

No.CTL/DEB/17-18/Noting Certificate

November 09, 2017

To Whomsoever It May Concern,

**CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION**

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Magma Fincorp Limited** (“**the Company**”) for the Half year ended September 30, 2017.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

**For Catalyst Trusteeship Limited**

*M. GDHANAN*

**Authorised Signatory**



*Encl: Results submitted by Company*



# BSR & Co. LLP

Chartered Accountants

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## Review report

### To the Board of Directors Magma Fincorp Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Magma Fincorp Limited ('the Company'), its subsidiaries and joint ventures (the Company, its subsidiaries and joint ventures constitute 'the Group') for the quarter ended 30 September 2017 and the year to date consolidated financial results for the period 1 April 2017 to 30 September 2017 (together known as 'the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Regulations).
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 9 November 2017. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We did not review the condensed interim financial statements of one joint venture and one step-down subsidiary included in the unaudited consolidated financial results whose condensed interim financial statements reflect total assets of Rs 263,603 lakhs as at 30 September 2017 as well as total revenue of Rs 5,721 lakhs for the quarter ended 30 September 2017 and Rs 11,363 lakhs for the period 1 April 2017 to 30 September 2017 as considered in the Statement of the Group. These condensed interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management. Our report on the Statement of the Group, in so far as it related to the amounts and disclosures included in respect of these joint venture and step-down subsidiary, is based solely on the reports of the other auditors.
5. We did not review the condensed interim financial statements of two subsidiary and one joint venture included in the consolidated financial results, whose condensed interim financial statements reflect total assets of Rs 79,063 lakhs as at 30 September 2017 as well as total revenue of Rs 1,932 lakhs for the quarter ended 30 September 2017 and Rs 4,750 lakhs for the period 1 April 2017 to 30 September 2017. These condensed interim financial statements have been furnished to us by management and our report on the Statement of the Group, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and joint venture, is based solely on such condensed interim financial statements certified by respective management. Our opinion is not modified in respect of the said matter.


BSR & Co (a partnership firm with  
Registration No. BA61223) converted into  
BSR & Co. LLP (a Limited Liability Partnership  
with LLP Registration No. AAB-8181)  
with effect from October 14, 2013

Registered Office:  
5th Floor, Lodha Excelus  
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Review report (continued)  
Magma Fincorp Limited

6. Based on our review conducted as mentioned in paragraphs 3 to 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For B S R & Co. LLP  
*Chartered Accountants*  
Firm's Registration No: 101248W / W-100022



