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CIN : L51504WB1978PLC031813  
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11 May 2017

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/Analysts' Presentation**

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

Dear Sir,

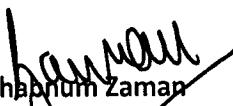
Pursuant to Regulation 30 of the Listing Regulations we are enclosing herewith the presentation to be made to the Investors/Analysts on the Audited Financial Results of the Company for the fourth quarter and financial year ended 31 March 2017.

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

  
Shantanu Zaman  
Company Secretary  
ACS No. 13918

Encl:as above

# *Reaching New Heights in Retail Finance*



*Magma Fincorp Limited  
Q4 FY17 Results Update*

# *INVESTING IN THE SMALLEST DREAMS – FOR RURBAN INDIA*

*UNDERSERVED CUSTOMERS*



*CUSTOMISED FINANCING SOLUTIONS*



*PAN INDIA NETWORK*



**Business Overview, Competitive Strengths and Strategy**

**Financial Results – Q4 FY17**

**Leadership Team**

**Annexures**

# Business Overview:

## Focus on underserved 'Rurban' India

**UNDERSERVED  
'RURBAN'  
CUSTOMERS**

**SEGMENT 1 :  
FIRST TIME BUYERS**



- Farmers with small landholdings (<4 acres) (Tractor buyer)
- First time buyer with prior relevant experience (taxi/truck/machine driver/operators)

**SEGMENT 2 :  
SELF EMPLOYED  
NON PROFESSIONAL  
(SENP)**



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

**SEGMENT 3 :  
SMALL & MEDIUM  
ENTREPRENEURS**



- Small factory owner/contractor, trader/shop owner with working capital needs (SME/LAP customer)
- Small fleet operator (taxi/truck/equipment buyer)

**SEGMENT 4 :  
LIMITED BANKING /  
CREDIT HISTORY**



- Customer with informal income sources and low eligibility for bank loans
- Customers with no established credit track record
- Customers with limited banking transactions

Rurban includes Rural and Semi-Urban locations/customers

Images used for representation purposes only



# Business Overview:

## Provide distinctive financing solutions to customers in 'Rurban' India



**Strong Recognition and Trusted Brand in 'Rurban' India**






**Customer Focus**

- Underserved 'Rurban' customers

**Magma's Core Strengths**

- Widespread coverage with presence across 1,900 Talukas and 2,900 Locations
- Technological innovation led faster customer acquisition, portfolio servicing and effective cross-sell
- Deep 'Rurban' Insight led underwriting and flexi payment options

**Diverse Product Offerings**

-  **Commercial Finance**
-  **Agri Finance**
-  **SME Finance**
-  **Mortgage Finance**
-  **General Insurance**

Commercial Finance includes New and Used Vehicles/Equipment; SME Finance includes Unsecured Loans to Business Enterprises; Mortgage Finance includes LAP and Home Loans; Agri Finance includes Tractors

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# Business Overview:

## Higher cross-sell for lifetime customer engagement

CUSTOMER SEGMENTS					ILLUSTRATIVE ASSET PROFILE			
	First Time Buyers	Self Employed Non Professionals	Small & Medium Entrepreneurs	Limited banking / credit history	Ticket Size (Rs lakh)	Loan to Value Ratio	Tenure (months)	
FINANCING SOLUTIONS	Commercial Finance	•	•	•	•	4-5	70-75%	40-45
	Agri Finance	•	•		•	3-4	65-70%	40-45
	SME Finance		•	•	•	<20	N/A	30-35
	Mortgage Finance	•	•	•	•	10-14	LAP 35-45% HL 55-65%	120-150
	General Insurance	•	•	•	•			

Numbers indicative of disbursements done during Q4 FY17

# Business Overview: Product extensions have complemented existing product suite and strengthened Magma's value proposition

## • SYNERGIES WITH ASSET FINANCE BUSINESS

### • MORTGAGE FINANCE

- Leverage existing 'rurban' branch network for reach, and superior service levels
- 26% of mortgage business is sourced directly including cross sell to existing Magma customers
- Leveraging common channels of ABF

## • GROWTH STRATEGY

- Focus more on Home loans and increase its share significantly, within MHF and overall
- Focus on more Direct sourcing (~30%)
- 45% sourcing targeted from Tier 3-6 towns based 'rurban' SENP customer at Rs.10-14 Lakh average ticket size

### • GENERAL INSURANCE

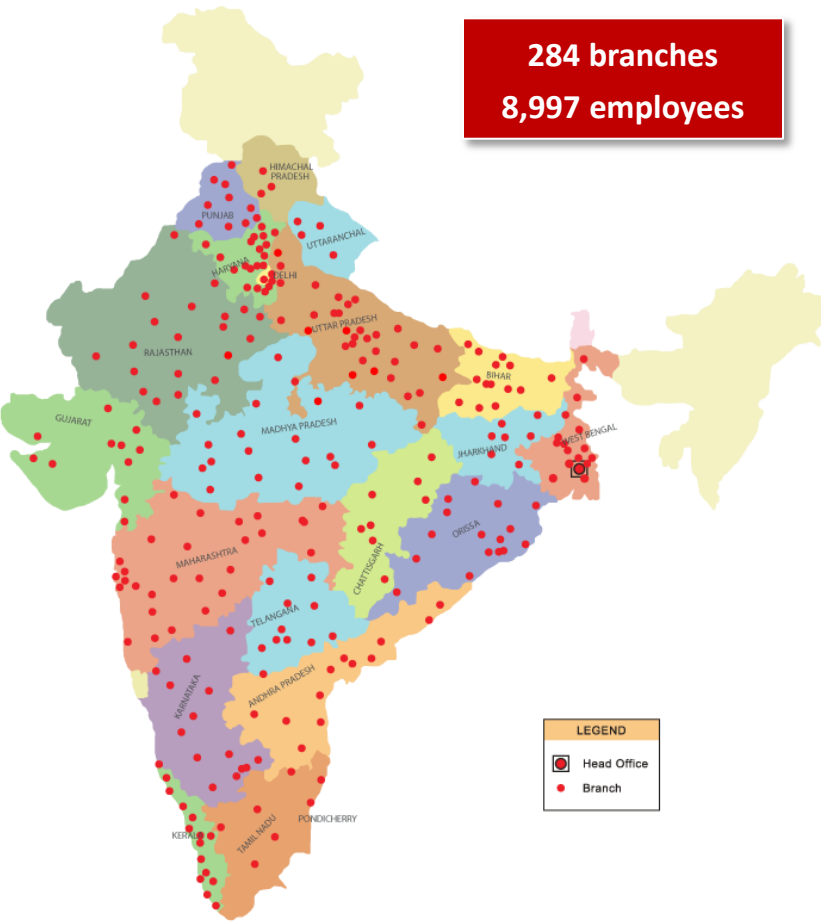
- One third of general insurance business sourced from existing Magma customers
- Profitable business that is also protecting assets financed by Magma (securing loan portfolio)
- Operating leverage through 'rurban' branch network and OEM/channel acquisition at minimum incremental cost
- Superior underwriting of used assets through in-house valuer

- Focus on insuring underserved 'rurban' customers (core Magma customer-archetype)
- Use tech-enablers to prevent revenue leakage and minimize fraudulent claims
- Leverage tech-tools to quickly and simply underwrite and issue policies



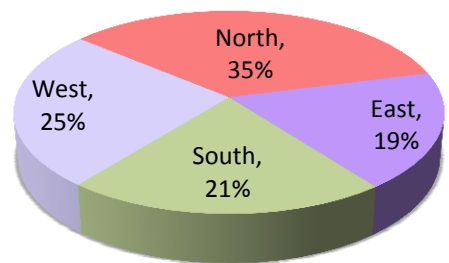
# Competitive Strength: Widespread pan India coverage

## Extensive Pan India Branch Network Across Rural and Semi-Urban India

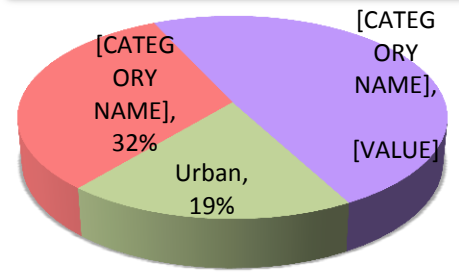


- Hub and spoke model with wide coverage led to presence in point of sales enabling sourcing from 1,900 talukas and 2,900 locations
- Tablet usage has led to superior sales productivity, better market coverage, improved channel and customer experience
- Focus on asset-light model: Field executives come to branch office once a week; technology solutions enable them to conduct business from channel/customer location
- Strong customer engagement through 6500+ field executives
- State of the art toll free Inbound/Outbound Customer Delivery Centre for servicing and cross sell

**Region-wise Breakup**



**Rural-Urban Breakup**



Branches as on 31<sup>st</sup> March 2017

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# Branch Banking: New structure leading to superior customer connect



