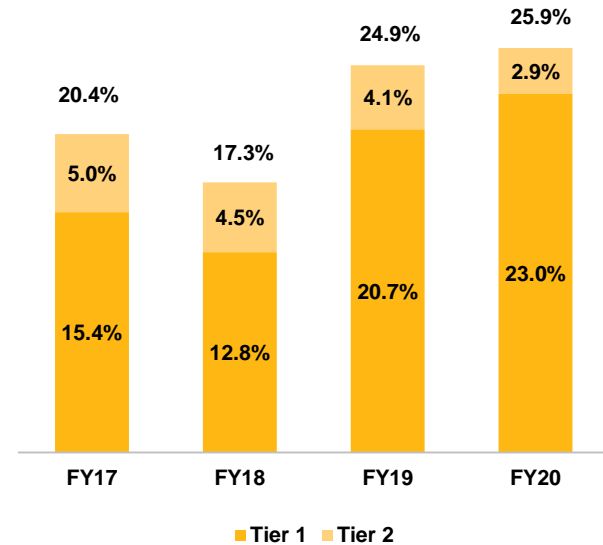
- Working capital limits (20% of total borrowing) are considered as repayable in 6 - 12 months time bucket
- Liquidity Risk Management (LRM) Framework:
  - Surplus in each of the new granular buckets i.e. 1-7 days, 8-14 days, 15-30/31 days

# Adequately capitalized for growth

## Net Worth



## Capital Adequacy\*



Note: FY17 numbers are as per I-GAAP; FY18, FY19 and FY20 numbers are as per Ind-AS  
Values in Rs crore

\* Subject to RBI guidelines



# Consolidated Profit & Loss Statement\*

Particulars	Q4FY20	Q3FY20	Q4FY19	FY20	FY19
Net Revenue	308	318	335	1,272	1,372
Expenses <sup>#</sup>	162	164	171	674	679
<b>Operating Profit</b>	<b>147</b>	<b>154</b>	<b>164</b>	<b>598</b>	<b>693</b>
Net Credit Loss (Normal) <sup>#</sup>	30	126	37	398	251
<b>Profit Before Tax (before COVID-19 provision)</b>	<b>117</b>	<b>28</b>	<b>127</b>	<b>199</b>	<b>442</b>
Additional Provision - COVID-19	117	0	0	117	0
<b>Profit Before Tax</b>	<b>0</b>	<b>28</b>	<b>127</b>	<b>83</b>	<b>442</b>
Tax (Normal)	(4)	7	40	19	138
Opening DTA impact due to change in tax rates	36	0	0	36	0
<b>Profit After Tax</b>	<b>(31)</b>	<b>21</b>	<b>87</b>	<b>28</b>	<b>303</b>
Share of profit in Joint Ventures / Associates	(4)	2	(2)	(1)	1
<b>Consolidated Profit After Tax</b>	<b>(36)</b>	<b>22</b>	<b>85</b>	<b>27</b>	<b>304</b>
RoA	-0.9%	0.5%	2.0%	0.2%	1.9%
RoE	-5.2%	3.3%	12.7%	1.0%	13.0%

\* Re-formatted for better analysis

# Premium paid under Credit Guarantee scheme clubbed with NCL

Values in Rs crore

# Consolidated Balance Sheet

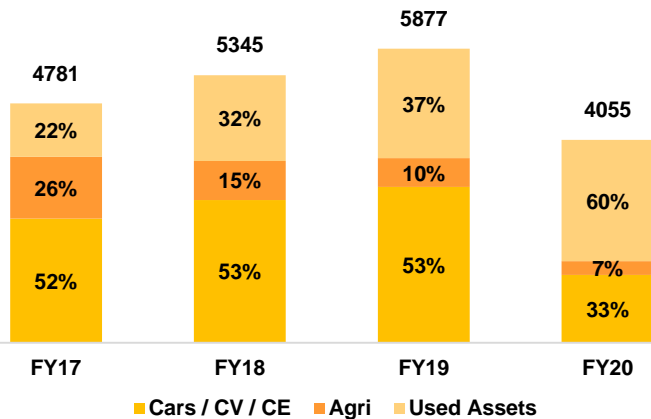
Particulars	31-Mar-20	31-Dec-19	31-Mar-19
Cash and Cash Equivalents	708	1,384	957
Loans and Advances	13,555	14,091	15,007
Other Assets	784	757	623
Fixed Assets	193	201	203
<b>Total Assets</b>	<b>15,240</b>	<b>16,432</b>	<b>16,789</b>
Borrowings	11,987	12,686	13,133
Other Liabilities	504	971	912
Share Capital	54	54	54
Reserves & Surplus	2,694	2,721	2,690
<b>Total Liabilities</b>	<b>15,240</b>	<b>16,432</b>	<b>16,789</b>

A hand holding a red dart, about to throw it at a target on a desk with a laptop and business charts.

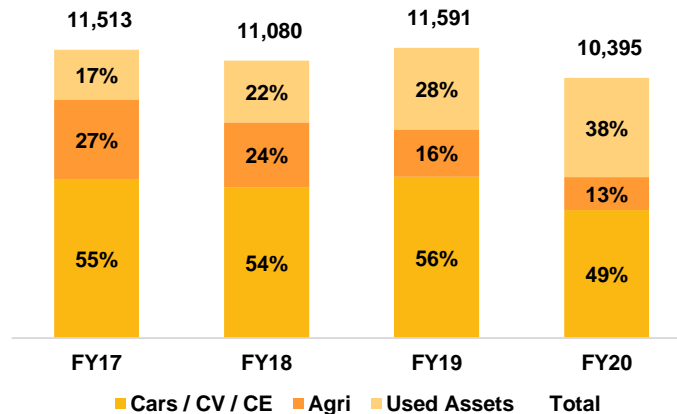
# Business Strategy - Asset Backed Finance (ABF)

# ABF Business Momentum

## Disbursal % (Value)



## Product-wise AUM Contribution

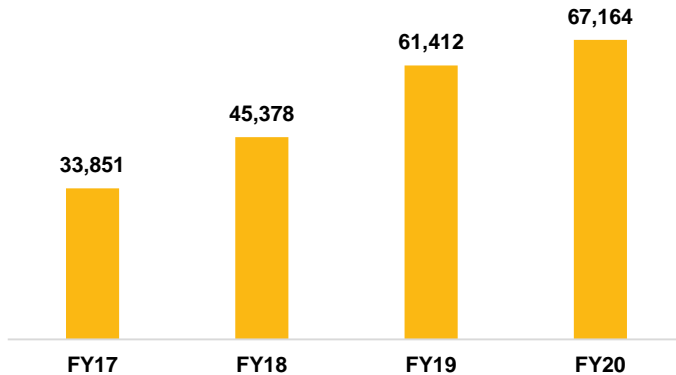


- Portfolio is being reshaped by increasing contribution of focus products and customer segments
- Flow through of higher Disbursal in Focus products is increasingly reflecting in AUM mix
- This will lead to improved Revenue Profile in ABF AUM
- Q2 disbursals curtailed with a view on liquidity; Q4 disbursals impacted by lockdown in March

# ABF Disbursal Strategy focused on used assets

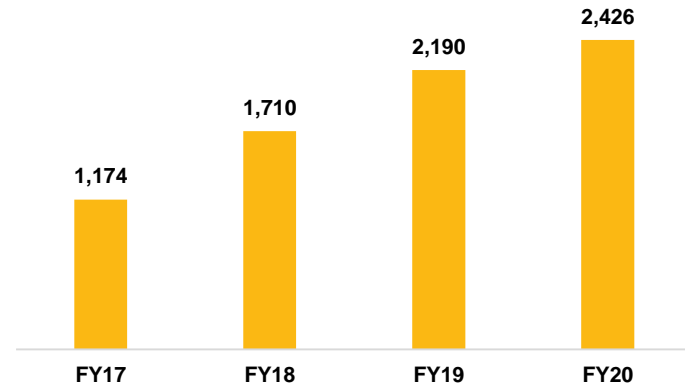
## Used Asset Disbursement (Units)

