

Magma Fincorp Limited  
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31 January 2019

The Secretary,  
Corporate Relationship Department,  
**BSE Limited**  
25<sup>th</sup> Floor, P. J. Towers, Dalal Street, Fort,  
Mumbai - 400 001

**Company Code - 524000**

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

**Symbol - MAGMA**

**Sub: Press Release in respect of Unaudited Financial Results for the quarter ended 31 December 2018**

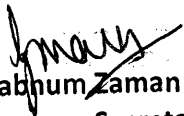
Dear Sir,

Enclosed herewith the Press Release on the performance of the Company for the quarter ended 31 December 2018.

This is for your information and record.

Thanking You,

Yours faithfully,  
For Magma Fincorp Limited

  
Shabnum Zaman  
Company Secretary  
ACS No. 13918

Encl: as above

## **Profit after Tax up 65% YoY, AUM grew 6% YoY, GNPA's reduce 314 bps QoQ**

**Mumbai, 31 January 2019:** Mumbai-based asset finance company, Magma Fincorp Limited today announced the Q3FY19 results, posting a robust growth in profits driven by higher disbursements, lower NPAs and stable net interest margins (NIMs). Profit after tax for the quarter grew at an impressive 65% YoY, despite sharp increase in cost of funds due to the prevailing uncertainty in the financial services industry. NIMs remained healthy at 8.4%. Assets under management (AUM) increased 6% YoY to Rs 16,507 Crore as on 31 December 2018. The profit after tax (PAT) for nine months ended 31<sup>st</sup> December 2019 stood at Rs. 219 Crore, up 39%.

Magma reported substantial improvement in its portfolio quality with the Gross NPAs reducing to 6.3% in the current quarter compared to 9.5% in the previous quarter.

The Company continued to significantly increase the contribution of its focus products namely, CV, CE, Used vehicles, Affordable Housing and SME finance, while correcting the contribution of cars and tractors.

Magma Housing Finance strategy of "Go Home Loan" and "Go Direct" led to a momentous disbursement growth of 201% YoY in Home Loans, while Direct originations stabilized at 80% of the disbursement in Q3FY19 compared to 47% in the corresponding quarter last year.

SME finance continued to be a significant value enabler, with disbursement growth of 23% YoY in Q3FY19 and 41% for 9MFY19.

Magma HDI General Insurance registered industry leading growth of 115% in gross written premium (GWP) in Q3FY19, driven by a strong momentum both in the retail and commercial verticals with a continuous improvement in the QoQ retail run rate. The Company has one of the lowest Own Damage Loss ratios in the industry for its Motor business.

Commenting on Magma Fincorp's performance, **Mr Sanjay Chamria, Vice Chairman and Managing Director, Magma Fincorp Limited** said, "Magma is a seasoned player in the NBFC space and has built a sustainable business model over the past three decades. We are focused on the identified core products namely, CV, CE, Used Assets, Affordable Housing and SME business and are building on a great franchisee to drive better than industry growth in general insurance businesses."



"We are off the peak in terms of cost of funds and things are gradually getting back to normal. Magma is comfortable from a capital perspective and continues to be reliant on bank funding and securitization for its incremental funding needs. Magma has sufficient liquidity to maintain its path of sustainable growth," added Mr Chamria.

### **About Magma Fincorp Limited**

Magma Fincorp Limited ("Magma") a Mumbai-based non-deposit taking non-banking finance company (NBFC), is registered with the Reserve Bank of India (RBI) as an Asset Finance Company. The Company, having started operations close to three decades back, is listed on the Bombay Stock Exchange Limited and the National Stock Exchange in India.

Magma a financial conglomerate offers a bouquet of financial products including commercial finance, agri finance, SME finance and mortgage finance and has a general insurance subsidiary. Magma is focused on the rural and semi-urban sector with a widespread coverage and presence across 309 Branches. Magma has a dedicated base of around 1.2 million active customers and manages a loan book of Rs 16,507 crores.

[www.magma.co.in](http://www.magma.co.in)

For more information please log on to: [www.magma.co.in](http://www.magma.co.in)

For media queries please contact:

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**Magma Fincorp**

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