

Magma Fincorp Limited
Regd. Office
Magma House
24 Park Street, Kolkata 700 016
Tel : 91 33 4401 7350 / 7200
Fax : 91 33 4401 7313
CIN : L51504WB1978PLC031813
Web : www.magma.co.in



2 November 2018

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

Company Code - 524000

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

Symbol - MAGMA

Sub: Investors/Analysts' Presentation

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

Dear Sir,

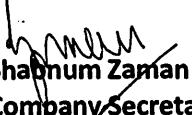
Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') we are enclosing herewith the presentation to be made to the Investors/Analysts on the Unaudited Financial Results of the Company for the quarter and half year ended 30 September 2018.

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


Shaqnum Zaman
Company Secretary
ACS No. 13918

Encl: as above

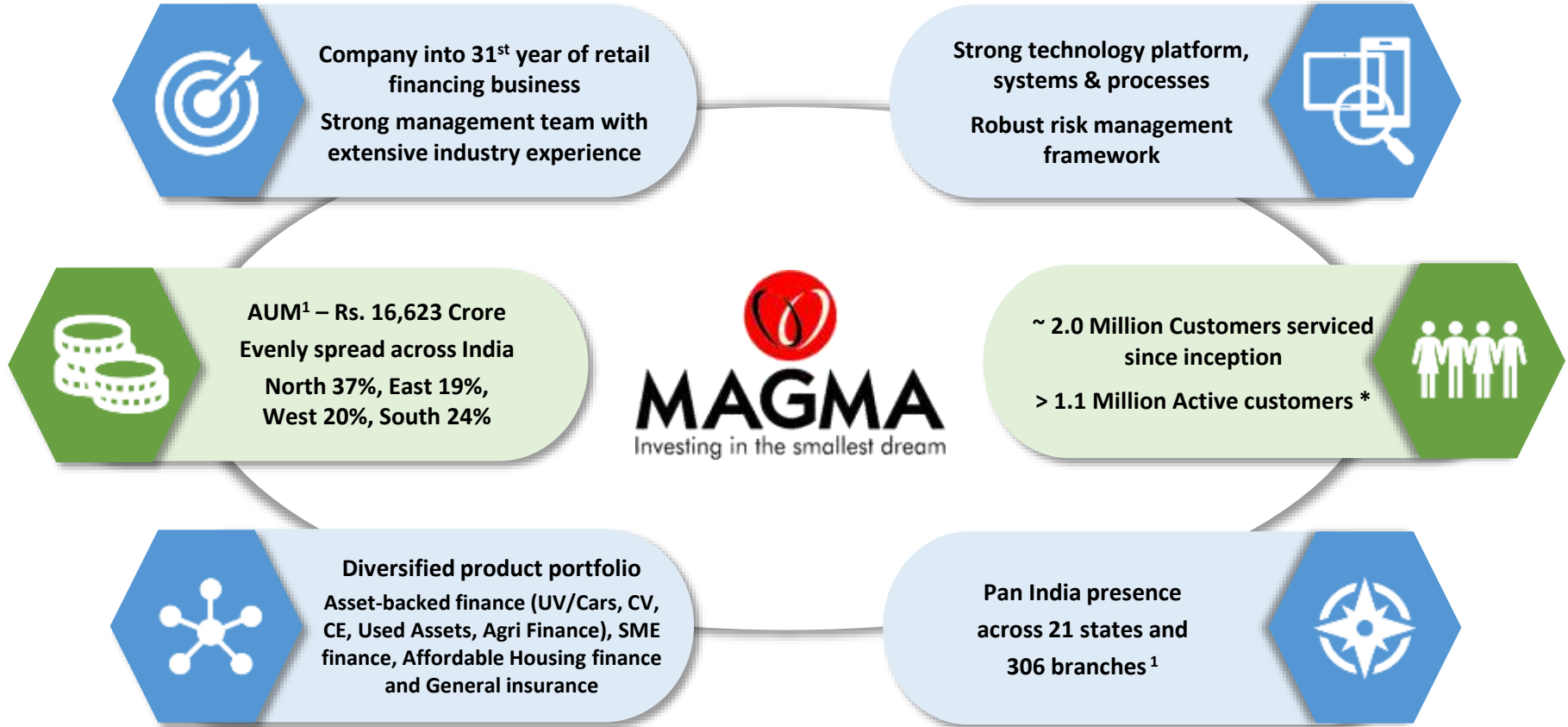
*Towards a Robust,
Sustainable and
Profitable Growth*



Magma Fincorp Limited
Investor Presentation – Q2 FY19

- 1 **Business Overview**
- 2 **Transformed Business Strategy to drive sustainable growth**
- 3 **Financial Performance – Q2 FY19 and H1 FY19**
- 4 **Leadership Team & Shareholding Structure**
- 5 **Annexures**

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



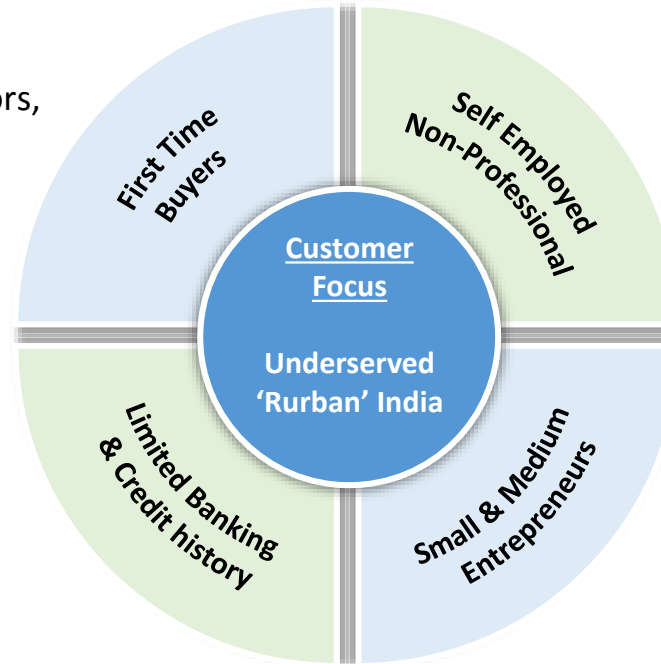
UV – Utility Vehicles, CV – Commercial Vehicles, CE – Construction Equipment

* > 0.5 Million customers in Finance Business and > 0.6 Million customers in General Insurance Business as on 30th Sept 2018 1 – As per Ind AS on 30th Sept 2018

Recognised and Trusted Brand in 'Rurban' India

- Taxi / Truck driver / operators, Small Farmers

- Customers with informal income and low eligibility for bank loans



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

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

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

Rurban includes Rural and Semi-Urban locations

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



		Customer Segments				Illustrative Asset Profile		
		First Time Buyers	Self Employed Non Professionals	Small & Medium Entrepreneurs	Limited banking / credit history	Average Ticket Size (Rs lakh)	Average Loan to Value Ratio	Average Tenure (months)
Financing & General Insurance Solutions	ABF: Commercial Finance	●	●	●	●	4-6	75-80%	40-45
	ABF: Agri Finance	●	●		●	3-4	65-70%	45-50
	SME Finance		●	●	●	19-21	N/A	30-35
	AHF: Affordable Housing Finance	●	●	●	●	12-14	LAP 30-40% HL 55-65%	120-160
	General Insurance	●	●	●	●			

Numbers indicative of disbursements done during Q2 FY19

Commercial Finance includes Cars, UVs & CE;

SME Finance includes Unsecured Loans to Business Enterprises;

Agri Finance includes Tractors

Affordable Housing Finance includes LAP and Home Loans

A well diversified portfolio across segment and geography

Total AUM¹ : Rs. 16,623 Cr.

Asset Backed Finance (ABF)
AUM¹ : Rs. 11,644Cr.



SME Finance
AUM¹ : Rs. 2,162Cr.

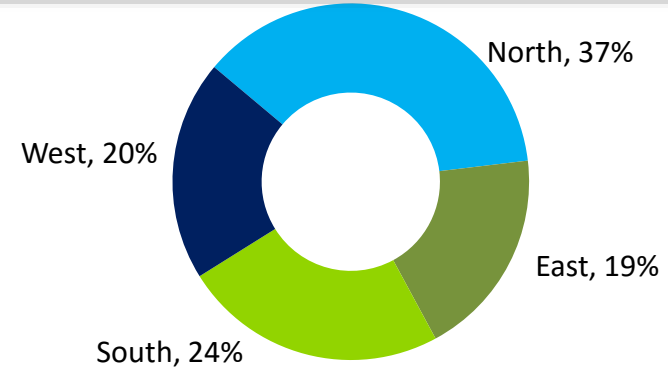
Affordable Housing Finance (AHF)
AUM¹ : Rs. 2,817 Cr.



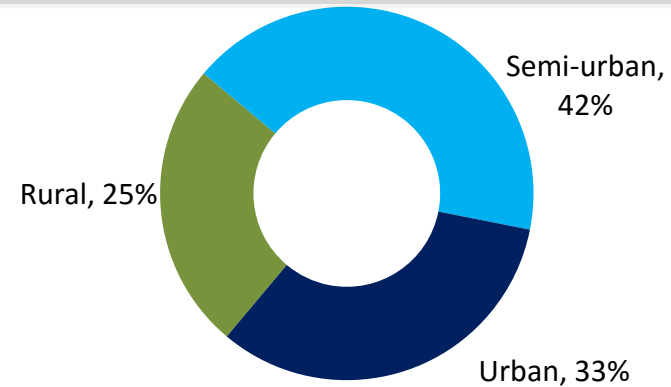
General Insurance
GWP² : Rs. 207 Cr.



