

Magma Fincorp Limited
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CIN : L51504WB1978PLC031813
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20 August 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 (Listing Regulations)

Dear Sir,

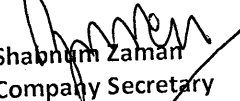
Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') we are enclosing herewith the presentation to be made to the Investors/Analysts on the Unaudited Financial Results of the Company for the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


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

*Poised for Robust,
Sustainable and
Profitable Growth*



Magma Fincorp Limited
Investor Presentation – Q1 FY19

1 **Business Overview**

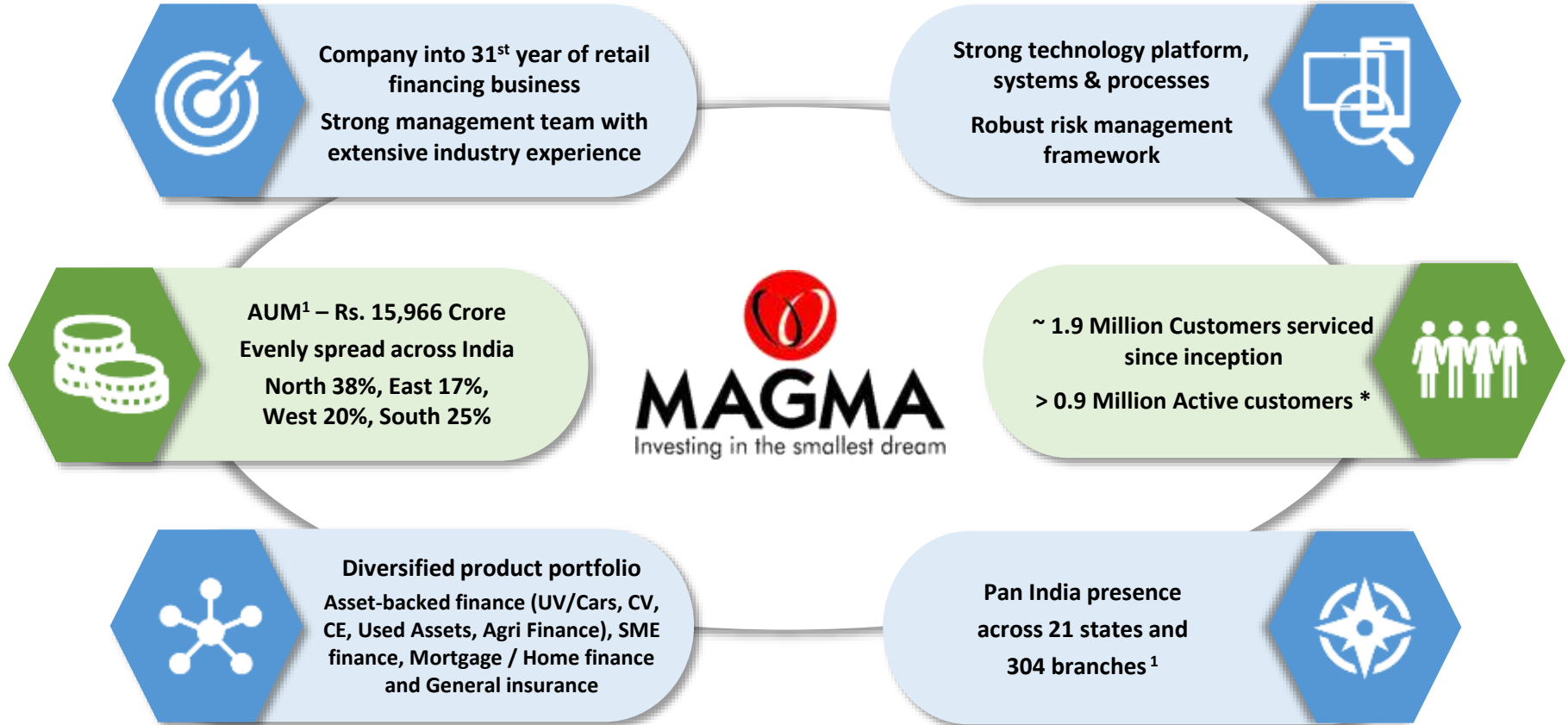
2 **Transformed Business Strategy to drive sustainable growth**

3 **Financial Performance – Q1 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.



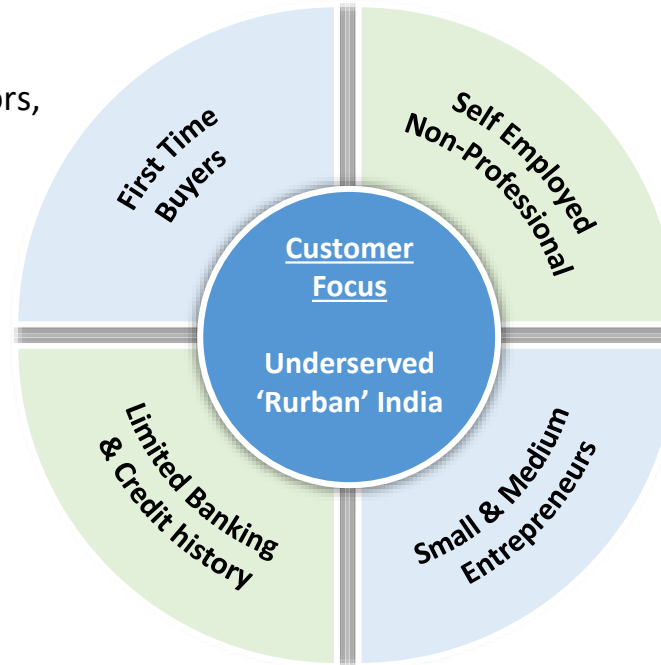
UV – Utility Vehicles, CV – Commercial Vehicles, CE – Construction Equipment

* > 0.4 Million customers in Finance Business and > 0.5 Million customers in General Insurance Business as on 30th June 2018 1 – As per Ind AS on 30th June 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		●	●	●	20-22	N/A	30-35
	Mortgage / Home Finance	●	●	●	●	12-14	LAP 30-40% HL 55-65%	120-160
	General Insurance	●	●	●	●			

Numbers indicative of disbursements done during Q1 FY19

Commercial Finance includes Cars, UVs & CE;

SME Finance includes Unsecured Loans to Business Enterprises;

Agri Finance includes Tractors

Mortgage Finance / Home Finance includes LAP and Home Loans

A well diversified portfolio across segment and geography

Total AUM¹ : Rs. 15,966 Cr.

Asset Backed Finance (ABF)
AUM¹ : Rs. 11,227Cr.



SME Finance
AUM¹ : Rs. 1,997 Cr.



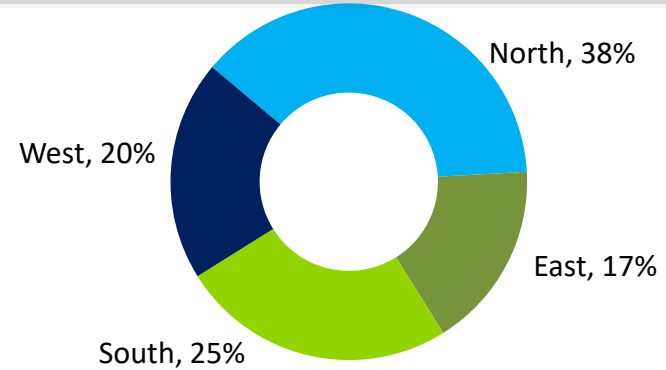
Mortgage/Home Finance
AUM¹: Rs. 2,742 Cr.



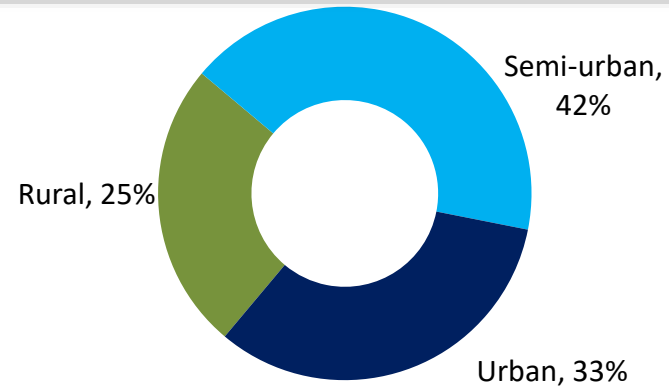
General Insurance
GWP² : Rs. 193 Cr.



