



## MAGMA FINCORP LIMITED

### Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2017

| (₹ in lacs)  |                          |                     |                          |                   |                   |
|--|--------------------------|---------------------|--------------------------|-------------------|-------------------|
| Particulars  | Quarter Ended            |                     |                          | Year Ended        |                   |
|  | 31 March<br>2017         | 31 December<br>2016 | 31 March<br>2016         | 31 March<br>2017  | 31 March<br>2016  |
|  | (Unaudited) <sup>#</sup> | (Unaudited)         | (Unaudited) <sup>#</sup> | (Audited)         | (Audited)         |
| <b>1. Income from operations</b>   |                          |                     |                          |                   |                   |
| (a) Revenue from operations  | 56,068.57                | 58,031.28           | 63,110.01                | 234,561.95        | 247,777.34        |
| (b) Operating result from general insurance business                         | (73.61)                  | 30.86               | 190.73                   | (114.48)          | (557.80)          |
| <b>Total income from operations (net)</b>                                    | <b>55,994.96</b>         | <b>58,062.14</b>    | <b>63,300.74</b>         | <b>234,447.47</b> | <b>247,219.54</b> |
| <b>2. Expenses</b>   |                          |                     |                          |                   |                   |
| (a) Employee benefits expense  | 6,644.30                 | 7,685.65            | 6,942.87                 | 29,332.04         | 31,721.70         |
| (b) Depreciation and amortisation expense                                    | 1,229.87                 | 1,367.45            | 897.07                   | 4,850.13          | 3,948.43          |
| (c) Provisions and bad debts written-off                                     | 31,928.40                | 10,471.05           | 9,859.04                 | 60,685.95         | 37,497.60         |
| (d) Brokerage and commission   | 2,902.45                 | 2,690.39            | 2,947.04                 | 11,178.34         | 12,255.73         |
| (e) Other expenses   | 4,147.36                 | 4,342.01            | 3,618.04                 | 16,675.11         | 15,467.83         |
| <b>Total expenses</b>  | <b>46,852.38</b>         | <b>26,556.55</b>    | <b>24,264.06</b>         | <b>122,721.57</b> | <b>100,891.29</b> |
| <b>3. Profit from operations before other income and finance costs (1-2)</b> | <b>9,142.58</b>          | <b>31,505.59</b>    | <b>39,036.68</b>         | <b>111,725.90</b> | <b>146,328.25</b> |
| 4. Other income  | 1,393.93                 | 1,350.21            | 915.93                   | 5,497.69          | 3,413.54          |
| <b>5. Profit from ordinary activities before finance costs (3+4)</b>         | <b>10,536.51</b>         | <b>32,855.80</b>    | <b>39,952.61</b>         | <b>117,223.59</b> | <b>149,741.79</b> |
| 6. Finance costs   | 25,690.86                | 27,215.80           | 29,798.82                | 112,544.47        | 119,159.57        |
| <b>7. Profit from ordinary activities before tax (5-6)</b>                   | <b>(15,154.35)</b>       | <b>5,640.00</b>     | <b>10,153.79</b>         | <b>4,679.12</b>   | <b>30,582.22</b>  |
| 8. Tax expense (includes deferred tax)                                       | (2,962.88)               | 1,991.45            | 3,557.85                 | 3,405.89          | 9,234.35          |
| <b>9. Net Profit from ordinary activities after tax (7-8)</b>                | <b>(12,191.47)</b>       | <b>3,648.55</b>     | <b>6,595.94</b>          | <b>1,273.23</b>   | <b>21,347.87</b>  |
| 10. Minority interest  | (789.26)                 | (70.35)             | 65.84                    | (772.04)          | 210.16            |
| <b>11. Net Profit after taxes and minority interest (9-10)</b>               | <b>(11,402.21)</b>       | <b>3,718.90</b>     | <b>6,530.10</b>          | <b>2,045.27</b>   | <b>21,137.71</b>  |
| 12. Paid-up equity share capital (Face value of ₹ 2/- each)                  | 4,739.19                 | 4,738.67            | 4,736.57                 | 4,739.19          | 4,736.57          |
| 13. Reserves and surplus   |                          |                     |                          | 212,474.18        | 210,393.24        |
| 14. Earnings per share (not annualised)                                      |                          |                     |                          |                   |                   |
| (a) Basic (in ₹)   | (4.81)                   | 1.57                | 2.75                     | 0.86              | 8.89              |
| (b) Diluted (in ₹)   | (4.80)                   | 1.57                | 2.74                     | 0.86              | 8.86              |