Zone-wise Breakup

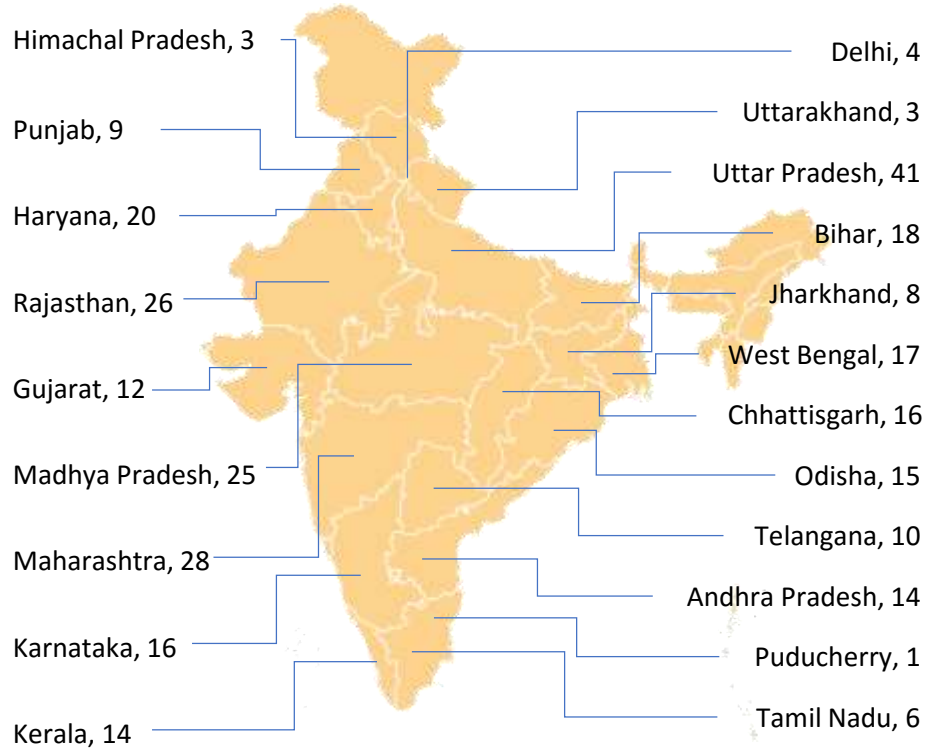


Rural-Urban Breakup



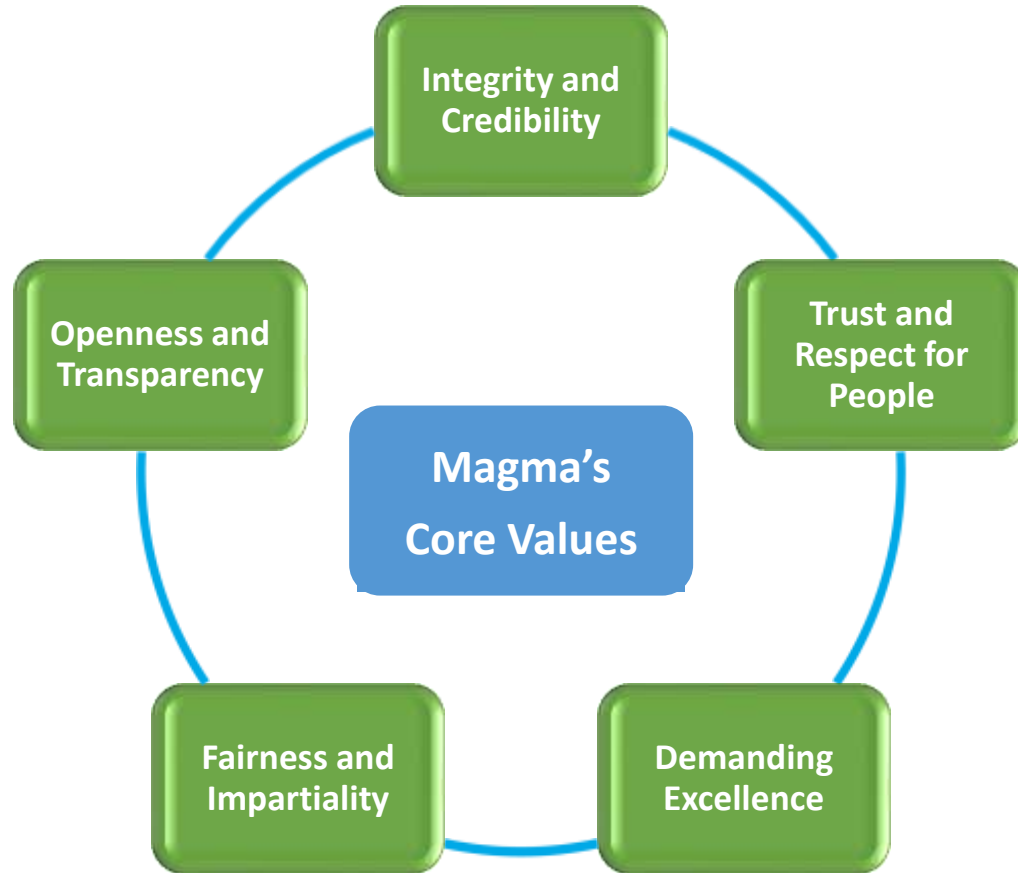
1 - As of 30th Sept 2018; 2 – Q2 FY19

306 Branches as on 30th September 2018



Asset Light Branch Network

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



- 1 Business Overview
- 2 Transformed Business Strategy to drive sustainable growth
- 3 Financial Performance – Q2 FY19 and H1 FY19
- 4 Leadership Team & Shareholding Structure
- 5 Annexures

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

A

Business process re-engineered leading to Sustainable Growth

B

Strong and Independent Risk Framework Interwoven with the Business Strategy

C

Robust Collection Process leading to improvement in Asset Quality

D

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

E

Technology and Digital Initiatives to enhance customer connect

F

People Initiatives leading to Employee Delight

A

Business process re-engineered leading to Sustainable Growth

B

Strong and Independent Risk Framework Interwoven with the Business Strategy

C

Robust Collection Process leading to improvement in Asset Quality

D

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

E

Technology and Digital Initiatives to enhance customer connect

F

People Initiatives leading to Employee Delight

A. Business process re-engineered leading to Sustainable Growth



Asset Back Finance (ABF)

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

Affordable Housing Finance (AHF)

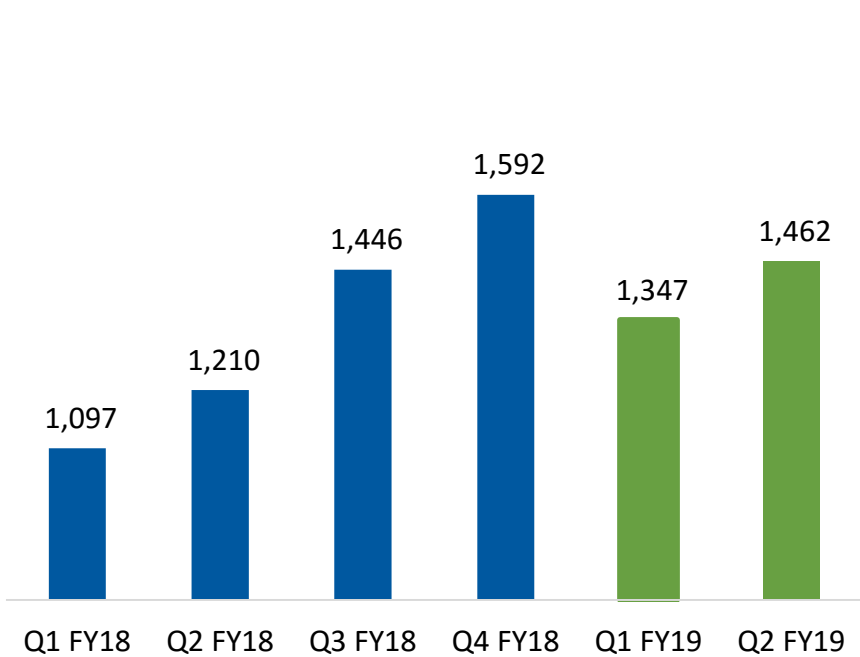
- Leadership deck revamped to foster and **transform in to a National Affordable Housing Finance Company**
- **Focused deep market penetration** in 93 locations across 10 states using unit model implementation
- **Leveraging cross-sell capabilities** to drive industry best productivity
- Innovation and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

SME Finance

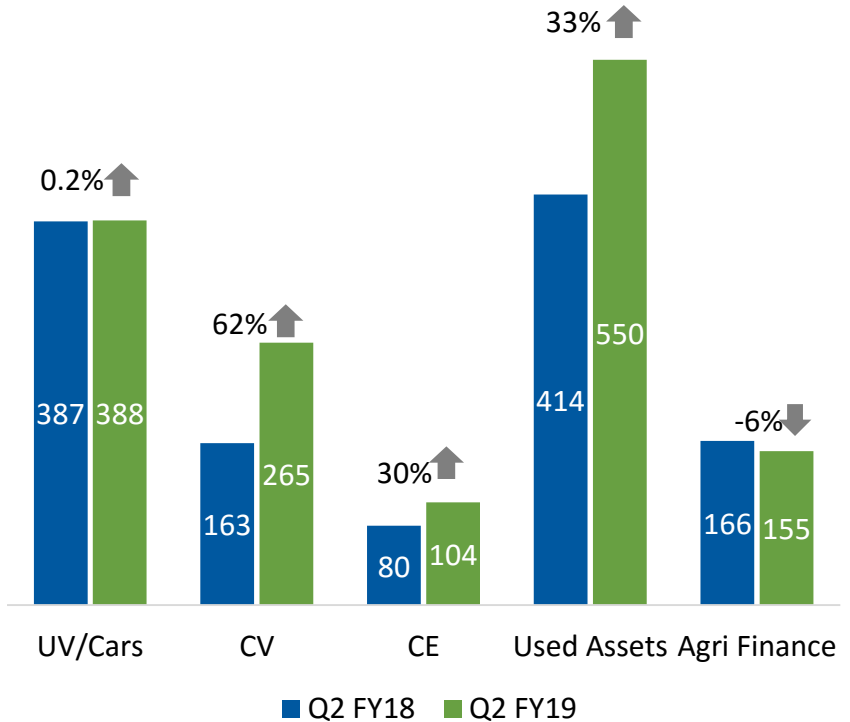
- **Leveraging on the existing branch Infrastructure**
 - Present in 78 out of 306 branches
 - Focus on Tier II (11-78) locations
 - Geo expansion to Tier III & IV locations
- **Product-suite expansion** for increasing target market, to cater to semi-formal economy customer segments
- Building **Credit Rule Engine for Underwriting**
- Launch **Revamped process** with simplified **digital Login** and **Auto Workflow Management**
- Launch **Direct Sales model** for Automated top-ups, to increase Products per customer

A. ABF Disbursal Strategy: Change is evident

Disbursement



Disbursement Mix

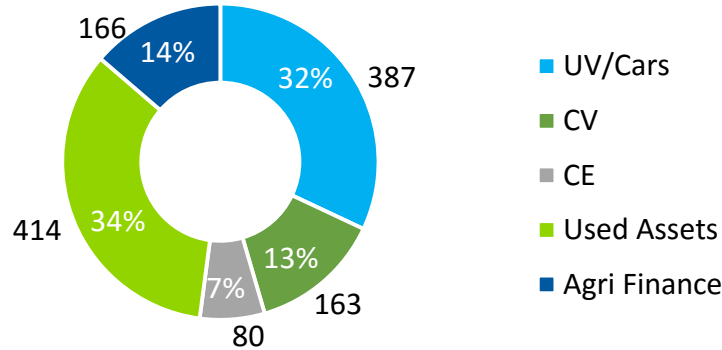


- 21% Y-o-Y improvement in disbursals in Q2 FY19; with significant growth in focused products i.e. CV and Used Assets

A. ABF Disbursal & AUM Strategy: Change is evident

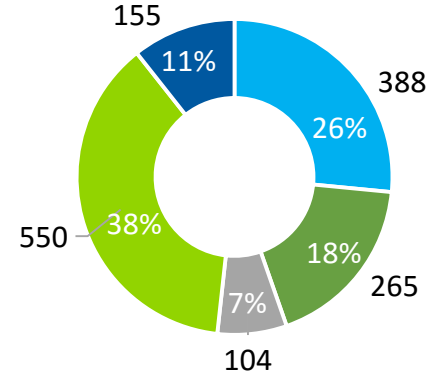
Product-wise Disbursal Contribution

Q2 FY18 ABF Disbursement



Rs. 1,210 Cr.

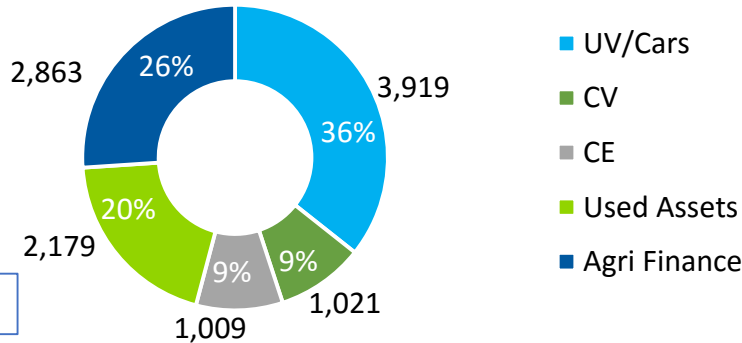
Q2 FY19 ABF Disbursement



Rs. 1,462 Cr.