Zone-wise Breakup

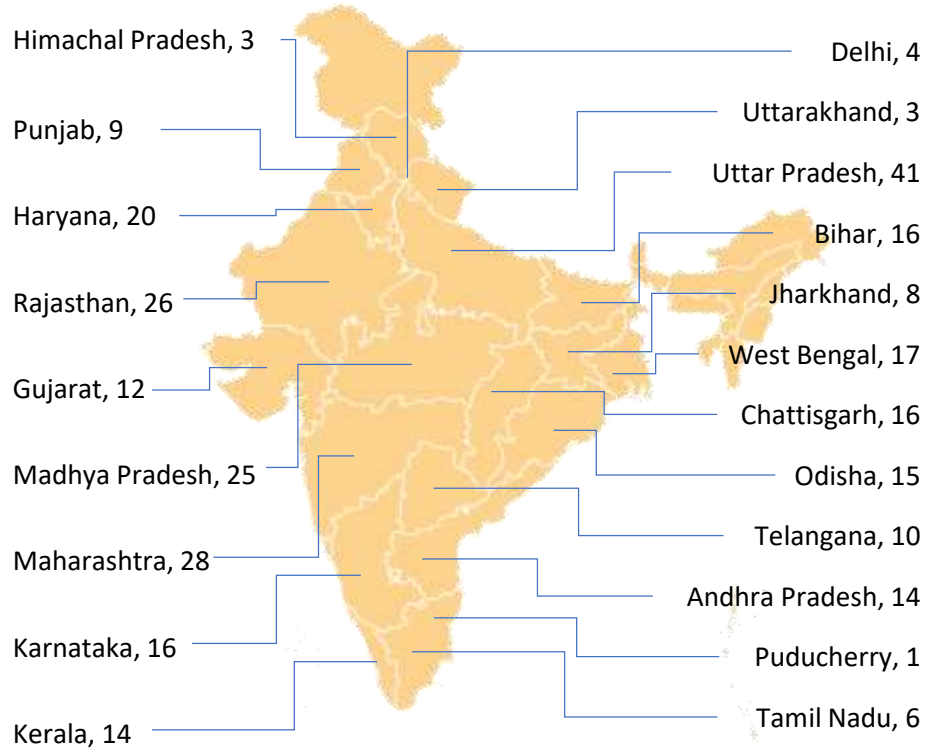


Rural-Urban Breakup



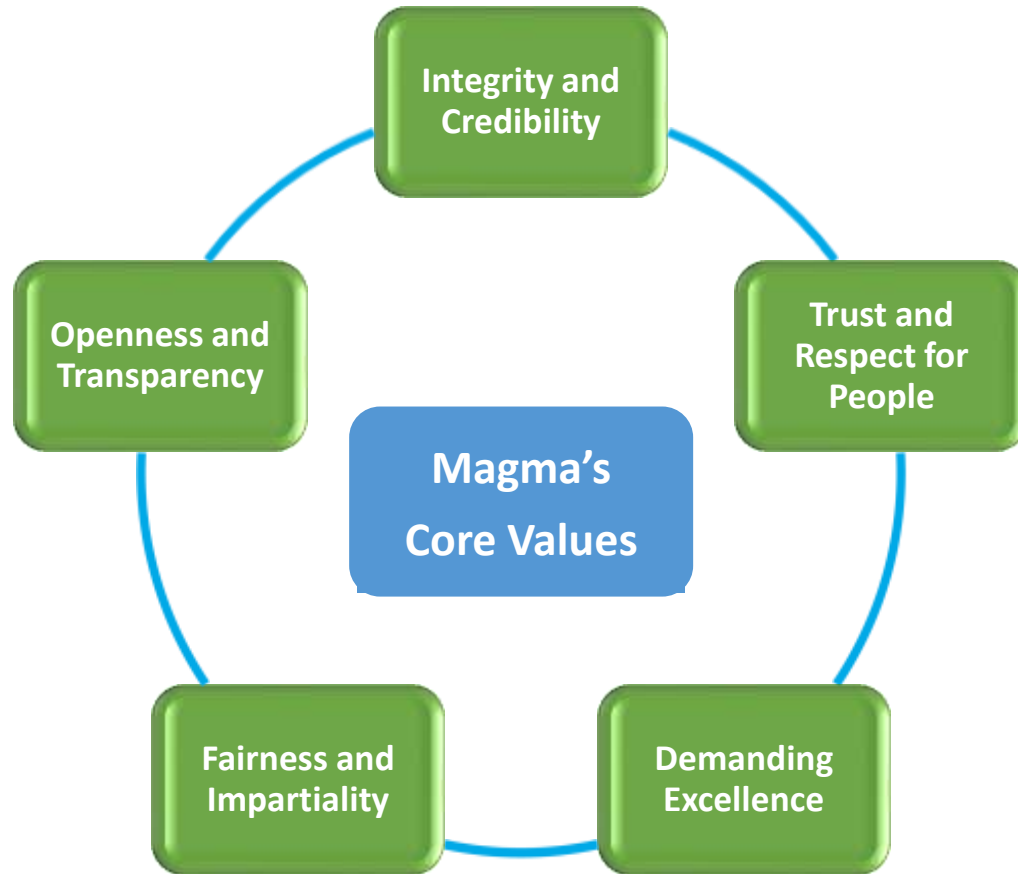
1 - As of 30th June 2018; 2 - Q1 FY19

304 Branches as on 30th June 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



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- 5 Annexures

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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

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A. Business process re-engineered leading to Sustainable Growth



Asset Back Finance (ABF)

- **Product Mix:** Realigned product mix to increase focus on CV and Used Assets
- Focus on **Direct Sourcing**
- **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** separated from Business, Credit Structure in place
- **Dedicated Tractor Collections team** in tractor dominant markets

Mortgage / Home Finance

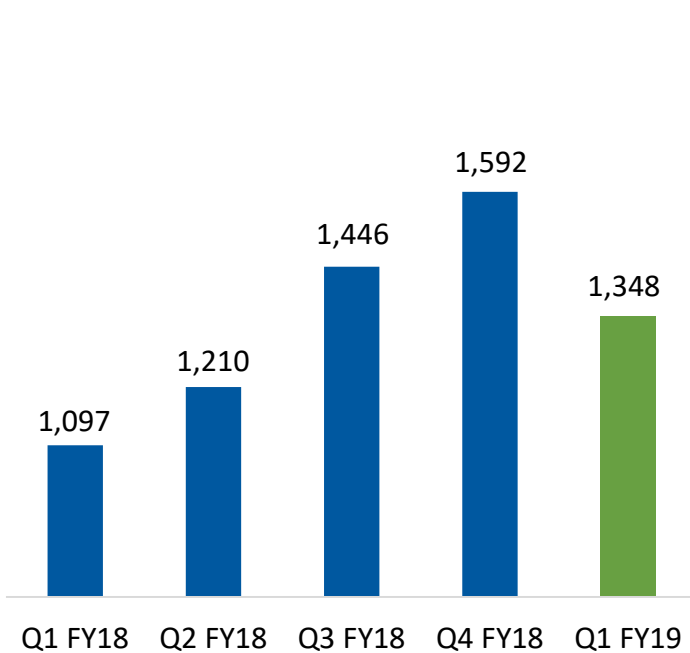
- Focus on affordable housing segment and complete revamp of leadership deck
- **Dedicated frontline team** trebled for direct home loan sourcing
- **Focus on Informal Income Customers** in - SENP, SEP, NIP and Cash salaried customers. Mining of ecosystem customers and channels
- Digging Deep in 75 locations across 10 focus states
- Portfolio Management Unit set up for analytics and hind-sighting for improved asset quality
- **Focused portfolio attrition management initiatives** through credit bureau triggers

SME Finance

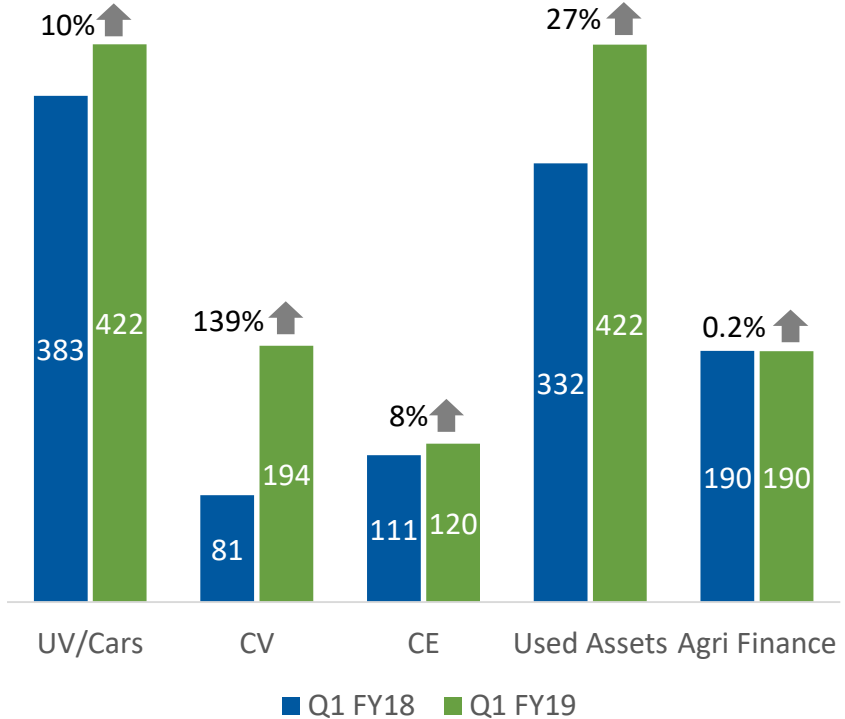
- **Leveraging on the existing branch Infrastructure**
 - Present in 63 out of 304 branches
 - Focus on Tier II (11-63) locations
 - Geo expansion to Tier III & IV locations
- **Product-suite expansion** for increasing target market, to cater to semi-formal economy customer segments
- Building **Credit 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
- Intending to launch **FinTech enabled solutions** for short-term capital needs of MSME's

A. ABF Disbursal Strategy: Change is evident

Disbursement



Disbursement Mix

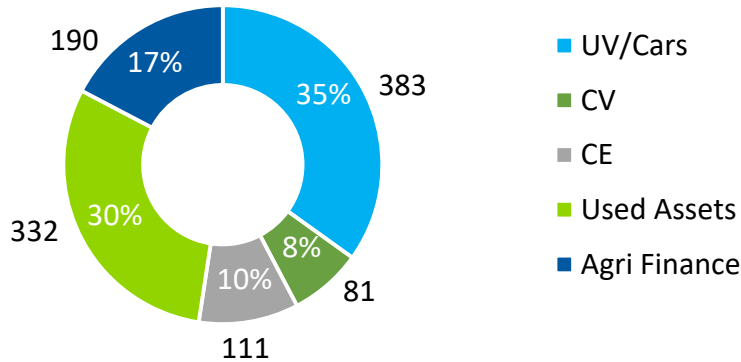


- 23% Y-o-Y improvement in disbursements in Q1 FY19; with significant growth in focused products i.e. CV and Used assets

A. ABF Disbursal & AUM Strategy: Change is evident

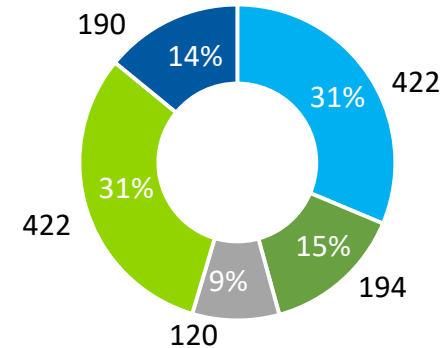
Product-wise Disbursal Contribution

Q1 FY18 ABF Disbursement



Rs. 1,097 Cr.