3 Yr CAGR – 26%



## Used Asset Disbursement (Rs. in Crs)

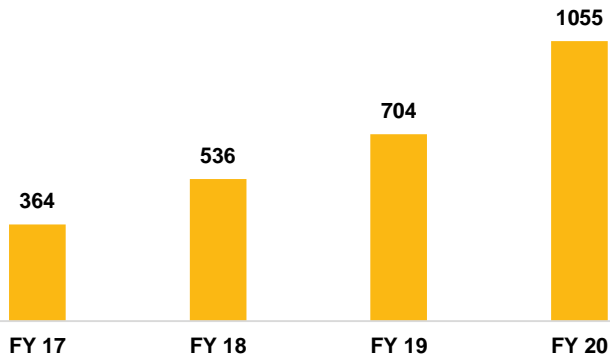
3 Yr CAGR – 27%



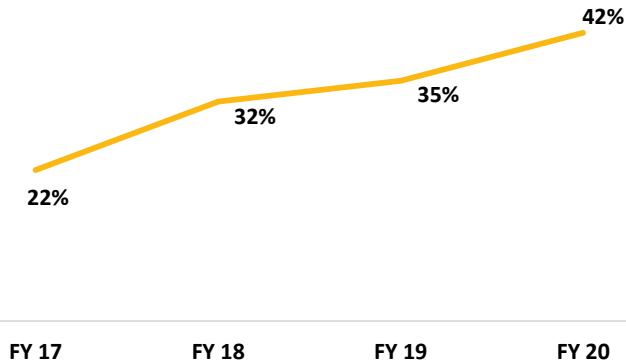
- Continued shift towards increasing the proportion of Used Assets since FY18
- 27% CAGR growth in Disbursals over three year period
- Q2 disbursals curtailed with a view on liquidity; Q4 disbursals impacted by lockdown in March

# Focus on Cross Sell and Direct Business

## Cross sell Disbursement



## Direct Business % of total ABF Disbursal (Units)



FY	Volume (in cr)	% Increase
FY17	364	
FY18	536	↑ 47%
FY19	704	↑ 31%
FY20	1,055	↑ 50%

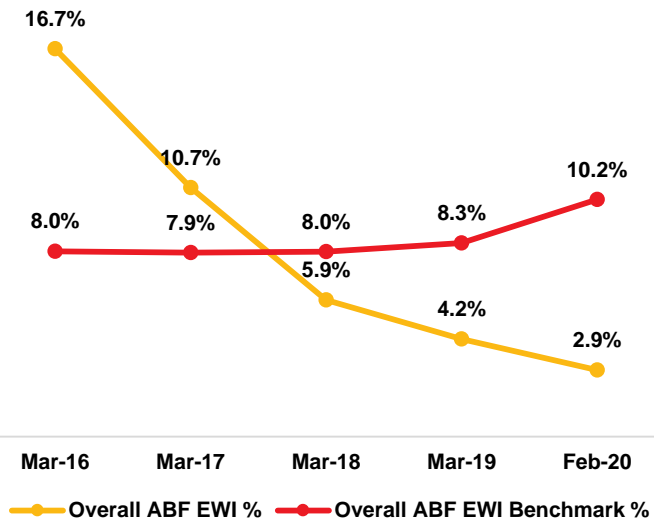
- Significant growth in direct business from 22% in FY17 to 42% in FY20
- Direct business contribution to overall business is steadily improving

\* FY 20 - Q2 disbursals curtailed with a view on liquidity; Q4 disbursals impacted by lockdown in March

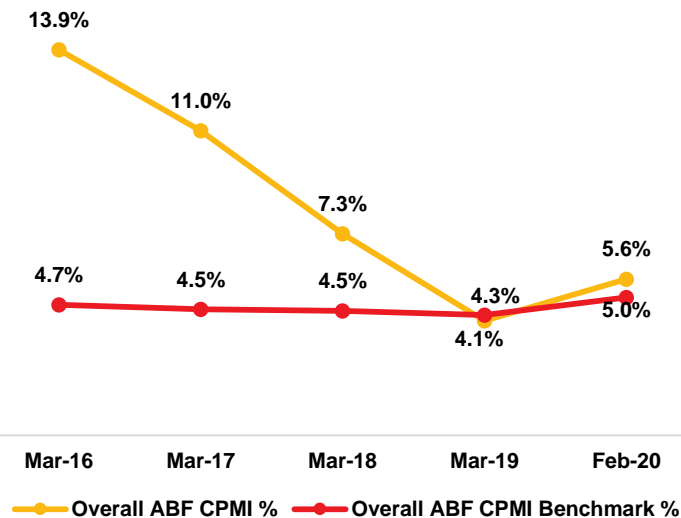
Values in Rs crore

# Portfolio Quality Indicators

## EWI Trend for ABF



## CPMI Trend for ABF



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



# Business Strategy - SME and Others



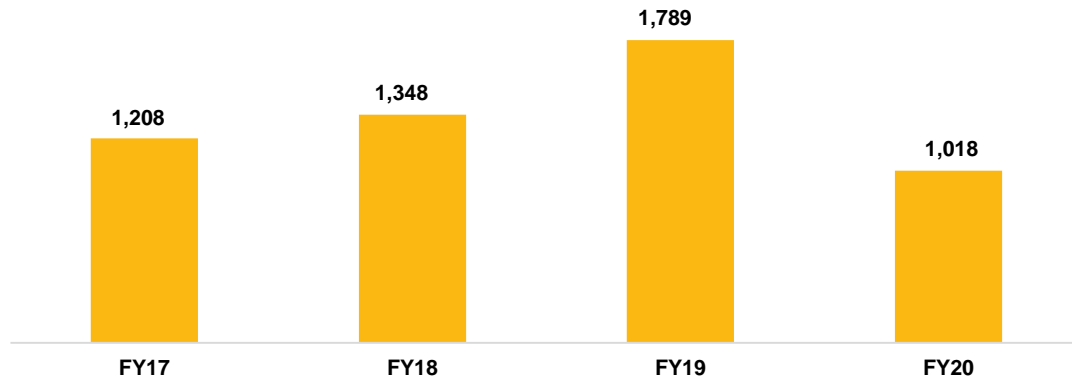
# SME and Others

API enabled digital workflow platform

'MScore' Proprietary Credit Scorecard Integrated Rule Engine

Empowering SMEs with government schemes like interest subvention and credit guarantee

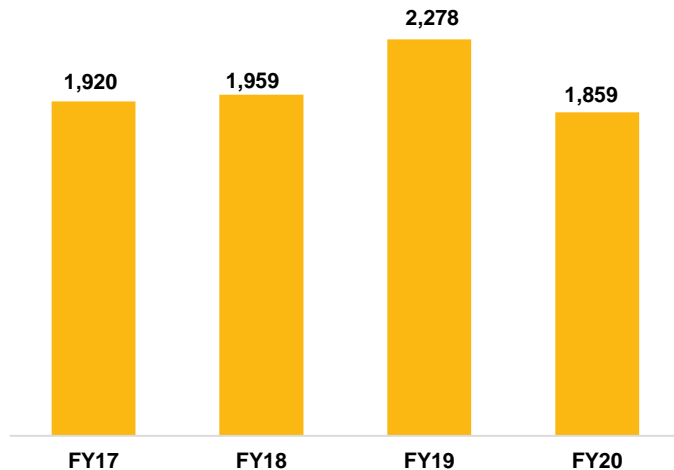
## Disbursement



Disbursements curtailed to focus only on high quality assets in current stressed times for MSMEs

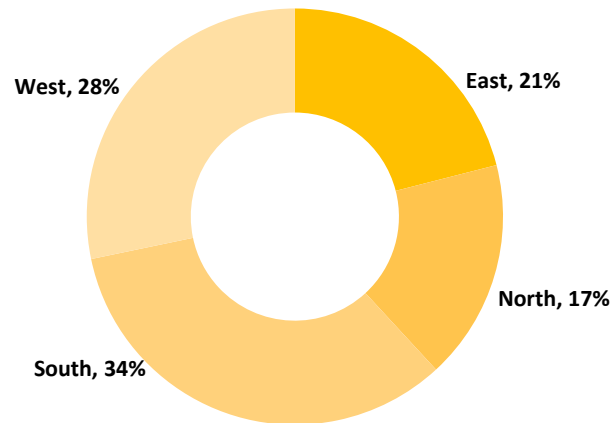
# SME and Others

## AUM



Prudence adopted in unsecured SME business given tough macro conditions

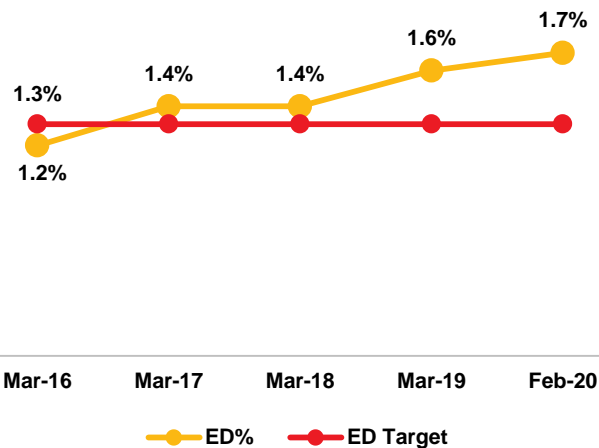
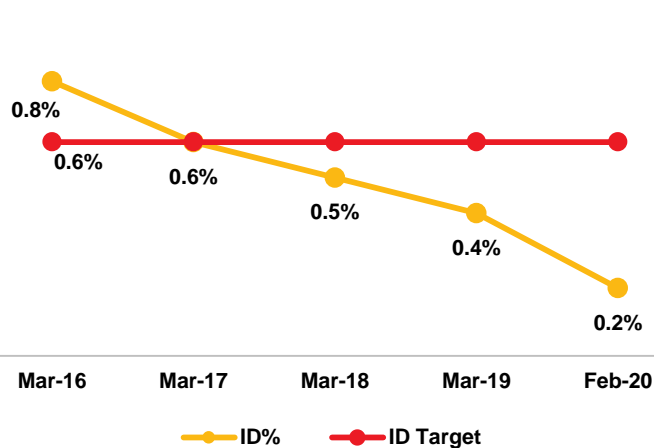
## Geographical Diversification