## OBJECTIVES

- Better customer service
- Better and faster credit decision
- Improved productivity and cost efficiency.
- Better channel management
- Better local accountability and ownership
- More Direct Business and higher yields

### PEOPLE

- Merger of Sales and 0-90 Collections team to provide one-point contact with customer. Increasing customer touch points from 1500 to 3300 field officers
- Reduced FOS service radius from 75 kms to 30 kms
- Delegating decision making to Branch managers
- Incentives aligned to drive direct business / cross sell / customer service

### TECHNOLOGY

- High level of technology adoption by field officers and supervisors, improving efficiency and productivity
- Daily Journey Plan and Visit Calendar enabled in tablets

### PROCESS

- Simplified credit screens
- Implemented immediate risk hind-sighting
- L2D process simplified and enabled in tablets

### CUSTOMER

- FOS tagged to 8000 channels for service and business
- Rigor of daily market activity implemented
- IRR grids, doc charges, payout structures & escalation matrices revised

# Competitive Advantage: Technology initiatives to strengthen business processes

## PRE-SALES & SALES CUSTOMER ACQUISITION PROCESS

- Tablet equipped field executives capable of operating from any location (virtual office)
- Electronic transfer of loan application with all documents from point of sale.
- Usage of Data Analytics for customized Cross sell and Up sell offering.

Outcome – Increased Penetration, Faster Turnaround time & Better lead conversion.



## CHANNEL SERVICING & CUSTOMER ENGAGEMENT PROCESS

- Channel portal allows automatic tracking of files/process
- Call centre to provide real time support for complaints/enquiries
- Frontline Decision Support for better understanding of customer requirements

Outcome – Improved Customer experience, Better product design Inputs



## COLLECTIONS & RISK MANAGEMENT PROCESS

- Online submission of Field Investigation reports
- Cash collection at customer location, on spot money receipts, instant reporting of collections to central database.
- External credit databases embedded in BI/sales interfaces

Outcome – Enhanced Customer service, Faster Credit Appraisal, Robust Cash management



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# Competitive Advantage:

## Risk framework – Inter-woven with the business strategy



### CALIBRATE PRODUCT- CUSTOMER - GEOGRPAHY MIX

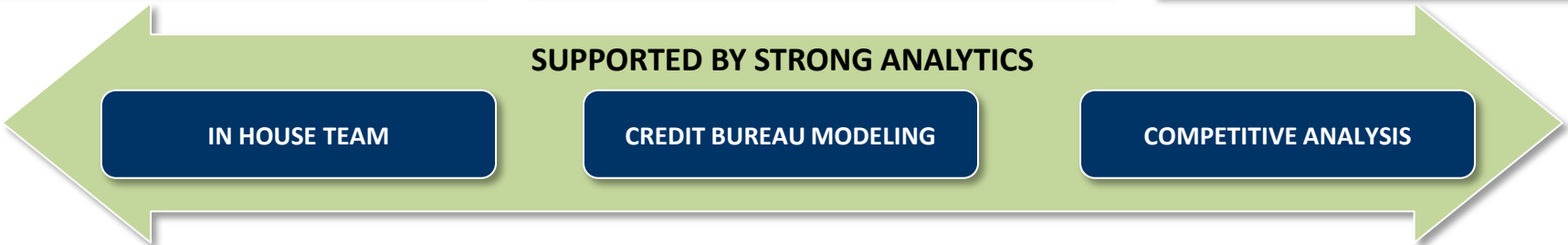
- OEM, End-Use and Resale demand driven product classification
- Informal segment with relevant experience
- Differentiated offering in various markets considering Net Adjusted Return

### REFINE CREDIT SCREENS & PROCESSES

- Customised screens to consider informal income streams with relevant experience
- Branch, product and dealer grading
- Asset gradation as per customer profile
- Online Process Automation at sourcing / under-writing stages for fraud mitigation
- Comprehensive Risk Management Framework

### EARLY WARNING INDICATORS (EWI)

- Past portfolio based terminal losses as key indicator for developing Early Warning Indicators (EWI)
- Credit hind sighting of early delinquent cases to resolve them and use them as feedback mechanism in credit screens
- Branch level tracking involving local business teams



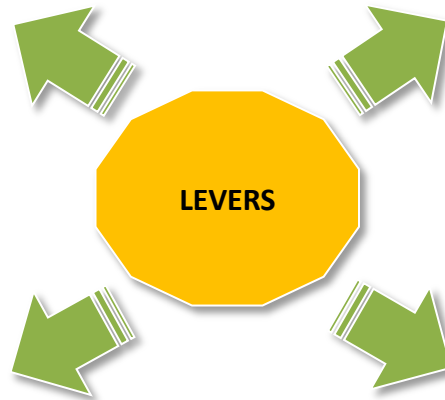
# Business Strategy: Focus on sustained profitable growth

## ROA ENHANCEMENT

- Focus on product profitability and branch profitability
- Increase share of higher risk-adjusted yield and high RoA products (Agri /Used Assets /SME /Mortgage Finance)

## OPEX REDUCTION

- Enhance productivity through technology enablers, automation and process simplification
- Reduce customer acquisition cost by
  - Increasing direct sourcing
  - Improving cross-sell
  - Providing superior customer service



## COF REDUCTION

- Employ judicious mix of NCD / CP / bank lines / securitisation to reduce COF and limit concentration / liquidity risk
- Diversify mix of debt market investors
- Increase share of priority sector lending (PSL)

## ASSET QUALITY IMPROVEMENT

- Calibrate portfolio according to product-customer-geography mix
- Refine credit screen and processes to optimize portfolio performance
- Employ product wise early warning indicators and loss tracking mechanisms
- Grading of branches, products, dealers and FOS according to the portfolio quality

## Health & Wellbeing



- ❑ Free medical Consultation to approx 50,000 truckers thru health check up camps
- ❑ First Aid and Medical Kit box for the forest guard at Palpur Kuno Wild Life Sanctuary
- ❑ **M-Care:** Weekly clinics in the remote villages of WB. Around 1100 patients have been treated in Q4,FY.17

## Environment Sustainability



- ❑ **Magma Truckers Initiative** for Environment Sustainability. In association with PCRA, Govt. of India undertaking.
- ❑ Training Safer Driving Skills to Truck Drivers in approx 140 locations..Around 80,000 truckers benefitted in FY17.
- ❑ Better Mileage + Fuel Conservation = Saving about 50 Lac Lt. of Diesel per year

- ❑ Reduction in CO2 Emission approx 44 Lac kg.
- ❑ E-Toilets for Sanitation at Transport Nagars to benefit to approx 50,000 Truck drivers
- ❑ Planting 5000 saplings on World Environment Day by employees

## Promotion of Education



- ❑ **M Scholar** – 99 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 3214 students in Govt. Schools in Kolkata (East), Madanpur, NCR (North), Palghar (West) and Nellore (South) – through ISKCON Food Relief Foundation.
- ❑ **Building Infrastructure in Schools:** Providing basic infrastructure in Schools for the under-privileged.

## 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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# Rewards & Recognition



Asia Pacific HRM Congress Awards 2015 in the category of Best Corporate Social Responsibility Practices for M-Scholar and Annamrita CSR initiatives.



Highway Heroes awarded as the "CSR Project of the Year" at the NGOBOX CSR Impact Awards 2016.



Corporate Responsibility Award 2016 from the Investor Review, UK for our M-Scholar CSR Initiative.



"CSR Leadership Award" at National Awards for Excellence in CSR & Sustainability.



Awarded 2nd Best Project of the Year for Highway Heroes at NHRDN CSR Competition, 2016.



BFSI Tech Maestro Awards 2016. Award for the most effective Data centric Security Implementation



Frost & Sullivan presented the 2016 Customer Service Leadership Award in Vehicle Fleet Leasing to Magma Fincorp Auto Lease in recognition of the company's exemplary customer service.



Magma's FY16 Annual Report was recognized at the 2016 VISION Awards competition of LACP (League of American Communications Professionals). The competition was tough with nearly 1200 entries from two dozen countries competing for the coveted recognition. Top 50 entries have been adjudged "World Class" and Magma Fincorp report is given a ranking of 31 in Top 50.



Platinum Award of Excellence from LACP Spotlight Awards 2016 for our Mission India communications campaign. The campaign was recognized as the most creative and was ranked 7th in the top 25 communications in 2015 worldwide.