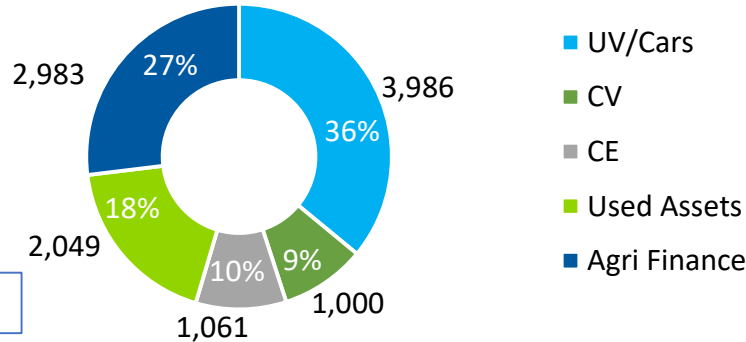
Q1 FY19 ABF Disbursement



Rs. 1,348 Cr.

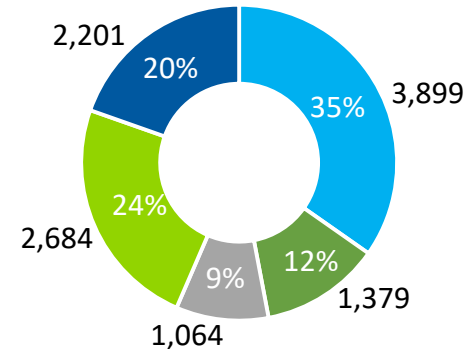
Product-wise AUM Contribution

Q1 FY18 AUM



Rs. 11,079 Cr.

Q1 FY19 AUM

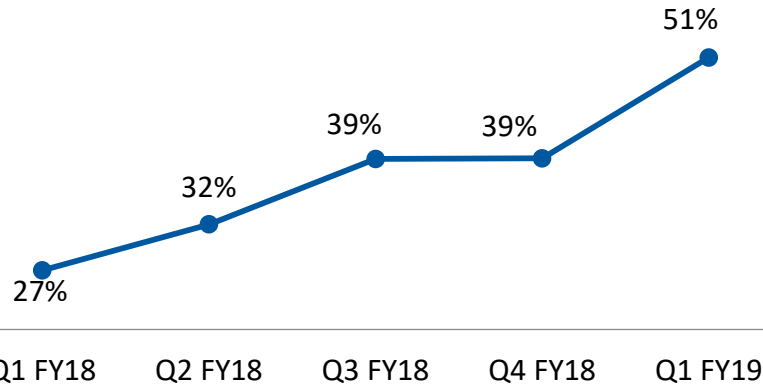


Rs. 11,227 Cr.

A. Mortgage / Home Finance: Business Initiatives

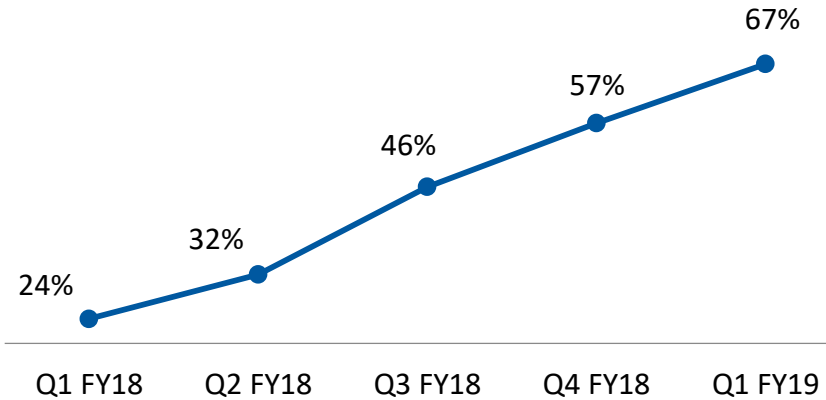
Go Home Loan

HL Ratio (Volume)



Go Direct

Direct Ratio (Volume)



Key Takeaways

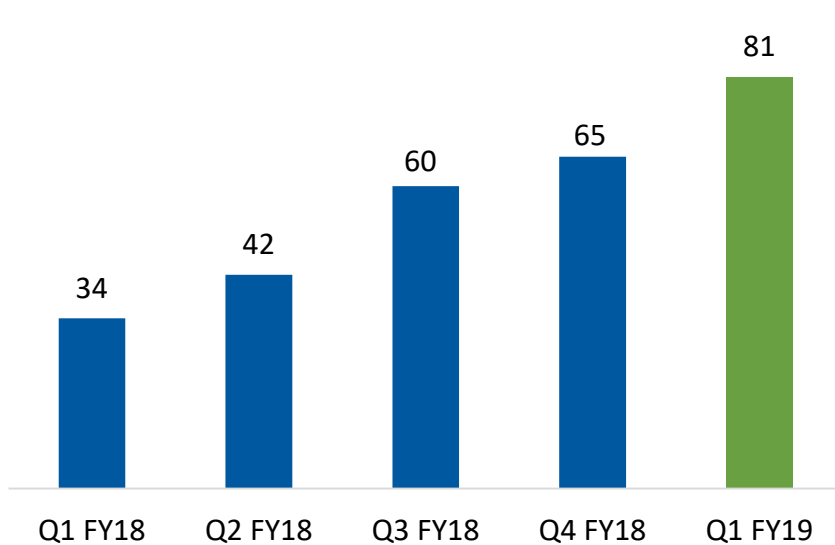
- HL Ratio has improved from 27% in Q1 FY18 to 51% in Q1 FY19
- Direct distribution capabilities being built-up; direct sourcing has improved from 24% in Q1 FY18 to 67% in Q1 FY19
- Focus on Go-to market strategy for further improvement in HL and Direct Sourcing – Spot Sanction Events, Builder Activities, 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

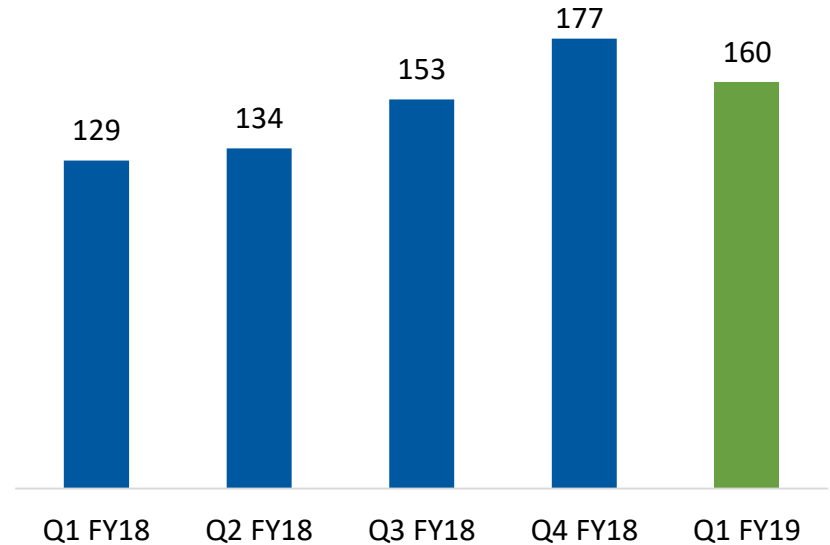
A. Mortgage / Home Finance Disbursal Strategy: Change is evident



Home Loan Disbursement



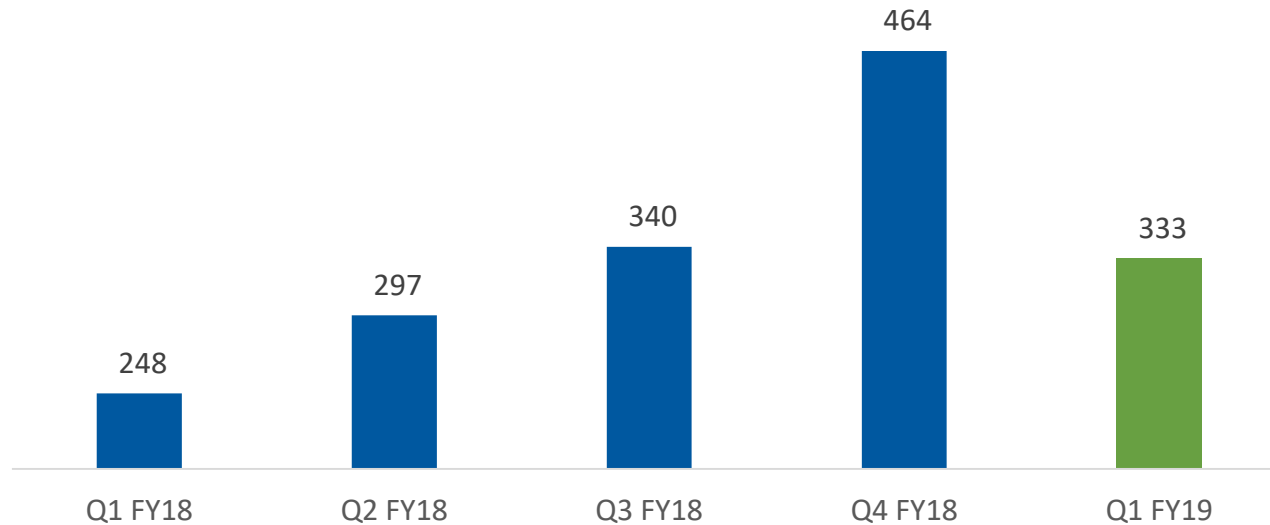
Mortgage Disbursement



- 142% Y-o-Y improvement in HL in Q1 FY19 and 24% Y-o-Y improvement in overall Mortgage / Home Finance Disbursals in Q1 FY19