Geographically well diversified portfolio

# SME Finance - Early Indicators: ID & ED Trends

## ID & ED Trend for SME Finance



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.

# Business Strategy - Affordable Housing Finance



# Disbursal Momentum - AHF

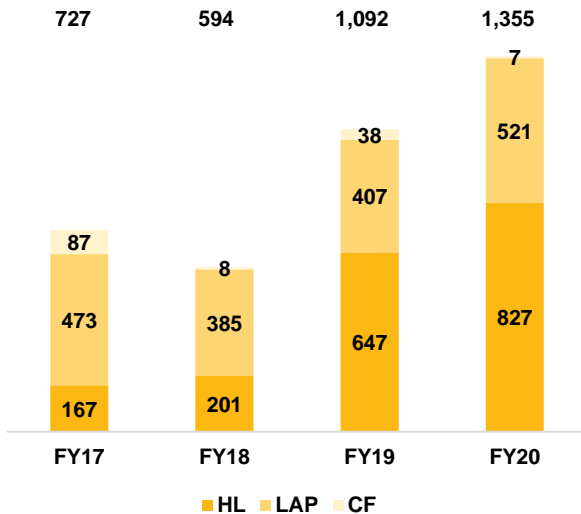
National Presence  
19 States and  
103 Branches

API enabled  
digital workflow;  
integrated rule  
engine

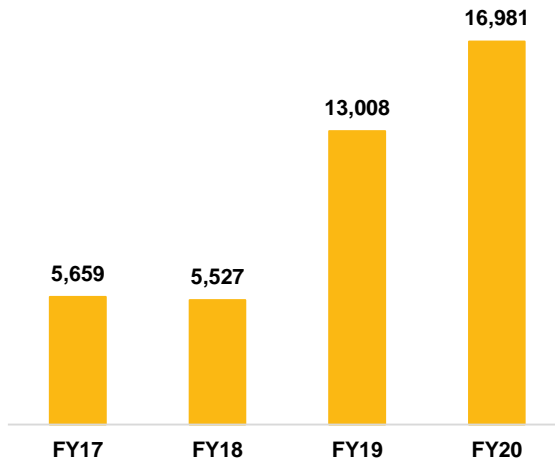
51% PMAY  
penetration in  
fresh Home Loan  
on-boarding

53% of  
customers  
sourced in FY20  
are new to credit

## Disbursement



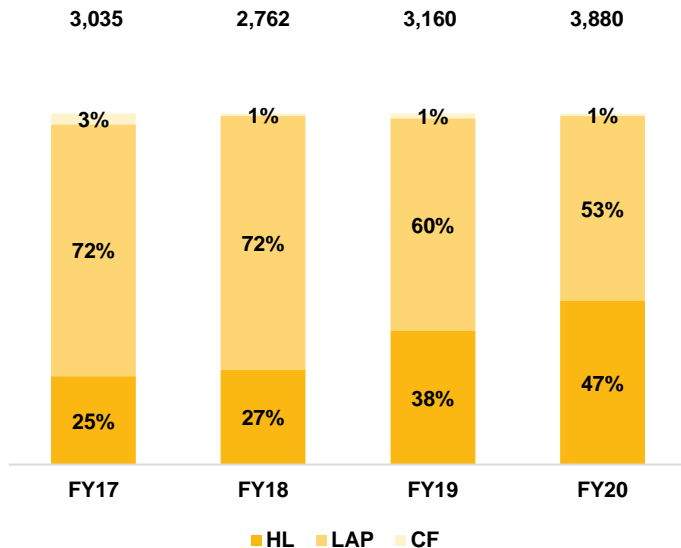
## Disbursement (# Nos. Accts)



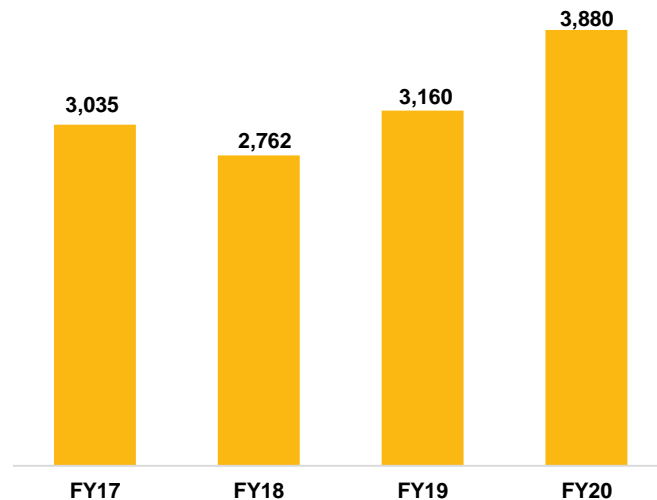
\* AHF includes HL, LAP and CF  
Values in Rs crore

# AUM Momentum - AHF

## Product Mix



## AUM

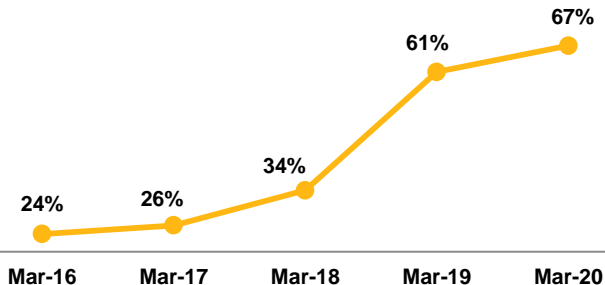


# Progressing Well – Core Business Values



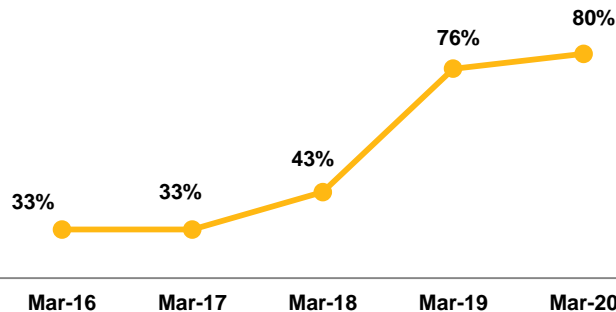
## Go Home Loan

HL Ratio (Units)



## Go Direct

Direct Ratio (Units)

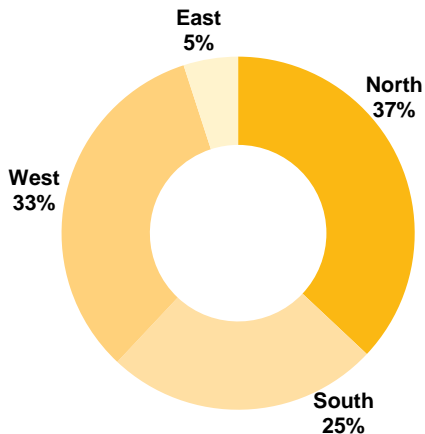


## Key Takeaways

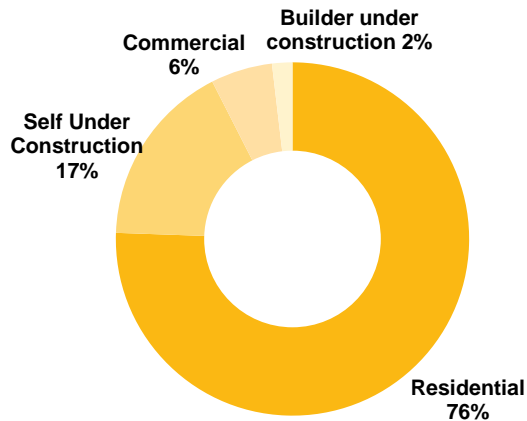
- Home Loan share is consistently around 65%
- Direct distribution capabilities set up in last 2 years
- 80% of sourcing is relationship based direct sourcing

