

Magma Fincorp Limited
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31 January 2020

The Secretary,
Corporate Relationship Department,
BSE Limited
25th 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 2019

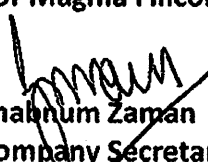
Dear Sir,

Enclosed herewith please find the Press Release on the Performance of the Company for the quarter ended 31 December 2019.

This is for your information and record.

Thanking You,

Yours faithfully,
For Magma Fincorp Limited


Shahnum Zaman
Company Secretary

Encl: as above

Magma Fincorp Q3FY20 AUM at Rs 16,574 Cr, Disbursements at Rs 2,014 Cr

Mumbai, 31 January 2020: Mumbai-based asset finance company, Magma Fincorp Limited today announced Q3FY20 results. The company maintained its disbursement momentum and disbursed Rs 2,014 Cr during Q3FY20. Magma raised Rs. 2,195 crs of long term funds in Q3FY20 from diversified resources. The company structurally changed its asset liability management which is now positive across all buckets.

The company sustained its operational performance in Q3FY20, posting profit of Rs 22 cr and assets under management (AUM) grew marginally to Rs 16,574 cr. Although the net credit loss is sequentially lower, it is not as per historical trends. The Net NPAs rose marginally, with NNPA's of 4.5% in Q3FY20. The Company's strategy of focus products, namely, used assets, affordable housing finance and small and medium enterprise (SME) lending is delivering results. Disbursement contribution of focus products increased to 81% from 59% in the same period last year and the focused products AUM grew by 19% YoY.

Vehicle Finance Business, consistent with the product strategy to focus on used assets, disbursements of used assets grew by 36% CAGR in last three years. The contribution of better risk adjusted products rose to 48% of ABF AUM in Q3FY20 Vs 44% in Q3FY19.

Magma Housing Finance, the 100% subsidiary lending towards affordable housing had a robust quarter, with loan disbursements growing 57% YoY to Rs 455 Cr and AUM grew by 29% year on year. PAT For the quarter grew by 50% YoY to Rs 15 crs and for 9M FY20 grew 39% to Rs 39 Crs. Magma Housing Finance is contributing to financial inclusion and more so towards the vision of 'Housing for All', 53% of the new customers sourced YTD are new to credit and further 53% of the new loans originated was availed by women.

Magma's SME Finance Business has been focusing on high quality assets in light of the stretched working capital cycles of SME's and disbursed Rs 391 Cr during the quarter. Prudence has been adopted in the unsecured SME business given the tough macro-economic environment.

Magma HDI General Insurance, registered a growth of 30.5% YoY in Gross Direct Premium in Q3FY20 and 41.8% in 9MFY20, driven by a continued momentum in retail and commercial business verticals. During the quarter, the company has been awarded the **Golden Peacock Award in Risk Management** in the Insurance sector and the **Best BFSI Brand in 2019** by the Economic Times.

Commenting on Magma Fincorp's performance, **Mr Sanjay Chamria, Vice Chairman and Managing Director, Magma Fincorp Limited** said, "Magma continued to deliver good operating performance especially on the disbursements front, along with a comfortable liquidity position. Magma has sufficient capital to sustain its objective of unhindered growth. Our objective is to normalize the net spreads and maintain the asset quality while ramping up growth. Uncertainty in the economic environment is spilling over and impacting consumer sentiment, which is visible in the consumption slowdown and our



customers' ability to repay loans. Magma's strategy to focus on used assets and high yielding assets is however keeping us insulated to some extent"

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 started operations nearly three decades back and 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, mortgage finance and general insurance. Magma is focused on the rural and semi-urban sector with a widespread coverage and presence across 326 Branches. Magma customer base has crossed 3 million and manages a loan book of Rs 16,574 crores.

For more information please log on to: www.magma.co.in

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