Values in Rs Crore; HL does not include Construction Finance

Disbursement picking up momentum



- 34% Y-o-Y improvement in SME Disbursals in Q1 FY19

Values in Rs crore

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

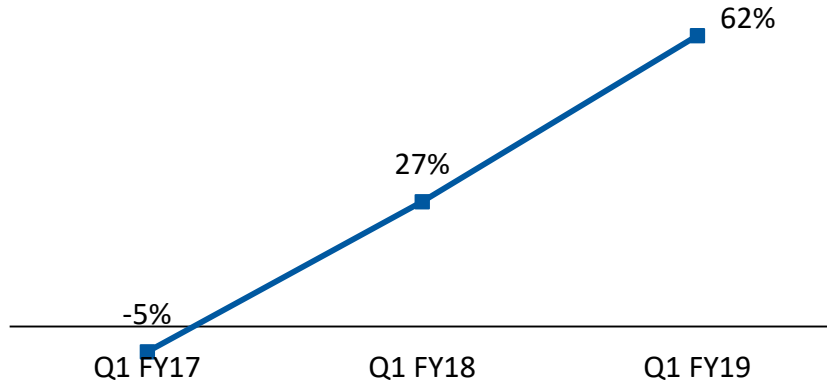


Premium Growth	Portfolio	Technology	People
<ul style="list-style-type: none"> • Business growth: 62.3% growth in Q1 FY19 over Q1 FY18 • Branch expansion roll out planned in FY19 started ~ Q1 FY19 branch strength at 126 vis-à-vis 80 branches in Q1 FY18 • Benefit of adding OEM last fiscal started accruing in the current quarter. 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: One of the best OD loss ratio in the industry. • Commercial Portfolio: Defined table of retentions based on Hazard grades. Preferred, referral and declined list of Occupancies in place. Underwriting delegations in place with a four eye principle • Health & Accident Portfolio: Continued focus on building critical illness portfolio on underlying credit portfolios • Sale of Retail health indemnity: ramping up sales through agency channel 	<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

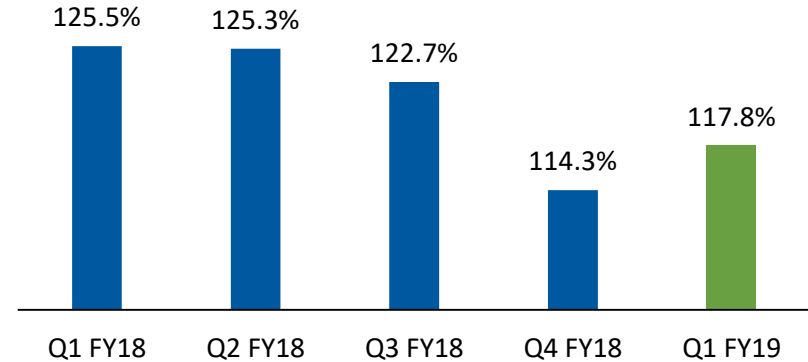
A. Magma HDI General Insurance: Robust growth



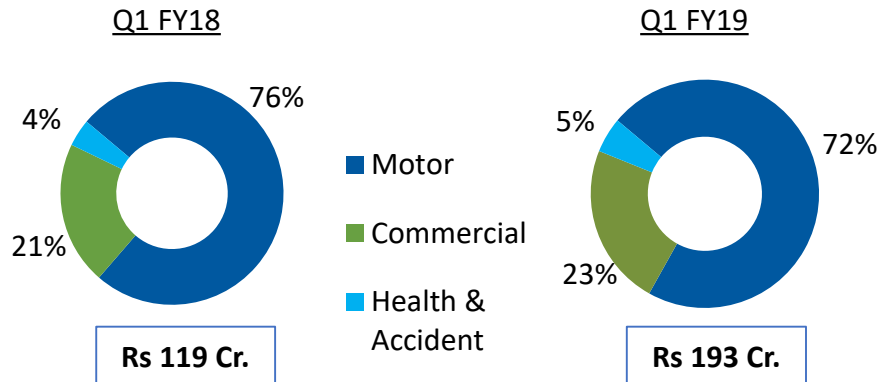
Gross Written Premium Growth %



Combined Ratio Movement



Portfolio Construct



Key Takeaways

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

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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

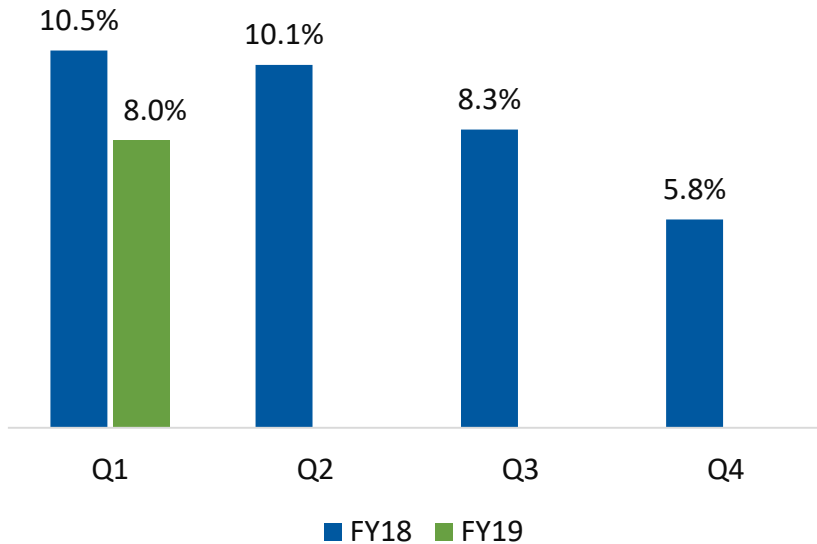
Early Warning Indicators

- 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

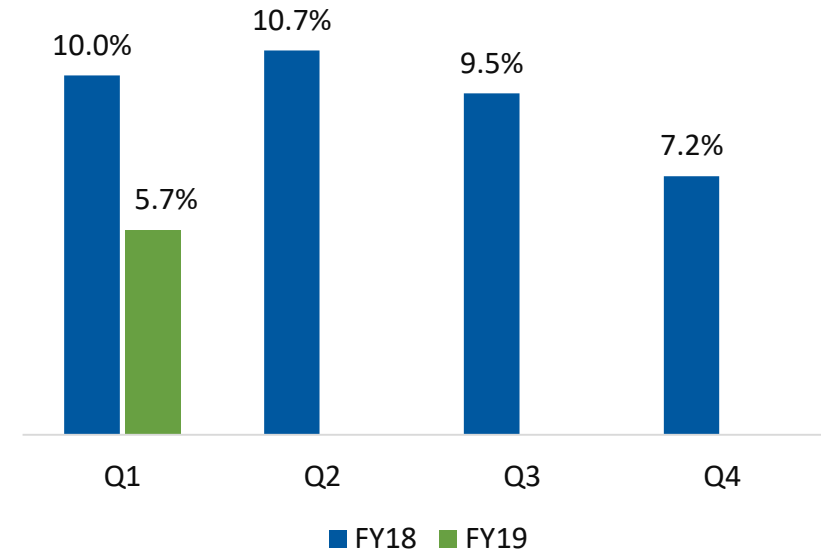
Strong analytics through in-house team, credit bureau modelling & competitive analysis, better process & technology has led to significant improvement of asset quality in the newly generated portfolio

B. Early Indicators: ABF - EWI & CPMI Trend

EWI Trend for ABF



CPMI Trend for ABF



EWI reduced by 24% Y-o-Y as on Q1 FY19

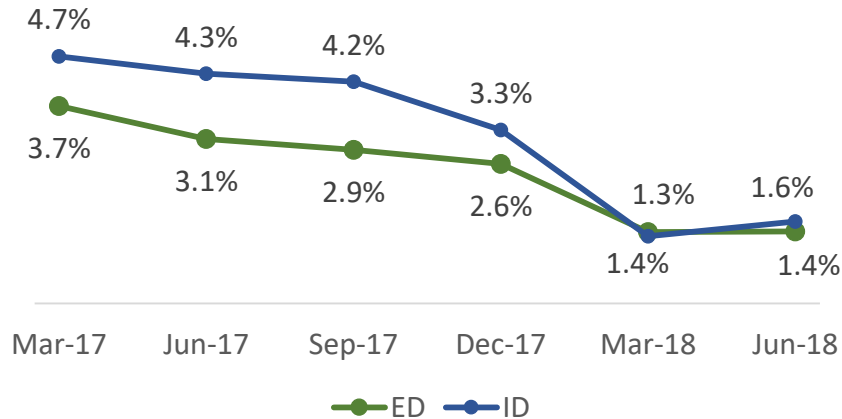
CPMI has reduced by 43% Y-o-Y as on Q1 FY19

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

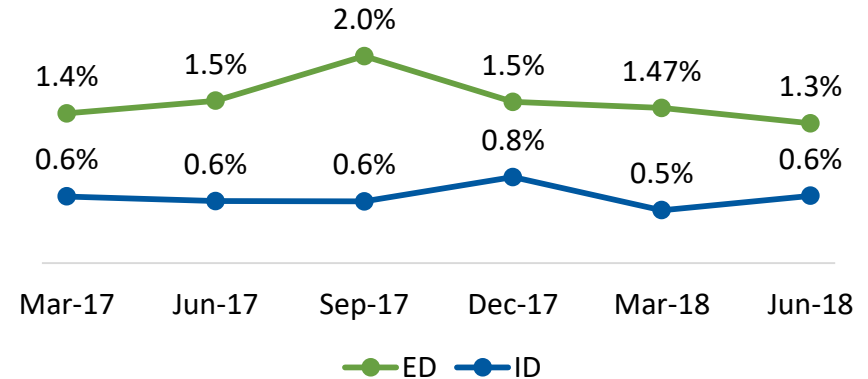
B. Early Indicators: Housing & SME - ID & ED Trends

ID & ED Trend for Home Loan / Mortgage



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

ID & ED Trend for SME



Consistent ED trend visible in SME Finance

EWI & CPMI parameters for Home Loan / Mortgage 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.