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**Business Overview, Competitive Strengths and Strategy**

**Financial Results – Q4 FY17**

**Leadership Team**

**Annexures**

# Financial Results – Q4 FY17 (Consolidated)

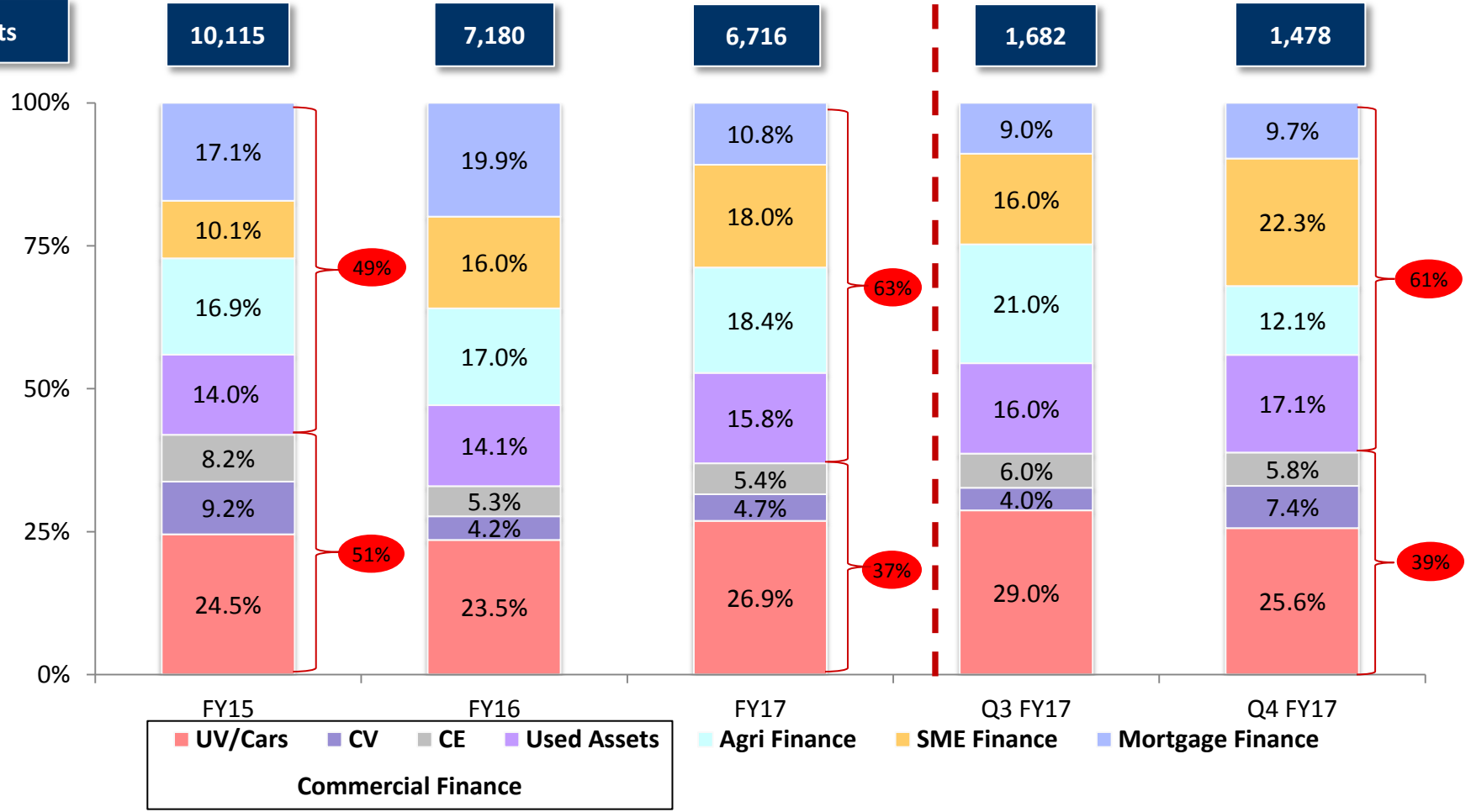
Q4 FY16		Q4 FY17
<b>Loan Assets</b> Rs 18,183 cr	<ul style="list-style-type: none"> <li>• Sale of NPAs and lower than expected disbursements in 2HFY17 due to demonetization</li> </ul>	<b>Loan Assets</b> Rs 16,101 cr
<b>NIM</b> 7.50 %	<ul style="list-style-type: none"> <li>• Lower cost of funds and increase in contribution of high yielding products</li> </ul>	<b>NIM</b> 7.58 %
<b>Opex/Loan Assets</b> 3.14 %	<ul style="list-style-type: none"> <li>• Increase in opex ratio is largely due to lower AUM</li> </ul>	<b>Opex/Loan Assets</b> 3.57 %
<b>GNPA</b> 8.05%	<ul style="list-style-type: none"> <li>• Sale of hard bucket NPAs and strong collections in Q4 FY17</li> </ul>	<b>GNPA</b> 6.71%
<b>PAT</b> Rs 66 cr	<ul style="list-style-type: none"> <li>• Loss incurred on sale of NPAs led to loss in Q4FY17</li> </ul>	<b>PAT</b> Rs (122) cr
<b>RoA</b> 1.69 %	<ul style="list-style-type: none"> <li>• Negative ROA due to loss on NPA sale</li> </ul>	<b>RoA</b> -3.45 %

# Financial Results – FY17 (Consolidated)

FY16		FY17
<b>Loan Assets</b> Rs 18,183 cr	<ul style="list-style-type: none"> <li>• Sale of NPAs and lower than expected disbursement in 2H due to demonetization</li> </ul>	<b>Loan Assets</b> Rs 16,101 cr
<b>NIM</b> 6.97 %	<ul style="list-style-type: none"> <li>• Lower cost of funds and increase in contribution of high yielding products</li> </ul>	<b>NIM</b> 7.43 %
<b>Opex/Loan Assets</b> 3.36 %	<ul style="list-style-type: none"> <li>• Opex on absolute basis declined y-o-y but lower AUM led to increase in opex ratio</li> </ul>	<b>Opex/Loan Assets</b> 3.62 %
<b>GNPA</b> 8.05 %	<ul style="list-style-type: none"> <li>• Sale of hard bucket NPAs and improvement in full year collection efficiency</li> </ul>	<b>GNPA</b> 6.71 %
<b>PAT</b> Rs 213.5 cr	<ul style="list-style-type: none"> <li>• Loss in Q4FY17 due to NPA sale led to lower full year PAT</li> </ul>	<b>PAT</b> Rs 12.7 cr
<b>RoA</b> 1.4 %	<ul style="list-style-type: none"> <li>• ROA compressed in line with PAT de-growth</li> </ul>	<b>RoA</b> 0.1 %