# Well Diversified Business

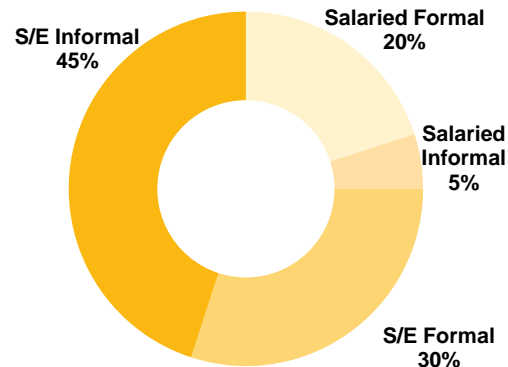
## Geographical Distribution



## Collateral Mix



## Customer Mix

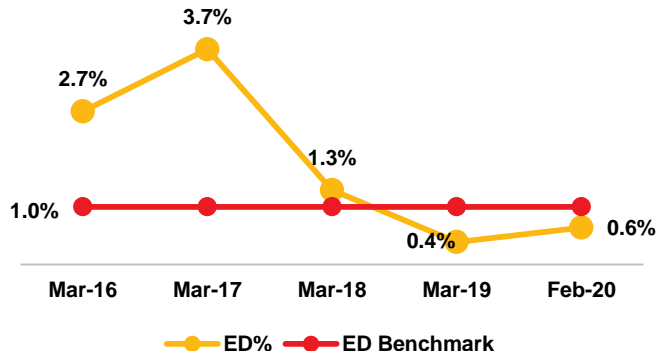
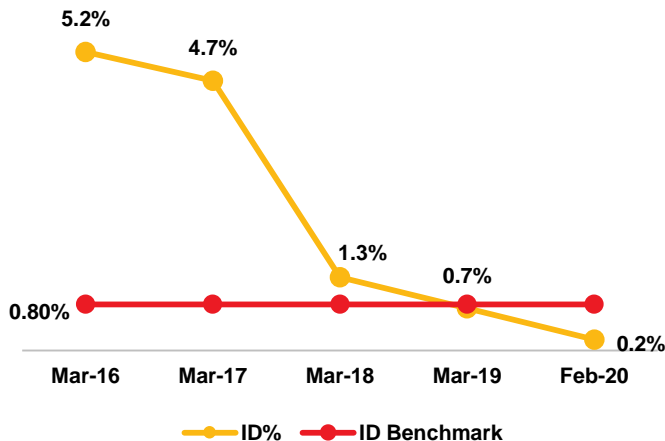


- Geo-risk optimized; diversified National presence
- Minimal construction risk, under-construction builder property only 2% of disbursement
- Balanced Mix of Salaried: Self employed and Formal: Informal customers



# Improving Delinquency Parameters

## ID & ED Trend for AHF



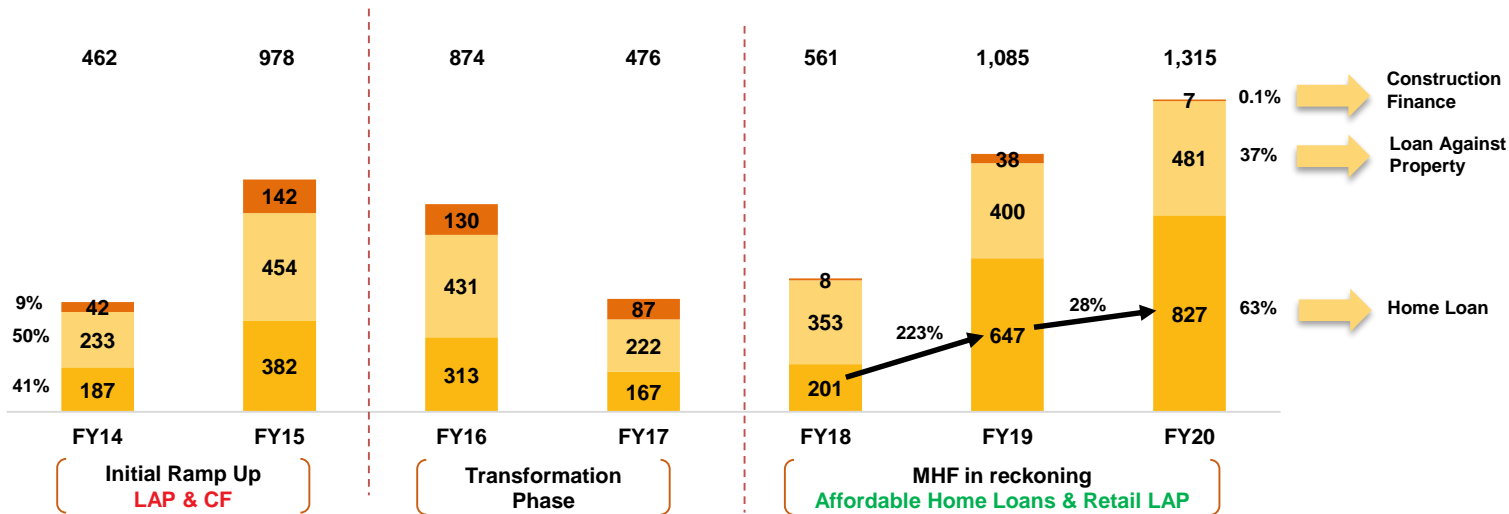
### Y-o-Y & Q-o-Q improvement in ED and ID for Affordable Housing Finance

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.

# Magma Housing Finance (Subsidiary)



# MHF – Emerging as a strong Affordable Housing Finance Entity



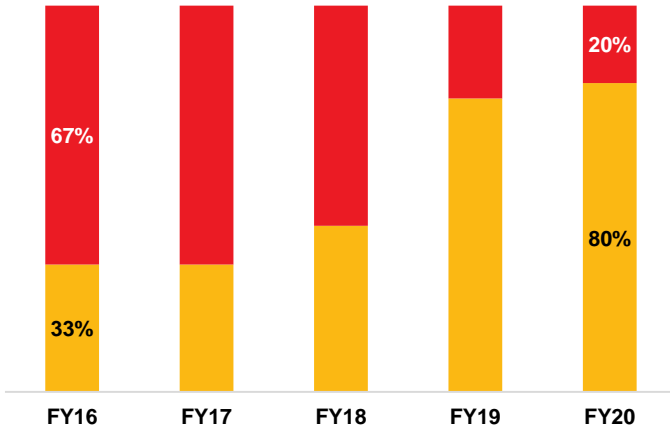
“The company has consciously transformed towards building the granular long term affordable housing book”