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Three stage effective recovery process

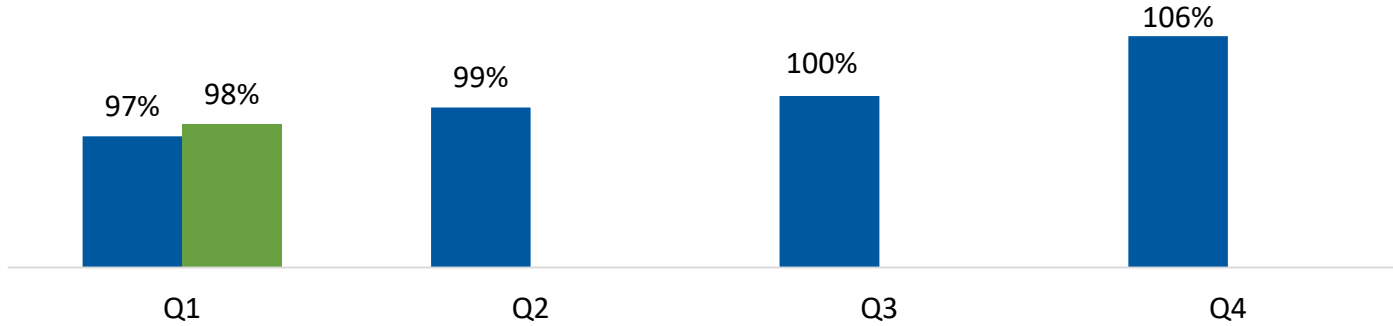
- Large and highly trained employee network, whose substantial earning is linked to recovery in pre NPA and early NPA buckets
- Early repossession in case of other than situational default cases to secure recovery
- Use available legal tools such as Arbitration, Sec 138, SARFAESI effectively to ensure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

Leading to -

- Reduction in Gross Stage 3 Assets from 11.7% in Q1 FY18 to 9.5% in Q1 FY19
- Increase in collection efficiency from 96.6% in Q1 FY18 to 97.7% in Q1 FY19

C. Improving Overall Collection Efficiency

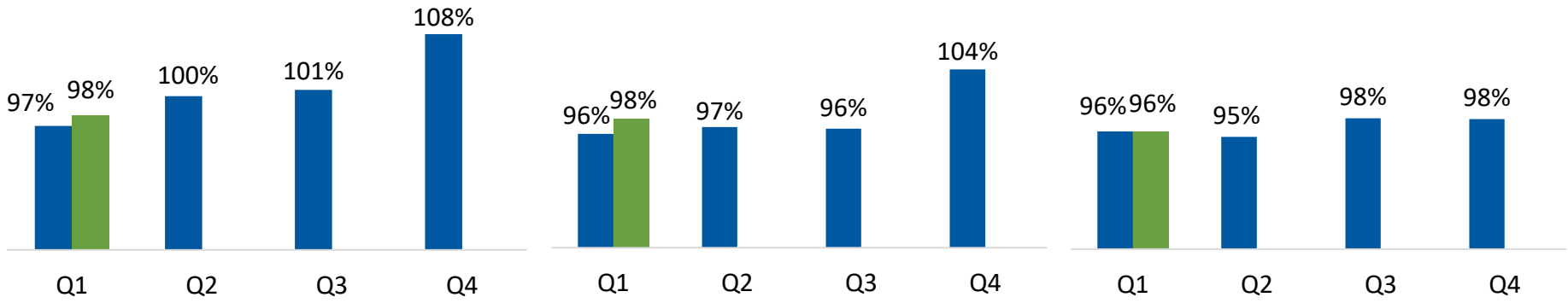
All Products



ABF

Housing

SME



■ FY 18 ■ FY 19

Collection Efficiency of All Buckets

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D. Implementing state of 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
 - Pilot for Outbound channel
 - Activate cross-sell at all touch-points
 - Deploy analytics for enhanced cross-sell
- Customized offers on FO Tablets
- Strengthening lead management
 - Automated alerts and escalations to sales hierarchy
- Robust training to enhance sales skills of branch & customer service staff

**Ensuring
Customer
Delight**

**Increasing wallet
share**

Early gains visible

- 50% reduction in complaints in FY18 vs FY17.
Further reduction of 75% in Q1 FY19
- Cross-sell disbursement trending better with 9% growth in Q1 FY19 vs. Q1 FY18

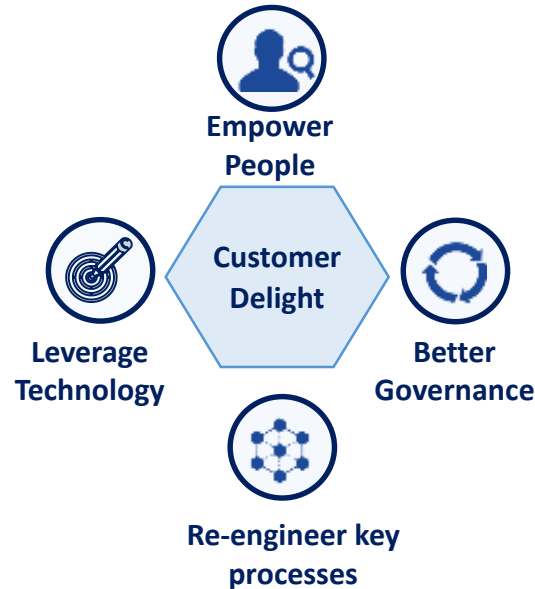
Targeting in FY19

- 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
- 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

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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

Robust foundation of CRM to deliver Omni-channel service & to boost cross / upsell



Operational Efficiency

Modernizing Core system for building Architecture for Agility



Analytics

Actionable insights for performance & quality management across organizational hierarchy



Communication & Collaboration

Improved uptake of online payments by Customers, driven through portal and campaigns in vernacular languages



Security

Enhanced Security infrastructure with Data Leakage Prevention for BYOD & protection for operating in non-corporate networks

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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 & onboarding

- Structured onboarding focussed on middle and senior management (General Manager+)
- Calendarised 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

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

- This is the first time 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 the quarterly profit & loss account (Q1 FY19) which has been subject to limited review, all other reporting's and disclosures made in the presentation are based on management reports. The auditors have not reviewed any of those disclosures.
- 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.

Key Differences in IGAAP vs. Ind AS

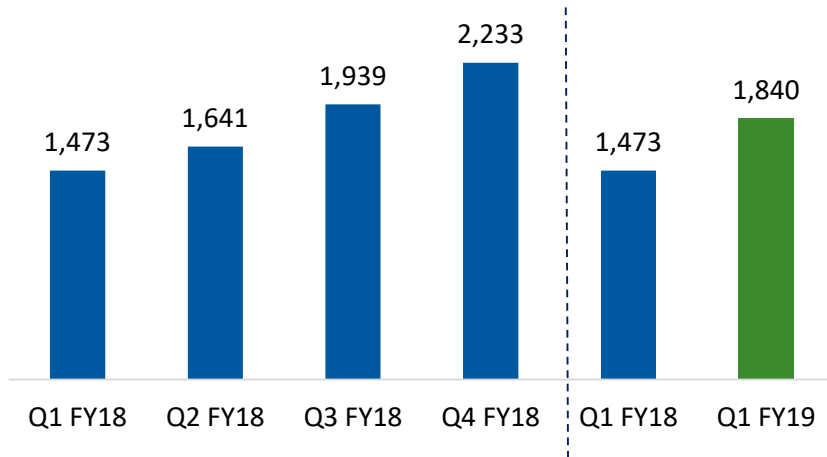
Areas	IGAAP	Ind AS
Measurement and valuation of 'asset on finance'	Classified as – <ul style="list-style-type: none"> • standard, • sub-standard, • doubtful and loss assets 	Accounted on basis of - <ul style="list-style-type: none"> • amortized cost (normal Loan Book), • fair value through other comprehensive income (FVOCI) (for example, DA Book where we have intention to sale beyond a threshold), and • fair value through profit and loss account (FVTPL) (all other assets)
Effective Interest Rate (EIR)	Origination income and expenses shown as separate line items in P&L	Origination income and expenses are included in IRR and accounted for on Effective Interest Rate basis
Provisioning on asset on finance	Based on specified percentage	Based on the Expected Credit Loss
Interest on Stage 3 assets	Income on NPA assets not recognized	Interest on Stage 3 assets recognized
Securitization transactions	Asset on finance to be de-recognized if true sale criteria, as per Regulatory guidelines, are met	Asset on finance are de-recognized when, and only when, the contractual rights to the cash flows expire or when the transfer of Assets qualifies for de-recognition
Upfront income on securitization transactions	Amortization of profit over the life of underlying contracts	To be booked upfront if the de-recognition principles are met

