



## MAGMA FINCORP LIMITED

### Statement of Standalone Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2017

(₹ in lacs)

Particulars	Quarter Ended			Year to Date		Year Ended
	30 September 2017	30 June 2017	30 September 2016	30 September 2017	30 September 2016	31 March 2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Revenue</b>						
(a) Revenue from operations	46,073.01	47,004.38	50,479.18	93,077.39	101,327.80	197,297.85
(b) Other income	1,828.80	1,866.22	1,386.31	3,695.02	2,400.52	4,906.65
<b>Total revenue</b>	<b>47,901.81</b>	<b>48,870.60</b>	<b>51,865.49</b>	<b>96,772.41</b>	<b>103,728.32</b>	<b>202,204.50</b>
<b>2. Expenses</b>						
(a) Employee benefits expense	7,796.86	7,538.26	5,571.02	15,335.12	11,357.32	23,020.76
(b) Finance costs	19,401.64	20,314.77	24,046.64	39,716.41	49,699.15	93,788.05
(c) Depreciation and amortisation expense	1,163.21	1,278.88	1,165.85	2,442.09	2,242.37	4,828.66
(d) Provisions and bad debts written-off	7,810.27	7,735.90	8,777.26	15,546.17	16,436.06	54,232.49
(e) Brokerage and commission	2,319.52	2,163.13	2,598.61	4,482.65	5,293.20	10,606.68
(f) Other expenses	3,847.07	3,980.97	3,722.38	7,828.04	7,197.98	14,657.05
<b>Total expenses</b>	<b>42,338.57</b>	<b>43,011.91</b>	<b>45,881.76</b>	<b>85,350.48</b>	<b>92,226.08</b>	<b>201,133.69</b>
<b>3. Profit from ordinary activities before tax (1-2)</b>	<b>5,563.24</b>	<b>5,858.69</b>	<b>5,983.73</b>	<b>11,421.93</b>	<b>11,502.24</b>	<b>1,070.81</b>
<b>4. Tax expense</b>						
(a) Current tax	1,710.00	2,047.96	2,597.88	3,757.96	4,269.20	(330.07)
(b) Deferred tax	166.21	(96.62)	(517.83)	69.59	(682.05)	791.20
<b>Total tax expense</b>	<b>1,876.21</b>	<b>1,951.34</b>	<b>2,080.05</b>	<b>3,827.55</b>	<b>3,587.15</b>	<b>461.13</b>
<b>5. Net Profit from ordinary activities after tax (3-4)</b>	<b>3,687.03</b>	<b>3,907.35</b>	<b>3,903.68</b>	<b>7,594.38</b>	<b>7,915.09</b>	<b>609.68</b>
6. Paid-up equity share capital (Face value of ₹ 2/- each)	4,739.47	4,739.47	4,738.67	4,739.47	4,738.67	4,739.19
7. Reserves and surplus						199,050.19
8. Earnings per share (not annualised)						
(a) Basic (in ₹)	1.56	1.65	1.65	3.20	3.34	0.26
(b) Diluted (in ₹)	1.55	1.65	1.64	3.20	3.33	0.26

See accompanying notes to the financial results



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#### Notes :

- 1] Disclosure of standalone assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at 30 September 2017.

Particulars		(₹ in lacs)	
		As at 30 September 2017 (Unaudited)	As at 31 March 2017 (Audited)
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	4,739.47	4,739.19	
(b) Reserves and surplus	204,384.19	199,050.19	
<b>Sub-total - shareholders' funds</b>	<b>209,123.66</b>	<b>203,789.38</b>	
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	238,885.10	238,677.37	
(b) Long-term provisions	22,720.64	18,534.81	
<b>Sub-total - non-current liabilities</b>	<b>261,605.74</b>	<b>257,212.18</b>	
<b>3. Current liabilities</b>			
(a) Short-term borrowings	481,449.06	487,335.75	
(b) Trade payables	22,109.96	18,307.40	
(c) Other current liabilities	123,377.78	171,123.45	
(d) Short-term provisions	2,380.87	1,426.58	
<b>Sub-total - current liabilities</b>	<b>629,317.67</b>	<b>678,193.18</b>	
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>1,100,047.07</b>	<b>1,139,194.74</b>	
<b>B. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	20,317.20	21,643.99	
(b) Non-current investments	57,494.57	53,284.47	
(c) Deferred tax assets (net)	1,902.08	1,971.67	
(d) Long-term loans and advances	598,105.93	624,483.61	
(e) Other non-current assets	14,149.63	16,913.69	
<b>Sub-total - non-current assets</b>	<b>691,969.41</b>	<b>718,297.43</b>	
<b>2. Current assets</b>			
(a) Current investments	6,431.96	4,737.23	
(b) Trade receivables	1,133.53	643.21	
(c) Cash and bank balances	34,634.57	27,249.11	
(d) Short-term loans and advances	358,915.88	380,302.82	
(e) Other current assets	6,961.72	7,964.94	
<b>Sub-total - current assets</b>	<b>408,077.66</b>	<b>420,897.31</b>	
<b>TOTAL - ASSETS</b>	<b>1,100,047.07</b>	<b>1,139,194.74</b>	