**Manoj Kumar Vijai**  
*Partner*  
Membership No:046882

Place: Mumbai  
Date: 9 November 2017



MAGMA FINCORP LIMITED

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

| 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)         |
| 1 Revenue   |                   |                  |                   |                   |                   |                   |
| (a) Revenue from operations                               | 53,129.01         | 51,922.87        | 59,877.89         | 108,051.88        | 120,463.10        | 234,561.95        |
| (b) Operating result from general insurance business      | 25.69             | (23.17)          | 138.96            | 2.52              | (71.73)           | (114.48)          |
| (c) Other income  | 1,816.75          | 1,934.58         | 1,585.29          | 3,741.33          | 2,753.55          | 5,497.69          |
| <b>Total revenue (net)</b>                                | <b>54,971.45</b>  | <b>56,824.28</b> | <b>61,602.14</b>  | <b>111,795.73</b> | <b>123,143.92</b> | <b>239,945.16</b> |
| 2 Expenses  |                   |                  |                   |                   |                   |                   |
| (a) Employee benefits expense                             | 8,903.53          | 8,862.47         | 7,282.04          | 17,766.00         | 15,602.69         | 29,332.04         |
| (b) Finance costs   | 22,805.45         | 24,022.44        | 29,019.77         | 46,827.89         | 59,637.81         | 112,544.47        |
| (c) Depreciation and amortisation expense                 | 1,169.62          | 1,285.25         | 1,171.42          | 2,454.87          | 2,252.81          | 4,850.13          |
| (d) Provisions and bad debts written-off                  | 7,185.61          | 9,144.66         | 9,508.20          | 16,630.27         | 18,386.50         | 60,685.95         |
| (e) Brokerage and commission                              | 2,416.58          | 2,286.19         | 2,735.04          | 4,702.77          | 5,585.50          | 11,178.34         |
| (f) Other expenses  | 4,222.21          | 4,429.69         | 4,228.02          | 8,651.90          | 8,185.73          | 16,675.11         |
| <b>Total expenses</b>                                     | <b>47,003.00</b>  | <b>50,030.70</b> | <b>53,944.49</b>  | <b>97,033.76</b>  | <b>108,950.44</b> | <b>235,266.04</b> |
| 3 Profit from ordinary activities before tax (1-2)        | 7,968.45          | 6,793.58         | 7,657.65          | 14,762.03         | 14,193.48         | 4,679.12          |
| 4 Tax expense   |                   |                  |                   |                   |                   |                   |
| (a) Current tax   | 2,950.98          | 2,553.16         | 3,162.53          | 5,304.14          | 5,081.57          | 1,500.08          |
| (b) Deferred tax  | 132.02            | (66.81)          | (563.90)          | 65.21             | (704.37)          | 1,905.81          |
| <b>Total tax expense</b>                                  | <b>3,083.00</b>   | <b>2,286.35</b>  | <b>2,598.63</b>   | <b>5,369.35</b>   | <b>4,377.20</b>   | <b>3,405.89</b>   |
| 5 Net Profit from ordinary activities after tax (3-4)     | 4,885.45          | 4,507.23         | 5,059.02          | 9,392.68          | 9,816.28          | 1,273.23          |
| 6 Minority interest                                       | 8.12              | (8.12)           | 18.05             | -                 | 87.57             | (772.04)          |
| 7 Net Profit after taxes and minority interest (5-6)      | 4,877.33          | 4,515.35         | 5,040.97          | 9,392.68          | 9,728.71          | 2,045.27          |
| 8 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          |
| 9 Reserves and surplus                                    |                   |                  |                   |                   |                   | 212,474.18        |
| 10 Earnings per share (not annualised)                    |                   |                  |                   |                   |                   |                   |
| (a) Basic (in ₹)  | 2.06              | 1.91             | 2.13              | 3.96              | 4.11              | 0.86              |
| (b) Diluted (in ₹)  | 2.05              | 1.90             | 2.12              | 3.95              | 4.09              | 0.86              |

See accompanying notes to the financial results

Consolidated Segment Reporting for the Quarter and Six Month Period Ended 30 September 2017

