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CIN:L51504WB1978PLC031813

MAGMA
Investing in the smallest dream

15 August 2016

Corporate Relationship Department **Company Code - 524000**
BSE Limited
25th Floor, P.J. Towers, Dalal Street, Fort,
Mumbai – 400 001

The Manager **Symbol - MAGMA**
Listing Department,
National Stock Exchange of India Limited
"Exchange Plaza"
Bandra- Kurla Complex, Bandra (E),
Mumbai – 400 051

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 ended 30 June 2016.

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

Sd/-
Shabnum Zaman
Company Secretary
ACS No. 13918
Address:
80B, Dr. Sudhir Bose Road
Kolkata – 700 023

Encl: as above

Reaching New Heights in Retail Finance

Magma Fincorp Limited
Q1 FY17 Results Update

INVESTING IN THE SMALLEST DREAMS – FOR RURBAN INDIA

UNDERSERVED CUSTOMERS

CUSTOMISED FINANCING SOLUTIONS

PAN INDIA NETWORK

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Business Overview, Competitive Strengths and Strategy

Financial Results – Q1 FY17

Leadership Team

Annexures

Business Overview:
Focus on underserved 'Rurban' India

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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

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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

Business Overview:
Higher cross-sell for lifetime customer engagement

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FINANCING SOLUTIONS	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)
Commercial Finance	●	●	●	●	4-5	70-75%	40-45
Agri Finance	●	●		●	3-4	65-70%	40-45
SME Finance		●	●	●	<22	N/A	30-35
Mortgage Finance	●	●	●	●	15-18	45-50%	120-180
General Insurance	●	●	●	●			

Numbers indicative of disbursements done during Q1 FY17

Bringing Equality of Opportunity to the Economically Disenfranchised

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

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	• SYNERGIES WITH ASSET FINANCE BUSINESS	• GROWTH STRATEGY
• MORTGAGE FINANCE	• Leverage existing 'rurban' branch network and unique 7 lakh customers profile • 20% of total mortgage business sourced from cross sell to existing Magma customers • Leveraging common channels amongst SME and LAP business	• Focus more on Home loans and increase its share significantly, within MHF and overall • Focus on more Direct & Connector sourcing; with almost 45% targeted from Tier 3-6 towns based 'rurban' SENP customer; at Rs.15 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

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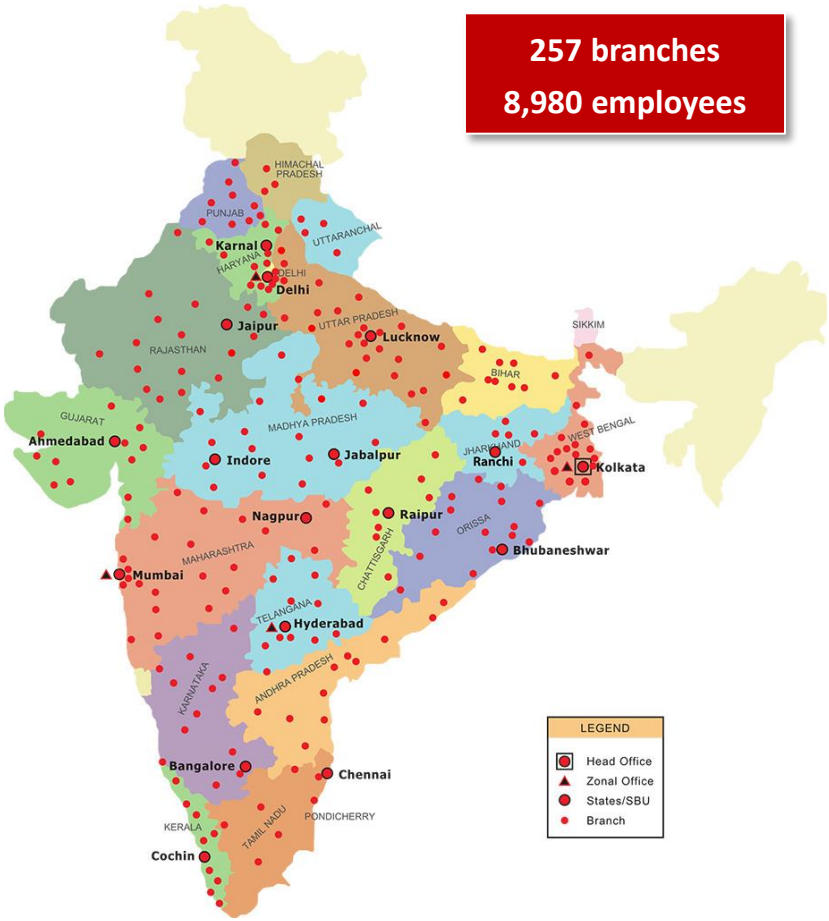
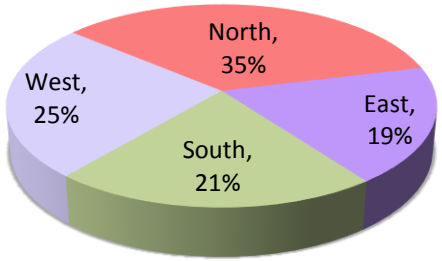
Extensive Pan India Branch Network Across Rural and Semi-Urban India

257 branches
8,980 employees

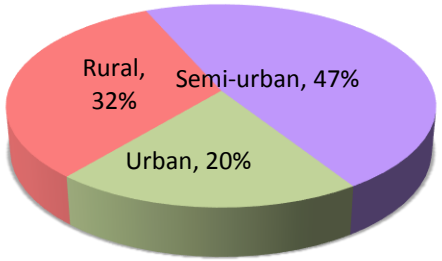


- Hub and spoke model with wide coverage led to presence in point of sales enabling sourcing from 1,900 talukas and 2,900 locations
- Tablet usage has led to superior sales productivity, better market coverage, improved channel and customer experience
- Focus on asset-light model: Field executives come to branch office once a week; technology solutions enable them to conduct business from channel/customer location
- Strong customer engagement through 6600+ 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 30th Jun 2016

Bringing Equality of Opportunity to the Economically Disenfranchised

Competitive Advantage:
Technology initiatives to strengthen business processes

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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.