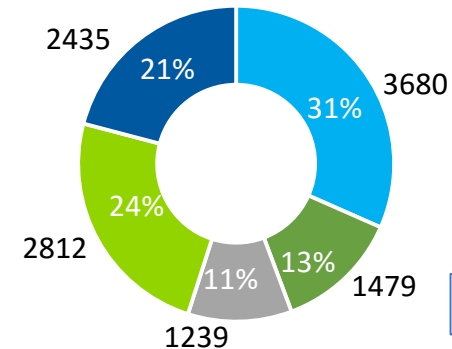
Product-wise AUM Contribution

Q2 FY18 AUM



Rs. 10,990 Cr.

Q2 FY19 AUM

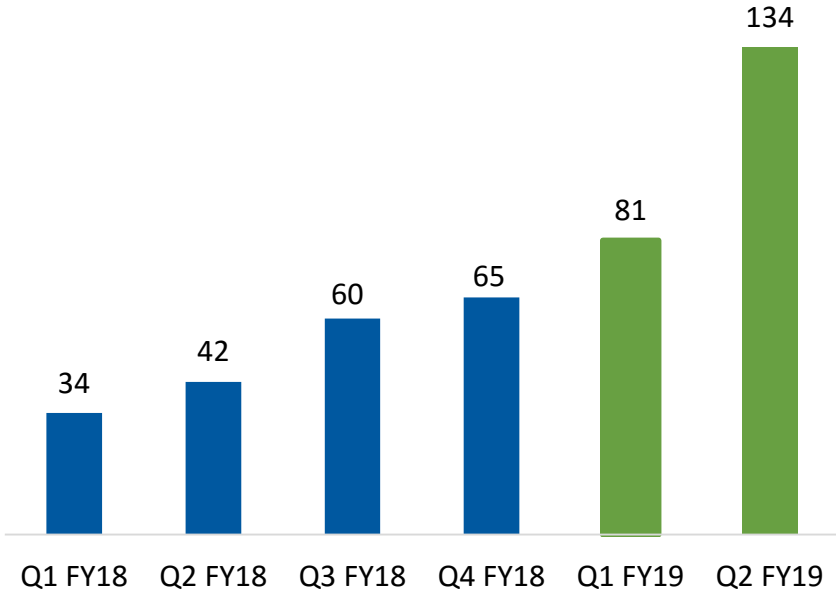


Rs. 11,644 Cr.

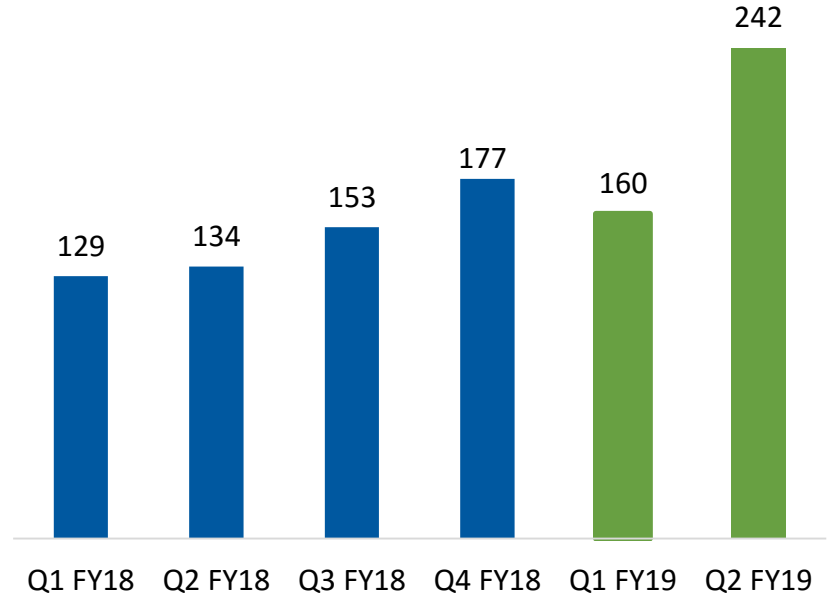
A. Affordable Housing Finance (AHF) Disbursal Strategy: Change is evident



Home Loan Disbursement



Total AHF Disbursement



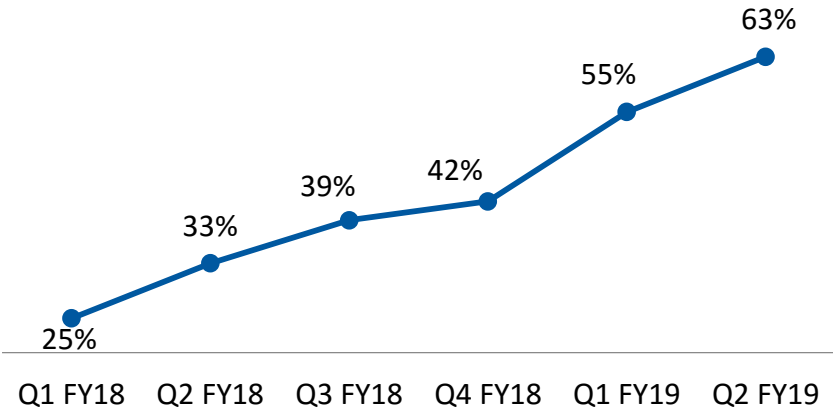
- 219% Y-o-Y improvement in HL in Q2 FY19 and 80% Y-o-Y improvement in overall Affordable Housing Finance Disbursals in Q2 FY19

Values in Rs Crore; HL does not include Construction Finance

A. Affordable Housing Finance (AHF): Business Initiatives

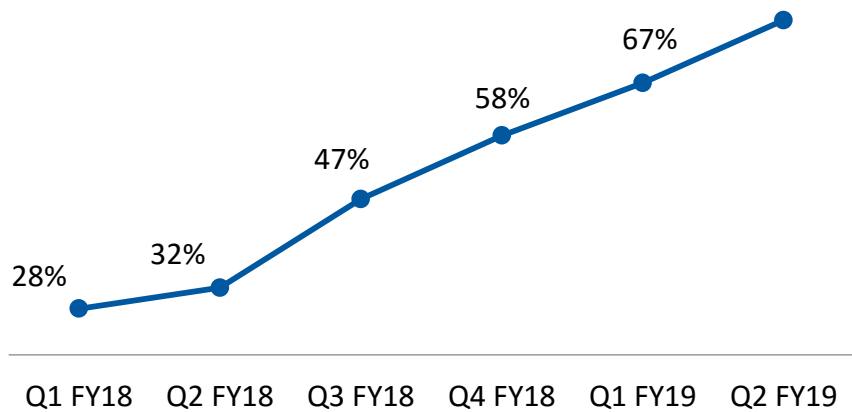
Go Home Loan

HL Ratio (Units)



Go Direct

Direct Ratio (Units)

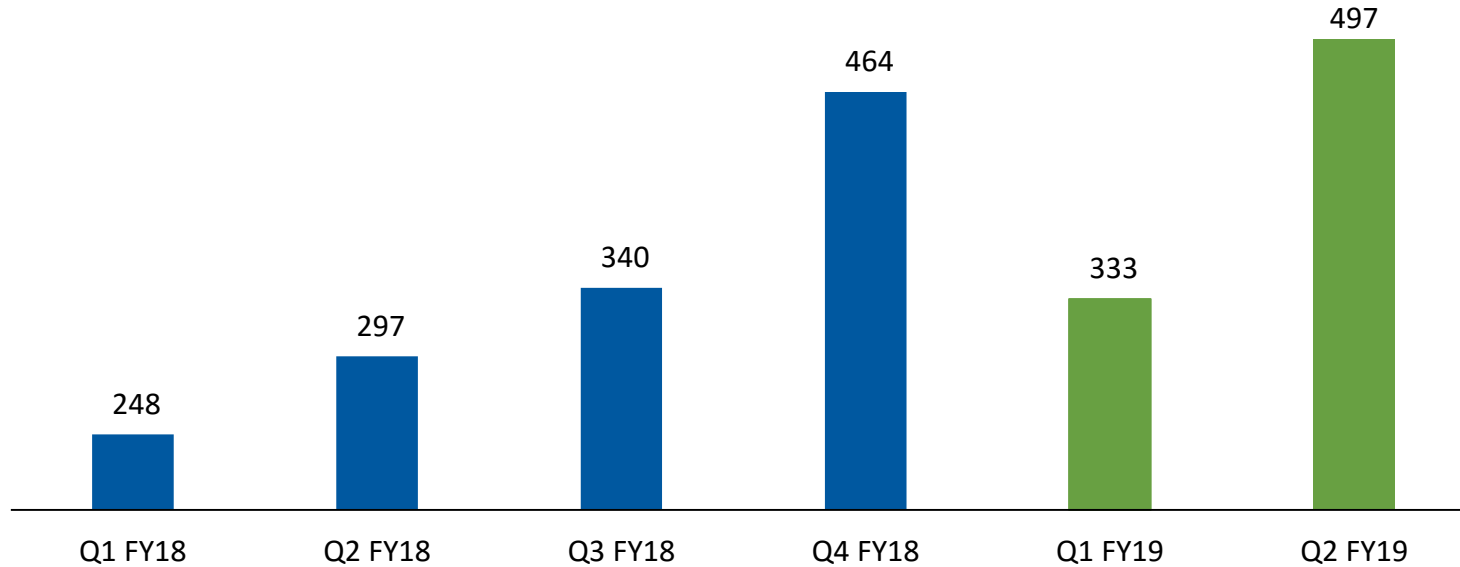


Key Takeaways

- HL Ratio has improved from 25% in Q1 FY18 to 63% in Q2 FY19
- Direct distribution capabilities being built-up; direct sourcing has improved from 28% in Q1 FY18 to 78% in Q2 FY19
- Focus on Go-to market strategy for further improvement in HL and Direct Sourcing – Spot Sanction Events, Builder Activities, Existing Customer Referrals, Micro Market Activities etc.

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

Disbursement picking up momentum



- 67% Y-o-Y improvement in SME Disbursals in Q2 FY19

Values in Rs crore

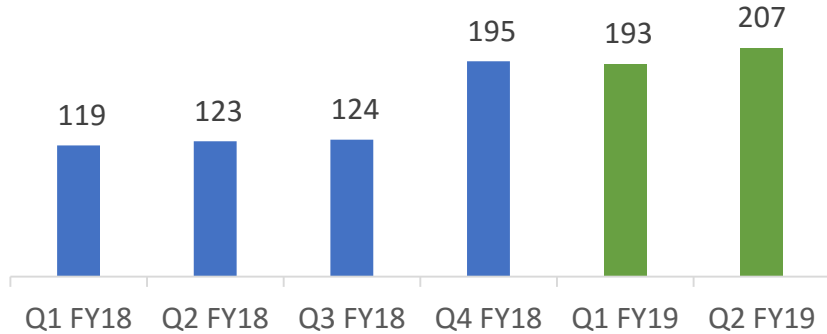
A. Business process re-engineering leading to Sustainable Growth – Magma HDI General Insurance