| 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)           |
| 1 REVENUE                    |                     |                     |                     |                     |                     |                     |
| (a) Finance and mortgages    | 54,508.92           | 56,411.70           | 60,916.66           | 110,920.62          | 122,160.39          | 238,354.38          |
| (b) General insurance        | 109.18              | 26.96               | 248.51              | 136.14              | 115.27              | 361.09              |
| (c) Others                   | 353.35              | 385.62              | 436.97              | 788.97              | 868.26              | 1,229.72            |
| <b>TOTAL REVENUE</b>         | <b>54,971.45</b>    | <b>56,824.28</b>    | <b>61,602.14</b>    | <b>111,795.73</b>   | <b>123,143.92</b>   | <b>239,945.16</b>   |
| 2 RESULT - PROFIT BEFORE TAX |                     |                     |                     |                     |                     |                     |
| (a) Finance and mortgages    | 7,715.58            | 6,592.97            | 7,242.05            | 14,308.55           | 13,742.21           | 4,106.74            |
| (b) General insurance        | 107.66              | 25.50               | 248.51              | 133.16              | 115.27              | 294.76              |
| (c) Others                   | 145.21              | 175.11              | 167.09              | 320.32              | 336.00              | 277.62              |
| <b>TOTAL</b>                 | <b>7,968.45</b>     | <b>6,793.58</b>     | <b>7,657.65</b>     | <b>14,762.03</b>    | <b>14,193.48</b>    | <b>4,679.12</b>     |
| 3 ASSETS                     |                     |                     |                     |                     |                     |                     |
| (a) Finance and mortgages    | 1,247,813.43        | 1,272,969.29        | 1,307,878.58        | 1,247,813.43        | 1,407,878.58        | 1,309,673.86        |
| (b) General insurance        | 46,568.96           | 45,016.47           | 41,500.22           | 46,568.96           | 41,800.22           | 43,154.01           |
| (c) Others                   | 6,827.80            | 6,818.72            | 7,423.44            | 6,827.80            | 7,423.44            | 6,693.54            |
| <b>TOTAL</b>                 | <b>1,301,210.19</b> | <b>1,324,804.48</b> | <b>1,456,802.24</b> | <b>1,301,210.19</b> | <b>1,456,802.24</b> | <b>1,359,521.41</b> |
| 4 LIABILITIES                |                     |                     |                     |                     |                     |                     |
| (a) Finance and mortgages    | 1,039,134.52        | 1,063,231.18        | 1,194,061.71        | 1,039,134.52        | 1,194,061.71        | 1,104,197.80        |
| (b) General insurance        | 37,185.65           | 35,722.87           | 32,389.08           | 37,185.65           | 32,389.08           | 33,879.64           |
| (c) Others                   | 541.15              | 674.15              | 1,093.18            | 541.15              | 1,093.18            | 811.04              |
| <b>TOTAL</b>                 | <b>1,076,861.32</b> | <b>1,099,628.20</b> | <b>1,227,543.97</b> | <b>1,076,861.32</b> | <b>1,227,543.97</b> | <b>1,138,888.45</b> |

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**MAGMA FINCORP LIMITED**

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

Notes:

- 1) Disclosure of consolidated 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<br>30 September<br>2017<br>(Unaudited) | As at<br>31 March<br>2017<br>(Audited) |
| <b>A</b>    | <b>EQUITY AND LIABILITIES</b>              |  |  |
| 1           | Shareholders' funds                        |  |  |
|             | (a) Share capital                          | 4,739.47                                     | 4,739.19                               |
|             | (b) Reserves and surplus                   | 219,604.92                                   | 212,472.60                             |
|             | (c) Fair value change account              | 4.48   | 1.58                                   |
|             | <b>Sub-total - shareholders' funds</b>     | <b>224,348.87</b>                            | <b>217,213.37</b>                      |
| 2           | Minority interest                          | -  | 3,419.59                               |
| 3           | Non-current liabilities                    |  |  |
|             | (a) Long-term borrowings                   | 296,438.13                                   | 310,929.43                             |
|             | (b) Long-term provisions                   | 29,534.22                                    | 22,587.50                              |
|             | <b>Sub-total - non-current liabilities</b> | <b>325,972.35</b>                            | <b>333,516.93</b>                      |
| 4           | Current liabilities                        |  |  |
|             | (a) Short-term borrowings                  | 528,360.32                                   | 548,022.99                             |
|             | (b) Trade payables                         | 22,743.05                                    | 19,760.05                              |
|             | (c) Other current liabilities              | 189,098.68                                   | 228,684.75                             |
|             | (d) Short-term provisions                  | 10,686.92                                    | 8,903.73                               |
|             | <b>Sub-total - current liabilities</b>     | <b>750,888.97</b>                            | <b>805,371.52</b>                      |
|             | <b>TOTAL - EQUITY AND LIABILITIES</b>      | <b>1,301,210.19</b>                          | <b>1,389,521.41</b>                    |
| <b>B</b>    | <b>ASSETS</b>                              |  |  |
| 1           | Non-current assets                         |  |  |
|             | (a) Property, plant and equipment          | 27,194.33                                    | 28,528.93                              |
|             | (b) Non-current investments                | 51,033.32                                    | 47,292.90                              |
|             | (c) Deferred tax assets (net)              | 1,909.13                                     | 1,974.34                               |
|             | (d) Long-term loans and advances           | 754,191.43                                   | 792,267.87                             |
|             | (e) Other non-current assets               | 15,928.62                                    | 19,761.60                              |
|             | <b>Sub-total - non-current assets</b>      | <b>850,256.83</b>                            | <b>889,822.64</b>                      |
| 2           | Current assets                             |  |  |
|             | (a) Current investments                    | 10,558.25                                    | 7,356.05                               |
|             | (b) Trade receivables                      | 1,105.54                                     | 674.93                                 |
|             | (c) Cash and bank balances                 | 42,767.56                                    | 35,230.96                              |
|             | (d) Short-term loans and advances          | 385,349.72                                   | 413,976.24                             |
|             | (e) Other current assets                   | 11,172.39                                    | 12,360.59                              |
|             | <b>Sub-total - current assets</b>          | <b>450,953.36</b>                            | <b>469,698.77</b>                      |
|             | <b>TOTAL - ASSETS</b>                      | <b>1,301,210.19</b>                          | <b>1,389,521.41</b>                    |