- 2] The unaudited standalone financial results have been reviewed by the Audit Committee and recommended for adoption to the Board of Directors. The Board of Directors of the Company have considered and approved the same at its Meeting held on 09 November 2017.
- 3] The Statutory Auditors have carried out limited review of the standalone financial results as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and have issued an unmodified opinion thereon.
- 4] The Board of Directors and Shareholders of the Company at their meeting held on 20 June 2017 and 02 August 2017 had approved the Scheme of Merger under Section 230 read with Section 233 of the Companies Act, 2013 and Rules made thereunder (the 'Scheme') for merger of its wholly owned subsidiary, Magma Advisory Services Limited (MASL) with the Company by transferring the Undertaking (as defined in the Scheme) of such subsidiary to the Company with effect from 01 April 2017, being the Appointed date and / or Closing Date as provided in the Scheme. The Company has submitted final application for approval of the Scheme with Regional Director (RD), Registrar of Companies and Official Liquidator and is pending for final order from RD.
- 5] During the quarter, the Company has acquired 26% equity shares of Magma ITL Finance Limited ('MITL'), a subsidiary company, from International Tractors Limited ('ITL') (erstwhile Joint Venture Partner). Pursuant to the said acquisition, MITL has become a wholly owned subsidiary of the Company.
- 6] The Board of Directors of the Company at its Meeting held on 09 November 2017 has approved the Scheme of Merger under Section 230- 232 of the Companies Act, 2013 read with Rules made thereunder (the 'Scheme') for merger of its wholly owned subsidiary, MITL with the Company by transferring the Undertaking (as defined in the Scheme) of such subsidiary to the Company with effect from 01 October 2017, being the Appointed date and / or Effective Date as provided in the Scheme. Pursuant to the Scheme there shall be no change in shareholding pattern and capital structure of the Company and the entire shareholding that the Company holds in MITL shall stand cancelled. The Scheme is subject to approval of shareholders/creditors of the respective Companies and National Company Law Tribunal, Eastern Region.



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- 7] The Shareholders at their Annual General Meeting held on 02 August 2017 approved the payment of equity dividend @ 40 % i.e. ₹ 0.80 per equity share of ₹ 2/- each and preference dividend of 4.57 % (on pro-rata basis) for the financial year 2016-17. The Company has accordingly paid the equity and preference dividend (including taxes) aggregating to ₹ 2,281.73 lacs & ₹ 0.90 lacs respectively to the shareholders appearing as on record date.
- 8] As required by RBI Notification DNBR (PD) CC No. 002/03.10.001/2014-15 dated 10 November 2014, the Company proposes to adopt the revised Non-Performing Assets ('NPA') norms applicable for the year ending 31 March 2018, in a phased manner over the financial year. During the quarter and half year ended 30 September 2017, the Company has made provision of ₹ 654.51 lacs and ₹ 1,596.66 lacs respectively, (including income de-recognition) towards loans which are overdue for over three months. Accordingly, the profit before tax for the quarter and half year ended 30 September 2017 is lower to the extent of ₹ 654.51 lacs and ₹ 1,596.66 lacs respectively.
- 9] The listed Non Convertible Debentures of the Company as on 30 September 2017 are secured by exclusive charge on standard receivables of the Company and also by a subservient charge over certain immovable properties. The total asset cover is hundred percent or above of the principal amount of the said debentures.
- 10] As per paragraph 4 of Accounting Standard 17 (Segment Reporting) prescribed under Section 133 of the Companies Act, 2013, segment reporting needs to be presented only on the basis of consolidated financial results. In view of this, segment information has been presented in the consolidated financial results.
- 11] Previous year's / quarter's figures have been regrouped and rearranged wherever necessary.

By order of the Board  
**For Magma Fincorp Limited**

**Sanjay Chamria**  
*Vice Chairman and Managing Director*  
DIN : 00009894

Place : Mumbai  
Dated : 09 November 2017

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