# Significant changes in disbursement mix

## Disbursements

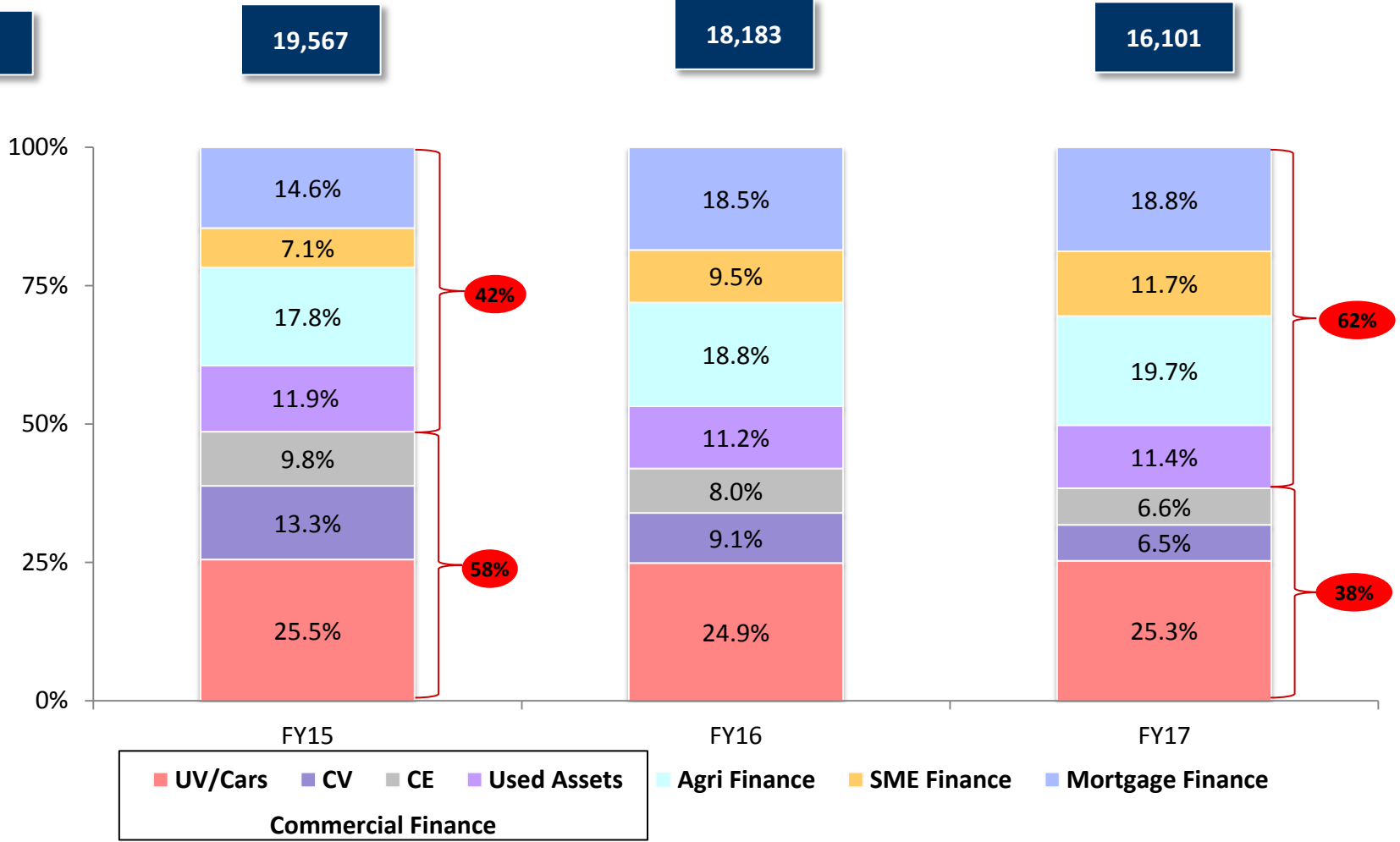


Values in Rs crore

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# Resulting in gradual shift in loan assets mix

**Loan Assets**



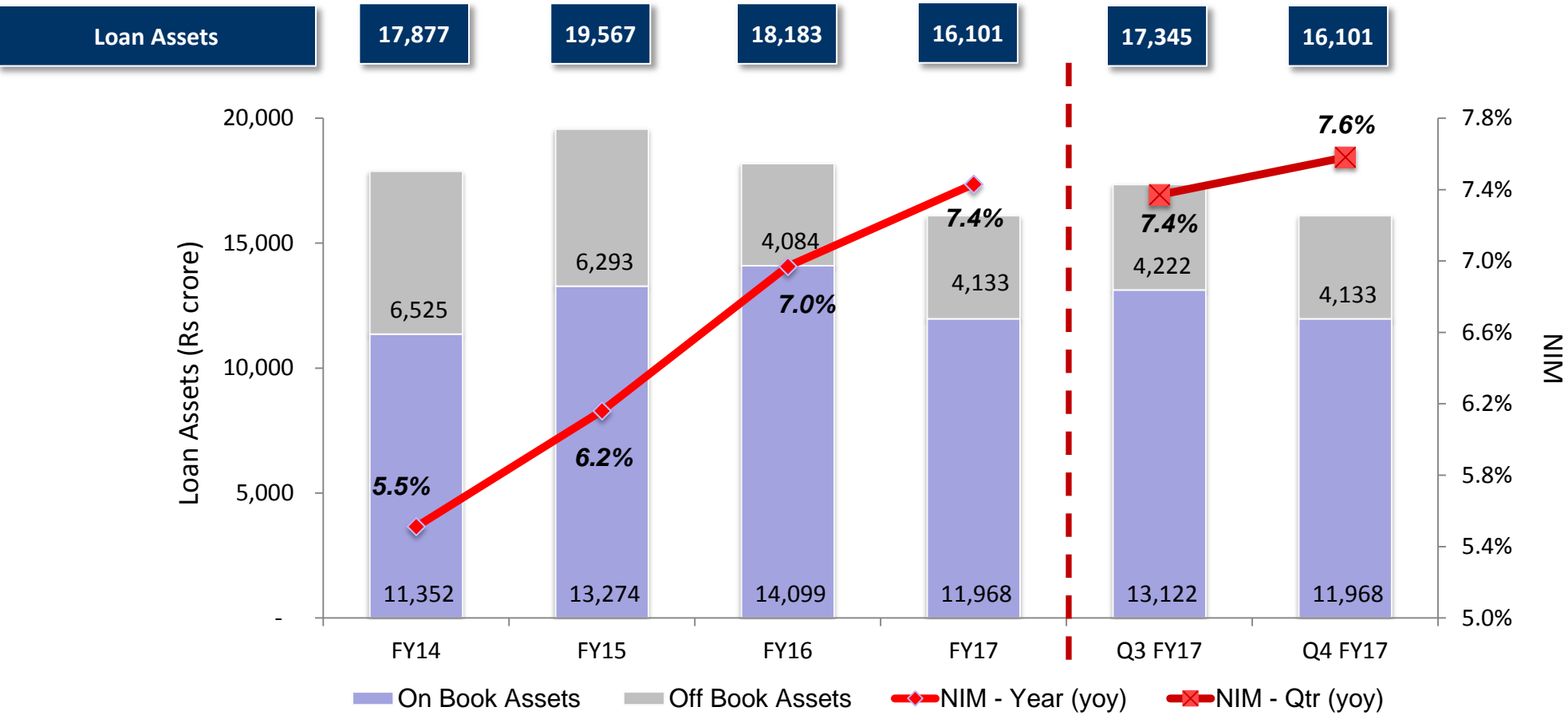
• High ROA products contribute 62% of total loan assets

Values in Rs crore

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# Loan assets and NIM expansion



• NIM expansion driven by gradual shift towards higher yielding products and lower cost of funds