# Relationship based direct sourcing...

## Sourcing Mix

874      475      562      1,085      1,315

Go Direct 80%

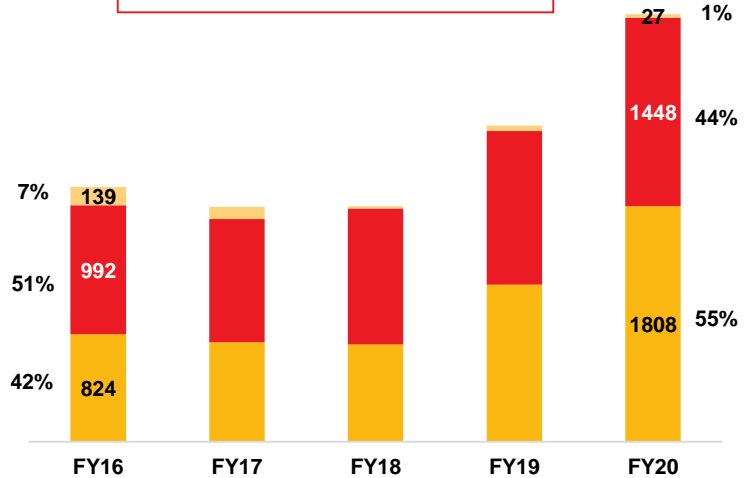


■ Direct Sourcing   ■ Channel sourcing

## AUM

1,955      1,790      1,809      2,429      3,283

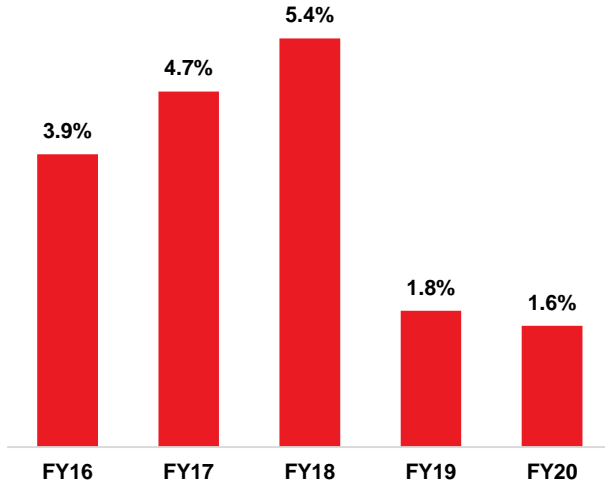
Go Home Loan 55%



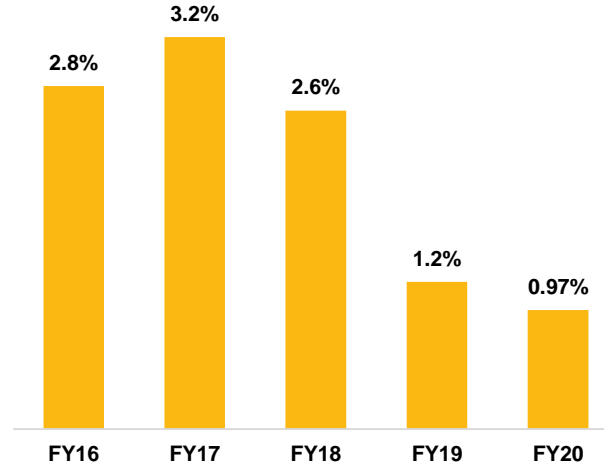
■ HL   ■ LAP   ■ CF

# Momentum towards Best in Class Asset Quality...

## GNPA



## NNPA

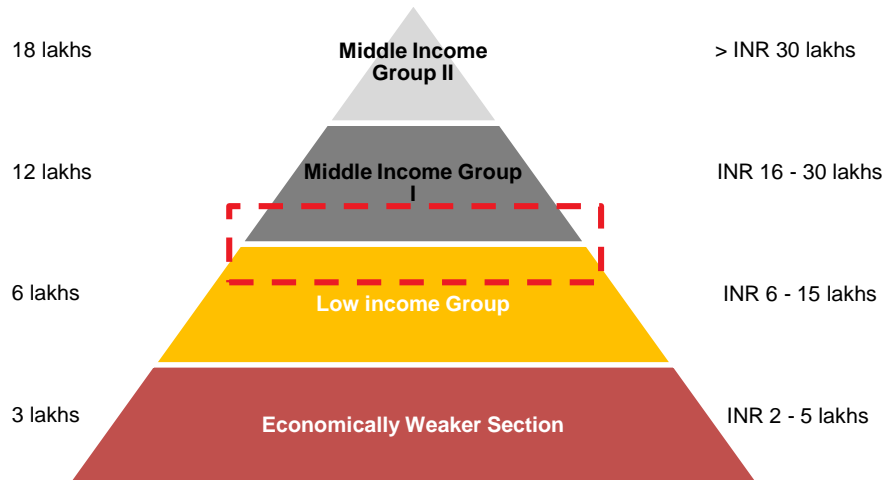


Best in Class upper quartile portfolio quality in Affordable Housing Finance

# Serving the under-served MIG and LIG customers

## Household Income

## Average Loan Ticket Size



## MHF Customer segment

- Primarily new to credit customers buying first home
- 72% of loans disbursed in Tier 2 and Tier 3 towns
- Income type: Self Employed, Salaried Informal, Self Employed-Professional, Salaried
- Lending towards affordable housing with Average Ticket Size of 9-13 lakhs

# Pan India Affordable Housing Finance Company

## Asset Light Branch Network

- ✓ Wide retail presence through hub and spoke model
- ✓ Technology enabled solutions leading to industry best productivity, national coverage and best in class customer experience
- ✓ Strong customer engagement through large team of Field Executives
- ✓ Toll free Inbound/Outbound Customer Call Centre for servicing and cross sell

## 103 Branches as on 31<sup>st</sup> March, 2020

Deep presence in select geographies pan India through hub and spoke model,



# MHF - Value in Consistent Performance

Parameter	FY16*	FY17*	FY18*	FY19*	FY20*
AUM	Rs. 1,955 crs	Rs. 1,790 crs	Rs. 1,809 crs	Rs. 2,430 crs	Rs. 3,283 crs
Gross NPA	3.9%	4.7%	5.4%	1.8%	1.6%
Net NPA	3.1%	3.7%	3.3%	1.2%	0.97%
Disbursement IRR	13.9%	14.0%	13.3%	13.1%	13.8%
Opex Ratio	3.1%	2.8%	3.1%	3.9%	3.6%
PAT	Rs. 23 crs	Rs. 34 crs	Rs. 34 crs	Rs. 34 crs	Rs. 43 crs
ROA	1.3%	1.9%	1.9%	1.6%	1.5%
ROE	9.5%	13.1%	11.5%	10.4%	10.4%

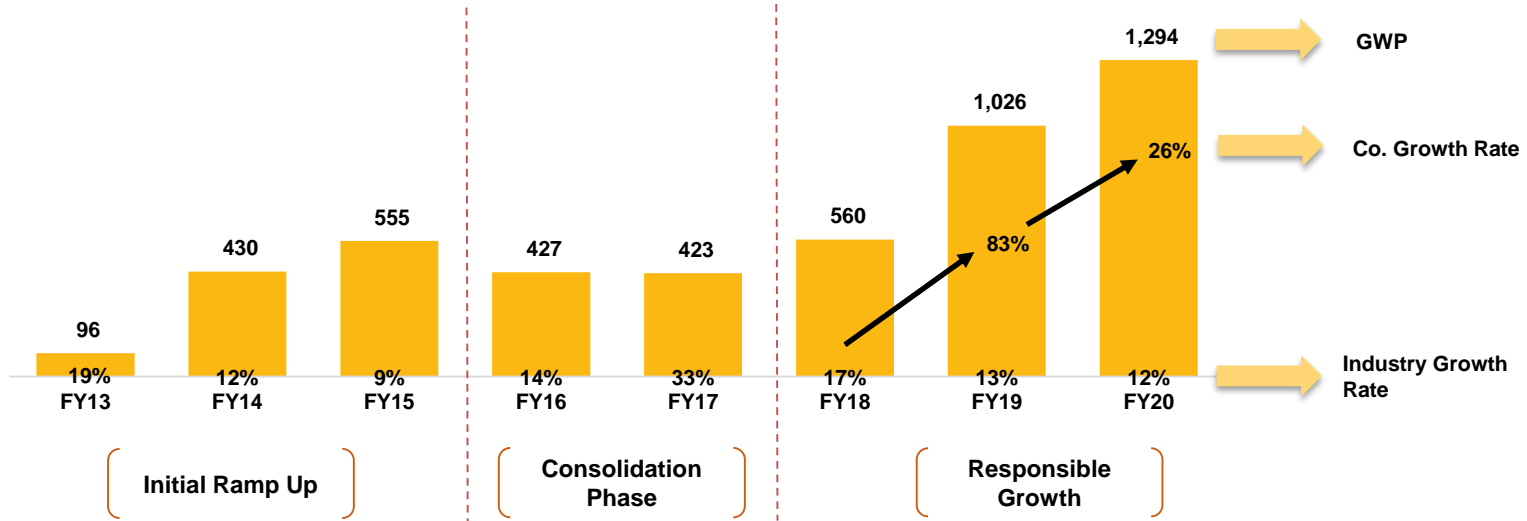
\*Note: Performance for FY16 and FY17 as per I-GAAP; FY18 to FY20 performance as per Ind-AS









