



MAGMA FINCORP LIMITED

Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2017

(₹ in lacs)

Particulars	Quarter Ended			Year Ended
	30 June 2017	31 March 2017	30 June 2016	31 March 2017
	(Unaudited)	(Audited) [#]	(Unaudited)	(Audited)
1. Revenue				
(a) Revenue from operations	54,922.87	56,068.57	60,584.21	234,561.95
(b) Operating result from general insurance business	(23.17)	(73.61)	(210.69)	(114.48)
(c) Other income	1,924.58	1,393.93	1,168.26	5,497.69
Total revenue (net)	56,824.28	57,388.89	61,541.78	239,945.16
2. Expenses				
(a) Employee benefits expense	8,862.47	6,644.30	7,720.05	29,332.04
(b) Finance costs	24,022.44	25,690.86	30,618.04	112,544.47
(c) Depreciation and amortisation expense	1,285.25	1,229.87	1,081.39	4,850.13
(d) Provisions and bad debts written-off	9,144.66	31,928.40	8,778.30	60,685.95
(e) Brokerage and commission	2,286.19	2,902.45	2,850.46	11,178.34
(f) Other expenses	4,429.69	4,147.36	3,957.71	16,675.11
Total expenses	50,030.70	72,543.24	55,005.95	235,266.04
3. Profit from ordinary activities before tax (1-2)	6,793.58	(15,154.35)	6,535.83	4,679.12
4. Tax expense				
(a) Current tax	2,353.16	(7,754.72)	1,919.04	1,500.08
(b) Deferred tax	(66.81)	4,791.84	(140.47)	1,905.81
Total tax expense	2,286.35	(2,962.88)	1,778.57	3,405.89
5. Net Profit from ordinary activities after tax (3-4)	4,507.23	(12,191.47)	4,757.26	1,273.23
6. Minority interest	(8.12)	(789.26)	69.52	(772.04)
7. Net Profit after taxes and minority interest (5-6)	4,515.35	(11,402.21)	4,687.74	2,045.27
8. Paid-up equity share capital (Face value of ₹ 2/- each)	4,739.47	4,739.19	4,736.87	4,739.19
9. Reserves and surplus				212,474.18
10. Earnings per share (not annualised)				
(a) Basic (in ₹)	1.91	(4.81)	1.98	0.86
(b) Diluted (in ₹)	1.90	(4.80)	1.97	0.86

See accompanying notes to the financial results

[#] Balancing figures (Note 5)



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Consolidated Segment Reporting for the Quarter Ended 30 June 2017

(₹ in lacs)

Particulars	Quarter Ended			Year Ended
	30 June 2017	31 March 2017	30 June 2016	31 March 2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. REVENUE				
(a) Finance and mortgages	56,411.70	57,080.25	61,243.73	238,354.38
(b) General insurance	26.96	111.89	(133.24)	361.06
(c) Others	385.62	196.75	431.29	1,229.72
TOTAL REVENUE	56,824.28	57,388.89	61,541.78	239,945.16
2. RESULT - PROFIT BEFORE TAX				
(a) Finance and mortgages	6,592.97	(15,223.83)	6,500.16	4,106.74
(b) General insurance	25.50	63.13	(133.24)	294.76
(c) Others	175.11	6.35	168.91	277.62
TOTAL	6,793.58	(15,154.35)	6,535.83	4,679.12
3. ASSETS				
(a) Finance and mortgages	1,272,969.29	1,309,673.86	1,496,632.75	1,309,673.86
(b) General insurance	45,016.47	43,154.01	40,953.00	43,154.01
(c) Others	6,818.72	6,693.54	7,474.58	6,693.54
TOTAL	1,324,804.48	1,359,521.41	1,545,060.33	1,359,521.41
4. LIABILITIES				
(a) Finance and mortgages	1,063,231.18	1,104,197.80	1,287,662.83	1,104,197.80
(b) General insurance	35,722.87	33,879.61	32,072.52	33,879.61
(c) Others	674.15	811.04	1,210.73	811.04
TOTAL	1,099,628.20	1,138,888.45	1,320,946.08	1,138,888.45

Notes :