NIM: (Total Income – Interest Expenses)/Average Loan Assets; Values in Rs crore

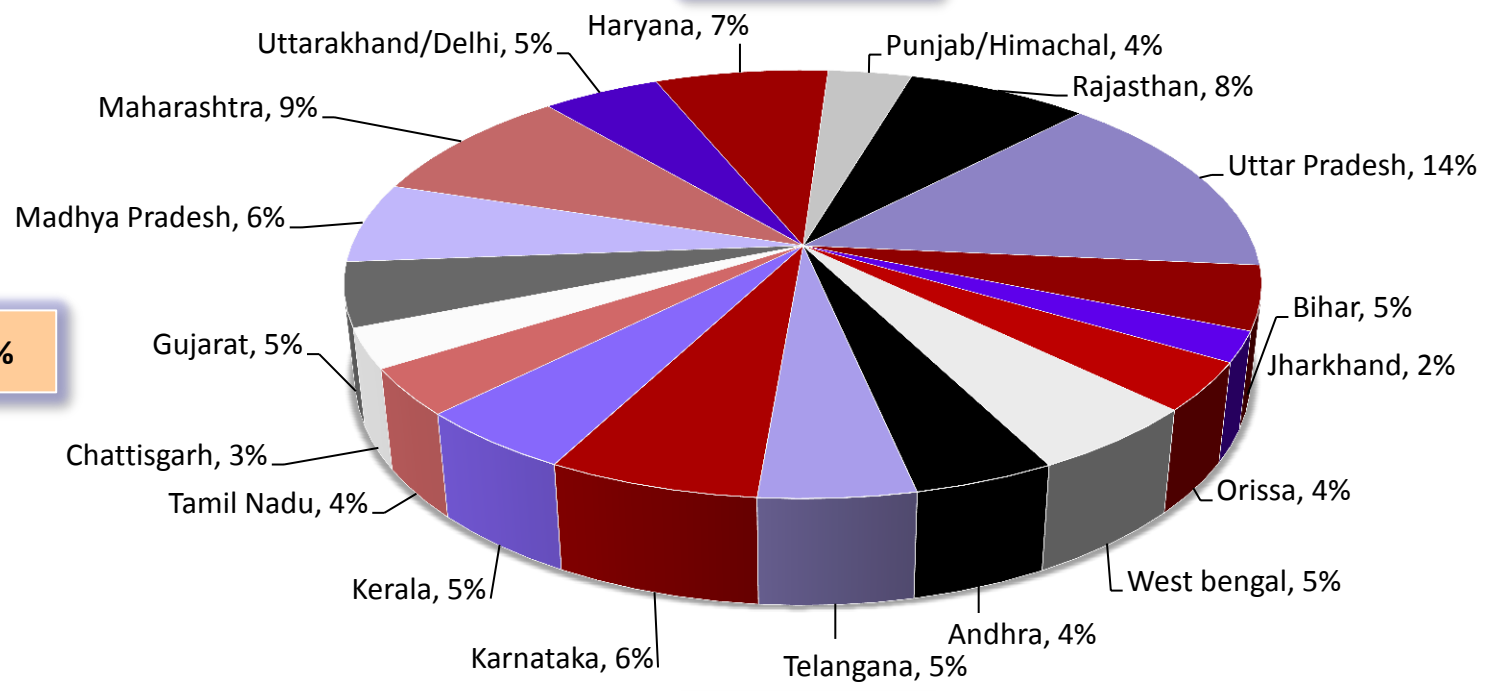
# State-wise Loan Assets Breakup

**Total Loan Assets: Rs. 16,101 crore**

**North: 38%**

**West: 23%**

**East: 16%**

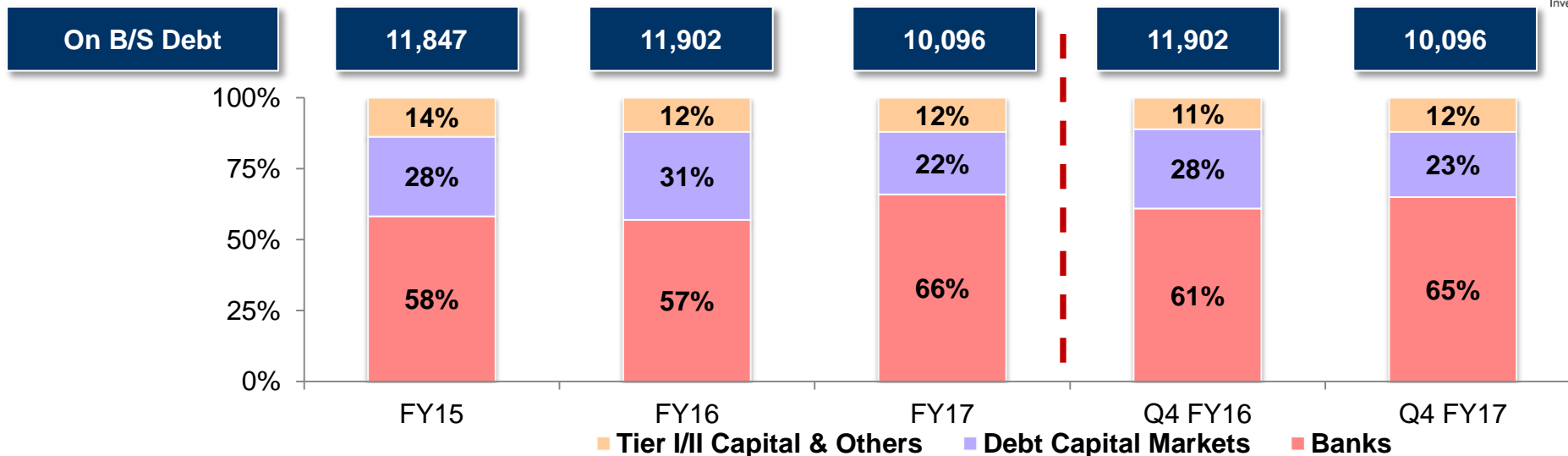


**South: 23%**

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

Value as on 31<sup>st</sup> March 2017; Includes Off B/S loan assets

# Liability Profile

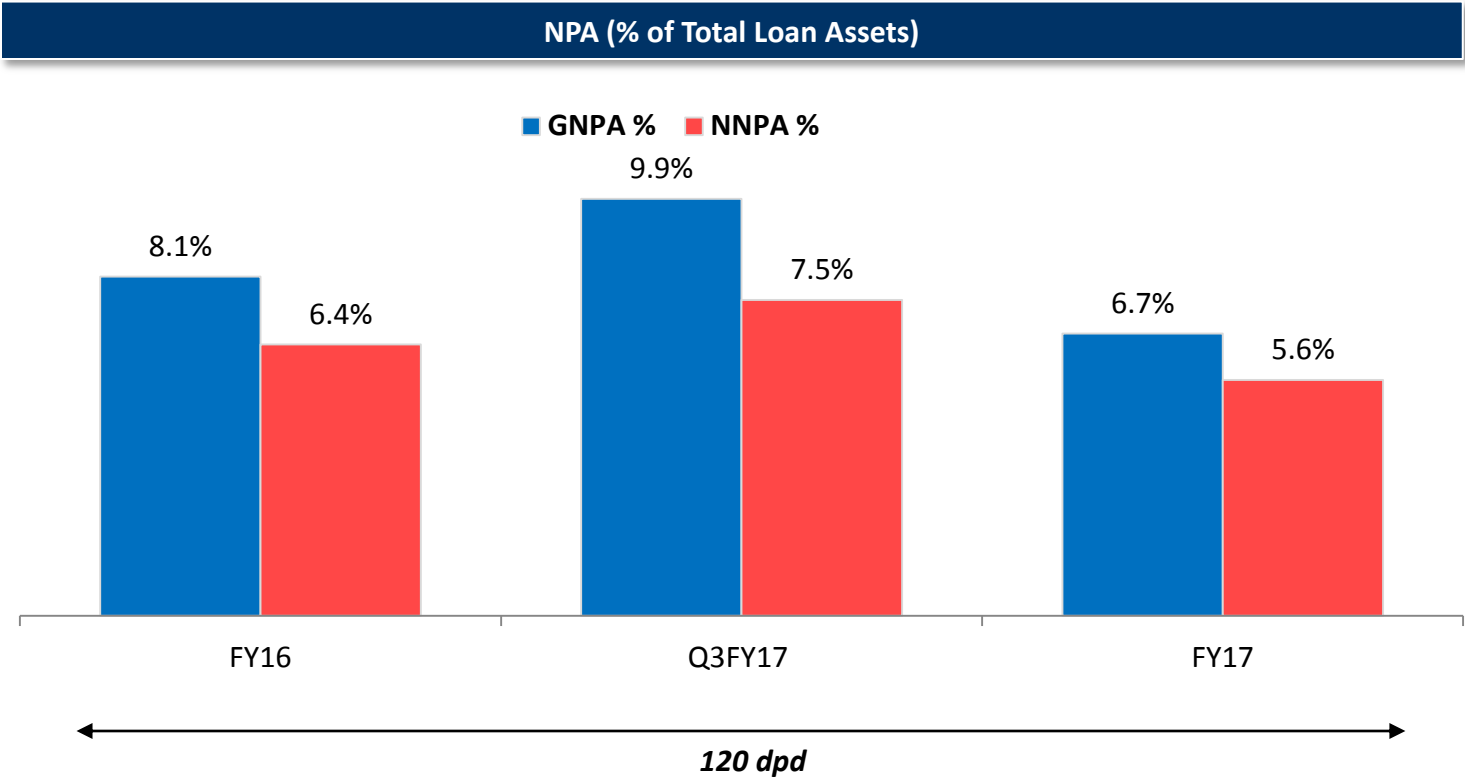


B/S Debt includes Preference Capital and based on MFL Consolidated financials; Values in Rs crore. Above chart is based on average utilization

Instrument	CARE Rating
Short term Debt	A1+
Long term Debt	AA-
Tier I Instrument	A+

- Diversified liability sources limit concentration risk, allows stable flow of funds and stable rating, all leading to lower costs
- Rated by CARE, ICRA , CRISIL, India Ratings, SMERA & Brickwork
- Consortium of 20 public & private sector banks
- 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

# NPA Recognition



- Sold gross NPAs worth Rs 678 cr in Q4 FY17.
- Magma recognises NPA on 120 dpd basis and is compliant with RBI guidelines applicable in FY17

Based on MFL Consolidated financials

# P&L Statement (Consolidated)

	Q4 FY17	Q3 FY17	Q4 FY16	% Change		FY17	FY16
				Y-o-Y	Q-o-Q		
Income from Ops.	559.9	580.6	633.0	-12%	-4%	2,344.5	2,472.2
Interest Expenses	256.9	272.2	298.0	-14%	-6%	1,125.4	1,191.6
<b>Net Operating Income</b>	<b>303.0</b>	<b>308.5</b>	<b>335.0</b>	<b>-10%</b>	<b>-2%</b>	<b>1,219.0</b>	<b>1,280.6</b>
Other Income	13.9	13.5	9.2	52%	3%	55.0	34.1
<b>Net Total Income</b>	<b>317.0</b>	<b>322.0</b>	<b>344.2</b>	<b>-8%</b>	<b>-2%</b>	<b>1,274.0</b>	<b>1,314.7</b>
Operating Expenses	149.2	160.9	144.1	4%	-7%	620.4	633.9
:Personnel Expenses	66.4	76.9	69.4	-4%	-14%	293.3	317.2
:Other Expenses	70.5	70.3	65.7	7%	0%	278.5	277.2
:Depreciation	12.3	13.7	9.0	37%	-10%	48.5	39.5
<b>Pre Prov Profit</b>	<b>167.7</b>	<b>161.1</b>	<b>200.1</b>	<b>-12%</b>	<b>6%</b>	<b>653.7</b>	<b>680.8</b>
Prov./Write Offs	107.8	104.7	98.6	NM	NM	395.4	375.0
Loss on sale of NPA	211.5	-	-	NM	NM	211.5	-
<b>Profit Before Tax</b>	<b>-151.5</b>	<b>56.4</b>	<b>101.5</b>	<b>NM</b>	<b>NM</b>	<b>46.8</b>	<b>305.8</b>
Taxes	-29.6	19.9	35.6	NM	NM	34.1	92.3
<b>Profit After Tax</b>	<b>-121.9</b>	<b>36.5</b>	<b>66.0</b>	<b>NM</b>	<b>NM</b>	<b>12.7</b>	<b>213.5</b>