## Business Strategy - MHDl

# Magma HDI General Insurance - Registering robust growth built on strong risk foundation



**“The company has registered growth rate higher than industry growth rate for 3 years in a row”**

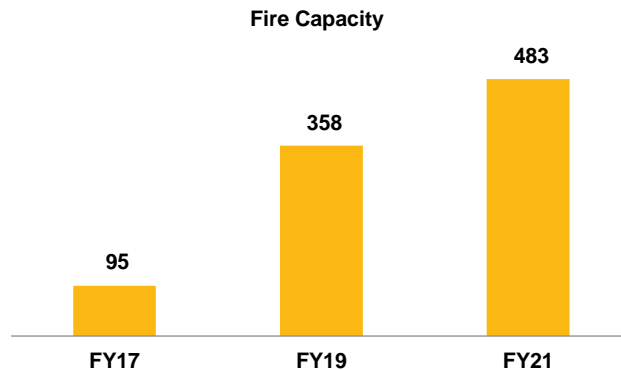
# Portfolio Composition

Portfolio Type	FY13	FY17	FY20	CAGR over FY17	Industry CAGR over FY17
 Motor Insurance	91.1%	80.5%	79.5%	45.0%	11.3%
 Commercial Insurance	8.9%	18.8%	16.4%	38.7%	11.4%
 Health Insurance	0.0%	0.7%	4.0%	161.8%	18.2%
 Crop Insurance	0.0%	0.0%	0.0%	0.0%	16.1%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>45.5%</b>	<b>14.0%</b>

“Retail franchise contributing 83.2% of total business, increasing focus on health”

# Increasing capacities to underwrite Industrial Risks

Reinsurer Rating (S&P or equivalent Global Rating)	FY17	FY21
A- and above	3	9
Below A-	9	0
<b>Total</b>	<b>12</b>	<b>9</b>



“Reinsurance capacities backed by strong reinsurers; capacity at par with mid-size peer companies”

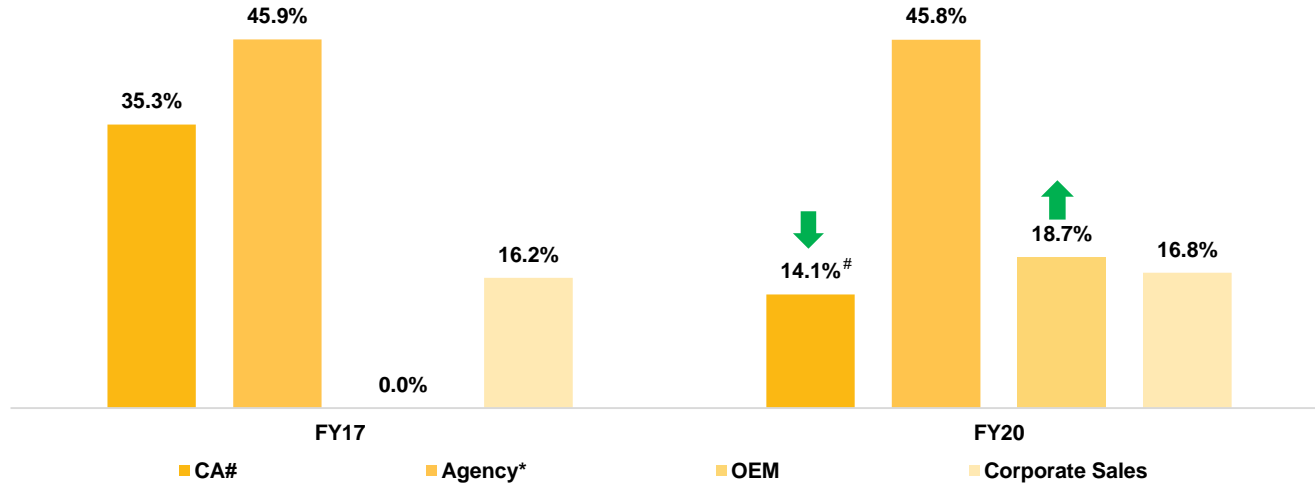
# Enhancing distribution through partnerships

Offices & Channel Partners	FY16	FY17	FY18	FY19	FY20
Number of Branches	80	80	125	169	170
Agents + POS* + MISP#	1,751	1,867	2,790	5,028	6,558
Corporate Agents	1	3	5	7	13
OEM Tie-ups	0	0	1	1	6
<b>Number of Districts where policies are issued : 534</b>		<b>Number of Districts where claims are serviced : 604</b>			

\*POS – Point of Sale, #MISP – Motor Insurance Service Provider

**Generating business from over 70% districts with the ability to service claims in more than 80% districts in India through strong use of technology”**

# Diversifying channel mix

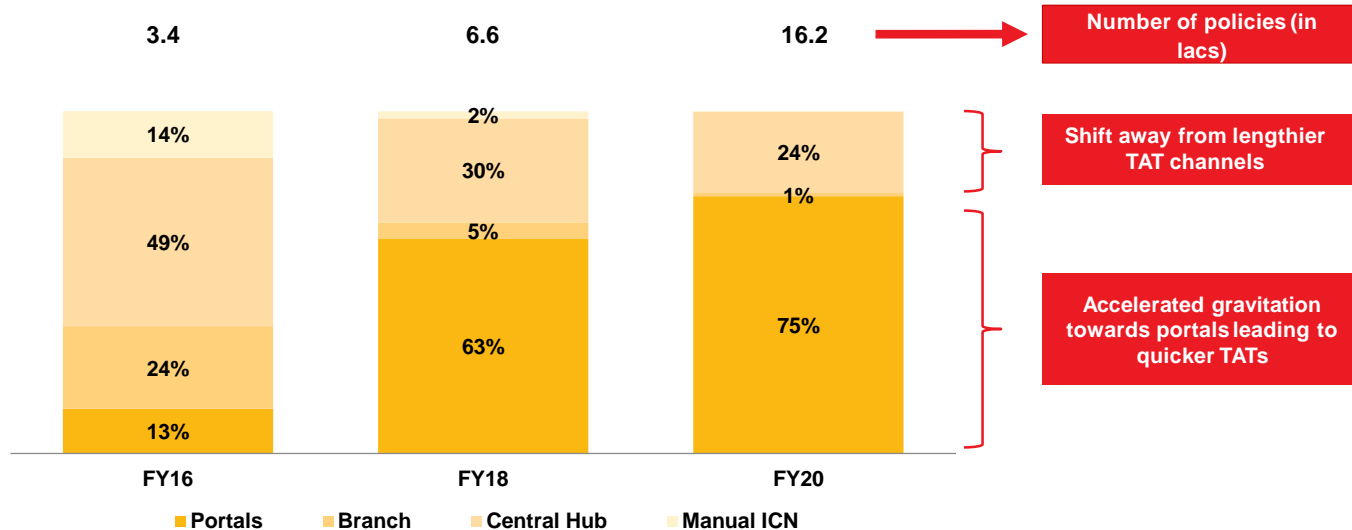


# Corporate Agency; reduced dependence on captive business,  
\*includes Direct & others

“Reducing dependence on Corporate Agency – Magma Group and increasing share from OEM relationships”

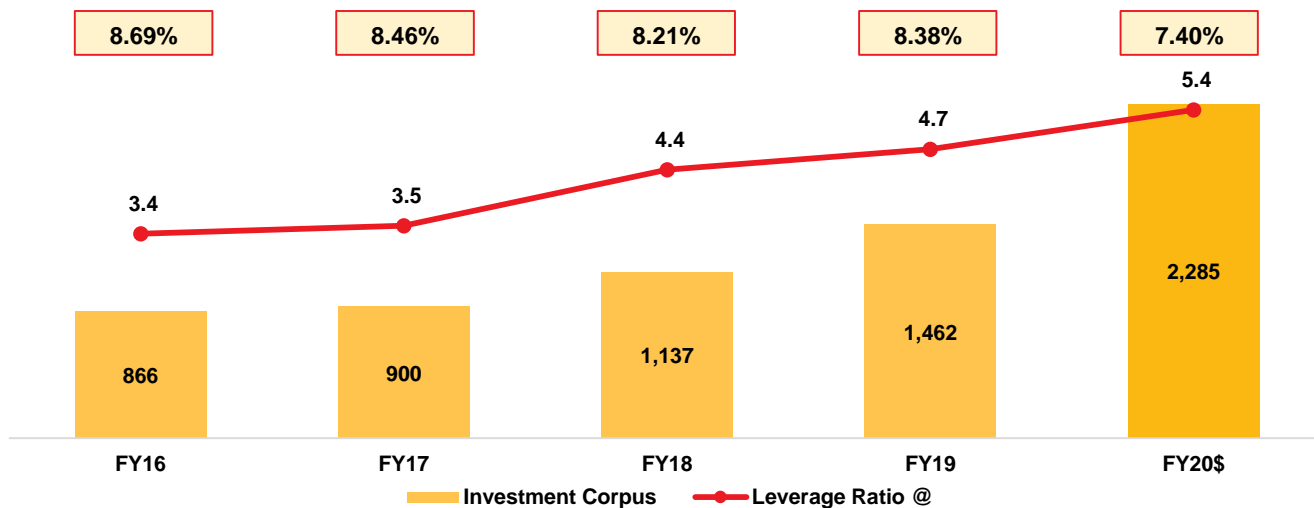
# Technology Led Scalable Growth

## Shift Towards Quicker, Safer Customer Touch Points



“Technology leading to smoother distribution experience; Rule based automated systems for checks and control”