Premium Growth	Portfolio	Technology	People
<ul style="list-style-type: none"> • Business growth - 69.4% growth in Q2 FY19 over Q2 FY18 resulting in 65.9% growth in H1 FY19 over H1 FY18 • Branch expansion roll out planned in FY 19, in Q2 FY19 branch strength at 131 vis-à-vis 85 branches in Q2 FY18 • OEM tie-up contributed 15.3% of GWP for Q2 FY19 & Continue to explore other OEM and Banca opportunities • Productivity Improvement in productivity of both retail agency and banc-assurance & alliances channel. • Continued increase in the Non Motor commercial portfolio; backed by a strong panel of reinsurers 	<ul style="list-style-type: none"> • Motor Portfolio: Continue to enjoy the best OD loss ratio in the industry as per Q1 FY19 NL disclosures • Commercial Portfolio: Defined table of retentions based on Hazard grades. Preferred, referral and declined list of Occupancies in place. Underwriting delegations in place with a four eye principle • Health & Accident Portfolio: Continued focus on building critical illness portfolio on underlying credit portfolios • Sale of Retail health indemnity: marginal increase in sales through agency channel • Obtained Group Health Product approval from IRDAI, intention to enter the segment in coming months selectively 	<ul style="list-style-type: none"> • Tablets: Feet on Street equipped with Tablets enabling instant quotation & policy generation • Agent Portal: Enabling customer & channel delight; one of lowest usage of manual cover notes • Automated Dashboards: Facilitates regular reviews by supervisors • Branch level profitability tool matrices currently being defined so as to drive overall improvement in profitability • Claims System : Modern claims system live in July 18 	<ul style="list-style-type: none"> • Stable leadership team operating out of Mumbai Corporate Office • Learning & Development: Execution effectiveness, potential development and product knowledge focused training and development programs • Reward & Recognition: Structured schemes and parameterized recognition • Introduction of schemes to contain Front line attrition

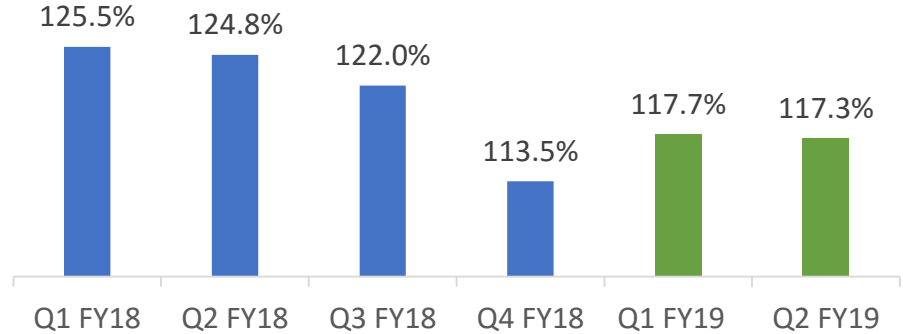
A. Magma HDI General Insurance: Robust growth



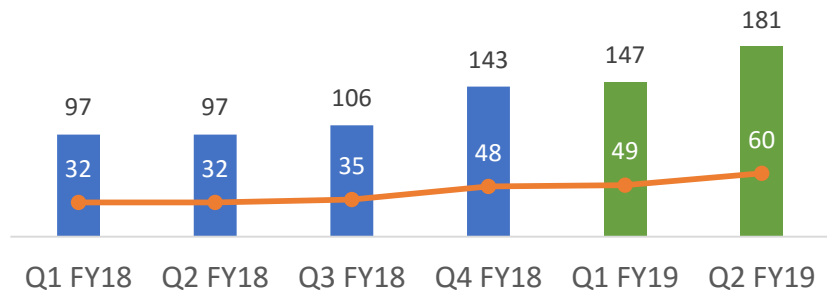
Gross Written Premium



Combined Ratio Movement



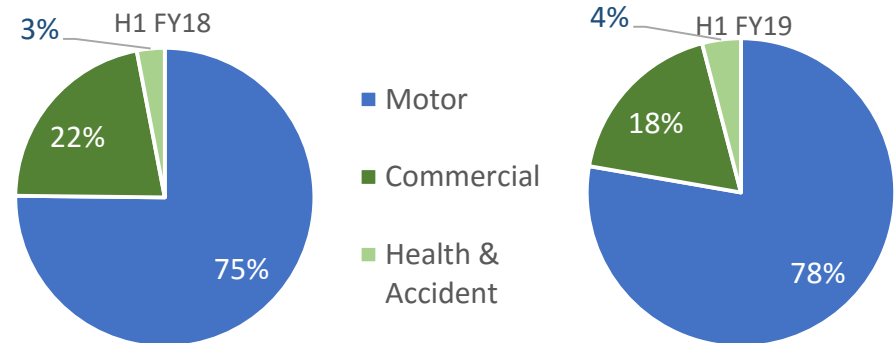
Retail Run Rate



■ Retail Business ● Retail Run Rate

Values in Rs crore

Portfolio Construct



Rs. 241 Cr.

Rs. 400 Cr.

A

Business process re-engineered leading to Sustainable Growth

B

Strong and Independent Risk Framework Interwoven with the Business Strategy

C

Robust Collection Process leading to improvement in Asset Quality

D

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

E

Technology and Digital Initiatives to enhance customer connect

F

People Initiatives leading to Employee Delight

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

Calibrated Product-Customer-Geography Mix

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

Refined Credit Screens & Processes

- Customized screens to consider informal income streams with relevant experience
- All set to roll out 'credit scoring platform' with ~70% automated decision, at beginning of Q3 FY19; to achieve standardization, enhance efficiency and result in better portfolio quality

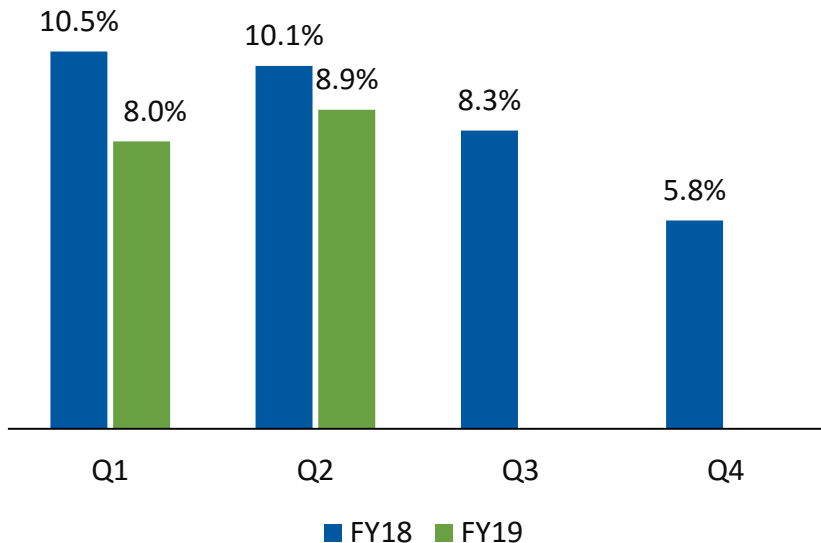
Early Warning Indicators

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

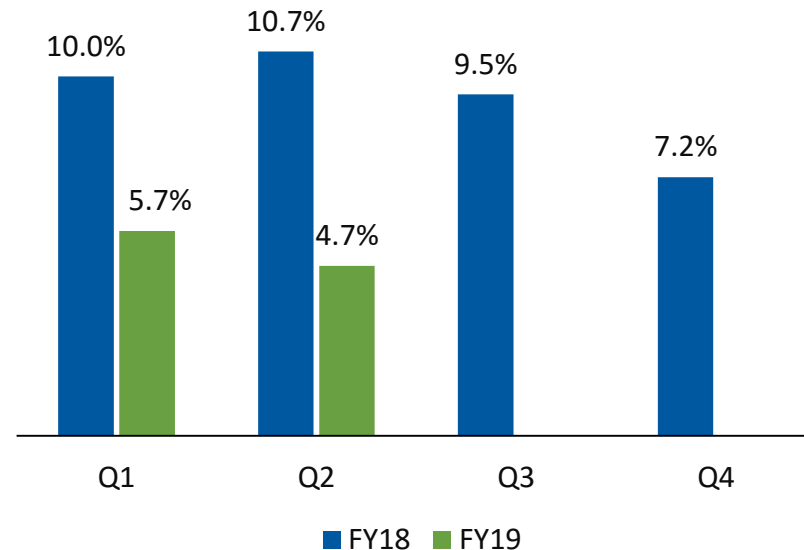
Strong analytics through in-house team, credit bureau modelling & competitive analysis, better process & technology has led to significant improvement of asset quality in the newly generated portfolio

B. Early Indicators: ABF - EWI & CPMI Trend

EWI Trend for ABF



CPMI Trend for ABF



EWI reduced by 12% Y-o-Y as on Q2 FY19

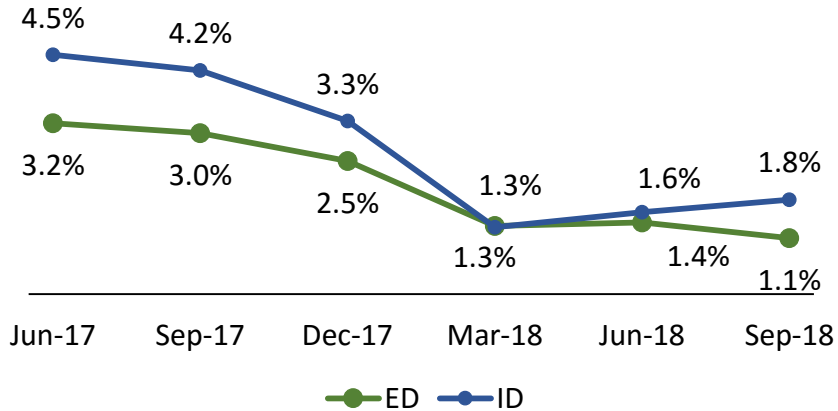
CPMI has reduced by 56% Y-o-Y as on Q2 FY19

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

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

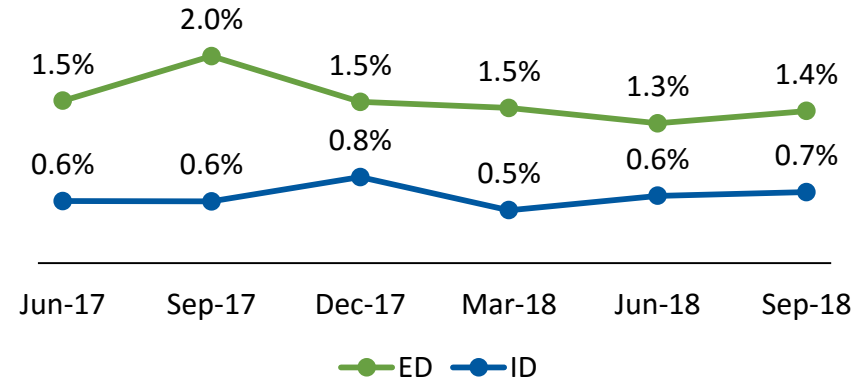
B. Early Indicators: AHF & SME - ID & ED Trends

ID & ED Trend for Affordable Housing (AHF)



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

ID & ED Trend for SME



Consistent ED trend visible in SME Finance

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

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

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

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

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

A

Business process re-engineered leading to Sustainable Growth

B

Strong and Independent Risk Framework Interwoven with the Business Strategy

C

Robust Collection Process leading to improvement in Asset Quality

D

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

E

Technology and Digital Initiatives to enhance customer connect

F

People Initiatives leading to Employee Delight

Three stage effective recovery process

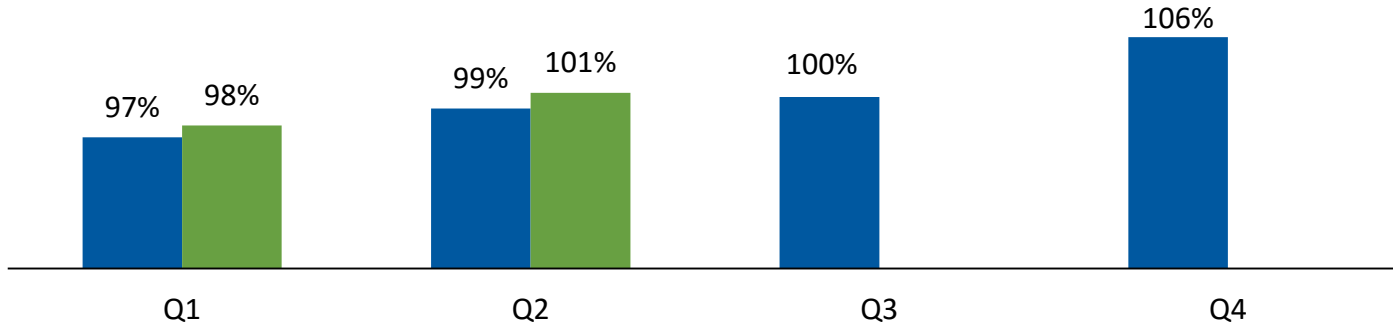
- Large and highly trained employee network, whose substantial earning is linked to recovery in pre NPA and early NPA buckets
- Early repossession in case of other than situational default cases to secure recovery
- Use available legal tools such as Arbitration, Sec 138, SARFAESI effectively to ensure maximum recovery