See accompanying notes to the financial results

<sup>#</sup> Balancing figures

### Consolidated Segment Reporting for the Quarter and Year Ended 31 March 2017

| (₹ in lacs)                          |                     |                     |                     |                     |                     |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Particulars                          | Quarter Ended       |                     |                     | Year Ended          |                     |
|                                      | 31 March<br>2017    | 31 December<br>2016 | 31 March<br>2016    | 31 March<br>2017    | 31 March<br>2016    |
|                                      | (Unaudited)         | (Unaudited)         | (Unaudited)         | (Audited)           | (Audited)           |
| <b>1. REVENUE *</b>                  |                     |                     |                     |                     |                     |
| (a) Finance and mortgages            | 57,080.25           | 59,113.74           | 63,739.49           | 238,354.38          | 249,524.34          |
| (b) General insurance                | 111.89              | 133.90              | 290.18              | 361.06              | (232.24)            |
| (c) Others                           | 196.75              | 164.71              | 187.00              | 1,229.72            | 1,340.98            |
| <b>TOTAL REVENUE</b>                 | <b>57,388.89</b>    | <b>59,412.35</b>    | <b>64,216.67</b>    | <b>239,945.16</b>   | <b>250,633.08</b>   |
| <b>2. RESULT - PROFIT BEFORE TAX</b> |                     |                     |                     |                     |                     |
| (a) Finance and mortgages            | (15,223.83)         | 5,588.36            | 9,927.26            | 4,106.74            | 30,680.16           |
| (b) General insurance                | 63.13               | 116.36              | 290.11              | 294.76              | (238.40)            |
| (c) Others                           | 6.35                | (64.72)             | (63.58)             | 277.62              | 140.46              |
| <b>TOTAL</b>                         | <b>(15,154.35)</b>  | <b>5,640.00</b>     | <b>10,153.79</b>    | <b>4,679.12</b>     | <b>30,582.22</b>    |
| <b>3. ASSETS</b>                     |                     |                     |                     |                     |                     |
| (a) Finance and mortgages            | 1,309,673.86        | 1,421,330.30        | 1,505,720.45        | 1,309,673.86        | 1,505,720.45        |
| (b) General insurance                | 43,154.01           | 41,661.82           | 39,379.41           | 43,154.01           | 39,379.41           |
| (c) Others                           | 6,693.54            | 7,017.16            | 7,352.01            | 6,693.54            | 7,352.01            |
| <b>TOTAL</b>                         | <b>1,359,521.41</b> | <b>1,470,009.28</b> | <b>1,552,451.87</b> | <b>1,359,521.41</b> | <b>1,552,451.87</b> |
| <b>4. LIABILITIES</b>                |                     |                     |                     |                     |                     |
| (a) Finance and mortgages            | 1,104,197.80        | 1,203,688.16        | 1,300,112.75        | 1,104,197.80        | 1,300,112.75        |
| (b) General insurance                | 33,879.61           | 32,458.86           | 30,363.93           | 33,879.61           | 30,363.93           |
| (c) Others                           | 811.04              | 944.83              | 1,353.55            | 811.04              | 1,353.55            |
| <b>TOTAL</b>                         | <b>1,138,888.45</b> | <b>1,237,091.85</b> | <b>1,331,830.23</b> | <b>1,138,888.45</b> | <b>1,331,830.23</b> |