Q1 FY19: Consolidated Result Highlights (as per Ind AS)

Disbursements Q1 FY19 – Rs 1,840 Cr Q1 FY18 – Rs 1,473 Cr	AUM Q1 FY19 – Rs 15,966 Cr Q1 FY18 – Rs 15,848 Cr	NIM Q1 FY19 – 8.6% Q1 FY18 – 7.6%
Opex / AAUM Q1 FY19 – 4.2% Q1 FY18 – 3.6%	NNPA Q1 FY19 – 4.4% Q1 FY18 – 7.0%	PAT Q1 FY19 – Rs 68 Cr Q1 FY18 – Rs 39 Cr
ROA Q1 FY19 – 1.7% Q1 FY18 – 1.0%	ROE Q1 FY19 – 12.2% Q1 FY18 – 8.9%	Q1 FY19 Networth - Rs 2,530Cr BVPS - Rs 93.4, EPS - Rs 2.6 Capital Adequacy – 23.1%

- Disbursement up 25%
- NNPA has improved by 37%
- 75% Y-o-Y growth in Profit after tax, substantial growth in RoA and RoE

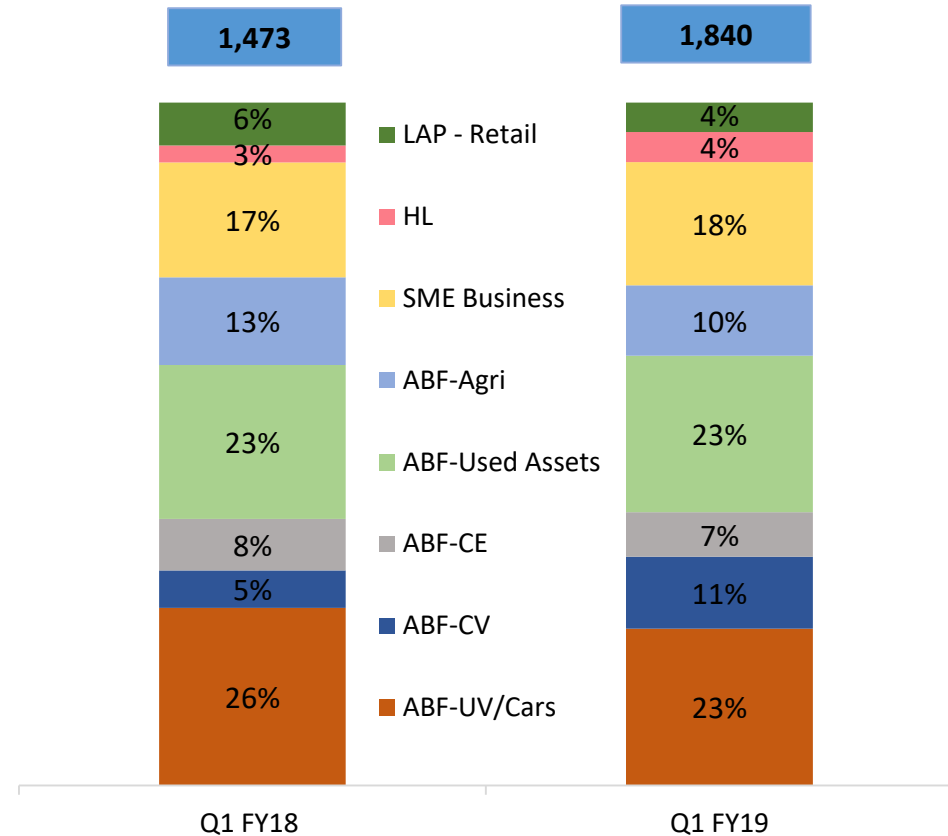
QoQ growth in Disbursement



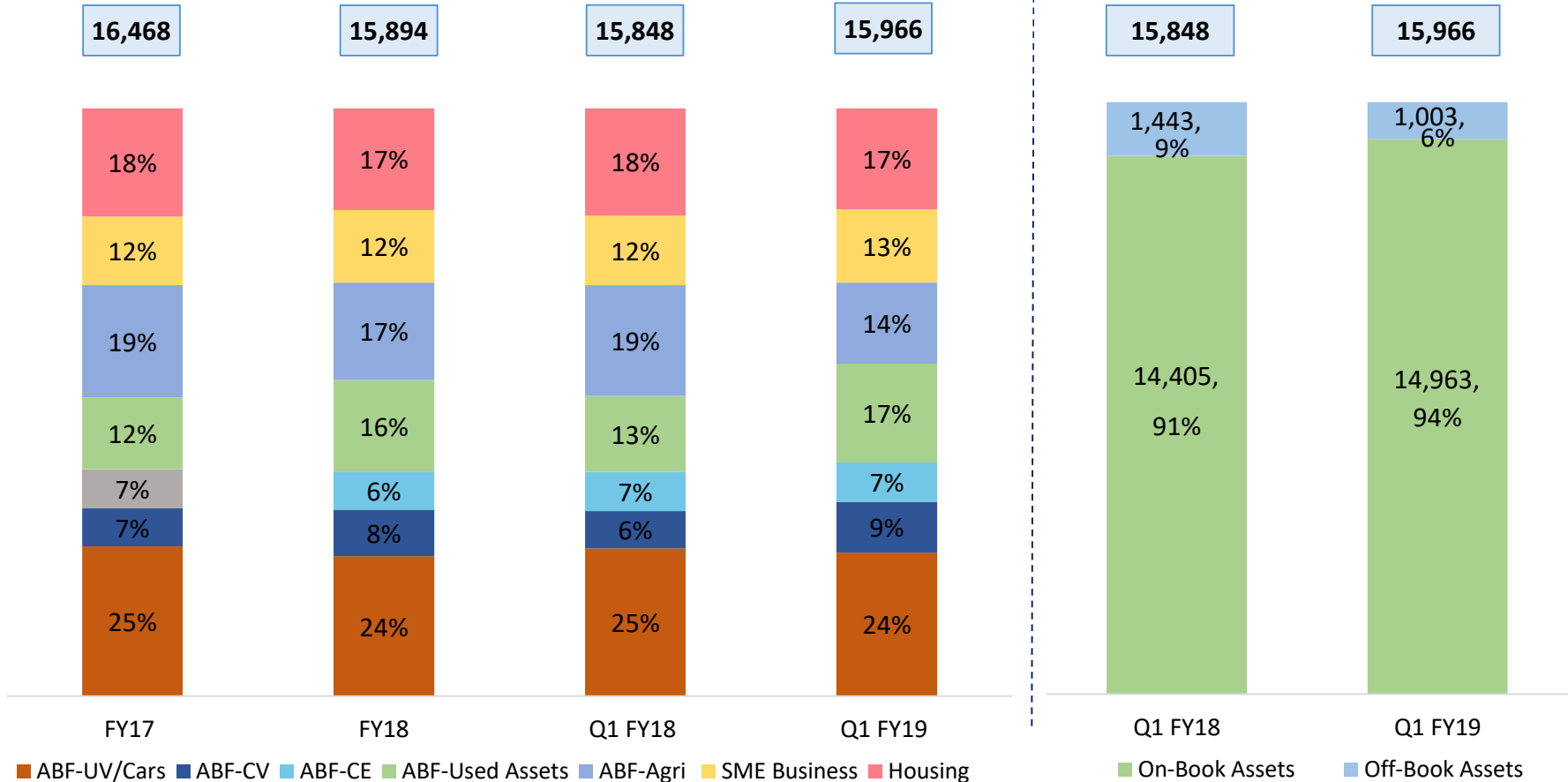
- Disbursals gaining momentum with Y-o-Y improvement of 25% for Q1 FY19
- Increased focus on high yield businesses as evidenced by rising share in disbursement of CV, Housing and SME business

Values in Rs crore

YoY Change in Disbursement Mix



Assets Under Management (AUM) – Ind AS

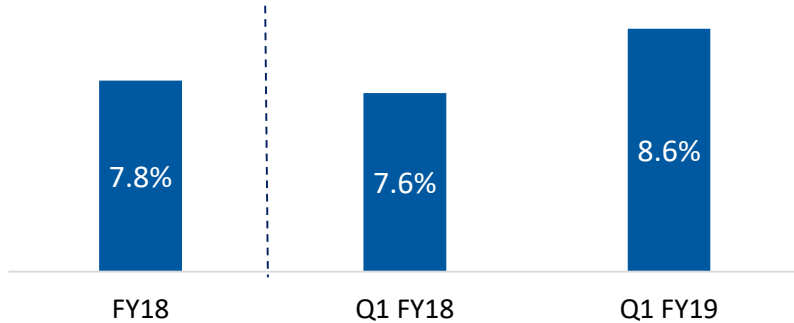


Values in Rs crore

Particulars	Q1 FY19	Q1 FY18	FY18
Gross Stage 1 and Stage 2 Assets	13,542	12,723	13,384
ECL Provision – Stage 1 and 2	359	400	388
Stage 1 and Stage 2 Coverage Ratio (%)	2.6%	3.1%	2.9%
Gross Stage 3 Assets	1,422	1,682	1,373
ECL Provision – Stage 3	796	720	748
Gross Stage 3 Assets (%) (~ GNPA)	9.5%	11.7%	9.3%
Net Stage 3 Assets (%) (~NNPA)	4.4%	7.0%	4.5%
Stage 3 Coverage Ratio (%)	56.0%	42.8%	54.5%