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

Values in Rs crore

# Balance Sheet (Consolidated)

	Q4 FY17	Q3 FY17	Q4 FY16	% Change		FY17	FY16
				Y-o-Y	Q-o-Q		
<b>LIABILITIES</b>	<b>13,595</b>	<b>14,700</b>	<b>15,523</b>	<b>-12%</b>	<b>-8%</b>	<b>13,595</b>	<b>15,523</b>
<b>Net Worth</b>	<b>2,172</b>	<b>2,287</b>	<b>2,151</b>	<b>1%</b>	<b>-5%</b>	<b>2,172</b>	<b>2,151</b>
Share Capital	47	47	47	0%	0%	47	47
Reserves and Surplus	2,125	2,240	2,104	1%	-5%	2,125	2,104
Minority Interest	34	42	42	-18%	-19%	34	42
Preference Capital	-	-	13	NA	0%	-	13
<b>Borrowings</b>	<b>10,096</b>	<b>10,789</b>	<b>11,889</b>	<b>-15%</b>	<b>-6%</b>	<b>10,096</b>	<b>11,889</b>
Other Liabilities	1,293	1,582	1,428	-9%	-18%	1,293	1,428
<b>ASSETS</b>	<b>13,595</b>	<b>14,700</b>	<b>15,523</b>	<b>-12%</b>	<b>-8%</b>	<b>13,595</b>	<b>15,523</b>
<b>Loan Assets</b>	<b>11,968</b>	<b>13,122</b>	<b>14,099</b>	<b>-15%</b>	<b>-9%</b>	<b>11,968</b>	<b>14,099</b>
Fixed Assets	218	224	234	-7%	-3%	218	234
Other Assets	961	843	762	26%	14%	961	762
Cash & Bank Balance	448	511	429	5%	-12%	448	429
<b>TOTAL LOAN ASSETS</b>	<b>16,101</b>	<b>17,345</b>	<b>18,183</b>	<b>-11%</b>	<b>-7%</b>	<b>16,101</b>	<b>18,183</b>

Values in Rs crore



# Key Ratios (Consolidated)

	Q4 FY17	Q3 FY17	Q4 FY16	Change (in Bps)		FY17	FY16
				Y-o-Y	Q-o-Q		
<b>Total Income/Assets</b>	<b>16.2%</b>	<b>16.2%</b>	<b>16.4%</b>	<b>-21</b>	<b>-1</b>	<b>16.5%</b>	<b>16.5%</b>
Interest Exp/Assets	7.3%	7.4%	7.6%	-36	-18	7.7%	7.8%
<b>Gross Spreads</b>	<b>9.0%</b>	<b>8.8%</b>	<b>8.8%</b>	<b>15</b>	<b>16</b>	<b>8.8%</b>	<b>8.6%</b>
Prov & WO/Assets *	9.0%	2.9%	2.5%	<b>NM</b>	<b>NM</b>	4.2%	2.5%
Opex/Assets	4.2%	4.4%	3.7%	53	-18	4.3%	4.2%
PBT/Assets	-4.3%	1.5%	2.6%	<b>NM</b>	<b>NM</b>	0.3%	2.0%
<b>RoA</b>	<b>-3.4%</b>	<b>1.0%</b>	<b>1.7%</b>	<b>NM</b>	<b>NM</b>	<b>0.1%</b>	<b>1.4%</b>
<b>RoE</b>	<b>-21.0%</b>	<b>6.7%</b>	<b>11.9%</b>	<b>NM</b>	<b>NM</b>	<b>1.0%</b>	<b>11.1%</b>
<b>CRAR</b>							
Tier 1	15.4%	15.1%	14.6%	80	32	15.4%	14.6%
<b>Total</b>	<b>20.4%</b>	<b>19.5%</b>	<b>18.7%</b>	<b>165</b>	<b>88</b>	<b>20.4%</b>	<b>18.7%</b>

\*Prov & WO / Assets is higher in Q4FY17 and FY17 as it includes Loss on account of NPA sale.

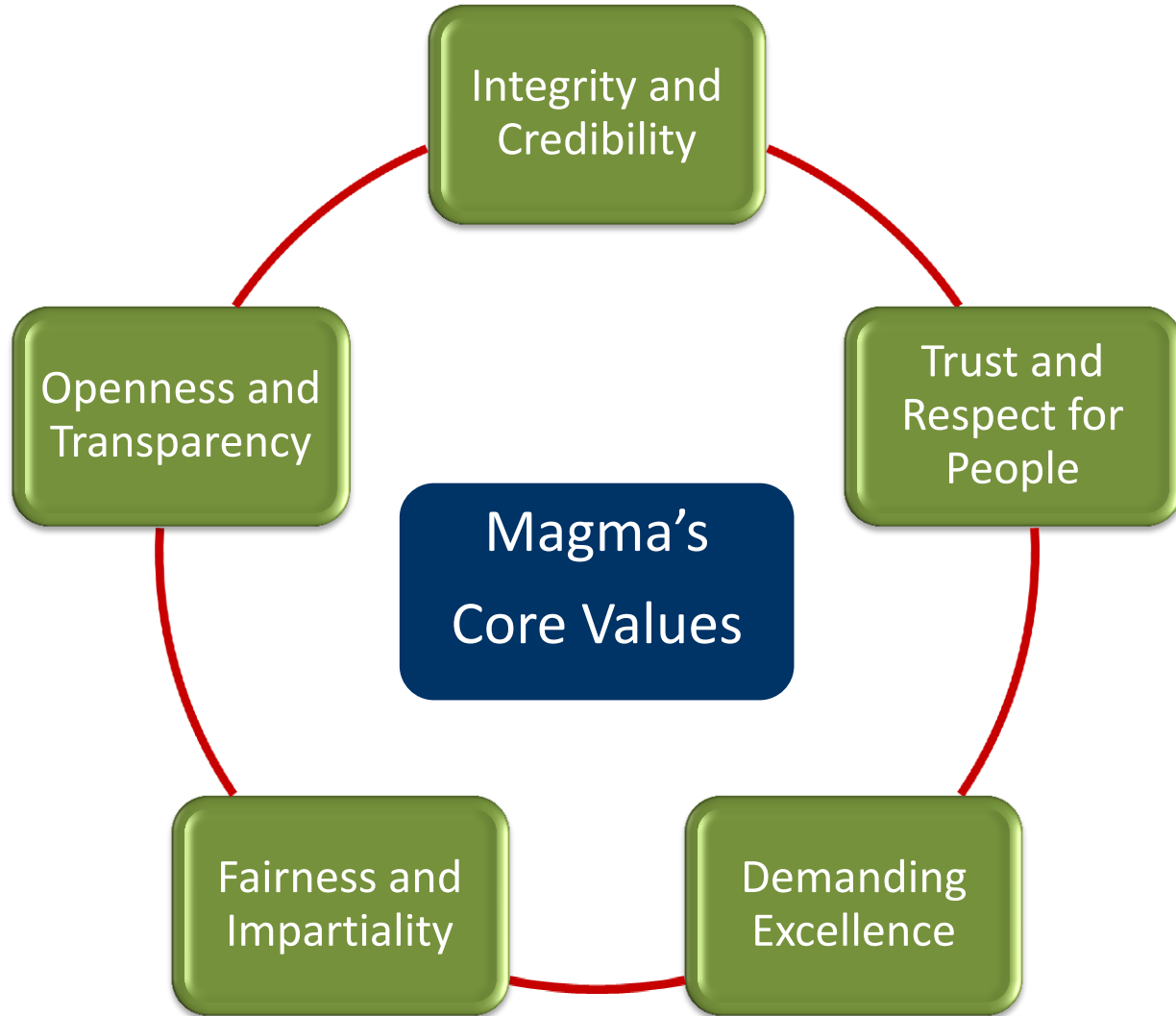
CRAR based on MFL (Standalone) financials. Assets implies average of opening and closing balance of On B/S Assets of MFL (Consolidated)

**Business Overview, Competitive Strengths and Strategy**

**Financial Results – Q4FY17**

**Leadership Team**

**Annexures**



## Promoter Directors

**Mayank Poddar**  
*Chairman Emeritus*

- 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**  
*Chairman*

Entrepreneur consultant. Former Country Head - KPMG Consulting & Head of Business Consulting in Arthur Andersen

**Sanjay Nayar –**  
*Non Executive Director (Nominee of KKR)*

CEO and Country Head of KKR, India. Ex CEO of Citi India & South Asia operations

**Ritva Laukkanen –**  
*Non Executive Director (Nominee of IFC)*

Ex-Director in IFC. Over 3 decades of experience in investments, financial markets and development finance

**Nabankur Gupta**

Founder - Nobby Brand Architects & Strategic Marketing Consultants. Pioneer of sub branding and multi branding in India. Also served as Group President in Raymond