Tablet

Sales App Interface

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

Channel Portal

Agent Portal (MHDI)

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

Tablet

Bluetooth Receipt Printer

Centralised Data Centre | **Disaster Recovery Centre** | **BI & Data Analytics Support** | **Document Management** | **Portals for Channel Partners, Ins Agency**

Bringing Equality of Opportunity to the Economically Disenfranchised

Branch Banking:
New structure leading to superior customer connect

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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 3600 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:
Risk framework – Inter-woven with the business strategy

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RISK MANAGEMENT FRAMEWORK

CALIBRATE PRODUCT- CUSTOMER - GEOGRPAHY MIX

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

REFINE CREDIT SCREENS & PROCESSES

- Customised screens to consider Informal income streams with relevant experience
- Asset gradation as per customer profile
- Online Process Automation at sourcing / under-writing stages for fraud mitigation

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

SUPPORTED BY STRONG ANALYTICS

- IN HOUSE TEAM
- CREDIT BUREAU MODELING
- COMPETITIVE ANALYSIS

Business Strategy: Focus on sustained profitable growth

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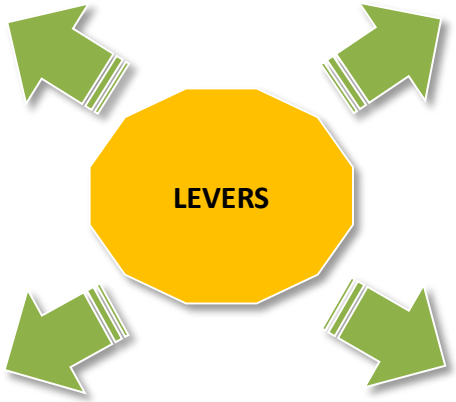
ROA ENHANCEMENT

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

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)



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

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

Community Obsession: Corporate Social Responsibility

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Promotion of Education

- **M Scholar** – 50 meritorious students from poor families offered Scholarships to further education every year.
- **Adoption of 16 Schools in Tribal areas** in West Bengal, CG, Jharkhand in Tribal areas
- **Mid-day Meal Programme:** Offering mid-day meal to 3133 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.
- **Sanitation & Drinking Water Facility in Schools** : Identified 50 schools for the rural poor. Through FICCI SEDF

Swayam - Corporate Volunteering

- Providing medicine for Clinics for the disabled, mentally challenged
- Providing equipment to NGOs who offer free IT education to underprivileged kids

Environment Sustainability

- **Magma Truckers Initiative** for Environment Sustainability. In association with PCRA, Govt of India undertaking.
- Training Safer Driving Skills to Truck Drivers in 11 locations. 27,000 truckers benefitted in FY16. Target for FY17 – 40,000
- Better Mileage + Fuel Conservation = Saved about 50 Lac Ltr. of Diesel in FY16
- Reduction in CO2 Emission – 1.33 Lac Ltr.
- E-Toilets for Sanitation at Transport Nagars to benefit 50,000 Truck drivers
- Planting 5000 saplings on World Environment Day by employees
- Waterbody preservation
- Mass scale Afforestation – Magma Park

Health & Wellbeing

- Free medical Consultation to 20,000 truckers thru health check up camps
- Adoption of Cancer Clinic for the poor
- Immunization for kids in remote villages
- Adoption of health clinics in villages

Bringing Equality of Opportunity to the Economically Disenfranchised

13

It's been a rewarding year

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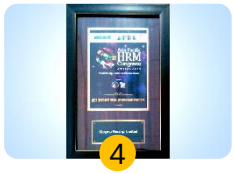
AWARDS

1

2

3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5

1. Mr. Sanjay Chamria (Managing Director) was recognised as the **CEO with HR Orientation of the Year** by Genius Consultants Ltd., in association with The Times of India.
2. Magma Fincorp was awarded **ET Bengal Corporate Awards 2016** in the category of **Highest Job Creator** (above ` 1000 Crores).
3. Magma Fincorp Annual Report, 2015 bagged the **Gold Award** and ranked 39th at the **LACP Spotlight Awards 2015 (USA)**. Magma has been rated as one of the best among top brands for the 5th year in a row.
4. Magma Fincorp was honoured with the prestigious **Asia Pacific HRM Congress Awards 2015** in the category of Best Corporate Social Responsibility Practices.
5. Magma Fincorp Limited was awarded the **'Customer Service Leadership Award'** in the vehicle fleet leasing industry by **Frost & Sullivan**
6. Magma Fincorp's the **'Mission India'** campaign bagged the **'Most Creative'** and **'Platinum Award'** at the 39th LACP Spotlight Awards 2015 (USA).
7. Magma Fincorp Ltd. received the **HR Excellence Award, 2015** for **'Strong Commitment'**, recognised by Confederation of Indian Industry.
8. Magma Fincorp was awarded at the **Dataquest Business Technology Awards** in the Analytics category for its business intelligence solution, BEAM.
9. Magma Fincorp received the prestigious **"FINNOVITI Award 2016"** in the 'mobility' segment for Magma Sales Mobility Solution project. It was jointly organised by Banking Frontiers and Deloitte.

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9

Other Awards

10. Ms. Janet Gasper Chowdhury (Chief People Officer) was recognised as one of the **100 Most Talented Global HR Leaders** at the 23rd edition of the World HRD Congress, hosted by CHRO Asia.
11. Mr. Kaushik Sinha (Vice President – CorpComm, CSR &admin) was recognised as one of the **100 most Impactful CSR Leaders in India by World CSR Day.**
12. Ms. Janet Gasper Chowdhury (Chief People Officer) was honoured as **One of the 100 Most Influential HR Leaders** in India by CHRO Asia.
13. Mr. Suryakant Mishra (AVP –CorpComm) won **"Best Corporate Presentation in Corporate Communications"** at Asia Pacific Conference on Changing Business Practices in Current Environment, 2016.

10

11

12

13

Bringing Equality of Opportunity to the Economically Disenfranchised

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Business Overview, Competitive Strengths and Strategy

Financial Results – Q1 FY17

Leadership Team

Annexures

Bringing Equality of Opportunity to the Economically Disenfranchised

Financial Results – Q1 FY17 (Consolidated)