# Investment Corpus



**“More than 80% of the Investment Corpus is invested in AAA rated securities”**

@ - Closing Investment corpus by closing capital, \$Partial allotment of share Application money considered in closing capital

Values in Rs crore



# Magma HDI General: Financial Performance



Particulars	FY16	FY17	FY18	FY19	FY20
Gross Written Premium	427	423	560	1026	1294
Net Earned Premium	373	327	335	385	708
Net Incurred Claims	319	259	277	272	597
Net Commission	12	4	(12)	(29)	(63)
Management Expenses	126	143	154	258	373
Underwriting Loss	(85)	(78)	(85)	(105)	(180)
Investment & Other Income	78	85	91	107	201
Investment write-off/Provision	0	0	0	(10)	(19)
PBT	(7)	7	6	(8)	2
<b>PAT</b>	<b>(12)</b>	<b>6</b>	<b>5</b>	<b>1</b>	<b>(6)</b>
<b>Key Ratios</b>					
Retention Ratio	78%	77%	67%	50%	61%
Combined Ratio	126.8%	123.6%	120.2%	112.1%*	120.7%
Solvency Ratio#	1.78	2.07	2.01	1.58	1.71
<b>Other Details</b>					
Share Capital & Reserves\$	258	258	258	308	384*
Accumulated Losses	(39)	(32)	(28)	(26)	(32)

**“Lowest accumulated losses in the initial 8 years of operation. For other second wave peer companies, it ranges between Rs.175 crores to Rs.1000+ crores ”**

Note : \*FY19 Combined ratio is post one time TP transaction, #Solvency ratio excludes share application money pending allotment, \$Share Application money pending allotment of Rs. 75 crores & Rs. 53.2 crores is not included as at March 19 & March 20 resp. in Share Capital & Reserves.

Values in Rs crore

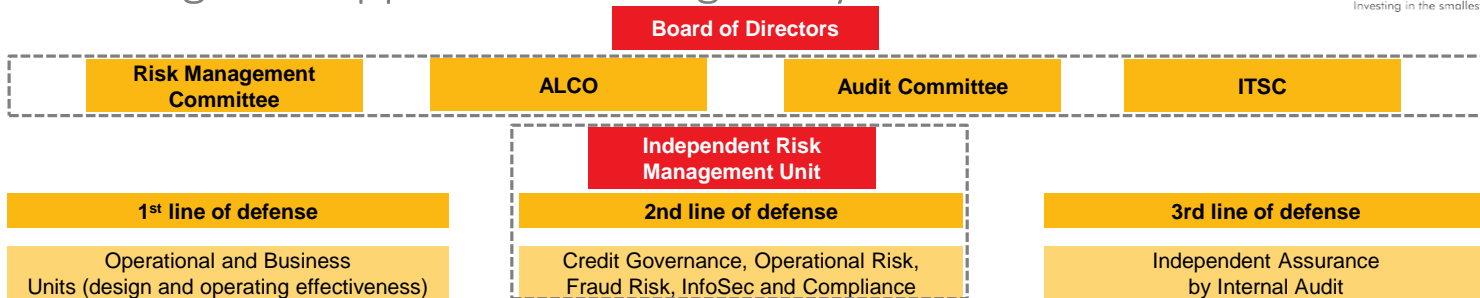
# Magma HDI General: Profit & Loss Statement

Ind AS					
Particulars	Q4 FY20	Q4 FY19	Q3 FY20	FY20	FY19
Gross Written Premium	345.4	358.5	358.3	1,293.9	1,025.8
Net Written Premium	200.4	224.2	227.4	790.2	516.9
<b>Net Earned Premium</b>	<b>193.9</b>	<b>188.2</b>	<b>180.9</b>	<b>708.3</b>	<b>384.9</b>
Net Claims Incurred	162.2	165.6	156.6	597.5	272.0
Net Commission	(12.1)	(14.6)	(21.6)	(62.9)	(28.9)
Management Expenses	89.8	76.0	93.3	355.2	247.4
Impairment loss	10.9	8.3	0.1	18.6	10.4
<b>Underwriting Profit</b>	<b>(56.9)</b>	<b>(47.1)</b>	<b>(47.5)</b>	<b>(200.1)</b>	<b>(115.9)</b>
Investment & Other Income	52.9	33.4	52.4	205.8	107.4
<b>Profit Before Tax</b>	<b>(4.0)</b>	<b>(13.7)</b>	<b>4.8</b>	<b>5.7</b>	<b>(8.4)</b>
Taxes	7.9	(9.7)	0.1	8.8	(9.7)
(-)Current Taxes (including MAT Credit)	7.9	(11.0)	(0.1)	7.8	8.7
(-)Deferred Taxes	0.1	1.3	0.2	1.0	(18.4)
<b>Profit After Tax</b>	<b>(11.9)</b>	<b>(4.1)</b>	<b>4.8</b>	<b>(3.1)</b>	<b>1.3</b>

Business enablers  
to drive sustainable  
growth



# Enterprise wide, independent risk management framework, An integrated approach covering entity wide risks



Components of Risk Management	Overarching principles and execution
<b>Risk Governance</b>	<ul style="list-style-type: none"> <li>• Risk Appetite Statement and Strategic Risk Assessment set the guardrails</li> <li>• Quarterly Committee meetings to assess enterprise risk profile</li> <li>• Well defined risk policies and standards</li> </ul>
<b>Operating controls and compliance</b>	<ul style="list-style-type: none"> <li>• Comprehensive Risk library. Regular monitoring of Key Risk Indicators.</li> <li>• Internal Financial Controls (IFC) standards as mandated by Companies Act</li> </ul>
<b>Credit underwriting strategies</b>	<ul style="list-style-type: none"> <li>• Decisioning platforms based on segmental behavior and risk based pricing</li> <li>• Automated Credit Rule Engine with connectivity to bureau and fraud systems</li> </ul>
<b>Analytics driven portfolio management</b>	<ul style="list-style-type: none"> <li>• Statistically derived Early Warning Indicators (EWI) and Continuous Portfolio Monitoring Indicators (CPMI)</li> <li>• Robust PD and LGD models guide consistently accurate loss forecasting</li> </ul>
<b>Capital and Liquidity Management</b>	<ul style="list-style-type: none"> <li>• Proactive management of ALM mismatch in each time bucket</li> <li>• Prudent capital and liquidity buffers for stress resilience</li> </ul>

# Enterprise wide, independent risk management framework, Risk strategy to deal with COVID-19 situation

During the end of financial year, we have been faced with unprecedented health and economic crisis on account of COVID-19 which has led us to fine tune our existing risk strategy due to the uncertain conditions.

<b>Minimum disruption of activities</b>	<ul style="list-style-type: none"><li>• Being a geographically neutral team, which can work from a non-office location without much disruption, the Risk team has ensured minimum disruption of its planned activities during the crisis</li></ul>
<b>Key initiatives by the Risk team</b>	<ul style="list-style-type: none"><li>• All planned risk activities like risk reviews, IFC exercise, KRI monitoring, committee meetings have been carried out as per plan</li><li>• Developed an Event Risk register to monitor the new risks, and corresponding controls put in place to deal with the COVID-19 situation</li><li>• Participated in COVID-19 specific webinars to get valuable insights into risks due to the pandemic and undertaken discussions with the business units for mitigating the same</li><li>• Intensified surveillance activities by FRM happening on a regular basis. Team has also focused on the training of other support functions for better fraud prevention</li><li>• Credit pre-approved customers are being reassessed by the Credit team for loans in uncertain scenario</li><li>• Customer Survey done to understand how they have been affected by this crisis and obtained invaluable feedback to improve credit processes / re design lending and collection strategies</li></ul>
<b>Road ahead</b>	<ul style="list-style-type: none"><li>• Increased use of secured technology tools to conduct risk activities</li><li>• Identifying and eliminating redundant processes, identified during the crisis, across the organization</li><li>• More impetus on telephonic discussion for investigations and cross verifications</li></ul>

# Business enablers to drive sustainable growth - People

- Fully functional **role based and** state of the art learning tools aimed at enhancing productivity and behavior
- **Structured Onboarding Program** across levels for smooth onboarding and integration.
- **Development interventions through International program** for Senior leadership, including 360 degree feedback
- **Leadership Talent evaluation** for VPs & SVPs with an objective of building leadership depth & succession
- **Talent management framework** with objective of building internal talent pipeline and strengthening retention
- Empowering business leaders with **real time HR dashboards** to help them make informed people related decisions
- Empowering business leaders with structured **Performance Review Program** to have a review rigor among teams