Leading to -

- Reduction in Gross Stage 3 Assets from 11.7% in Q2 FY18 to 9.5% in Q2 FY19
- Increase in collection efficiency from 99.2% in Q2 FY18 to 100.6% in Q2 FY19

C. Improving Overall Collection Efficiency

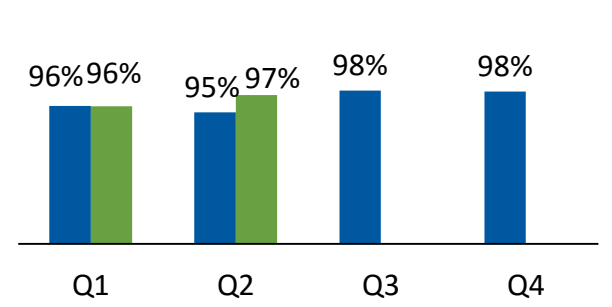
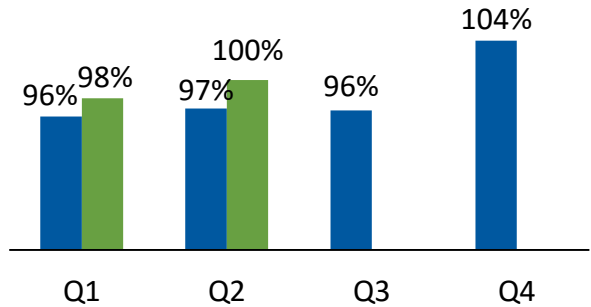
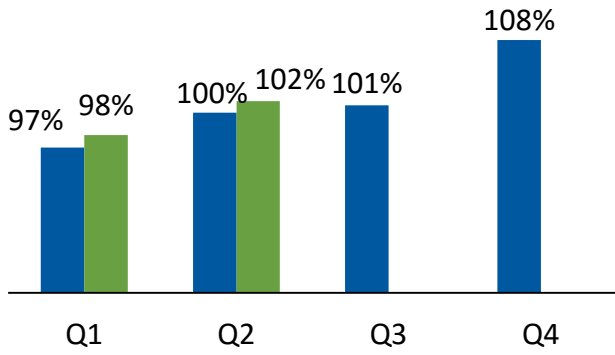
All Products



ABF

AHF

SME



■ FY 18 ■ FY 19

Collection Efficiency of All Buckets

A

Business process re-engineered leading to Sustainable Growth

B

Strong and Independent Risk Framework Interwoven with the Business Strategy

C

Robust Collection Process leading to improvement in Asset Quality

D

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

E

Technology and Digital Initiatives to enhance customer connect

F

People Initiatives leading to Employee Delight

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

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

Initiatives under way

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

**Ensuring
Customer
Delight**

**Increasing wallet
share**

Early gains visible

- 36 % increase in cross sell disbursement in Q2 vs Q1 of FY 19.
- 50% reduction in complaints in FY18 vs FY17 and 75% reduction in complaints in H1 FY19 vs. H1FY18

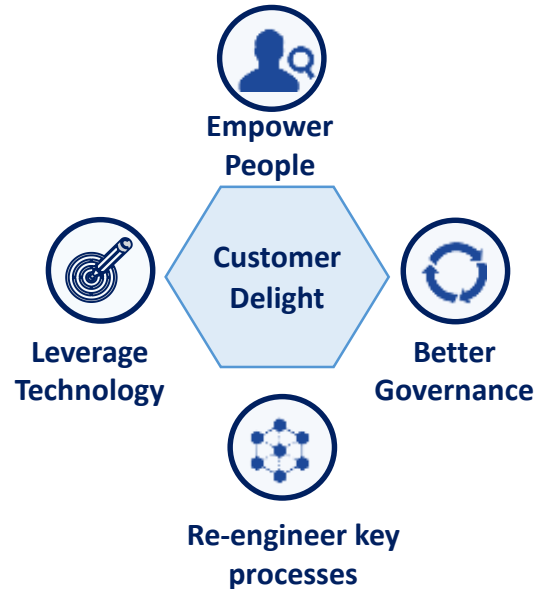
Targeting in FY19

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

To exceed customer expectations through exceptional service

Key initiatives

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



Key initiatives

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

A

Business process re-engineered leading to Sustainable Growth

B

Strong and Independent Risk Framework Interwoven with the Business Strategy

C

Robust Collection Process leading to improvement in Asset Quality

D

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

E

Technology and Digital Initiatives to enhance customer connect

F

People Initiatives leading to Employee Delight

E. Technology and Digital Initiatives to enhance customer connect

Strategic Business Imperatives

Customer Experience

Employee Engagement

Impactful Execution Levers

Passionate & Talented Team

Simple, Reliable & Innovative Solutions

Responsive & Adaptive Delivery Engine



Digital

Improving Customer Experience and enhancing cross-sell/up-sell capability across product lines through CRM implementation.



Operational Efficiency

Institutionalized discipline of continual Customer data enrichment to drive improvements in quality of service and engagement



Analytics

Launched analytics powered Credit Engine for Car, CV and Tractor loans. Standardized credit appraisal process based on structured policies and scorecards, leveraging both internal and external sources of data



Communication & Collaboration

Continual optimization of internal communications being driven through empowering and easy-to-use self-service capabilities.



Security

Robust cloud security foundation being established for effective deployment and monitoring of controls

A

Business process re-engineered leading to Sustainable Growth

B

Strong and Independent Risk Framework Interwoven with the Business Strategy

C

Robust Collection Process leading to improvement in Asset Quality

D

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

E

Technology and Digital Initiatives to enhance customer connect

F

People Initiatives leading to Employee Delight

Focus on learning & development

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

Managing talent & enhancing retention

- **Talent management framework** with objective of building internal succession planning bench and strengthening retention
- **Stock option plan for key talent** to strengthen retention and drive business outperformance

Creating a WOW employee experience

Strengthened engagement & on boarding

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

Embedding technology

- HR automation and technology leverage to empower employees and simplify their life
 - System driven **Flexi Pay plan for employees**
 - **Query resolution model**
- Enabling decision making by business leaders through dashboards and information

- 1 Business Overview
- 2 Transformed Business Strategy to drive sustainable growth
- 3 Financial Performance – Q2 FY19 and H1 FY19
- 4 Leadership Team & Shareholding Structure
- 5 Annexures

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

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

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

Q2 FY19: Consolidated Result Highlights (as per Ind AS)

Disbursements Q2 FY19 – Rs 2,200 Cr Q2 FY18 – Rs 1,641 Cr	AUM Q2 FY19 – Rs 16,623 Cr Q2 FY18 – Rs 15,688 Cr	NIM Q2 FY19 – 9.0% Q2 FY18 – 8.3%
Opex / AAUM Q2 FY19 – 4.2% Q2 FY18 – 3.6%	NNPA Q2 FY19 – 4.4% Q2 FY18 – 6.8%	PAT Q2 FY19 – Rs 77 Cr Q2 FY18 – Rs 73 Cr
ROA Q2 FY19 – 1.9% Q2 FY18 – 1.9%	ROE Q2 FY19 – 12.1% Q2 FY18 – 16.2%	Q2 FY19 Networth - Rs 2,580Cr BVPS - Rs 95.3, EPS - Rs 2.8 Capital Adequacy – 22.1%

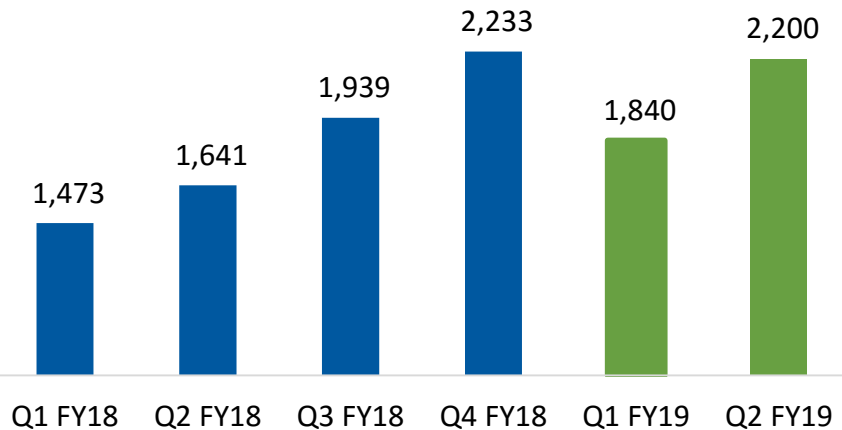
- Disbursement up 34%
- NNPA has improved by 36%
- AUM has grown by 6%

H1 FY19: Consolidated Result Highlights (as per Ind AS)

Disbursements H1 FY19 – Rs 4,040 Cr H1 FY18 – Rs 3,115 Cr	AUM H1 FY19 – Rs 16,623 Cr H1 FY18 – Rs 15,688 Cr	NIM H1 FY19 – 8.7% H1 FY18 – 7.9%
Opex / AAUM H1 FY19 – 4.2% H1 FY18 – 3.6%	NNPA H1 FY19 – 4.4% H1 FY18 – 6.8%	PAT H1 FY19 – Rs 145 Cr H1 FY18 – Rs 112 Cr
ROA H1 FY19 – 1.8% H1 FY18 – 1.4%	ROE H1 FY19 – 12.8% H1 FY18 – 12.5%	H1 FY19 Networth - Rs 2,580Cr BVPS - Rs 95.3, EPS - Rs 5.3 Capital Adequacy – 22.1%

- Disbursement up 30%
- NNPA has improved by 36%
- 29% Y-o-Y growth in Profit after tax and substantial growth in RoA