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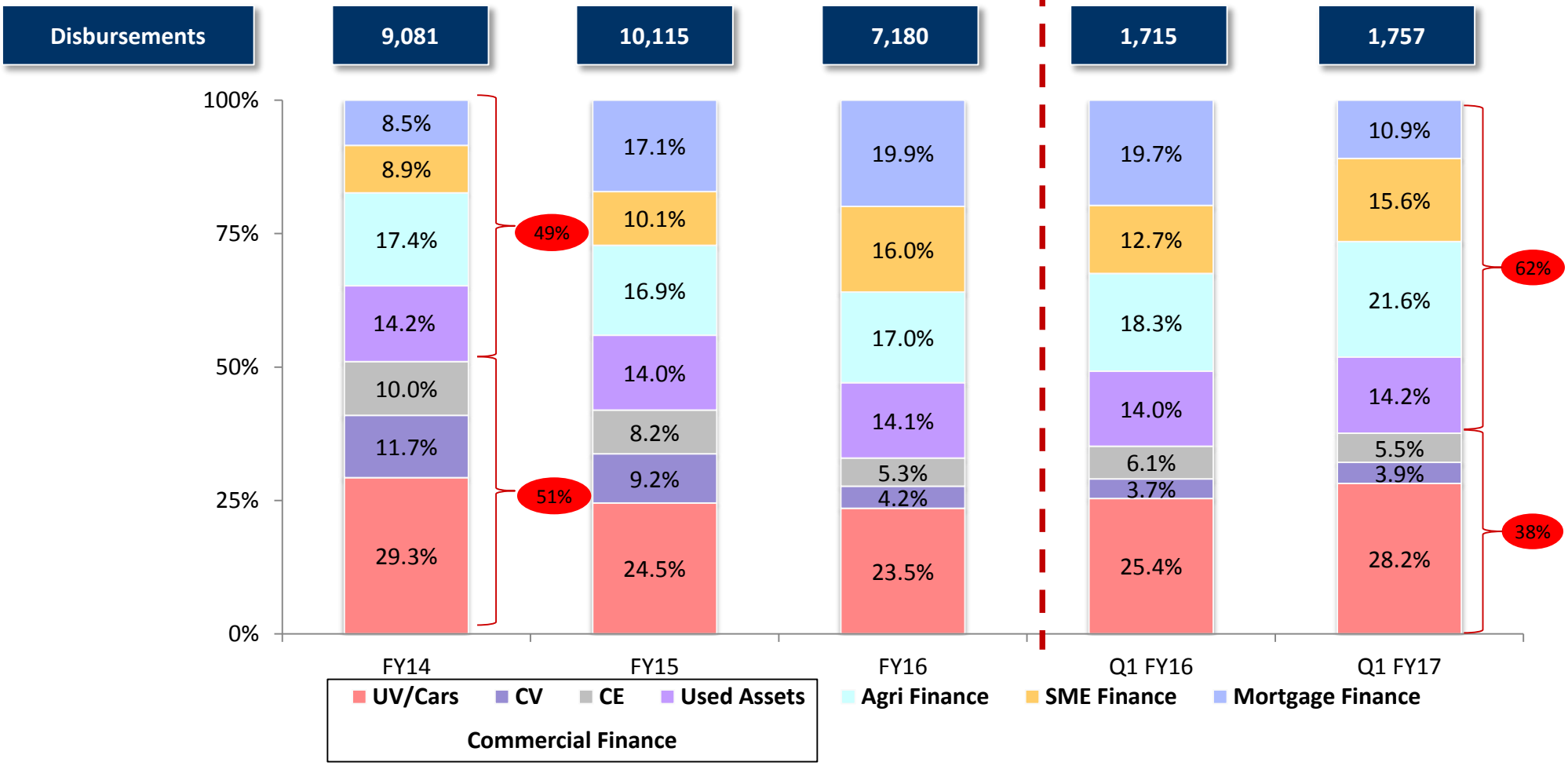
Q1 FY16		Q1 FY17	
Loan Assets Rs 19,189 cr	• Focus on high RoA products to drive profitable growth (share increased yoy from 53% to 59%)	Loan Assets Rs 17,796 cr	-7%
NIM 6.4 %	• NIM improvement in line with strategy to alter product-customer mix	NIM 6.9 %	+48 bps
Opex/Loan Assets 3.4 %	• Control on opex has resulted in ratio being flat despite lower loan book.	Opex/Loan Assets 3.5 %	
PBT Rs 57.2 cr	• PBT improvement driven by NIM expansion and opex control	PBT Rs 65.4 cr	+14%
PAT Rs 46.5 cr	• Maintained profitability even with lower loan book supported by NIM expansion and opex control	PAT Rs 47.6 cr	+2%
RoA 1.2%	• ROA has been maintained on y-o-y basis	RoA 1.2 %	
EPS Rs 1.95/ share	• EPS has remained stable	EPS Rs 1.97 / share	1%

