

Magma Fincorp Ltd. Annual Result, FY19

28% jump in PAT to 304 crore.

Disbursements up 20%, GNPA's reduce 380 bps YoY

Mumbai, 15 May 2019: Mumbai-based asset finance company, Magma Fincorp Limited today announced FY19 audited financial results which reflected a robust increase in business topline and profits. Magma recorded a sharp 28% improvement in PAT in FY19 on the back of 20% disbursement growth, sharp decline in NPAs and stable net interest margins (NIMs). PAT for the year has increased to Rs 304 crores against Rs 237 crores for FY18. Profit for Q4FY19 stood at Rs 85 crores as against Rs 80 crores in corresponding quarter last year. NIMs stayed healthy at 8.5% FY19. Assets under management (AUM) increased by 7.8% YoY to Rs 17,029 crores.

Magma's strong risk management coupled with its consistent performance in collections led to substantial improvement in its portfolio quality with the Gross NPAs reducing by 44% to 4.8% in FY19 compared to 8.6% in the previous fiscal.

The Company continues to meaningfully increase the contribution of its focus products namely loans for Commercial vehicles, Used vehicles, Affordable Housing and SME finance.

Magma Housing Finance Ltd, a 100% affordable housing finance subsidiary, of Magma Fincorp Ltd, has transformed itself into a national scale affordable HFC. Its total disbursements grew by 84% over last year while disbursement in affordable home loans grew by 223%, it further continued with its strategy of direct customer acquisition and fostering deeper connect with customers.

Magma's SME Lending business has seen stable growth with 20% CAGR for the last 4 years. In FY19, SME clocked a YoY volume growth of 33% over the previous year.

Magma HDI General Insurance crossed Rs.1000 crores in Gross Written Premium, an increase of 83% and served over 1 million customers in FY19. The growth is driven by a strong momentum in retail and commercial business verticals. The company continues to add OEM partners to enhance its distribution.



Commenting on Magma Fincorp's performance, **Mr Sanjay Chamria, Vice Chairman and MD, Magma Fincorp Limited** said, "Considering the external environment, it gives me a great sense of satisfaction that the building blocks laid during the last 3 years have resulted in significant improvement in performance on all fronts. There is lateral downward shift in our credit cost, our early warning indicators have fallen below our threshold indicating robust portfolio quality and further reduction in credit cost. We have also improved our ALM and have significant liquidity available for our planned disbursements for FY20. Magma is focusing on cross sell through enhanced customer experience as we steer ahead in FY20".

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 and mortgage finance and has a general insurance joint venture. Magma is focused on the rural and semi-urban sector with a widespread coverage and presence across 310 Branches. Magma has a dedicated base of around 1.3 million active customers and manages a loan book of Rs 17,029 crores.

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

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