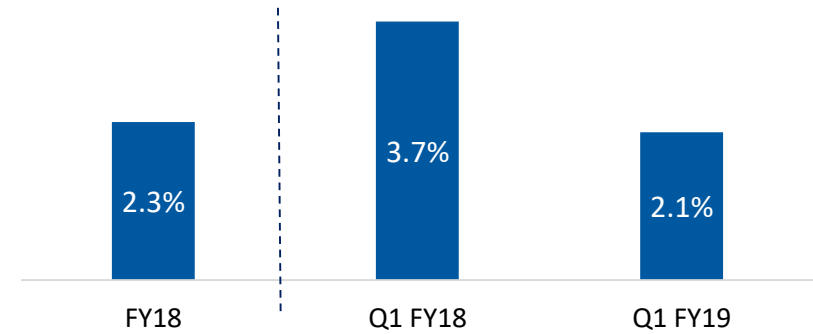
Values in Rs crore

NIM Analysis (% of AUM)



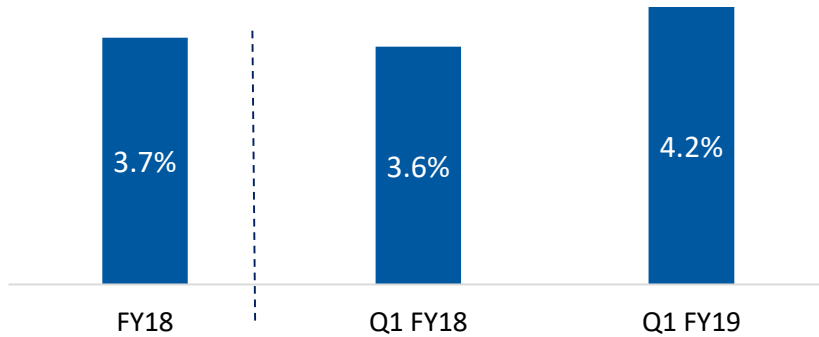
NIM: (Total Income (incl. Other Income) – Interest Expenses) / Average AUM

NCL (% of AUM)



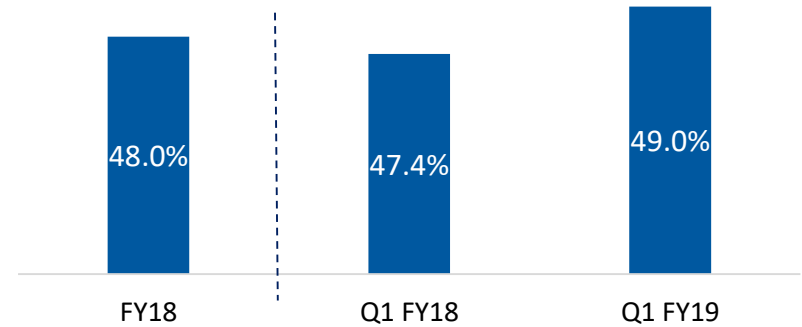
NCL: Net Credit Loss / Average AUM

Opex Ratio

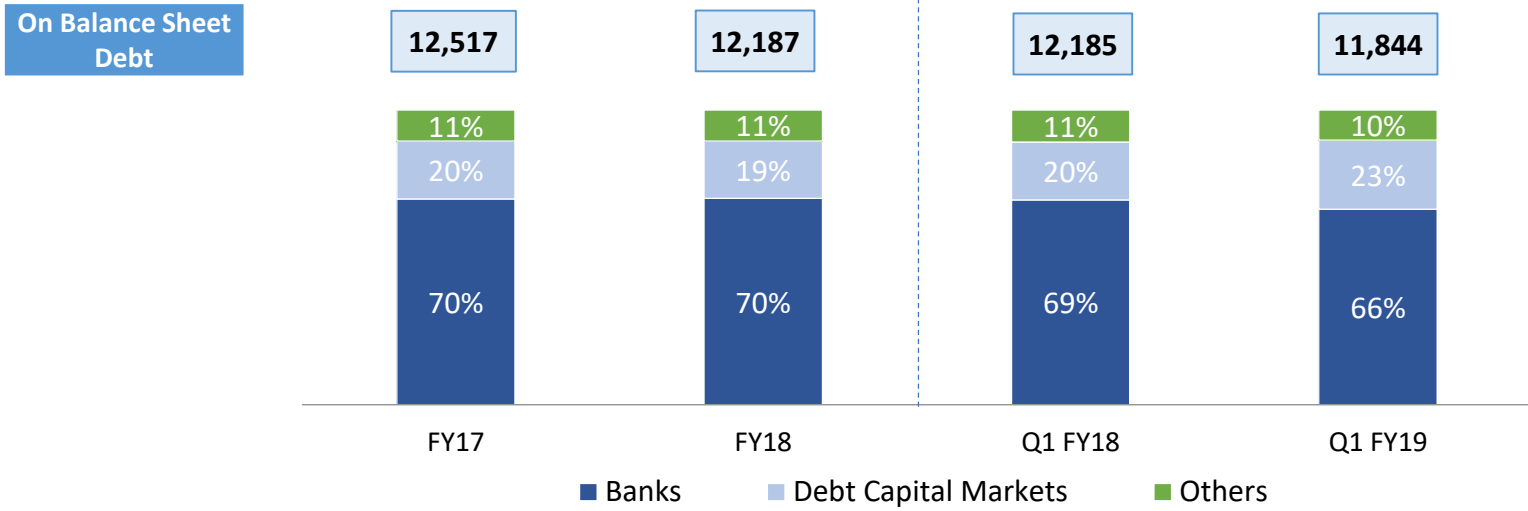


Opex: Total operating cost / Average AUM

Cost / Net Income (%)



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

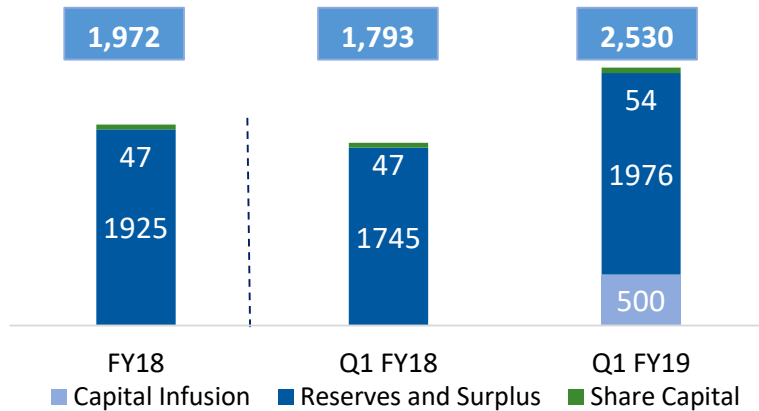


Instrument	Rating
Short term Debt	A1+ (By CARE & CRISIL)
Long term Debt	AA- (By CARE, ICRA & India Ratings)* <i>*Outlook- Stable</i>

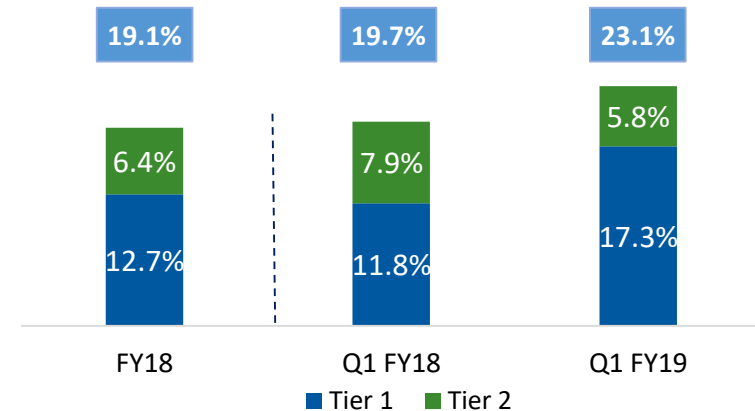
- Diversified liability sources limit concentration risk, allows stable flow of funds, stable rating - all leading to lower costs
- Debt Capital market funding from wide spectrum of lenders including MFs, Insurance companies, Pension / Provident funds and Corporates among others
- Other debt includes 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.