\* Includes 'Other income'



## MAGMA FINCORP LIMITED

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2017

### Consolidated Statement of Assets and Liabilities

|  |                     | (₹ in lacs)         |  |
|--|---------------------|---------------------|--|
| Particulars                                | As at               | As at               |  |
|  | 31 March<br>2017    | 31 March<br>2016    |  |
|  | (Audited)           | (Audited)           |  |
| <b>A. EQUITY AND LIABILITIES</b>           |                     |                     |  |
| <b>1. Shareholders' funds</b>              |                     |                     |  |
| (a) Share capital                          | 4,739.19            | 6,036.77            |  |
| (b) Reserves and surplus                   | 212,472.60          | 210,391.46          |  |
| (c) Fair value change account              | 1.58                | 1.78                |  |
| <b>Sub-total - shareholders' funds</b>     | <b>217,213.37</b>   | <b>216,430.01</b>   |  |
| <b>2. Minority interest</b>                | <b>3,419.59</b>     | <b>4,191.63</b>     |  |
| <b>3. Non-current liabilities</b>          |                     |                     |  |
| (a) Long-term borrowings                   | 310,929.43          | 331,316.17          |  |
| (b) Long-term provisions                   | 22,587.50           | 34,919.22           |  |
| <b>Sub-total - non-current liabilities</b> | <b>333,516.93</b>   | <b>366,235.39</b>   |  |
| <b>4. Current liabilities</b>              |                     |                     |  |
| (a) Short-term borrowings                  | 548,022.99          | 700,455.58          |  |
| (b) Trade payables                         | 19,760.05           | 18,335.07           |  |
| (c) Other current liabilities              | 228,684.75          | 233,663.93          |  |
| (d) Short-term provisions                  | 8,903.73            | 13,140.26           |  |
| <b>Sub-total - current liabilities</b>     | <b>805,371.52</b>   | <b>965,594.84</b>   |  |
| <b>TOTAL - EQUITY AND LIABILITIES</b>      | <b>1,359,521.41</b> | <b>1,552,451.87</b> |  |
| <b>B. ASSETS</b>                           |                     |                     |  |
| <b>1. Non-current assets</b>               |                     |                     |  |
| (a) Fixed assets                           | 28,525.93           | 27,845.91           |  |
| (b) Non-current investments                | 47,292.90           | 32,415.17           |  |
| (c) Deferred tax assets (net)              | 1,974.34            | 3,880.15            |  |
| (d) Long-term loans and advances           | 792,267.87          | 951,216.27          |  |
| (e) Other non-current assets               | 19,761.60           | 13,491.84           |  |
| <b>Sub-total - non-current assets</b>      | <b>889,822.64</b>   | <b>1,028,849.34</b> |  |
| <b>2. Current assets</b>                   |                     |                     |  |
| (a) Current investments                    | 7,356.05            | 7,552.62            |  |
| (b) Trade receivables                      | 674.93              | 705.33              |  |
| (c) Cash and bank balances                 | 35,330.96           | 40,838.46           |  |
| (d) Short-term loans and advances          | 413,976.24          | 462,193.77          |  |
| (e) Other current assets                   | 12,360.59           | 12,312.35           |  |
| <b>Sub-total - current assets</b>          | <b>469,698.77</b>   | <b>523,602.53</b>   |  |
| <b>TOTAL - ASSETS</b>                      | <b>1,359,521.41</b> | <b>1,552,451.87</b> |  |

#### Notes :

- The audited 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 11 May 2017.
- The Statutory Auditors have carried out audit of the consolidated annual 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.
- 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](http://www.magma.co.in) or on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nseindia.com](http://www.nseindia.com)).
- The step down subsidiary of the Company i.e. Magma Housing Finance (A Public Company with Unlimited Liability) has been converted from an Unlimited Liability Company into a Company limited by shares vide Certificate of Incorporation dated 19 December 2016 issued by Registrar of Companies, Delhi (RoC). Further, subsequent to the conversion, the name of the step down subsidiary has been changed to Magma Housing Finance Limited vide Certificate of Incorporation dated 07 April 2017 issued by Registrar of Companies, Delhi (RoC).
- 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').