- 2) The unaudited consolidated 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 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.
- 4) 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)).
- 5) 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).
- 6) 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.
- 7) 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.

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**MAGMA FINCORP LIMITED**

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

- 8] The Board of Directors of the Company at its Meeting held on 09 November 2017 has approved the Scheme of Merger under Section 130- 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.
- 9] 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.
- 10] As required by RBI Notification DNBR (PD) CC No. 002/03, 10.061/2014-15 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 ₹ 791.98 lacs and ₹ 1,823.26 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 ₹ 791.98 lacs and ₹ 1,823.26 lacs respectively.
- 11] 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.
- 12] 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.
- 13] Unaudited Financial Results of Magma Fincorp Limited (Standalone Information):

| 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)     |
| 1. Total income from operations                  | 47,901.81         | 48,870.60    | 51,865.49         | 96,772.41         | 103,728.32        | 202,204.50    |
| 2. Profit from ordinary activities before tax    | 5,563.24          | 5,858.69     | 5,983.73          | 11,421.93         | 11,502.24         | 1,070.81      |
| 3. Net Profit from ordinary activities after tax | 3,687.03          | 3,907.35     | 3,903.68          | 7,594.38          | 7,915.69          | 609.68        |

14] 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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Website : www.magma.co.in; CIN : L51504WB1928PLC031813  
Phone: 033-4401 7200/350, Fax: 033-4402 7731; E-mail: shabnum.zaman@magma.co.in

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# BSR & Co. LLP

Chartered Accountants

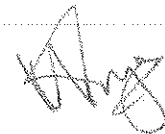
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## Review report To the Board of Directors Magma Fincorp Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Magma Fincorp Limited ('the Company') for the quarter ended 30 September 2017 and year to date results for the period 1 April 2017 to 30 September 2017 ('the Statement'). This Statement has been prepared by the Company pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Regulations).
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 9 November 2017. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For BSR & Co. LLP  
Chartered Accountants  
Firm's Registration No: 101248W / W-100022



Manoj Kumar Vijai  
Partner

Membership No: 046882

Place: Mumbai  
Date: 9 November 2017

BSR & Co (a partnership firm with  
Registration No. BA61223) converted into  
BSR & Co. LLP (a Limited Liability Partnership  
with LLP Registration No. AAB-8181)  
with effect from October 14, 2013

Registered Office:  
5th Floor, Lodha Excelus  
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N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011, India