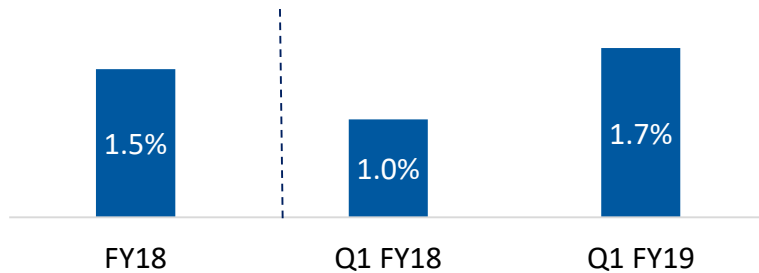
Net Worth



Capital Adequacy*

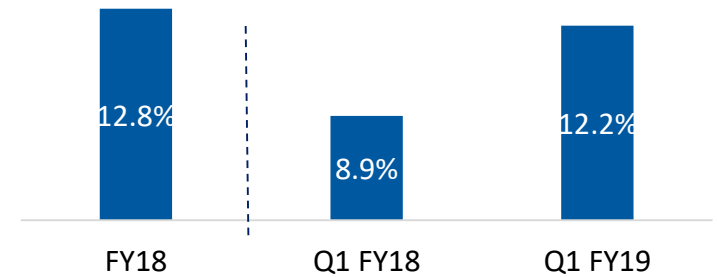


ROA



ROA- PAT (excluding OCI) / Average AUM

ROE



ROE- PAT (excluding OCI) / Average Net Worth

Values in Rs crore

* Subject to RBI guidelines

	Ind AS		
INR Crs	Q1 FY19	Q1 FY18	FY18
Net Revenue	341	308	1,262
Expenses	167	146	605
Working Profit	173	162	656
Net Credit Loss	85	150	367
Profit Before Tax	89	12	289
Tax	29	-27	54
Profit After Tax	60	39	235
Share of profit in Joint Ventures / Associates	8	0	2
Consolidated Profit After Tax	68	39	237
RoA	1.7%	1.0%	1.5%
RoE	12.2%	8.9%	12.8%

Values in Rs crore

Net Worth Reconciliation: IGAAP vs Ind AS

Particulars	Rs. In crores
Net Worth as per IGAAP on 1 April 2017*	2,125
Impact of Expected Credit Loss, for loan loss provisions	-623
Net gain on recognition of loans sold under Direct Assignment	87
Effective Interest Rate impact on financial assets and financial liabilities	-31
Fair valuation of financial assets and liabilities	11
Deferred tax impact on Ind AS adjustments	175
Share of Ind AS adjustment in Joint Ventures (Equity pickup accounting)	6
Total equity under Ind AS excl. OCI as on 1 April 2017	1,750
Fair valuation of LAP Portfolio and MHDI Debt Instrument (through OCI)	4
Total equity under Ind AS Incl. OCI as on 1 April 2017	1,754
Ind AS Profit for year ended 31 March 2018	237
Equity Infusion	500
Fair valuation of LAP Portfolio and MHDI Debt Instrument (through OCI)	3
Dividend, Share issue expenses & Others	-32
Ind AS Profit for quarter ended 30 June 2018	68
Net Worth under Ind AS on 30 June 2018	2,530

*Impact of MASL Merger adjusted in IGAAP effective 1stApril'17

Particulars	Q1 FY18	FY18
Net Profit after tax as per IGAAP	45	230
<u>Adjustment as per IndAS – Benefit/(Charge):</u>		
Application of Expected Credit Loss method for loan loss provisions	-51	18
Net gain on de-recognition of loans sold under assignment transaction	-6	-7
Effective interest rate impact on financial assets and financial liabilities	1	-54
Fair valuation of financial assets and liabilities	0	15
Others (Actuarial gain/loss on Gratuity Valn)	1	1
Deferred tax impact on Ind AS adjustments	49	33
Share of Ind AS adjustment in Joint Ventures (Equity pickup accounting)	0	0
Total Adjustment – Benefit /(Charge)	-6	6
Net profit after tax as per Ind AS	39	237

Values in Rs crore

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- 5 **Annexures**

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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



Debraj Sinha

Chief People Officer

Nov-2016

Chief Human Resource Officer, Max Bupa Health Insurance



Kailash Baheti

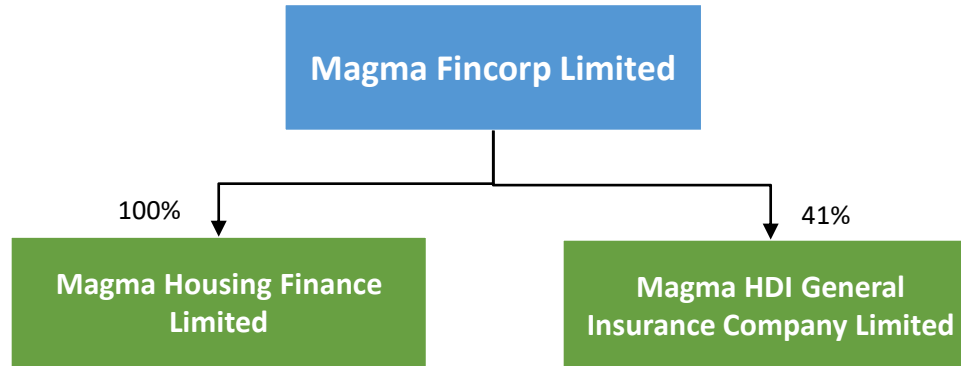
Chief Financial Officer

Oct-2011

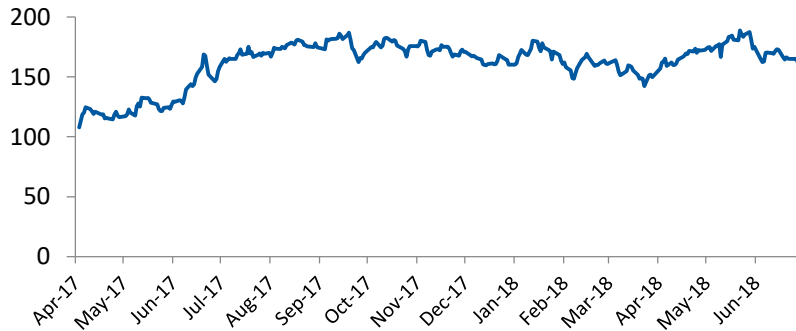
CEO, Century Extrusions

Joined

Title and Previous Company

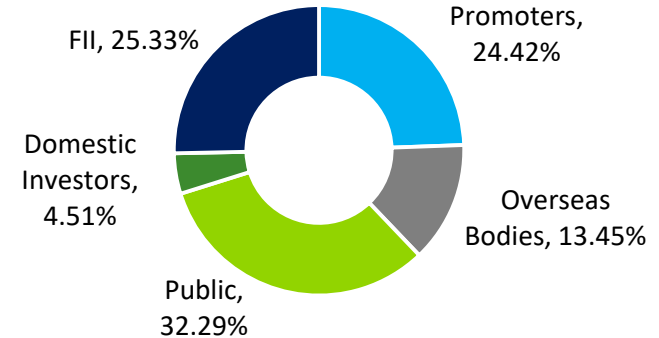


Share Price Performance



Average share price data from NSE

Shareholding (30- June-2018)



THANK YOU



AUM	Assets Under Management: On-Book & Off-Book Loan Assets
Average AUM	<i>Average of opening and closing AUM</i>
FOS / Field Officer	Feet on Street
ABF	Asset Backed Finance
HL	Home Loan
LAP	Loan against property
SME	Small & Medium Enterprises
NDSA	Non-dealer Direct Selling Agent
DDSA	Dealer Direct Selling Agent
Direct Biz	Direct Biz means Business directly generated by Magma employees without help from DDSAs / NDSAs / Connectors / Brokers, and includes Cross-sell
ATS	Average Ticket Size
ODPOS	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 NPA %	Gross Non-Performing Assets / Closing AUM
Net NPA %	Net Non-Performing Assets / (Closing AUM - Provision)
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 of On Balance Sheet Asset)
RoE	PAT (Excluding OCI)/ (Networth - Goodwill)
Networth	Equity Share Capital +Reserves & Surplus
BVPS	Book Value per share: (Networth-Goodwill) / No. of Equity shares outstanding
EPS	Earnings Per Share (Diluted)
MITL	Magma ITL Finance Limited (Merged with MFL)
MHF	Magma Housing Finance Limited (100% Subsidiary)
MHDI	Magma HDI General Insurance Company Limited (Joint Venture)
SENP	Self-employed Non Professional
SEP	Self-employed Professional
NIP	No income Proof

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Particulars	Ind AS		
	Q1 FY19	Q1 FY18	FY18
Net Revenue	312	277	1,137
Expenses	150	132	552
Working Profit	162	145	585
Net Credit Loss	84	148	347
Profit Before Tax	78	-2	237
Tax	26	-32	36
Profit After Tax	51	29	201

Values in Rs crore

Particulars	Ind AS		
	Q1 FY19	Q1 FY18	FY18
Net Revenue	29	30	125
Expenses	17	14	53
Working Profit	12	17	72
Net Credit Loss	1	2	20
Profit Before Tax	11	14	52
Tax	2	5	18
Profit After Tax	9	9	34

Values in Rs crore

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



Particulars	Ind AS		
	Q1 FY19	Q1 FY18	FY18
Gross Earned Premium	159	120	519
Net Earned Premium	-52	82	335
Claims Incurred	26	29	141
Change in insurance contract liability	-121	38	137
Net Commission	2	-3	-12
Management Expenses	46	39	154
Underwriting Profit	-5	-21	-86
Investment & Other Income	24	21	91
Profit Before Tax	19	1	5
Taxes	0	0	1
Profit After Tax	19	0	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 the ones won in last year, 2017:

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

Corporate Communication

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

Information Technology

- CIO Crown Award for Innovation, 2017



Health & Wellbeing



- Free medical Consultation to approx. 80,000 truckers through health check up camps
- Contributed to Pausasingh village, Dhenkanal, Orissa become OD Free village by setting up toilets.
- M-Care: Weekly clinic in WB, TE & AP villages. Around 5,000+ patients have been treated till date

Environment Sustainability



- **Magma Truckers Initiative** for Environment Sustainability. In association with PCRA, Govt. of India undertaking
- Training Safer Driving Skills to Truck Drivers in 230 location. Estimated 150,000 truckers benefitted
- Better Mileage + Fuel Conservation = Saving about 290 Lac Lt. of Diesel per year
- Reduction in CO2 Emission estimated 790 Lac kg.
- E-Toilets for Sanitation at Transport Nagars to benefit to approx. 60,000 Truck drivers

Promotion of Education



- **M Scholar** – 200 meritorious students from poor families offered Scholarships to further under-graduate education.
- Adoption of 16 Schools in Tribal areas in CG, Jharkhand in Tribal areas
- **Mid-day Meal Programme:** Offering mid-day meal to 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

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