# Leadership Team and Shareholding Structure



# Board of Directors

## 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 Executive Independent Directors

**Narayan K Seshadri**

**Chairman**

He is on the Board of companies including Clearing Corporation of India Limited, PI Industries Limited and SBI Capital Markets Limited

**VK Viswanathan**

**Director**

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

**Vijayalakshmi R Iyer**

**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.

**Bontha Prasad Rao**

**Director**

Mr Rao has served as the Chairman and Managing Director of Bharat Heavy Electricals Limited. He is currently the Managing Director of Steag Energy Services India, subsidiary of Steag Energy Services Germany

**Sunil Chandiramani**

**Director**

He is a Management Consultant & CEO of NYKA Advisory Services. Earlier, he was associated with Ernst & Young LLP in various capacities for 25 years. He is on the board of various Indian corporates as an Independent Director



# Management Team



**Sanjay Chamria**  
VC and MD

## Business CEO / Functions

## Support Functions



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

Jun-2017

Head, Risk  
Advisory,  
Research and  
SME Ratings,  
CRISIL



**Rajive Kumaraswami**  
MD & CEO - MHD

Jun-2016

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



**Deepak Patkar**  
CEO - ABF

Sep-2018

Chief Risk Officer,  
Fullerton India  
Credit Company  
Limited.



**Harshvardhan Chamria**  
Chief Digital Officer

Sep-2014

Chief Strategy  
Officer- Housing  
and SME, Magma  
Fincorp Limited



**Rajneesh Mishra**  
Chief People Officer

Jan-2019

Vice president-  
HR,  
Bajaj Finserv  
Limited



**Kailash Baheti**  
Chief Financial Officer

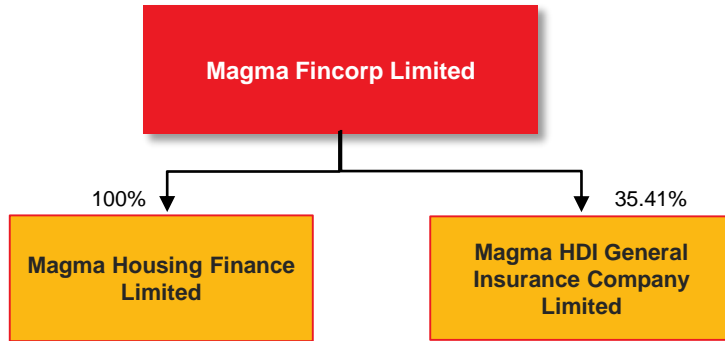
Oct-2011

CEO,  
Century  
Extrusions Limited

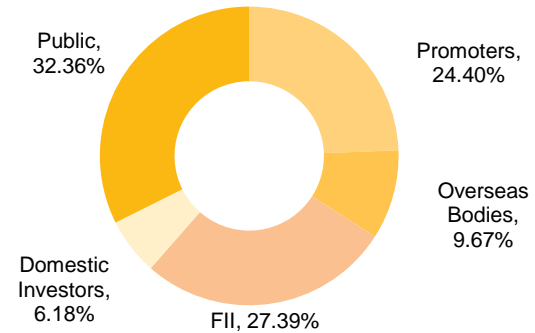
Joined

Title and Previous Company

# Holding Structure & Shareholding Pattern



## Shareholding (31-Mar-2020)



# Glossary

AUM	Assets Under Management: On-Book & Off-Book Loan Assets
Average AUM (AAUM)	Average of XXing 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
GWP	Gross Written Premium
GDPI	Gross Direct Premium Income

# Annexures



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



Particulars	Q4 FY20	Q3 FY20	Q4 FY19	FY20	FY19
Net Revenue	266	268	309	1,098	1,250
Expenses <sup>#</sup>	138	138	145	573	597
<b>Operating Profit</b>	<b>128</b>	<b>130</b>	<b>164</b>	<b>525</b>	<b>653</b>
Net Credit Loss (Normal) <sup>#</sup>	20	123	39	382	250
Additional provision - COVID-19	109	0	0	109	0
<b>Profit Before Tax</b>	<b>(1)</b>	<b>7</b>	<b>125</b>	<b>34</b>	<b>403</b>
Tax (Normal)	(3)	1	39	7	128
Opening DTA impact due to change in tax rates	37	0	0	37	0
<b>Profit After Tax</b>	<b>(35)</b>	<b>5</b>	<b>87</b>	<b>(10)</b>	<b>275</b>

\* Re-formatted for better analysis

<sup>#</sup> Premium paid under Credit Guarantee scheme clubbed with NCL

Values in Rs crore

# Magma Fincorp Ltd. (MFL) Standalone Balance Sheet



Particulars	31-Mar-20	31-Dec-19	31-Mar-19
Cash and Cash Equivalents	648	1,133	933
Loans and Advances	11,183	11,866	13,138
Other Assets	948	837	730
Fixed Assets	176	185	187
<b>Total Assets</b>	<b>12,955</b>	<b>14,021</b>	<b>14,988</b>
Borrowings	10,109	10,952	11,750
Other Liabilities	331	518	682
Share Capital	54	54	54
Reserves & Surplus	2,461	2,497	2,502
<b>Total Liabilities</b>	<b>12,955</b>	<b>14,021</b>	<b>14,988</b>

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

Particulars	Q4 FY20	Q3 FY20	Q4 FY19	FY20	FY19
Net Revenue	41	50	34	179	131
Expenses	24	26	26	101	82
<b>Operating Profit</b>	<b>17</b>	<b>24</b>	<b>8</b>	<b>78</b>	<b>49</b>
Net Credit Loss (Normal)	10	3	(1)	16	2
Additional provision - COVID-19	7	0	0	7	0
<b>Profit Before Tax</b>	<b>(0)</b>	<b>21</b>	<b>9</b>	<b>54</b>	<b>47</b>
Tax (Normal)	(2)	6	3	13	13
Opening DTL impact due to change in tax rates	(1)	0	0	(1)	0
<b>Profit After Tax</b>	<b>3</b>	<b>15</b>	<b>6</b>	<b>43</b>	<b>34</b>

\* Re-formatted for better analysis  
Values in Rs crore

# Rewards & Recognition



## Corporate Social Responsibility

Magma has received 14 awards since 2015 for the various CSR activities covering Education, Health and Environment Sustainability.

The latest recognition was received in Jan 2020 at IPE Best CSR Practice Awards'2020 – for Innovation in CSR – **Magma Highway Heroes**

## Information Technology

- Excellence in Technological Innovation at BIG25 NBFC Excellence Awards'2019
- Thought Leaders of IT Award at the 8th BFSI IT Summit'2019

## Corporate Communication

Magma has received 11 awards for Corporate Communications from leading forums. The recent ones are:

The latest recognition was received in November 2019 from **League of American Communications Professionals** (LACP) Spotlight Awards, for Annual Report Design





# Community Commitment: Corporate Social Responsibility



## Swayam – COVID-19 relief activity

- Dry ration and cooked meal to approx. 15000 families badly effected during COVID-19 pandemic. Most of the beneficiary belongs to daily wage earner community



## Magma Highway Heroes



- Training provided to around 2 Lac Truck Drivers at around 300 camps across the country. PCRA is our official training partner in the activity
- Significant reduction in CO2 Emission and Diesel consumption YOY basis
- Medical camps & E-Toilets at Transport Nagars benefit approx. 70,000 Truck drivers per year

## Mid Day meal, M-Education, Swayam Programmes

- **Mid-day Meal** offered to 6500 kids in Govt. Schools in 7 states (West Bengal, NCR, Maharashtra, Jharkhand, Andhra, Haryana and Rajasthan)
- Adopted 35 nos. of single teacher school in and around Chennai, TN
- Adopted 3 anganwadi at Alwar, Rajasthan. The center provides learning kits & meals to approx. 80 kids living in the nearby villages

## Magma M- Scholar



- **Magma M Scholar** offers Scholarship to meritorious students from poor families



- In the last 5 years Magma has supported the academic aspiration of around 400 meritorious students from humble background
- Few students from 2015 & 2016 batch has completed their college and has received the job offers from prestigious corporate house

## Magma M-Care – Mobile health Camps

- Magma runs M Care health camps at Rural India. More than 1 Lac people benefitted.
- We are planning to conduct 100 camps at COVID-19 effected areas in FY 21



*Group level CSR activities are managed by Magma Foundation*



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