

Magma Fincorp Limited  
Regd. Office  
Magma House  
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CIN : L51504WB1978PLC031813  
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1 February 2018

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 2017**

Dear Sir,

Enclosed herewith please find the Press Release on the performance of the Company for the quarter ended 31 December 2017.

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



**MAGMA**  
Investing in the smallest dream

PRESS RELEASE

Magma Fincorp Ltd. – Q3 FY 18 Highlights

**PAT at Rs. 65 crs has seen a growth of 75% YoY**

**Disbursement Growth of 18% QoQ and 15% YoY**

**Mumbai, 1<sup>st</sup> February 2018:** Leading finance company, Magma Fincorp Limited has declared a PAT of Rs.65 crs registering a sequential growth of 33%, on the back of reduction in Cost of Funds and increase in earning book. It also showed a healthy NIM of 9.7% which is 230bps higher than 3QFY17. The expansion in the margins was largely due to increase in share of earning book and the improvement in the collections from the NPA bucket.

The company had taken various strategic initiatives over last 8 quarters in portfolio origination and in collections like merging of the sales and collections teams in the 0-90 buckets, segregation of the SME and Housing collection teams and introduction of a dedicated tractor collection teams in the tractor dominant markets. All these efforts have resulted in the reduction of NNPA from 5.6% in Q2 FY18 to 5.3% in Q3FY18.

In the Asset backed finance business, the company recorded a QoQ disbursement growth of 20%, with focused growth in Used assets (15% QoQ) and Commercial Vehicles (30% QoQ).

For the Housing Finance business, the company continued to pursue its policy of 'Go Home Loan' and 'Go Direct' and achieved a higher home loan disbursement ratio of 39% in Q3 FY18 compared to 25% in Q3 FY17. The ratio of direct business grew to 47% in Q3 FY18 compared to 29% in Q3FY17. The ATS remains granular at Rs. 12 lacs and 85% of the disbursement was below the ticket size of Rs. 25 lacs.

In the SME business, the company recorded a sequential disbursement growth of 15%. The SME business continued to show excellent portfolio quality.

In our General Insurance business, we successfully launched "One Health", a comprehensive Retail Health insurance offer as well as launched "Loan Guard" a 5 year critical illness product with a view to enhance our product suite on the Health & Accident portfolio. Our Insurance business has registered a YoY growth of 21.5%.

We are happy to report an accelerated profit growth on y-o-y basis, on the back of continued strong performance basis the strategic initiatives we had undertaken for improvement in the portfolio quality. We are now eager to scale up all three of our businesses. The Indian Economy is clearly showing signs of growth rebounding and with our wide range of product offerings of vehicle finance, affordable home loans, SME and general insurance we are confident to leverage on all the emerging opportunities. The benefits of the structural changes undertaken by us over the past twenty four months now being evidently visible and an experienced leadership team in place gives further boost to our confidence" said Mr. Chamria.

**About Magma Fincorp Limited**



## PRESS RELEASE

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

Magma provides a bouquet of financial products including commercial finance, agri finance, SME finance and mortgage finance and has a general insurance subsidiary. Magma with a focus on Rural and Semi-urban sector has a widespread coverage with 304 branches in 21 states and UT.