**MAGMA FINCORP LIMITED**

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

| Particulars  | Quarter Ended        |                  |                      | Year to Date         |                      | (₹ in lakhs)      |
|--|----------------------|------------------|----------------------|----------------------|----------------------|-------------------|
|  | 30 September<br>2017 | 30 June<br>2017  | 30 September<br>2016 | 30 September<br>2017 | 30 September<br>2016 | 31 March<br>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           | 197,397.85        |
| (b) Other income   | 1,828.80             | 1,866.22         | 1,386.31             | 3,695.62             | 2,400.52             | 1,906.65          |
| <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            | 23,039.76         |
| (b) Finance costs  | 19,401.64            | 20,314.77        | 24,046.64            | 39,716.41            | 49,699.13            | 93,288.65         |
| (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         | 3,222.38             | 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)             | 791.30            |
| <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>     |
| <b>6 Paid-up equity share capital (Face value of ₹ 2/- each)</b> | <b>4,739.47</b>      | <b>4,739.47</b>  | <b>4,738.67</b>      | <b>4,739.47</b>      | <b>4,738.67</b>      | <b>4,739.19</b>   |
| <b>7 Reserves and surplus</b>                                    |                      |                  |                      |                      |                      | <b>199,056.19</b> |
| <b>8 Earnings per share (net annualised)</b>                     |                      |                  |                      |                      |                      |                   |
| (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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**MAGMA FINCORP LIMITED**

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

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<br>30 September<br>2017<br>(Unaudited) | As at<br>31 March<br>2017<br>(Audited) |
| <b>A</b>    | <b>EQUITY AND LIABILITIES</b>              |  |  |
| 1           | Shareholders' funds                        |  |  |
|             | (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>                      |
| 2           | Non-current liabilities                    |  |  |
|             | (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>                      |
| 3           | Current liabilities                        |  |  |
|             | (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</b>    | <b>ASSETS</b>                              |  |  |
| 1           | Non-current assets                         |  |  |
|             | (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                                     | 1,921.67                               |
|             | (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>                      |
| 2           | Current assets                             |  |  |
|             | (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.

10/12/17



## MAGMA FINCORP LIMITED

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

- 7] The Shareholders at their Annual General Meeting held on 02 August 2017 approved the payment of equity dividend at 40 % i.e. ₹ 0.80 per equity share of ₹ 2.00 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) amounting to ₹ 2,281.73 lacs & ₹ 0.96 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

Shubam Zaman

Vice Chairman and Managing Director

DIN : 00009894

Place : Mumbai

Dated : 09 November 2017

Corporate Office : Equinox Business Park, 2nd Floor, Tower 3, OIBKC, LBS Marg, Kurla West, Mumbai - 400 070

Registered Office : Magma House, 24 Park Street, Kolkata - 700 016

Website : [www.magma.co.in](http://www.magma.co.in), CIN : L51504WB1978PLC031813

Phone: 033-4401 7200/350, Fax: 033-4402 7731, E-mail: [shubam.zaman@magma.co.in](mailto:shubam.zaman@magma.co.in)

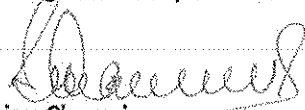
13/11

Statement under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Half Year ended 30 September 2017

| Sl. No. | Particulars  | Standalone        | Consolidated      |
|---------|--|-------------------|-------------------|
| a.      | Credit rating and change in credit rating (if any)   | As per Annexure A | As per Annexure A |
| b.      | Asset cover available, in case of non convertible debt securities                                      | Not Applicable    | Not Applicable    |
| c.      | Debt-equity ratio  | 3.82              | 4.17              |
| d.      | Previous due date for  | As per Annexure B | As per Annexure B |
|         | a) the payment of interest / dividend  |                   |                   |
|         | b) the repayment of principal of non convertible debt securities whether the same has been paid or not |                   |                   |
| e.      | Next due date for  | As per Annexure B | As per Annexure B |
|         | a) the payment of interest   |                   |                   |
|         | b) the principal along with the amount of interest   |                   |                   |
| f.      | Debt service coverage ratio  | Not Applicable    | Not Applicable    |
| g.      | Interest service coverage ratio  | Not Applicable    | Not Applicable    |
| h.      | Outstanding redeemable preference shares   | NIL               | NIL               |
|         | a) quantity (no. of shares)  |                   |                   |
|         | b) value (₹ in lacs)   |                   |                   |
| i.      | Capital redemption reserve (₹ in lacs)   | 1,421.84          | 1,421.84          |
|         | Debenture redemption reserve* (₹ in lacs)  | NIL               | NIL               |
| j.      | Net worth (₹ in lacs)  | 209,017.18        | 224,242.39        |
| k.      | Net profit after tax (₹ in lacs)   | 7,594.38          | 9,392.68          |
| l.      | Earnings per share   |                   |                   |
|         | a) Basic (in ₹)  | 3.20              | 3.96              |
|         | b) Diluted (in ₹)  | 3.20              | 3.95              |

\*As clarified by MCA in its circular no. 04/2013 dated 11 February 2013, no Debenture redemption reserve needs to be created by an NBFC in respect of privately placed debentures.