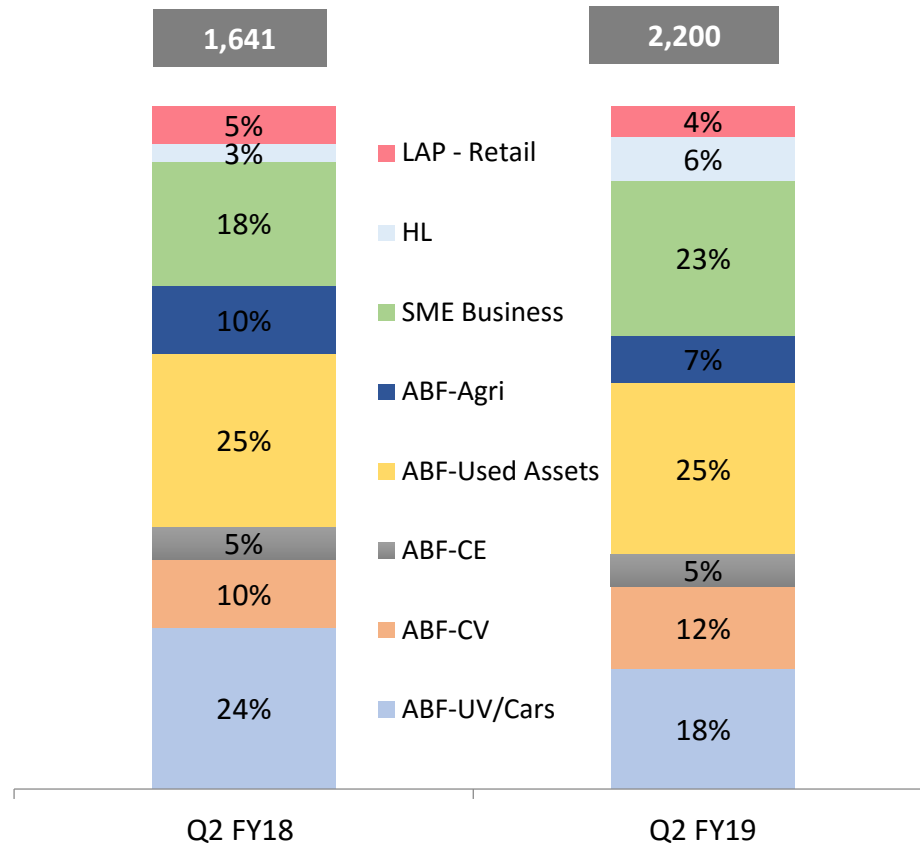
QoQ growth in Disbursement



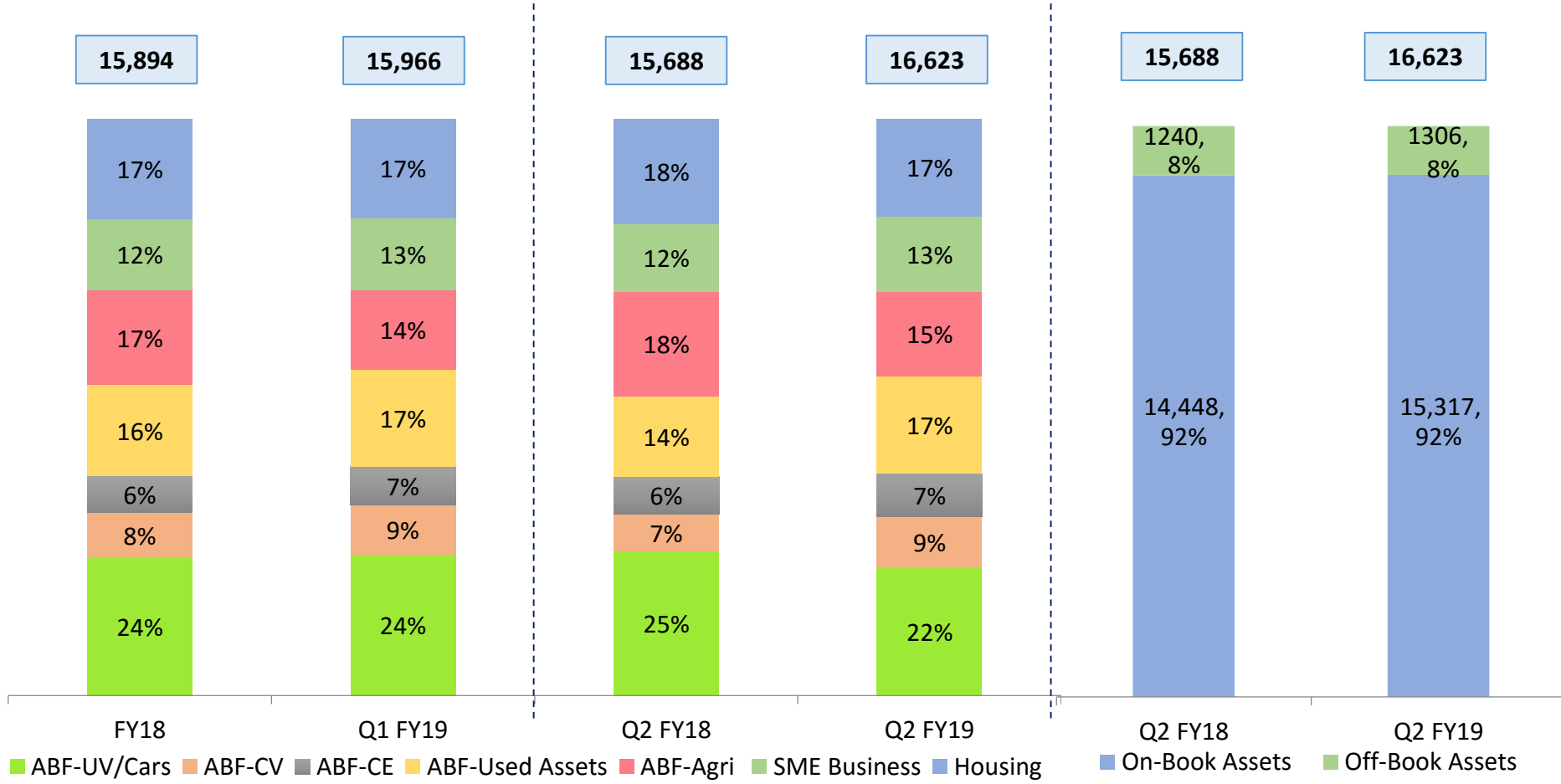
- Disbursals gaining momentum with Y-o-Y improvement of 34% for Q2 FY19
- Increased focus on high yield businesses as evidenced by rising share in disbursement of CV, Affordable Housing and SME business

Values in Rs crore

YoY Change in Disbursement Mix



Assets Under Management (AUM) – Ind AS

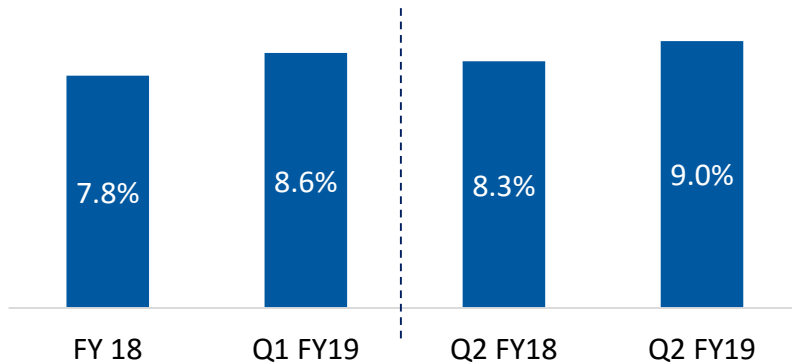


Values in Rs crore

Particulars	FY18	Q1 FY19	Q2 FY18	Q2 FY19
Gross Stage 1 and Stage 2 Assets	13,384	13,542	12754	13866
ECL Provision – Stage 1 and 2	388	359	407	348
Stage 1 and Stage 2 Coverage Ratio (%)	2.9%	2.6%	3.2%	2.5%
Gross Stage 3 Assets	1,373	1,422	1694	1452
ECL Provision – Stage 3	748	796	768	821
Gross Stage 3 Assets (%) (~ GNPA)	9.3%	9.5%	11.7%	9.5%
Net Stage 3 Assets (%) (~NNPA)	4.5%	4.4%	6.8%	4.4%
Stage 3 Coverage Ratio (%)	54.5%	56.0%	45.4%	56.5%

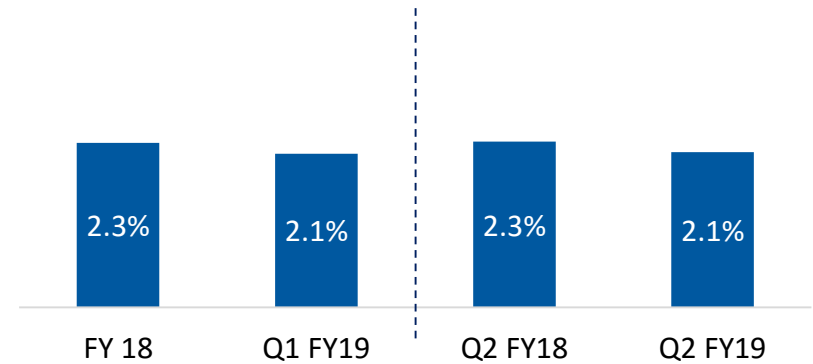
Note: Assets quality ratios are calculated basis On Book AUM (i.e. Direct Assignment book is excluded)

NIM Analysis (% of AUM)



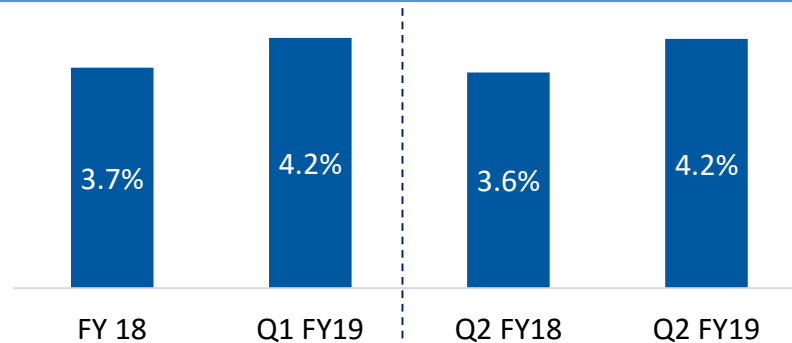
NIM: (Total Income (incl. Other Income) – Interest Expenses) / Average AUM

NCL (% of AUM)



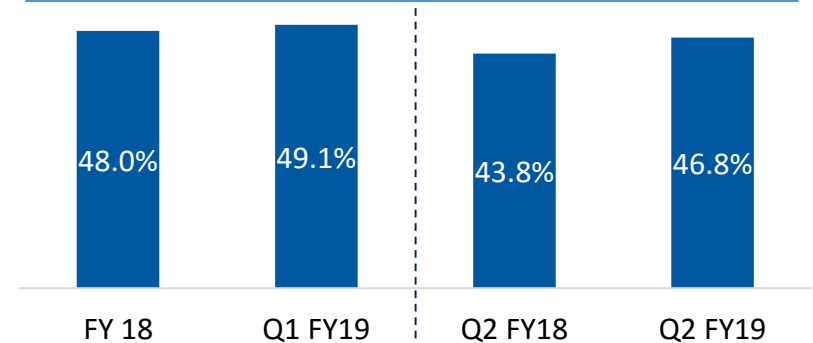
NCL: Net Credit Loss / Average AUM

Opex Ratio

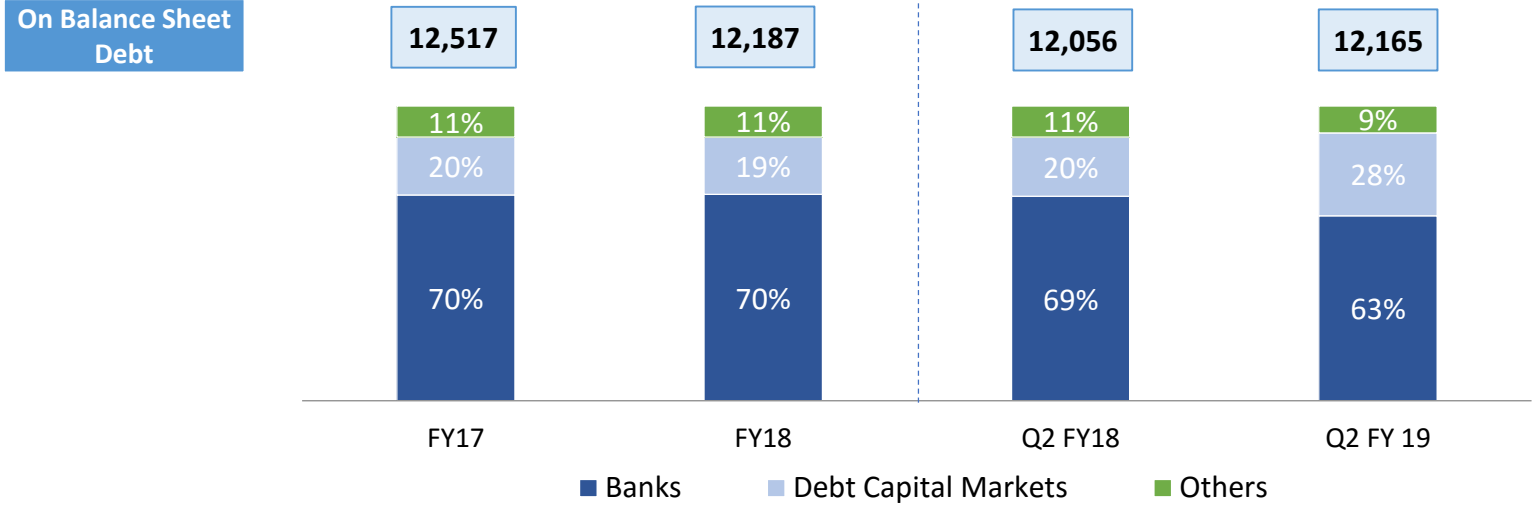


Opex: Total operating cost / Average AUM

Cost / Net Income (%)