Bringing Equality of Opportunity to the Economically Disenfranchised

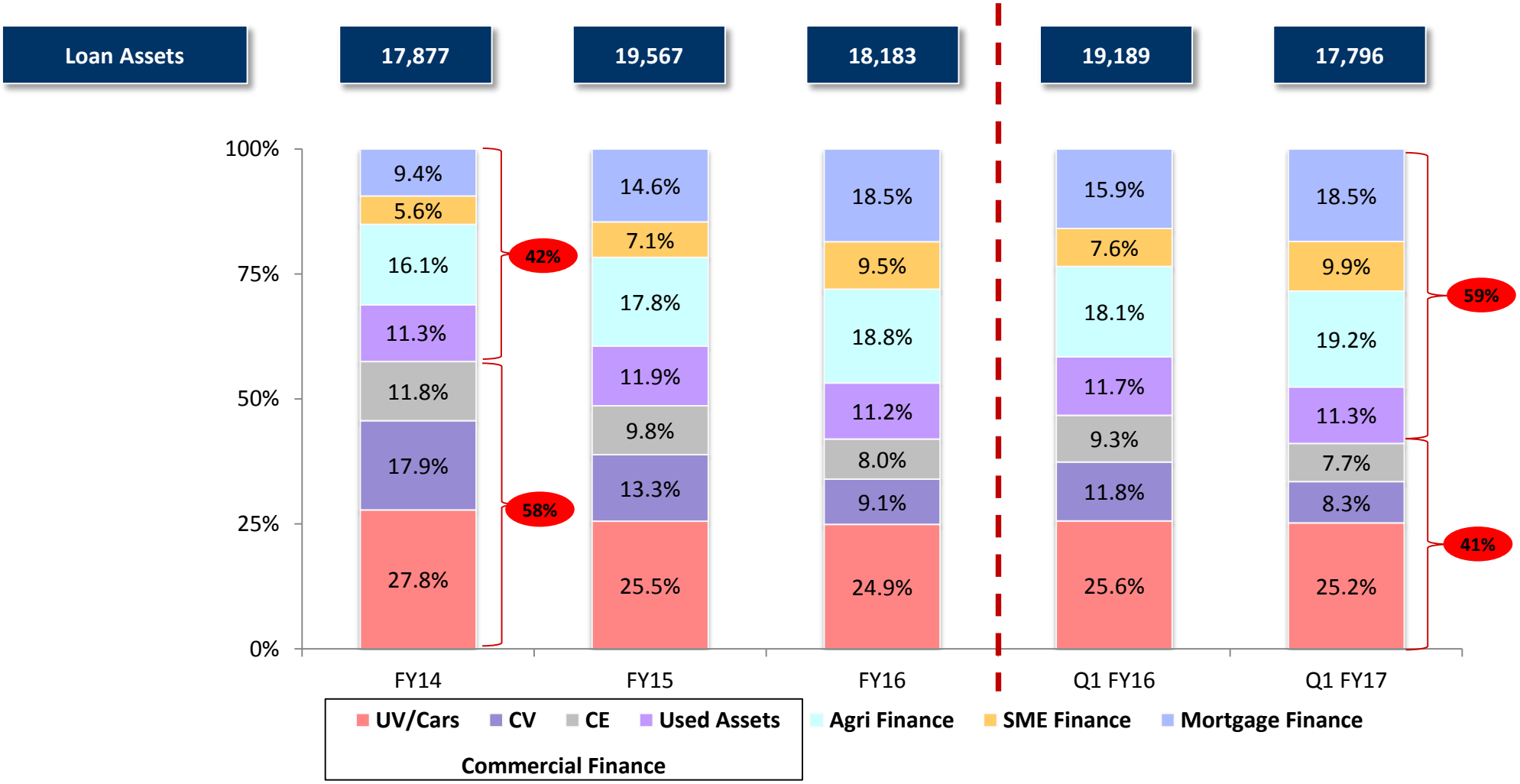
Significant changes in disbursement mix



Values in Rs crore

Bringing Equality of Opportunity to the Economically Disenfranchised

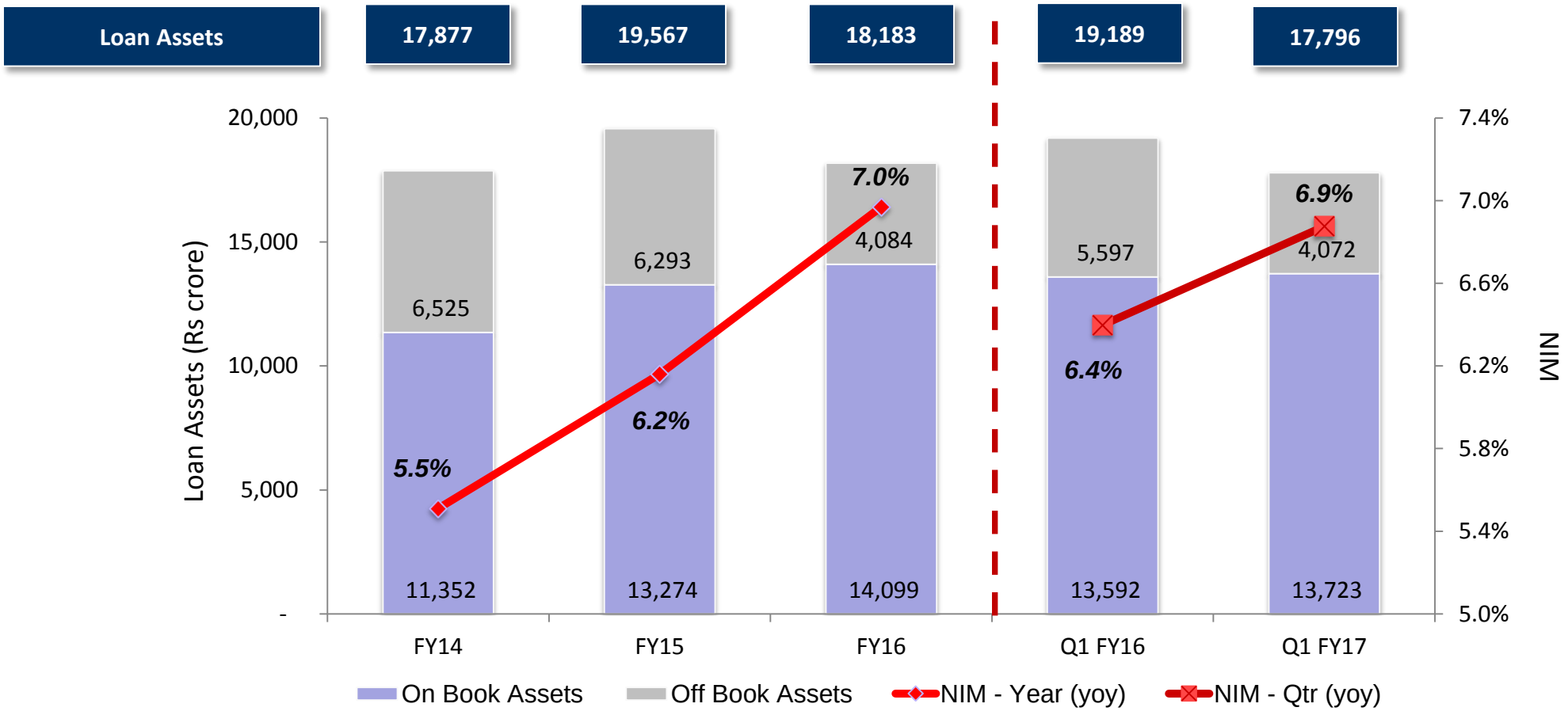
Resulting in gradual shift in loan assets mix



Values in Rs crore

Bringing Equality of Opportunity to the Economically Disenfranchised

Loan assets and NIM expansion



- **NIM expansion driven by gradual shift towards higher yielding products**

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

State-wise Loan Assets Breakup

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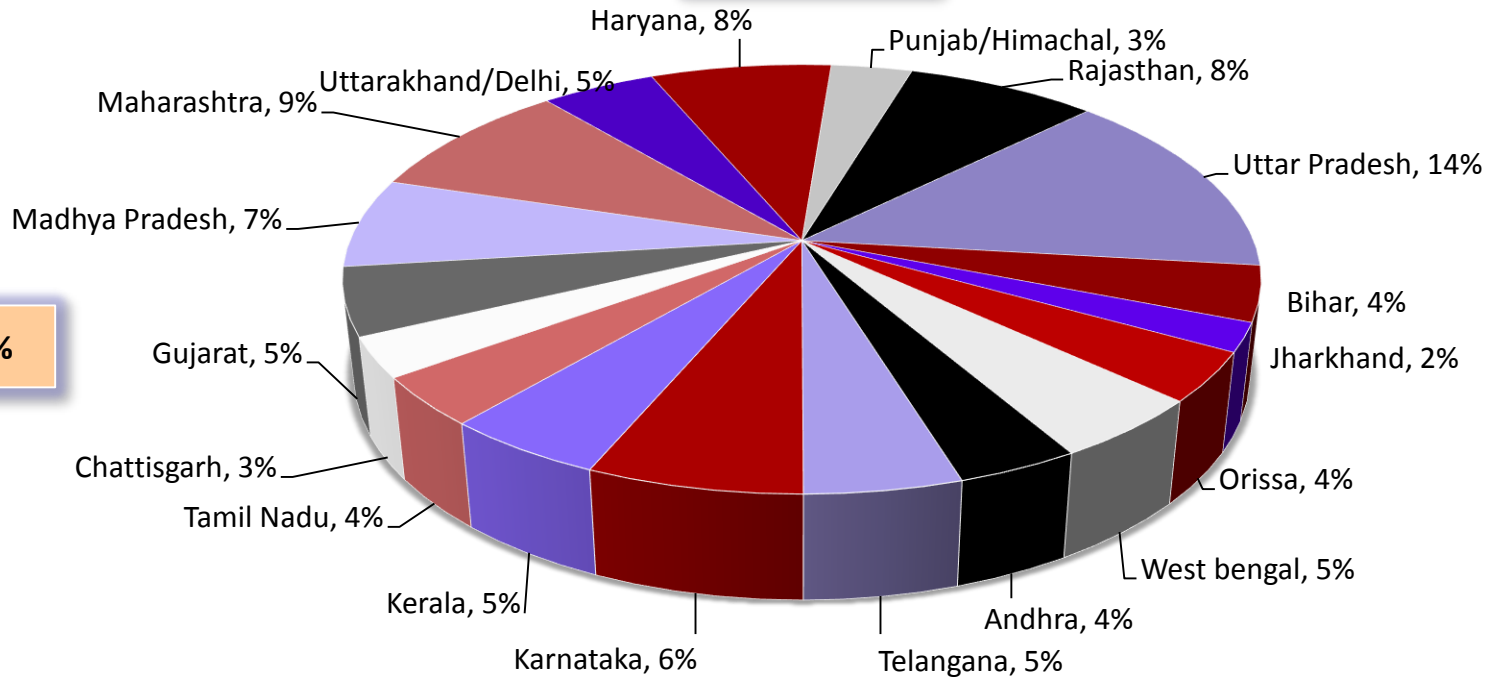
Total Loan Assets: Rs. 17,796 crore