For Magma Fincorp Limited



Sanjay Chamria  
 Vice Chairman and Managing Director

Place: Mumbai  
 Date: 9 November 2017

Details of Ratings assigned by credit rating agencies and migration of ratings during the Half year ended 30th September 2017

**Magma Fincorp Limited**

| Sl. No. | Nature                     | Sep'17     | FY17       |
|---------|----------------------------|------------|------------|
| 1       | Secured Debentures         | CARE AA-   | CARE AA-   |
|         |                            | IND AA-    | IND AA-    |
|         |                            | ICRA AA-   | ICRA AA-   |
| 2       | Subordinated Debentures    | CARE AA-   | CARE AA-   |
|         |                            | BWRAA      | BWRAA      |
|         |                            | SMERA AA   | SMERA AA   |
| 3       | Perpetual Debt Instruments | CARE A+    | CARE A+    |
|         |                            | BWR AA-    | BWR AA-    |
| 4       | Commercial Papers          | CARE A1+   | CARE A1+   |
|         |                            | CRISIL A1+ | CRISIL A1+ |
| 5       | Bank Facility              | CARE AA-   | CARE AA-   |
|         |                            | ICRA AA-   | ICRA AA-   |
|         |                            | IND AA-    | IND AA-    |

**Magma ITL Finance Limited (Subsidiary)**

| Sl. No. | Nature                    | Sep'17       | FY17         |
|---------|---------------------------|--------------|--------------|
| 1       | Long term bank facilities | CARE A+ (SO) | CARE A+ (SO) |
|         |                           | ICRA A+      | ICRA A+      |
| 2       | Commercial papers         | -            | -            |

**Magma Housing Finance (Step-Down Subsidiary)**

| Sl. No. | Nature                       | Sep'17     | FY17       |
|---------|------------------------------|------------|------------|
| 1       | Short Term Debt              | CRISIL A1+ | CRISIL A1+ |
| 2       | Long Term Debt (Secured NCD) | CARE AA-   | CARE AA-   |
|         |                              | ICRA AA-   | ICRA AA-   |
| 3       | Long Term Bank Facilities    | CARE AA-   | CARE AA-   |
|         |                              | ICRA AA-   | ICRA AA-   |

MAGMA FINCORP LIMITED  
 TRUSTEE: IDBI TRUSTEESHIP SERVICES LTD  
 SUMMARY OF DEBT SECURITIES AS ON 30 September 2017

(₹ in Crores)