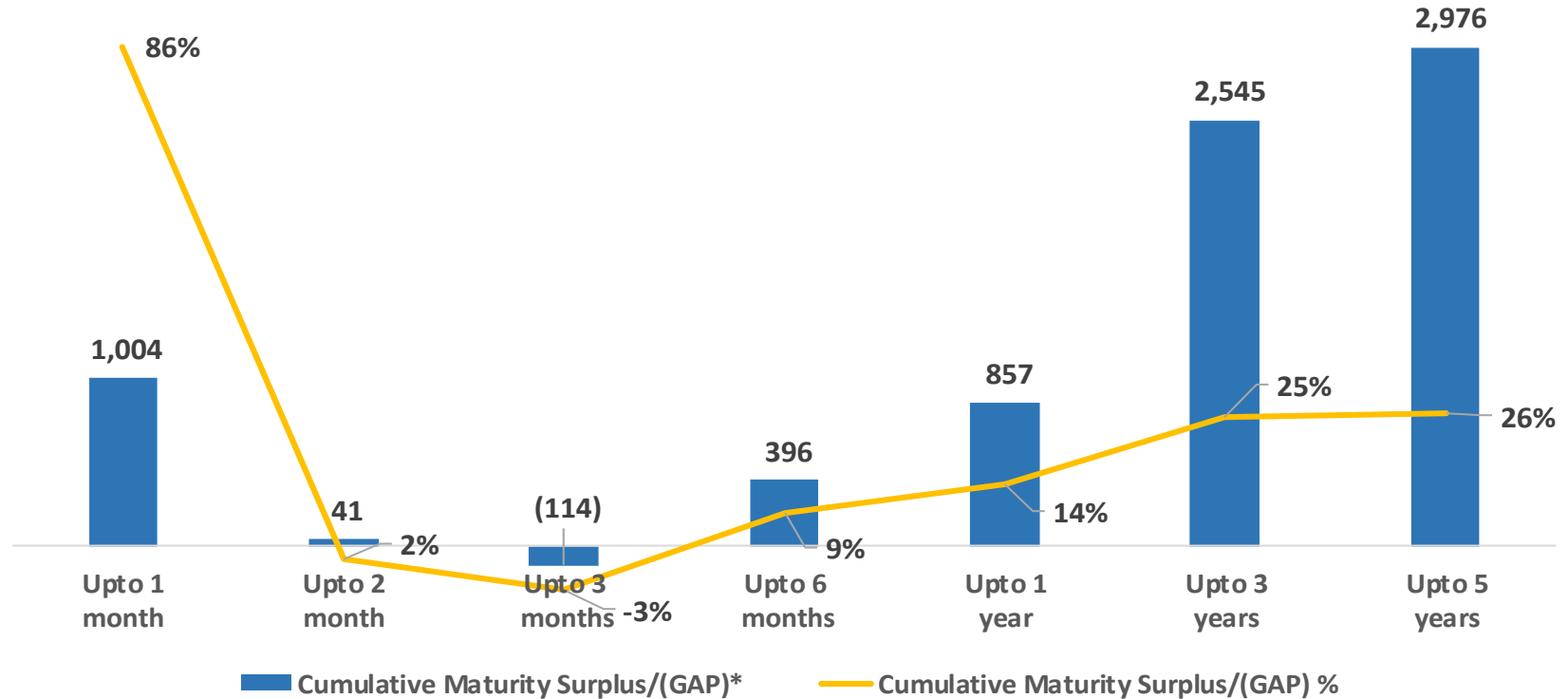
Cost to Income% : Total operating cost / (Total Income (incl. Other Income) – Interest Expenses)



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

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

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



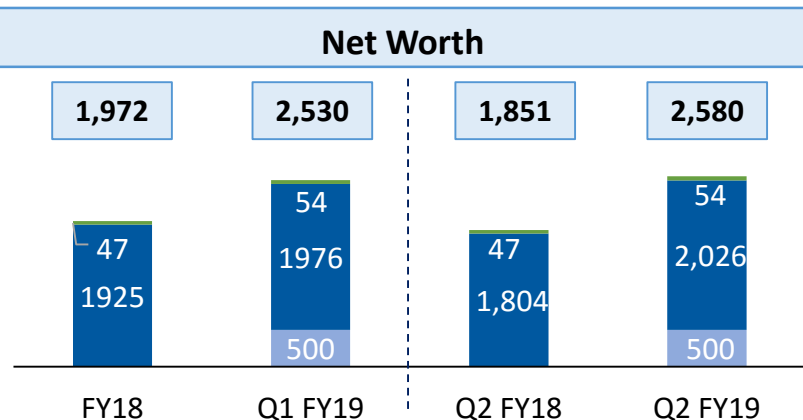
*Cumulative Maturity Surplus/(GAP) assumes utilization of available bank limits.

Note: Company raises resources through securitization of assets every quarter basis need for raising long term recourses

Based on MFL Standalone financials; Values in Rs crore.

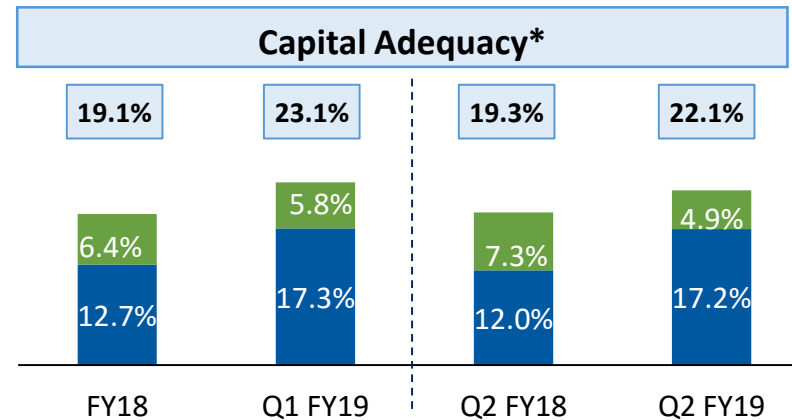
Capital and Profitability – Ind AS

Net Worth



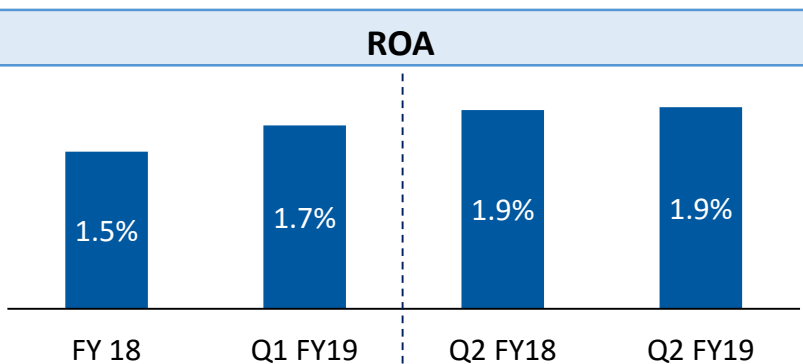
■ Capital Infusion ■ Reserves and Surplus ■ Share Capital

Capital Adequacy*



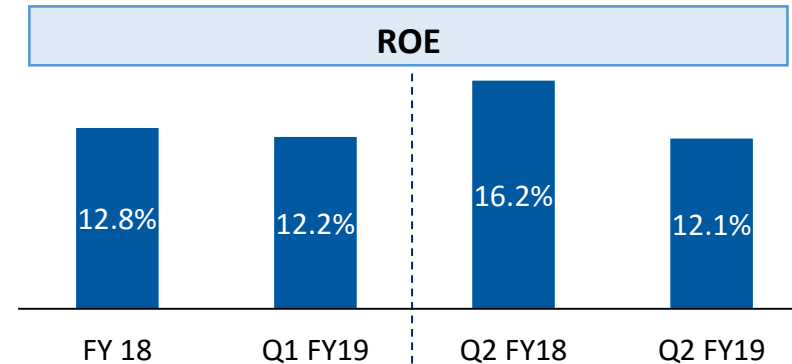
■ Tier 1 ■ Tier 2

ROA



ROA- PAT (excluding OCI) / Average AUM

ROE



ROE- PAT (excluding OCI) / Average Net Worth

Values in Rs crore

* Subject to RBI guidelines

Consolidated Profit & Loss Statement – Ind AS

Ind AS						
INR Crs	Q2 FY19	Q1 FY19	Q2 FY18	H1 FY19	H1 FY18	FY18
Net Revenue	365	341	326	705	634	1,262
Expenses	171	167	143	338	288	605
Working Profit	194	173	183	368	345	656
Net Credit Loss	87	85	90	172	240	367
Profit Before Tax	107	89	93	196	105	289
Tax	27	29	21	56	-5	54
Profit After Tax	80	60	72	140	111	235
Share of profit in Joint Ventures / Associates	-3	8	1	5	1	2
Consolidated Profit After Tax	77	68	73	145	112	237
RoA	1.9%	1.7%	1.9%	1.8%	1.4%	1.5%
RoE	12.1%	12.2%	16.2%	12.8%	12.5%	12.8%

Values in Rs crore

Ind AS		
Particulars	30-Sept-18	31-Mar-18
Share Capital	54	47
Reserves & Surplus	2,526	1,925
Borrowings	12,165	12,187
Other Liabilities	708	731
Total Liabilities	15,453	14,890
Loans and Advances	14,085	13,629
Fixed/ Assets	185	193
Cash and Cash Equivalent	524	407
Other Assets	659	661
Total Assets	15,453	14,890

Values in Rs crore

- 1 **Business Overview**
- 2 **Transformed Business Strategy to drive sustainable growth**
- 3 **Financial Performance – Q2 FY19 and H1 FY19**
- 4 **Leadership Team & Shareholding Structure**
- 5 **Annexures**

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

Promoter Directors

Mayank Poddar
Chairman Emeritus and Whole time Director

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

Sanjay Chamria
VC and MD

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

Non Promoter Directors

Narayan K Seshadri
Non- executive Independent Chairman

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

Nabankur Gupta
Independent Director

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

VK Viswanathan
Independent Director

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

Satya Brata Ganguly
Independent Director

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

Madhumita Dutta-Sen
(Nominee of IFC)

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

Key Management Team



Sanjay Chamria
VC and MD

Business CEO

Support Functions



Kaushik Banerjee

President & CEO - ABF

Nov-2016

President, Strategy & Corporate Affairs, Cholamandalam Finance



Manish Jaiswal

MD & CEO - HFC, CEO - SME

Jun-2017

Head, Risk Advisory, Research and SME Ratings, CRISIL



Rajive Kumaraswami

MD & CEO-MHDI

Jun-2016

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



Chirag Jain

Chief Operating Officer

Feb-2017

Director - Operations, Canara HSBC OBC Life Insurance



Jashobrata Bose

Senior Vice President – Corporate Initiatives

May-2016

Director, Strategy, Sanofi



Deepak Patkar

Chief Risk Officer

Sept-2018

Chief Risk Officer, Fullerton India Credit Co.