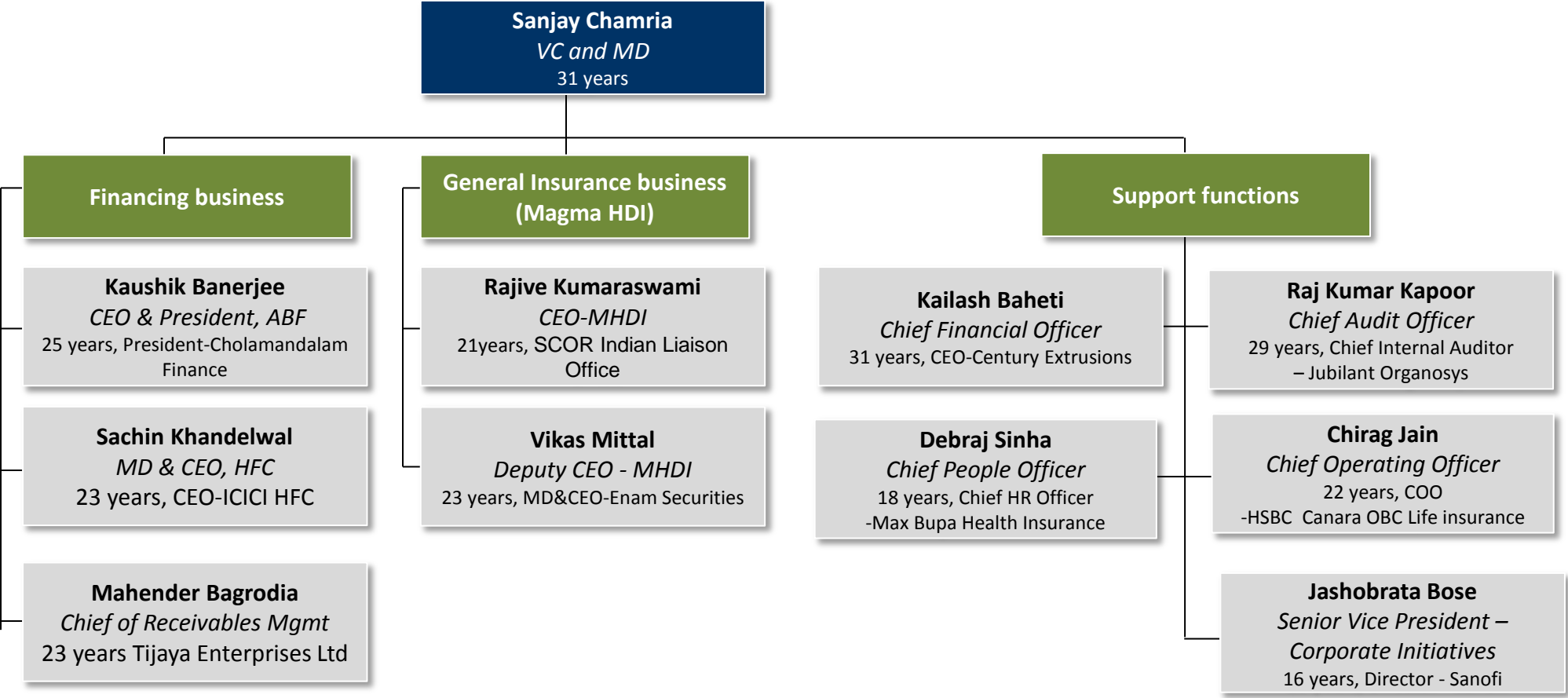
**Satya Brata Ganguly**

Chairman Emeritus of Exide Industries. Serves on the Boards of various reputed Indian corporate and public bodies as an Independent Director

**VK Viswanathan**

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.

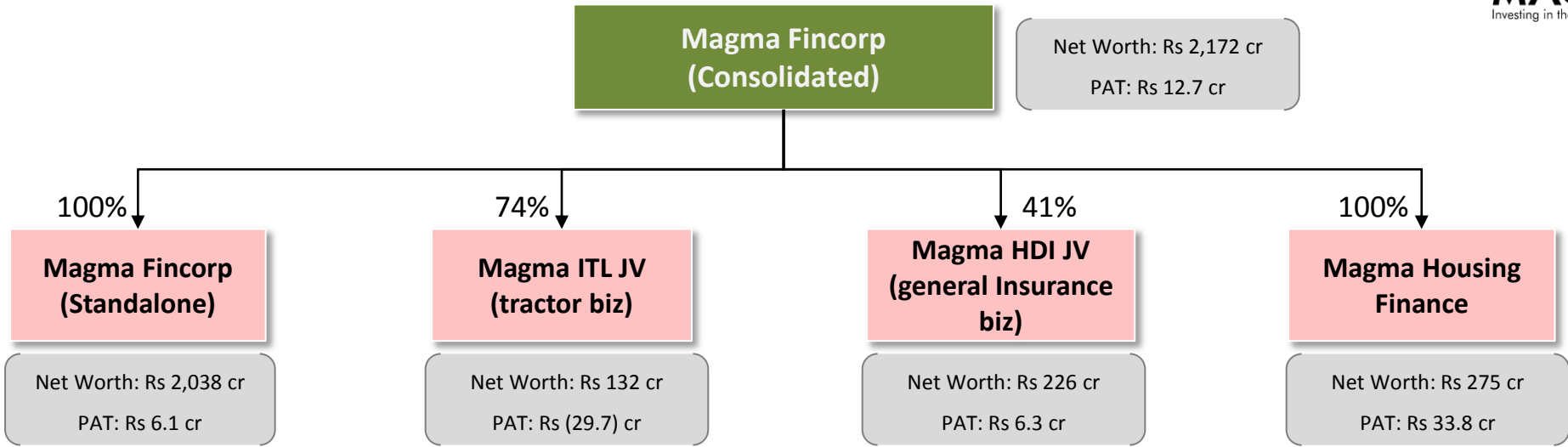
# Management Team



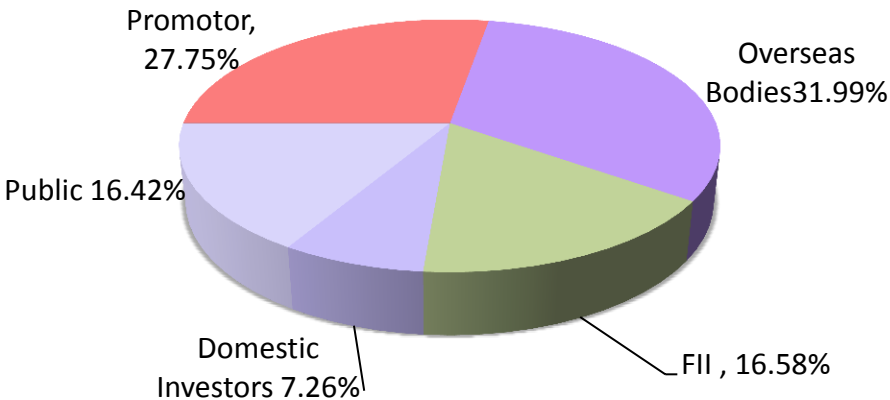
• Senior management with extensive experience both within Magma and in the industry

Name, Current responsibility, Experience in years, Previous organisation

# Holding Structure, Shareholding Pattern and Top Shareholders



## Shareholding of Magma Fincorp (31 March 2017)



## Top Non Promoter Shareholders

- KKR
- TRUE NORTH
- INTERNATIONAL FINANCE CORPORATION
- CHYRS CAPITAL
- LEAPFROG INVESTMENTS

Values based on MFL Consolidated financials for FY17



# THANK YOU



## Forward Looking Statements

Certain statements in this document with words or phrases such as “will”, “should”, etc., and similar expressions or variation of these expressions or those concerning our future prospects are forward looking statements. Actual results may differ materially from those suggested by the forward looking statements due to a number of risks or uncertainties associated with the expectations. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy and changes in government policies. The company may, from time to time, make additional written and oral forward looking statements, including statements contained in the company’s filings with the stock exchanges and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