| S.No.                               | ISIN No.     | Date of Allotment | Last Interest payment date | Next Interest payment date | Last Date of Principal Payment | Next Date of Principal Payment             | Principal Amount |
|-------------------------------------|--------------|-------------------|----------------------------|----------------------------|--------------------------------|--|------------------|
| <b>A Secured Debentures</b>         |              |                   |                            |                            |                                |  |                  |
| 1                                   | INE511C07565 | 01-Feb-16         | 01-Feb-17                  | 01-Feb-18                  | -                              | 01-Feb-18                                  | 15.00            |
| 2                                   | INE511C07573 | 10-Jan-17         | -                          | 10-Jan-18                  | -                              | 07-Jan-22                                  | 5.00             |
| 3                                   | INE511C07581 | 13-Feb-17         | -                          | 13-Feb-18                  | -                              | 13-Feb-24                                  | 50.00            |
| 4                                   | INE511C07599 | 06-Apr-17         | -                          | 06-Apr-18                  | -                              | 06-Apr-24                                  | 50.00            |
| 5                                   | INE511C07607 | 18-Aug-17         | -                          | 18-Aug-18                  | -                              | 19-Aug-19                                  | 50.00            |
| 6                                   | INE511C07615 | 24-Aug-17         | -                          | 26-Feb-18                  | -                              | 26-Feb-19                                  | 50.00            |
| <b>Sub Total (A)</b>                |              |                   |                            |                            |                                |  | <b>230.00</b>    |
| <b>B Subordinated Debentures</b>    |              |                   |                            |                            |                                |  |                  |
| 1                                   | INE511C08746 | 09-Dec-11         | 09-Jun-17                  | 09-Dec-17                  | -                              | 09-Dec-18                                  | 125.00           |
| 2                                   | INE511C08787 | 30-Mar-12         | 30-Mar-17                  | 30-Mar-18                  | -                              | 30-Mar-19                                  | 25.30            |
| 3                                   | INE511C08803 | 06-Sep-12         | 06-Sep-17                  | 06-Sep-18                  | -                              | 06-Sep-22                                  | 25.00            |
| 4                                   | INE511C08811 | 06-Sep-12         | 06-Sep-17                  | 06-Sep-18                  | -                              | 06-Jun-18                                  | 60.00            |
| 5                                   | INE511C08829 | 17-Jan-13         | 17-Jan-17                  | 17-Jan-18                  | -                              | 17-Jan-23                                  | 10.00            |
| 6                                   | INE511C08837 | 17-Jan-13         | 17-Jan-17                  | 17-Jan-18                  | -                              | 17-Jan-20                                  | 15.00            |
| 7                                   | INE511C08845 | 11-Mar-13         | 11-Mar-17                  | 11-Mar-18                  | -                              | 11-Mar-20                                  | 55.00            |
| 8                                   | INE511C08852 | 19-Mar-13         | 19-Mar-17                  | 19-Mar-18                  | -                              | 19-Mar-20                                  | 60.00            |
| 9                                   | INE511C08860 | 23-Apr-13         | 23-Apr-17                  | 23-Apr-18                  | -                              | 21-Apr-23                                  | 48.00            |
| 10                                  | INE511C08886 | 26-Sep-13         | 26-Sep-17                  | 26-Sep-18                  | -                              | 26-Sep-23                                  | 14.00            |
| 11                                  | INE511C08902 | 28-Mar-14         | 28-Mar-17                  | 28-Mar-18                  | -                              | 28-Apr-21                                  | 15.00            |
| 12                                  | INE511C08910 | 30-Jun-14         | 30-Jun-17                  | 02-Jan-18                  | -                              | 30-Jun-21                                  | 215.00           |
| <b>Sub Total (B)</b>                |              |                   |                            |                            |                                |  | <b>667.30</b>    |
| <b>C Perpetual Debt Instruments</b> |              |                   |                            |                            |                                |  |                  |
| 1                                   | INE511C08498 | 24-Mar-10         | 24-Sep-17                  | 24-Mar-18                  | -                              | Call Option at the end of 10 year from DOA | 10.00            |
| 2                                   | INE511C08506 | 29-Mar-10         | 29-Sep-17                  | 29-Mar-18                  | -                              |  | 20.00            |
| 3                                   | INE511C08704 | 09-Dec-10         | 09-Jun-17                  | 09-Dec-17                  | -                              |  | 10.00            |
| 4                                   | INE511C08712 | 07-Jan-11         | 07-Jul-17                  | 07-Jan-18                  | -                              |  | 15.00            |
| 5                                   | INE511C08878 | 20-May-13         | 20-May-17                  | 20-May-18                  | -                              |  | 25.50            |
| 6                                   | INE511C08894 | 26-Sep-13         | 26-Sep-17                  | 26-Sep-18                  | -                              |  | 25.00            |
| <b>Sub Total (C)</b>                |              |                   |                            |                            |                                |  | <b>105.50</b>    |
| <b>Total (A+B+C)</b>                |              |                   |                            |                            |                                |  | <b>1,002.80</b>  |