- 1] The unaudited 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 02 August 2017.
- 2] The Statutory Auditors have carried out limited review of the consolidated 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.
- 3] In accordance with Regulation 33 of the Listing Regulations, the Company shall publish consolidated financial results. The standalone financial results of the Company is available on the Company's website www.magma.co.in or on the website of BSE (www.bseindia.com) or NSE (www.nseindia.com).
- 4] The consolidated financial results have been prepared in accordance with the Accounting Standard 21 (Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) and comprise of the financial results of Magma Fincorp Limited, its subsidiaries, Magma ITL Finance Limited ('MITL') and Magma Advisory Services Limited ('MASL'), its step down subsidiary, Magma Housing Finance Limited ('MHFL') {Formerly Magma Housing Finance (A Public Company with Unlimited Liability)} (subsidiary of MASL) and Joint Venture Companies, Magma HDI General Insurance Company Limited ('MHDI') and Jaguar Advisory Services Private Limited ('JASPL').
- 5] Figures for the quarter ended 31 March 2017 are the balancing figures between audited figures in respect of full financial year and the published year to date unaudited figures upto the third quarter of the previous financial year.
- 6] The Board of Directors of the Company at its Meeting held on 20 June 2017 had approved the Scheme of Merger under Section 230 of the Companies Act, 2013 read with 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. There shall be no change in shareholding pattern and capital structure of the Company pursuant to the Scheme and the entire shareholding that the Company holds in MASL shall stand cancelled upon merger. The Scheme is subject to approval of shareholders of the Company at the ensuing Annual General Meeting of the Company scheduled on 02 August 2017. Post approval of the shareholders, the Scheme shall be filed with the Central Government i.e. Regional Director, Eastern Region for its approval.
- 7] During the quarter, the Nomination and Remuneration Committee of the Board of Directors has granted 1,25,000 options at an exercise price of ₹ 60/- per share and 2,25,000 options at an exercise price of ₹ 100/- per share, under Magma Employee Stock Option Plan 2007 (MESOP 2007). The Committee has also granted 3,00,000 options at an exercise price of ₹ 100/- per share under Magma Restricted Stock Option Plan 2014 (MRSOP 2014). These options has been granted to the eligible employees of the Company (each Option entitles the option holder to 1 equity share of ₹ 2/- each).
- 8] During the quarter, the Company has allotted on 10 May 2017, 14,000 equity shares of the face value of ₹ 2/- each to the eligible employees of the Company under Employee Stock Option Plan pursuant to SEBI (ESOS and ESPS) Guidelines, 1999 and with corresponding provision of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 23,69,73,672 equity shares of ₹ 2/- each aggregating to ₹ 4,739.47 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect.



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- 9] 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, the Company has made provision of ₹ 1,031.28 lacs, (including income de-recognition) towards loans which are overdue for over three months. Accordingly, the profit before tax for the quarter ended 30 June 2017 is lower to the extent of ₹ 1,031.28 lacs.
- 10] During the previous quarter, the Company had recorded an additional provision of ₹ 2,375.00 lacs towards NPAs which were more than 15 months overdue. Such additional provision is in line with the RBI guidelines on NPA provisioning norms applicable for the year ending 31 March 2018. Accordingly, the profit before tax for the quarter and year ended 31 March 2017, was lower to the extent of ₹ 2,375.00 lacs.
- 11] During the previous quarter, the Company had sold non-performing assets (NPAs) of ₹ 67,802.19 lacs which included NPAs greater than 2 years in asset backed portfolio and greater than 6 months in mortgage portfolio. The aforesaid sale had resulted in reduction of profit after tax by ₹ 14,526.88 lacs for the quarter and year ended 31 March 2017.
- 12] The listed Non Convertible Debentures of the Company as on 30 June 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.
- 13] The Company has reported segment wise information as per Accounting Standard 17 (Segment Reporting) as prescribed under Section 133 of the Companies Act, 2013. As the operations of the Company are conducted through its subsidiaries and joint ventures within India, there is no separate reportable geographical segment.
- 14] Unaudited Financial Results of Magma Fincorp Limited (Standalone Information):

Particulars		Quarter Ended			Year Ended
		30 June 2017	31 March 2017	30 June 2016	31 March 2017
		(Unaudited)	(Audited) [#]	(Unaudited)	(Audited)
1.	Total income from operations	48,870.60	48,513.27	51,862.83	202,204.50
2.	Profit from ordinary activities before tax	5,858.69	(15,009.29)	5,518.51	1,070.81
3.	Net Profit from ordinary activities after tax	3,907.35	(10,249.15)	4,011.41	609.68

[#] Balancing figures

- 15] 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 No.: 00009894

Place : Kolkata
Dated : 02 August 2017

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