North: 38%



West: 24%

East: 15%

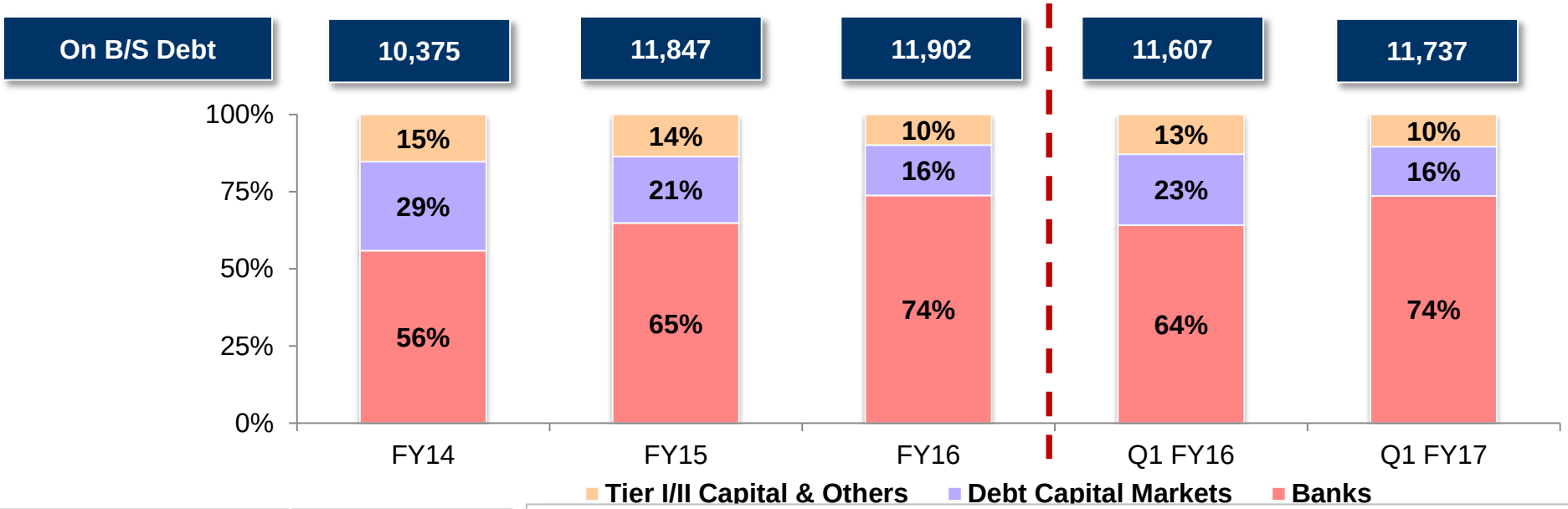
South: 23%

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

Value as on 30th Jun2016; Includes Off B/S loan assets

Bringing Equality of Opportunity to the Economically Disenfranchised

Liability Profile



Instrument	Rating
Short term Debt	A1+
Long term Debt	AA-
Subordinate Debt	AA-
Perpetual Debt	A+

- Diversified liability sources limit concentration risk, allows stable flow of funds and stable rating, all leading to lower costs
- Rated by CARE,CRISIL, Brickwork, ICRA & India Ratings,
- Consortium of 21 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

On B/S Debt includes Preference Capital and based on MFL Consolidated financials; Values in Rs crore as on closing day of the period.

NPA Recognition

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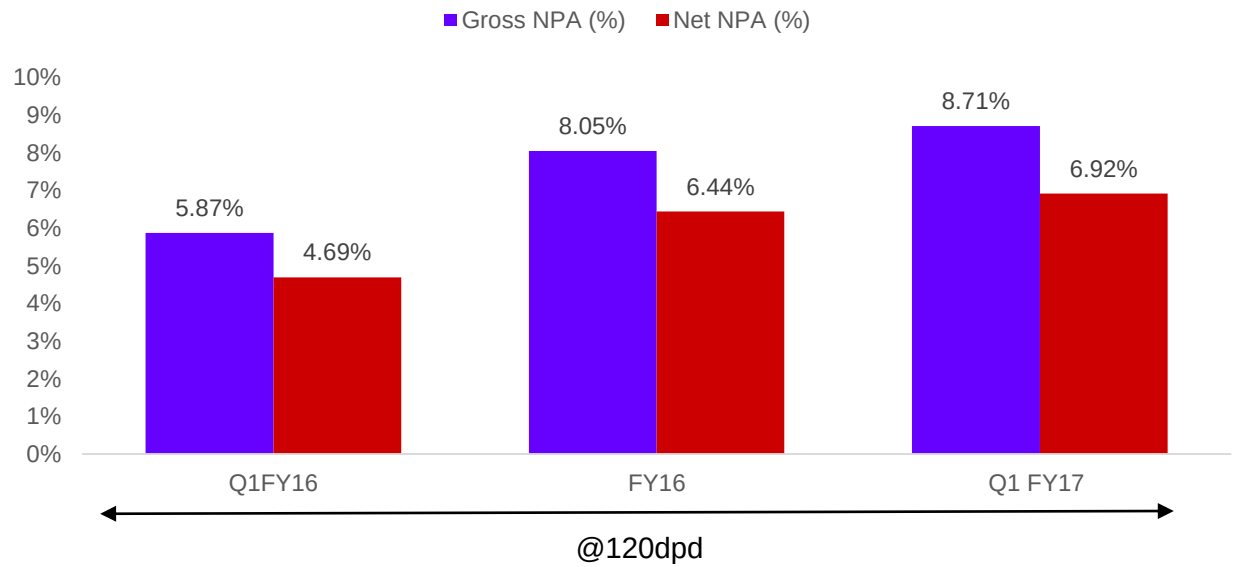
NPA (% of Total Loan Assets)



