

Impact on Business in pandemic era **Magma Fincorp's Nationwide Customer Survey shows Commercial Asset Deployment improved**

Mumbai, 3 September 2020: Mumbai-based asset finance company, Magma Fincorp Limited conducted a survey of 3 lakh customers across cars, commercial equipment (CE), commercial vehicle (CV) and tractor finance customers during the period July 2020. The survey found that on a weighted average basis deployment across asset classes has improved in July 2020 compared to April 2020.

Deepak Patkar, MD & CEO, ABF Biz, Magma Fincorp said, “For a number of people, the engagement with these NBFC customers would have been nothing more than a transaction. At Magma Fincorp, committed to the motto of ‘Investing in the smallest dream’, we believe that the act of a small first generation entrepreneur seeking financing for buying into a productive economic asset, represents the very soul of financial inclusion – it is thousands of such initiatives that are helping build a modern India from the grassroots upwards.”

Commercial Vehicles/Construction Equipment: There was a ten-fold increase in vehicle deployment between the time of the two interactions. Out of the 60% asset deployment in the second engagement, load utilization was 50%.

Personal Cars: The Personal Car segment comprised customers whose cash flows are largely dependent on their businesses. There has been an improvement in the cash flow situation. Customers who have largely been in addressing downstream customers from essential goods, agri-based & FMCG sectors are showing positive trends vis à-vis downstream customers in sectors such garments, gems & jewellery etc. that are not doing particularly well.

Commercial Cars: Taxi segment - includes Ola, Uber & tour operators. There has been low commercial deployment. Since most people are avoiding public transport, deployment is not picking up.

Tractors segment: For Agri-based usage Bumper Rabi crop harvest and timely government Interventions enabled farmers to improve crop sale and cash flows during challenging times. 70% of the customers were able to make their payments on time. For Commercial usage, though there is improvement yet Cash flow crunch persists due to deployment issues.

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 21 States 327 Branches. Magma customer base has crossed 3 million and manages a loan book of Rs 15,922 cr.

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