**Business Overview, Competitive Strengths and Strategy**

**Financial Results – Q4 FY17**

**Leadership Team**

**Annexures**

# Profit & Loss Statement (Standalone)

	Q4 FY17	Q3 FY17	Q4 FY16	% Change		FY17	FY16
				Y-o-Y	Q-o-Q		
Income from Ops.	471.8	487.9	536.3	-12%	-3%	1,973.0	2,109.6
Interest Expenses	215.1	225.8	249.6	-14%	-5%	937.9	998.1
<b>Net Operating Income</b>	<b>256.7</b>	<b>262.1</b>	<b>286.7</b>	<b>-10%</b>	<b>-2%</b>	<b>1,035.1</b>	<b>1,111.6</b>
Other Income	13.3	11.8	6.6	100%	13%	49.1	29.5
<b>Net Total Income</b>	<b>270.0</b>	<b>273.9</b>	<b>293.3</b>	<b>-8%</b>	<b>-1%</b>	<b>1,084.2</b>	<b>1,141.1</b>
Operating Expenses	133.3	136.9	120.8	10%	-3%	531.1	537.7
:Personnel Expenses	57.4	59.2	53.1	8%	-3%	230.2	246.6
:Other Expenses	63.6	64.1	58.7	8%	-1%	252.6	251.8
:Depreciation	12.2	13.6	8.9	37%	-10%	48.3	39.3
<b>Pre Prov Profit</b>	<b>136.7</b>	<b>136.9</b>	<b>172.5</b>	<b>-18%</b>	<b>1%</b>	<b>553.0</b>	<b>603.3</b>
Prov./Write Offs	93.7	91.1	87.4	NM	NM	349.2	337.4
Loss on sale of NPA	193.1	-	-	NM	NM	193.1	-
<b>Profit Before Tax</b>	<b>-150.1</b>	<b>45.8</b>	<b>85.1</b>	<b>NM</b>	<b>NM</b>	<b>10.7</b>	<b>266.0</b>
Taxes	-47.6	16.3	29.0	NM	NM	4.6	78.8
<b>Profit After Tax</b>	<b>-102.5</b>	<b>29.4</b>	<b>56.1</b>	<b>NM</b>	<b>NM</b>	<b>6.1</b>	<b>187.1</b>

• Negative impact on PAT on account of NPA sale is Rs. 126 cr.

Values in Rs crore

# Balance Sheet (Standalone)

	Q4 FY17	Q3 FY17	Q4 FY16	% Change		FY17	FY16
				Y-o-Y	Q-o-Q		
<b>LIABILITIES</b>	<b>11,392</b>	<b>12,251</b>	<b>12,909</b>	<b>-12%</b>	<b>-7%</b>	<b>11,392</b>	<b>12,909</b>
<b>Net Worth</b>	<b>2,038</b>	<b>2,141</b>	<b>2,031</b>	<b>0%</b>	<b>-5%</b>	<b>2,038</b>	<b>2,031</b>
Share Capital	47	47	47	0%	0%	47	47
Reserves and Surplus	1,991	2,094	1,984	0%	-5%	1,991	1,984
Preference Capital	-	-	13	NA	NA	-	13
<b>Borrowings</b>	<b>8,512</b>	<b>9,013</b>	<b>9,869</b>	<b>-14%</b>	<b>-6%</b>	<b>8,512</b>	<b>9,869</b>
Other Liabilities	842	1,097	996	-15%	-23%	842	996
<b>ASSETS</b>	<b>11,392</b>	<b>12,251</b>	<b>12,909</b>	<b>-12%</b>	<b>-7%</b>	<b>11,392</b>	<b>12,909</b>
<b>Loan Assets</b>	<b>9,894</b>	<b>10,765</b>	<b>11,650</b>	<b>-15%</b>	<b>-8%</b>	<b>9,894</b>	<b>11,650</b>
Fixed Assets	149	156	169	-12%	-5%	149	169
Other Assets	991	908	723	37%	9%	991	723
Cash & Bank Balance	359	422	368	-2%	-15%	359	368
<b>TOTAL LOAN ASSETS</b>	<b>13,514</b>	<b>14,509</b>	<b>15,300</b>	<b>-12%</b>	<b>-7%</b>	<b>13,514</b>	<b>15,300</b>

All values in Rs crore

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

	Q4 FY17	Q3 FY17	Q4 FY16	% Change		FY17	FY16
				Y-o-Y	Q-o-Q		
Total Income	58.3	63.4	65.3	-11%	-8%	251.0	242.4
Interest Expenses	32.6	35.1	35.7	-9%	-7%	142.8	142.0
<b>Net Income</b>	<b>25.7</b>	<b>28.3</b>	<b>29.6</b>	<b>-13%</b>	<b>-9%</b>	<b>108.2</b>	<b>100.5</b>
Operating Expenses	10.7	11.5	14.6	-26%	-6%	48.5	53.8
<b>Pre Prov Profit</b>	<b>15.0</b>	<b>16.9</b>	<b>15.1</b>	<b>13%</b>	<b>-3%</b>	<b>59.7</b>	<b>46.7</b>
Prov./Write Offs	1.1	3.1	4.9	-77%	-65%	9.6	11.3
Loss on sale of NPA	-1.8	-	-	NM	NM	-1.8	-
<b>Profit Before Tax</b>	<b>15.7</b>	<b>13.7</b>	<b>10.2</b>	<b>53%</b>	<b>14%</b>	<b>52.0</b>	<b>35.3</b>
Taxes	5.4	4.9	3.6	49%	11%	18.2	12.5
<b>Profit After Tax</b>	<b>10.2</b>	<b>8.8</b>	<b>6.6</b>	<b>56%</b>	<b>16%</b>	<b>33.7</b>	<b>22.8</b>

- Positive impact on PAT on account of NPA sale is Rs. 1.8 cr.

All values in Rs crore

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



	Q4 FY17	Q3 FY17	Q4 FY16	% Change		FY17	FY16
				Y-o-Y	Q-o-Q		
<b>Gross Written Premium</b>	<b>132.2</b>	<b>102.2</b>	<b>116.5</b>	<b>14%</b>	<b>29%</b>	<b>422.9</b>	<b>427.4</b>
<b>Net Earned Premium</b>	<b>79.2</b>	<b>86.1</b>	<b>82.5</b>	<b>-4%</b>	<b>-8%</b>	<b>327.1</b>	<b>373.2</b>
(-) Claims Incurred	65.2	66.0	64.6	1%	-1%	258.8	318.8
(-) Premium Deficiency Reserve	-0.6	-	1.4	NM	NM	-1.3	1.5
(-) Net Commission	-4.1	3.0	1.3	NM	NM	3.8	11.5
(-) Management Expenses	42.6	33.9	28.4	50%	26%	143.4	126.1
<b>Underwriting Profit</b>	<b>-23.9</b>	<b>-16.8</b>	<b>-13.2</b>	<b>81%</b>	<b>43%</b>	<b>-77.5</b>	<b>-84.8</b>
(+) Investment Income	25.5	19.6	20.4	25%	30%	84.7	78.2
<b>Profit Before Tax</b>	<b>1.5</b>	<b>2.8</b>	<b>7.2</b>	<b>-78%</b>	<b>-45%</b>	<b>7.2</b>	<b>-6.6</b>
(-) Taxes	-0.2	0.5	5.3	NM	NM	0.9	5.3
<b>Profit After Tax</b>	<b>1.7</b>	<b>2.3</b>	<b>1.9</b>	<b>-9%</b>	<b>-26%</b>	<b>6.3</b>	<b>-11.9</b>

All values in Rs crore

*Bringing Equality of Opportunity  
to the Economically Disenfranchised*

# Profit & Loss Statement: Magma ITL (MITL)

	Q4 FY17	Q3 FY17	Q4 FY16	% Change		FY17	FY16
				Y-o-Y	Q-o-Q		
Income from Ops.	34.7	32.6	30.7	13%	6%	131.8	120.1
Interest Expenses	14.8	16.1	14.1	5%	-8%	61.0	53.0
<b>Net Operating Income</b>	<b>19.9</b>	<b>16.5</b>	<b>16.6</b>	<b>20%</b>	<b>20%</b>	<b>70.8</b>	<b>67.2</b>
Other Income	0.2	1.7	1.5	-89%	-90%	6.1	5.3
<b>Net Total Income</b>	<b>20.0</b>	<b>18.2</b>	<b>18.1</b>	<b>11%</b>	<b>10%</b>	<b>76.8</b>	<b>72.5</b>
Operating Expenses	4.6	12.0	8.5	-45%	-62%	38.9	39.4
<b>Pre Prov Profit</b>	<b>15.4</b>	<b>6.2</b>	<b>9.6</b>	<b>56%</b>	<b>72%</b>	<b>38.0</b>	<b>33.1</b>
Prov./Write Offs	13.0	10.4	6.3	<b>NM</b>	<b>NM</b>	36.6	26.3
Loss on sale of NPA	20.2	-	-	NM	NM	20.2	-
<b>Profit Before Tax</b>	<b>-17.7</b>	<b>-4.2</b>	<b>3.3</b>	<b>NM</b>	<b>NM</b>	<b>-18.8</b>	<b>6.8</b>
Taxes	12.6	-1.5	0.8	NM	NM	10.8	-1.2
<b>Profit After Tax</b>	<b>-30.4</b>	<b>-2.7</b>	<b>2.5</b>	<b>NM</b>	<b>NM</b>	<b>-29.7</b>	<b>8.1</b>

- Negative impact on PAT on account of NPA sale is Rs. 20 cr.

All values in Rs crore