- **Reported NPAs for previous period on 120dpd to make it comparable with 1QFY17.**

Based on MFL Consolidated financials

Bringing Equality of Opportunity to the Economically Disenfranchised

P&L Statement (Consolidated)

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	Q1 FY17	Q4 FY16	Q1 FY16	% Change		FY16	FY15
				Y-o-Y	Q-o-Q		
Income from Ops.	603.7	633.0	606.5	0%	-5%	2,472.2	2,353.6
Interest Expenses	306.2	298.0	304.5	1%	3%	1,191.6	1,232.9
Net Operating Income	**297.6**	**335.0**	**302.1**	**-1%**	**-11%**	**1,280.6**	**1,120.7**
Other Income	11.7	9.2	7.9	48%	28%	34.1	32.3
Net Total Income	**309.2**	**344.2**	**310.0**	**0%**	**-10%**	**1,314.7**	**1,153.0**
Prov./Write Offs	87.8	98.6	87.8	0%	-11%	375.0	244.4
Post Prov Profit	**221.5**	**245.6**	**222.1**	**0%**	**-10%**	**939.8**	**908.7**
Operating Expenses	156.1	144.1	164.9	-5%	8%	633.9	685.2
:Personnel Expenses	77.2	69.4	86.0	-10%	11%	317.2	361.8
:Other Expenses	68.1	65.7	69.2	-2%	4%	277.2	288.8
:Depreciation	10.8	9.0	9.6	12%	21%	39.5	34.6
Profit Before Tax	**65.4**	**101.5**	**57.2**	**14%**	**-36%**	**305.8**	**223.5**
Taxes	17.8	35.6	10.8	65%	-50%	92.3	36.2
Profit After Tax	**47.6**	**66.0**	**46.5**	**2%**	**-28%**	**213.5**	**187.3**

Values in Rs crore

Balance Sheet (Consolidated)

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	Q1 FY17	Q4 FY16	Q1 FY16	% Change		FY16	FY15
				Y-o-Y	Q-o-Q		
LIABILITIES	**15,450.6**	**15,523.2**	**15,299.9**	**1%**	**0%**	**15,523.2**	**14,882.5**
Net Worth	**2,198.5**	**2,151.3**	**2,186.8**	**1%**	**2%**	**2,151.3**	**1,654.9**
Share Capital	47.4	47.4	47.4	0%	0%	47.4	38.1
Reserves and Surplus	2,151.2	2,103.9	2,139.4	1%	2%	2,103.9	1,616.8
Minority Interest	42.6	41.9	41.0	4%	2%	41.9	39.8
Preference Capital	-	13.0	84.6	-100%	-100%	13.0	132.6
Borrowings	**11,737.2**	**11,889.2**	**11,522.2**	**2%**	**-1%**	**11,889.2**	**11,714.1**
Other Liabilities	1,472.3	1,427.8	1,465.2	0%	3%	1,427.8	1,341.1
ASSETS	**15,450.6**	**15,523.2**	**15,299.9**	**1%**	**0%**	**15,523.2**	**14,882.5**
Loan Assets	**13,723.2**	**14,098.9**	**13,592.4**	**1%**	**-3%**	**14,098.9**	**13,274.1**
Fixed Assets	229.9	233.6	192.4	20%	-2%	233.6	197.9
Other Assets	789.2	762.0	980.3	-19%	4%	762.0	774.2
Cash & Bank Balance	708.3	428.6	534.9	32%	65%	428.6	636.3
TOTAL LOAN ASSETS	**17,795.6**	**18,183.2**	**19,189.2**	**-7%**	**-2%**	**18,183.2**	**19,566.5**

Values in Rs crore

Key Ratios (Consolidated)

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	Q1 FY17	Q4 FY16	Q1 FY16	Change (in Bps)		FY16	FY15
				Y-o-Y	Q-o-Q		
Total Income/Assets	**15.9%**	**17.0%**	**15.7%**	**17**	**-113**	**16.5%**	**17.0%**
Interest Exp/Assets	7.9%	7.9%	7.8%	12	1	7.8%	8.8%
Gross Spreads	**8.0%**	**9.1%**	**7.9%**	**6**	**-114**	**8.6%**	**8.2%**
Prov & WO/Assets	2.3%	2.6%	2.2%	2	-35	2.5%	1.7%
Opex/Assets	4.0%	3.8%	4.2%	-19	21	4.2%	4.9%
PBT/Assets	1.7%	2.7%	1.5%	22	-100	2.0%	1.6%
RoA	**1.2%**	**1.7%**	**1.2%**	**4**	**-52**	**1.4%**	**1.3%**
RoE	**8.6%**	**11.7%**	**8.9%**	**-26**	**-312**	***10.8%**	**10.7%**
CRAR							
Tier 1	15.4%	14.6%	14.0%	138	82	14.6%	11.1%
Total	**20.0%**	**18.7%**	**18.7%**	**132**	**132**	**18.7%**	**16.3%**

