



Magma Fincorp Limited
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For Immediate release

PRESS RELEASE

Magma Fincorp Q2 FY 15
PAT up 31% at Rs 42.23 crore.
Net Income Margins up 53 bps YOY to 5.9%

Kolkata, 6 November 2014: Leading asset finance company, Magma Fincorp Limited today announced the Q2 FY15 Consolidated results that reflected robust growth in loan book, margins and net profit in the backdrop of a sluggish industry.

With sizeable contributions from Mortgage, Tractor and Used assets verticals, the disbursements grew by 16% in Q2 FY15 to Rs 2550 crores, the company reported gross revenues of Rs 580.62 crore for the quarter, 14% higher than Q2 FY14. Profit After Tax was recorded at Rs 42.23 crore, up 31%. The company's loan book increased 13% YoY to Rs 18836 crores and its Capital Adequacy Ratio (CAR) stood at 16.9% as on 30 September 2014.

Driven by penetration in the rural markets and an intelligent product and customer mix change being primarily focused at portfolio quality and spreads, the company registered a Net Income Margin (NIM) of 5.9 % for YTD FY15, 53bps higher than the NIM for the corresponding period last year. With a view to being prudent in these uncertain times, the company, apart from continuing with the stated policy of no restructuring of loans, made higher provisioning for NPAs. The impact of higher NPA provisioning however, was partly cushioned by the increase in margins and growth in revenue.

For the H1 FY15 period, Magma recorded 11% YoY increase in revenue at Rs 1134.31 crores and 13% YOY increase in PAT of at Rs 88.00 crores.

Commenting on the company's performance, **Mr. Sanjay Chamria, Vice Chairman and MD, Magma Fincorp Limited** said, "Our strategy of product, geography and customer mix change has started to yield results and the same is reflected in the increase in our NIM, and a 31% yoy growth in our PAT. We continue to remain focused on profitable growth and have built our processes and structures accordingly which will hold us in good stead to reap the benefits of an imminent revival in the economy. He added that with the improvement in the economic environ, we expect the asset quality to improve and to roll back a significant of the provisions we have made during the ensuing qtrs."





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About Magma Fincorp Limited

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 financing of Utility Vehicles & Cars, Commercial Vehicles, Construction Equipment, Used Commercial Vehicles, Tractors and SME Loans. It has also operates in Affordable Housing Finance and General Insurance segments. Magma has a dedicated base of around 4.7 lakh active customers. The company operates through 275 branches in 21 states / 1 UT and employs around 10,200 people.

www.magma.co.in

For MAGMA FINCORP LIMITED

Company Secretary