## MAGMA FINCORP LIMITED

### Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2017

- 6] Figures for the quarter ended 31 March 2017 and 31 March 2016 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 respective financial years.
- 7] During the year, the Nomination and Remuneration Committee of the Board of Directors has granted 1,25,000 options under Magma Employee Stock Option Plan 2007 (MESOP 2007) at an exercise price of ₹ 60/- per share to the eligible employees of the Company (each Option entitles the option holder to 1 equity share of ₹ 2/- each).
- 8] During the year, the Company has allotted on 13 August 2016 and 08 February 2017, 90,000 equity shares and 26,000 equity shares respectively of the face value of ₹ 2/- each to the eligible employees of the Company and on 26 April 2016, 15,000 equity shares of the face value of ₹ 2/- each to an eligible ex-employee 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 23,69,59,672 equity shares of ₹ 2/- each aggregating to ₹ 4,739.19 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect.
- 9] The Board of Directors at their meeting considered and recommended an 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 subject to approval of the shareholders. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance Sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, the Company has not appropriated proposed equity and preference dividend (including taxes) aggregating to ₹ 2,281.59 lacs & ₹ 0.89 lacs respectively from the statement of profit and loss for the year ended 31 March 2017. However, the proposed dividend as at 31 March 2016 was accounted for as liability in accordance with the then existing Accounting Standard.
- 10] The dispensation benefit provided post demonetisation by the Reserve Bank of India on classification of loan accounts as sub-standard was availed only on tractor loan portfolio in the quarter ended 31 December 2016 by the Company. As a result, the charge for the quarter ended 31 December 2016 on account of such provision was lower by ₹ 1,838.79 lacs (including income de-recognition thereon). No such dispensation benefit has been availed during the quarter ended 31 March 2017.
- 11] During the quarter, the Company has sold non-performing assets (NPAs) of ₹ 67,802.19 lacs which includes NPAs greater than 2 years in asset backed portfolio and greater than 6 months in mortgage portfolio. The aforesaid sale has resulted in reduction of profit after tax by ₹ 14,526.88 lacs for the quarter and year ended 31 March 2017.
- 12] During the quarter, the Company has recorded an additional provision of ₹ 2,375.00 lacs towards NPAs which are more than 15 months overdue. This 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, is lower to the extent of ₹ 2,375.00 lacs.
- 13] The listed Non Convertible Debentures of the Company as on 31 March 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.
- 14] 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.
- 15] Audited Financial Results of Magma Fincorp Limited (Standalone Information):

(₹ in lacs)

| Particulars                                      | Quarter Ended            |                  |                          | Year Ended    |               |
|--|--------------------------|------------------|--------------------------|---------------|---------------|
|  | 31 March 2017            | 31 December 2016 | 31 March 2016            | 31 March 2017 | 31 March 2016 |
|  | (Unaudited) <sup>#</sup> | (Unaudited)      | (Unaudited) <sup>#</sup> | (Audited)     | (Audited)     |
| 1. Total income from operations                  | 47,184.80                | 48,785.25        | 53,626.40                | 197,297.85    | 210,964.03    |
| 2. Profit from ordinary activities before tax    | (15,009.29)              | 4,577.86         | 8,512.03                 | 1,070.81      | 26,597.09     |
| 3. Net Profit from ordinary activities after tax | (10,249.15)              | 2,943.86         | 5,613.87                 | 609.68        | 18,714.97     |

<sup>#</sup> Balancing figures

- 16] Previous year's / quarter's figures have been regrouped and rearranged wherever necessary.

By order of the Board  
For Magma Fincorp Limited

Place : Mumbai  
Dated : 11 May 2017

**Sanjay Chamria**  
Vice Chairman and Managing Director  
DIN No.: 00009894

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