**Due to additional Equity capital infusion during the year.*

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

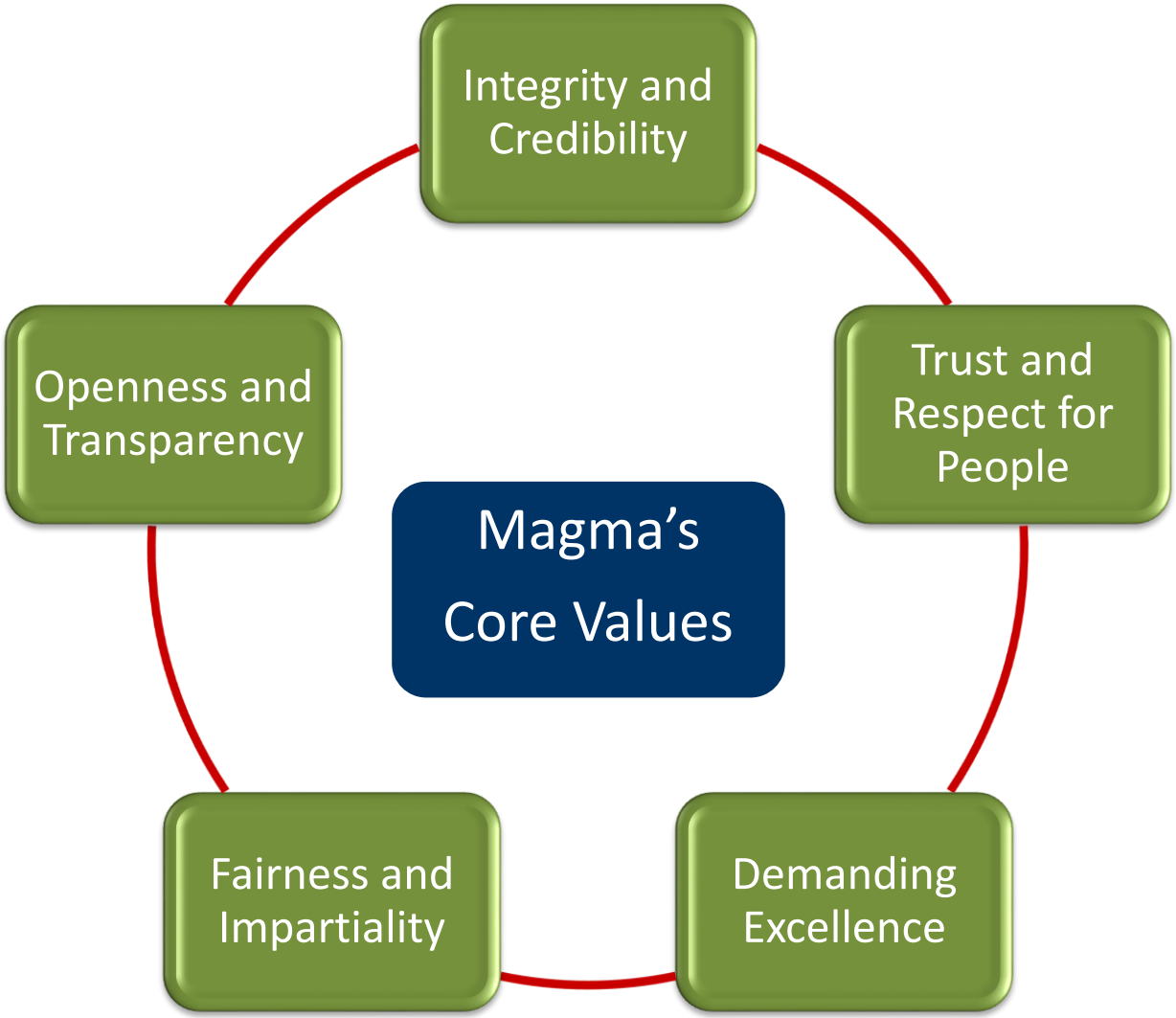
Business Overview, Competitive Strengths and Strategy

Financial Results – Q1FY17

Leadership Team

Annexures

Strong Corporate Governance



Bringing Equality of Opportunity to the Economically Disenfranchised

Board of Directors

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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

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Sanjay Chamria
VC and MD
31 years

Financing business

Sachin Khandelwal
MD & CEO, HFC
23 years, CEO-ICICI HFC

Mahender Bagrodia
Chief of Receivables Mgmt
23 years

Sumit Mukherjee
National Business Head – ABF
24 years, VP-Citicorp

General Insurance business (Magma HDI)

Rajive Kumaraswami
CEO-MHDI
21years, SOR Indian Liaison Office

Vikas Mittal
Chief Sales Officer-MHDI
23 years, MD&CEO-Enam Securities

Support functions

Atul Bansal
Chief Financial Officer
31 years, CFO-Mu Sigma

Kailash Baheti
Chief Strategy Officer
28 years, CEO-Century Extrusions

Janet Gasper Chowdhury
Chief People Officer
20 years, Director-PwC

Raj Kumar Kapoor
Chief Audit Officer
29 years, Chief Internal Auditor – Jubilant Organosys

Jashobrata Bose
Senior Vice President – Corporate Initiatives
16 years, Director - Sanofi

Name, Current responsibility, Experience in years, Previous organisation

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

Bringing Equality of Opportunity to the Economically Disenfranchised

Holding Structure, Shareholding Pattern and Top Shareholders

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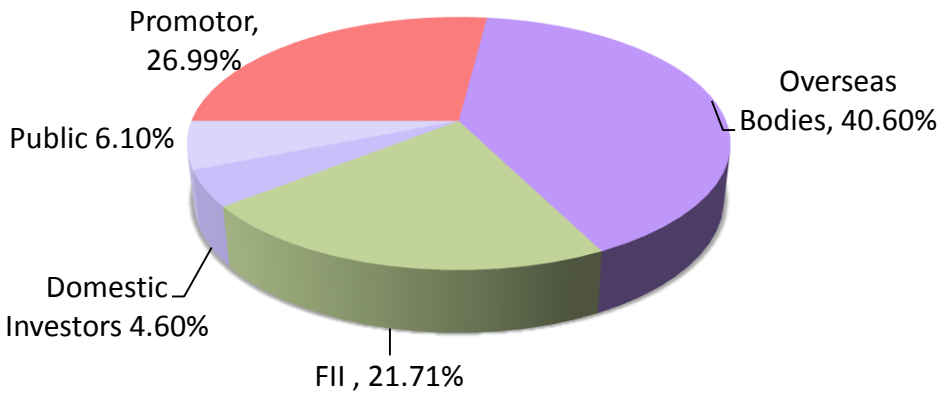
Magma Fincorp (Consolidated)

Net Worth: Rs 2,151 cr
PAT: Rs 213.5 cr

100%	74%	41%	100%
Magma Fincorp (Standalone)	**Magma ITL JV (tractor biz)**	**Magma HDI JV (general Insurance biz)**	**Magma Housing Finance**
Net Worth: Rs 2,031 cr PAT: Rs 187.1 cr	Net Worth: Rs 161 cr PAT: Rs 8.1 cr	Net Worth: Rs 219. cr PAT: Rs (11.9) cr	Net Worth: Rs 241 cr PAT: Rs 22.8 cr

Shareholding of Magma Fincorp (on 30 June 2016)



Top Non Promoter Shareholders

- KKR
- INDIA VALUE FUND
- INTERNATIONAL FINANCE CORPORATION
- LEAPFROG INVESTMENTS
- CHRYS CAPITAL

- **Raised Rs 500 crore from India Value Fund, Leapfrog Investments and KKR in May 2015**

Values based on MFL Consolidated financials for FY16

Bringing Equality of Opportunity to the Economically Disenfranchised

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.