Kailash Baheti

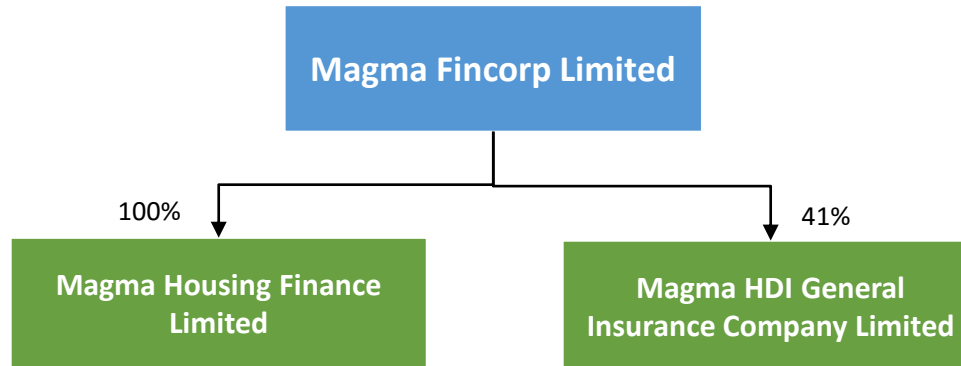
Chief Financial Officer

Oct-2011

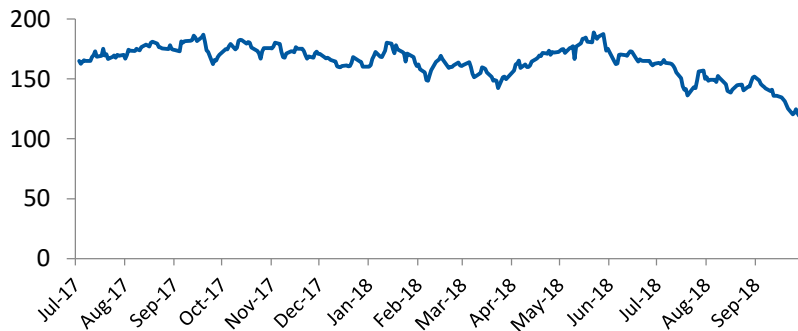
CEO, Century Extrusions

Joined

Title and Previous Company

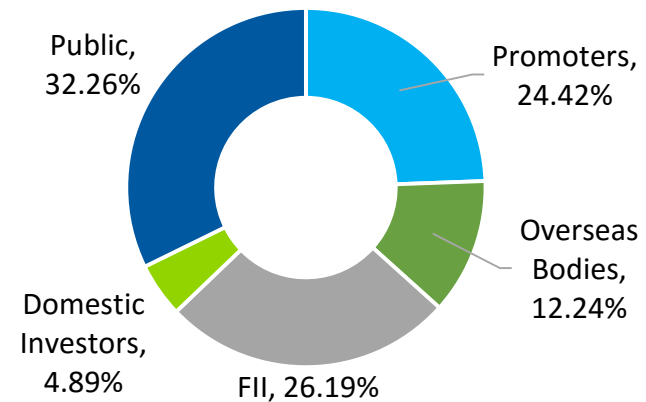


Share Price Performance



Average share price data from NSE

Shareholding (30- Sep-2018)



THANK YOU



AUM	Assets Under Management: On-Book & Off-Book Loan Assets
Average AUM (AAUM)	Average of opening and closing AUM
FOS / Field Officer	Feet on Street
ABF	Asset Backed Finance
AHF	Affordable Housing Finance
HL	Home Loan
LAP	Loan against property
SME	Small & Medium Enterprises
NDSA	Non-dealer Direct Selling Agent
DDSA	Dealer Direct Selling Agent
Direct Biz	Direct Biz means Business directly generated by Magma employees without help from DDSAs / NDSAs / Connectors / Brokers, and includes Cross-sell
ATS	Average Ticket Size
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

- 1 **Business Overview**
- 2 **Transformed Business Strategy to drive sustainable growth**
- 3 **Financial Performance – Q2 FY19 and H1 FY19**
- 4 **Leadership Team & Shareholding Structure**
- 5 **Annexures**

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

Ind AS						
Particulars	Q2 FY19	Q1 FY19	Q2 FY18	H1 FY19	H1 FY18	FY18
Net Revenue	331	312	291	643	568	1,137
Expenses	152	150	131	302	263	552
Working Profit	179	162	160	341	305	585
Net Credit Loss	85	84	84	169	232	347
Profit Before Tax	94	78	76	172	74	237
Tax	24	26	15	50	-17	36
Profit After Tax	71	51	61	122	90	201

Values in Rs crore

Ind AS		
Particulars	30-Sept-18	31-Mar-18
Share Capital	54	47
Reserves & Surplus	2,347	1,763
Borrowings	10,885	11,060
Other Liabilities	666	692
Total Liabilities	13,951	13,564
Loans and Advances	12,499	12,185
Fixed/ Assets	184	192
Cash and Cash Equivalents	522	398
Other Assets	746	789
Total Assets	13,951	13,564

Values in Rs crore

Ind AS						
Particulars	Q2 FY19	Q1 FY19	Q2 FY18	H1 FY19	H1 FY18	FY18
Net Revenue	33	29	35	63	65	125
Expenses	19	17	12	36	25	53
Working Profit	15	12	24	27	40	72
Net Credit Loss	2	1	6	3	8	20
Profit Before Tax	13	11	17	23	32	52
Tax	4	2	6	6	11	18
Profit After Tax	9	9	11	18	21	34

Values in Rs crore

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



Particulars	Ind AS					
	Q2 FY19	Q1 FY19	Q2 FY18	H1 FY19	H1 FY18	FY18
Gross Earned Premium	156	159	122	315	241	519
Net Earned Premium	115	-52	83	63	165	335
Net Claims Incurred	89	-95	66	-6	133	278
Net Commission	1	2	-3	3	-6	-12
Management Expenses	55	46	40	101	79	154
Impairment loss (including recoveries)	2	0	0	2	0	0
Underwriting Profit	-32	-5	-20	-37	-41	-86
Investment & Other Income	23	24	23	48	44	91
Profit Before Tax	-8	19	3	11	3	5
Taxes	0	0	1	0	1	1
Profit After Tax	-8	19	2	11	3	4

Values in Rs crore



Corporate Social Responsibility

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

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

Corporate Communication

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

Information Technology

- CIO Crown Award for Innovation, 2017



Health & Wellbeing



- Free medical Consultation to approx.100,000 truckers through health check up camps
- Renovation of Mid Day meal kitchen room in Chandigarh for the preparation of healthy food
- M-Care Health camps including basic test across several states in the country. Have treated around 13000 plus patients till date
- Free cataract surgery for 200 rural masses in a village in West Bengal

Environment Sustainability



- **Magma Truckers Initiative** for Environment Sustainability. In association with PCRA, Govt. of India undertaking
 - Training Safer Driving Skills to Truck Drivers in 230 location. Estimated 170,000 truckers benefitted
 - Better Mileage + Fuel Conservation = Saving about 290 Lac Lt. of Diesel per year
- Reduction in CO2 Emission estimated 790 Lac kg.
 - E-Toilets for Sanitation at Transport Nagars to benefit to approx. 60,000 Truck drivers

Promotion of Education



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

Swayam - Corporate Volunteering



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

This presentation has been prepared by Magma Fincorp Limited (the “Company”), for general information purposes only, without regard to any specific objectives, suitability, financial situations and needs of any particular person and does not constitute any recommendation or form part of any offer or invitation, directly or indirectly, in any manner, or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment therefor. This presentation does not solicit any action based on the material contained herein. Nothing in this presentation is intended by the Company to be construed as legal, accounting or tax advice.

This presentation has been prepared by the Company based upon information available in the public domain. This presentation has not been approved and will not or may not be reviewed or approved by any statutory or regulatory authority in India or by any Stock Exchange in India. This presentation may include statements which may constitute forward-looking statements. The actual results could differ materially from those projected in any such forward-looking statements because of various factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise.

This presentation contains certain forward-looking statements relating to the business, financial performance, strategy and results of the Company and/or the industry in which it operates. Forward-looking statements are statements concerning future circumstances and results, and any other statements that are not historical facts, sometimes identified by the words including, without limitation "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements, including those cited from third party sources, contained in this presentation are based on numerous assumptions and are uncertain and subject to risks. A multitude of factors including, but not limited to, changes in demand, competition and technology, can cause actual events, performance or results to differ significantly from any anticipated development. Neither the Company nor its affiliates or advisors or representatives nor any of its or their parent or subsidiary undertakings or any such person's officers or employees guarantees that the assumptions underlying such forward-looking statements are free from errors nor does either accept any responsibility for the future accuracy of the forward-looking statements contained in this presentation or the actual occurrence of the forecasted developments. Forward-looking statements speak only as of the date of this presentation and are not guarantees of future performance. As a result, the Company expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements in this presentation as a result of any change in expectations or any change in events, conditions, assumptions or circumstances on which these forward looking statements are based. Given these uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements.

The information contained in these materials has not been independently verified. None of the Company, its directors, promoter or affiliates, nor any of its or their respective employees, advisers or representatives or any other person accepts any responsibility or liability whatsoever, whether arising in tort, contract or otherwise, for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this presentation or its contents or otherwise in connection with this presentation, and makes no representation or warranty, express or implied, for the contents of this presentation including its accuracy, fairness, completeness or verification or for any other statement made or purported to be made by any of them, or on behalf of them, and nothing in this presentation or at this presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future. Past performance is not a guide for future performance. The information contained in this presentation is current, and if not stated otherwise, made as of the date of this presentation. The Company undertakes no obligation to update or revise any information in this presentation as a result of new information, future events or otherwise. Any person/ party intending to provide finance/ invest in the shares/ businesses of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision.

This presentation is not a prospectus, a statement in lieu of a prospectus, an offering circular, an advertisement or an offer document under the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or any other applicable law in India.

This presentation is strictly confidential and may not be copied or disseminated, in whole or in part, and in any manner or for any purpose. No person is authorized to give any information or to make any representation not contained in or inconsistent with this presentation and if given or made, such information or representation must not be relied upon as having been authorized by any person. Failure to comply with this restriction may constitute a violation of the applicable securities laws. Neither this document nor any part or copy of it may be distributed, directly or indirectly, in the United States. The distribution of this document in certain jurisdictions may be restricted by law and persons in to whose possession this presentation comes should inform themselves about and observe any such restrictions. By reviewing this presentation, you agree to be bound by the foregoing limitations. You further represent and agree that you are located outside the United States and you are permitted under the laws of your jurisdiction to receive this presentation.

This presentation is not an offer to sell or a solicitation of any offer to buy the securities of the Company in the United States or in any other jurisdiction where such offer or sale would be unlawful. Securities may not be offered, sold, resold, pledged, delivered, distributed or transferred, directly or indirectly, in to or within the United States absent registration under the United States Securities Act of 1933, as amended (the "Securities Act"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Company's securities have not been and will not be registered under the Securities Act.