MAGMA
Investing in the smallest dream

Business Overview, Competitive Strengths and Strategy

Financial Results – Q1 FY17

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Bringing Equality of Opportunity to the Economically Disenfranchised

Profit & Loss Statement (Standalone)

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	Q1 FY17	Q4 FY16	Q1 FY16	% Change		FY16	FY15
				Y-o-Y	Q-o-Q		
Income from Ops.	508.5	536.3	516.1	-1%	-5%	2,109.6	2,018.8
Interest Expenses	256.5	249.6	254.1	1%	3%	998.1	1,061.4
Net Operating Income	**252.0**	**286.7**	**261.9**	**-4%**	**-12%**	**1,111.6**	**957.3**
Other Income	10.1	6.6	8.2	24%	53%	29.5	27.2
Net Total Income	**262.1**	**293.3**	**270.1**	**-3%**	**-11%**	**1,141.1**	**984.5**
Prov./Write Offs	76.6	87.4	78.7	-3%	-12%	337.4	222.6
Post Prov Profit	**185.5**	**205.9**	**191.4**	**-3%**	**-10%**	**803.7**	**762.0**
Operating Expenses	130.3	120.8	139.9	-7%	8%	537.7	586.8
:Personnel Expenses	57.9	53.1	66.9	-13%	9%	246.6	289.7
:Other Expenses	61.7	58.7	63.3	-3%	5%	251.8	262.6
:Depreciation	10.8	8.9	9.6	12%	21%	39.3	34.5
Profit Before Tax	**55.2**	**85.1**	**51.6**	**7%**	**-35%**	**266.0**	**175.1**
Taxes	15.1	29.0	11.6	30%	-48%	78.8	26.0
Profit After Tax	**40.1**	**56.1**	**40.0**	**0%**	**-29%**	**187.1**	**149.1**

All values in Rs crore

Balance Sheet (Standalone)

MAGMA
Investing in the smallest dream

	Q1 FY17	Q4 FY16	Q1 FY16	% Change		FY16	FY15
				Y-o-Y	Q-o-Q		
LIABILITIES	**12,823.0**	**12,908.8**	**12,644.8**	**1%**	**-1%**	**12,908.8**	**12,311.7**
Net Worth	**2,071.9**	**2,031.4**	**1,910.2**	**8%**	**2%**	**2,031.4**	**1,383.6**
Share Capital	47.4	47.4	47.4	0%	0%	47.4	38.1
Reserves and Surplus	2,024.5	1,984.0	1,862.9	9%	2%	1,984.0	1,345.5
Preference Capital	-	13.0	49.0	-100%	-100%	13.0	97.0
Borrowings	**9,747.5**	**9,824.9**	**9,614.1**	**1%**	**-1%**	**9,824.9**	**9,814.7**
Other Liabilities	1,003.6	1,039.5	1,071.4	-6%	-3%	1,039.5	1,016.5
ASSETS	**12,823.0**	**12,908.8**	**12,644.8**	**1%**	**-1%**	**12,908.8**	**12,311.7**
Loan Assets	**11,295.1**	**11,649.9**	**11,298.1**	**0%**	**-3%**	**11,649.9**	**11,039.8**
Fixed Assets	164.1	168.5	175.3	-6%	-3%	168.5	180.8
Other Assets	718.1	722.9	716.4	0%	-1%	722.9	521.9
Cash & Bank Balance	645.6	367.5	454.9	42%	76%	367.5	569.2
TOTAL LOAN ASSETS	**14,942.2**	**15,159.3**	**16,528.4**	**-10%**	**-1%**	**15,159.3**	**16,921.2**

All values in Rs crore

Profit & Loss Statement: Magma Housing Finance (MHF)

MAGMA
Investing in the smallest dream

	Q1 FY17	Q4 FY16	Q1 FY16	% Change		FY16	FY15
				Y-o-Y	Q-o-Q		
Total Income	64.2	65.3	57.5	12%	-2%	242.4	192.1
Interest Expenses	37.6	35.7	37.6	0%	5%	142.0	117.8
Net Income	**26.6**	**29.6**	**19.9**	**33%**	**-10%**	**100.5**	**74.3**
Prov./Write Offs	3.2	4.9	2.5	27%	-35%	11.3	7.7
Operating Expenses	14.0	14.6	13.0	8%	-4%	53.8	50.2
Profit Before Tax	**9.4**	**10.2**	**4.4**	**111%**	**-8%**	**35.3**	**16.4**
Taxes	3.2	3.6	1.5	111%	-11%	12.5	5.8
Profit After Tax	**6.1**	**6.6**	**2.9**	**111%**	**-7%**	**22.8**	**10.6**

All values in Rs crore

Profit & Loss Statement: Magma ITL (MITL)

MAGMA
Investing in the smallest dream

	Q1 FY17	Q4 FY16	Q1 FY16	% Change		FY16	FY15
				Y-o-Y	Q-o-Q		
Income from Ops.	34.5	30.7	32.9	5%	12%	120.1	140.8
Interest Expenses	15.0	14.1	12.7	18%	6%	53.0	58.7
Net Operating Income	**19.5**	**16.6**	**20.1**	**-3%**	**18%**	**67.2**	**82.1**
Other Income	2.1	1.5	0.8	163%	40%	5.3	5.6
Net Total Income	**21.6**	**18.1**	**20.9**	**3%**	**19%**	**72.5**	**87.8**
Prov./Write Offs	8.0	6.3	6.7	19%	27%	26.3	14.1
Operating Expenses	11.4	8.4	11.2	2%	35%	39.4	45.0
Profit Before Tax	**2.2**	**3.3**	**3.1**	**-30%**	**-35%**	**6.8**	**28.7**
Taxes	-0.5	0.8	-1.7	-69%	-166%	-1.2	3.3
Profit After Tax	**2.7**	**2.5**	**4.7**	**-44%**	**6%**	**8.1**	**25.4**

All values in Rs crore

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

MAGMA
Investing in the smallest dream

	Q1 FY17	Q4 FY16	Q1 FY16	% Change		FY16	FY15
				Y-o-Y	Q-o-Q		
Gross Written Premium	**93.1**	**116.5**	**99.0**	**-6%**	**-20%**	**427.4**	**554.8**
Net Earned Premium	**80.5**	**82.5**	**101.3**	**-20%**	**-2%**	**373.2**	**406.2**
(-) Claims Incurred	67.8	64.7	87.8	-23%	5%	318.8	340.5
(-) Premium Deficiency Reserve	-0.4	1.4	0.4	-200%	-127%	1.5	-
(-) Net Commission	2.7	1.3	3.4	-20%	104%	11.5	18.7
(-) Management Expenses	33.0	28.4	32.5	2%	16%	126.1	121.3
Underwriting Profit	**-22.7**	**-13.3**	**-22.7**	**0%**	**70%**	**-84.8**	**-74.4**
(+) Investment Income	19.4	20.4	17.3	12%	-5%	78.2	83.0
Profit Before Tax	**-3.2**	**7.1**	**-5.4**	**-40%**	**-146%**	**-6.6**	**8.6**
(-) Taxes	0.0	5.3	-1.7	-100%	-100%	5.3	2.8
Profit After Tax	**-3.2**	**1.8**	**-3.7**	**-12%**	**-282%**	**(11.9)**	**5.8**

All values in Rs crore