



Magma Fincorp Limited
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CIN : L51504WB1978PLC031813
Web : www.magma.co.in



09 February 2016

Corporate Relationship Department
BSE Limited
25th Floor, P.J. Towers, Dalal Street, Fort,
Mumbai – 400 001

Company Code - 524000

The Manager
Listing Department,
National Stock Exchange of India Limited
“Exchange Plaza”
Bandra- Kurla Complex, Bandra (E),
Mumbai – 400 051

Symbol - MAGMA

Sub: Unaudited Financial Results (Standalone & Consolidated) along with Limited Review Report of the Statutory Auditors on the same for the Quarter ended 31 December 2015

Ref: Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

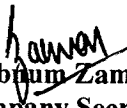
This is to inform you that the Board of Directors at its meeting held today i.e. 9 February 2016 has inter alia approved the Standalone and Consolidated Unaudited Financial Results of the Company for the third quarter and nine months ended 31 December 2015. The said results has been reviewed by the Audit Committee of the Board. The Board Meeting commenced at 10 A.M and concluded at 3:30 P.M

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Standalone and Consolidated Unaudited Financial Results of the Company along with the Limited Review Report of the Statutory Auditors, M/s B S R & Co., LLP on the said results for your kind reference and record.

Kindly take the same on record.

Thanking you,

**Yours faithfully,
For Magma Fincorp Limited**


Shabbir Zaman
Company Secretary
ACS No. 13918
Address:
80B, Dr. Sudhir Bose Road
Kolkata – 700 023

Encl:as above

Review report

To the Board of Directors

Magma Fincorp Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results ('the Statement') of Magma Fincorp Limited ('the Company'), its subsidiaries and joint ventures (the Company, its subsidiaries and joint ventures constitute 'the Group') for the quarter and nine months ended 31 December 2015 on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 February 2016. Our responsibility is to issue a report on the Statement based on our review.
2. 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 the 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.
3. Figures for the corresponding quarter and nine months ended 31 December 2014 and figures for previous quarter ended 30 September 2015 have not been reviewed.
4. We draw attention to Note No.4 of the Statement in respect of Magma HDI General Insurance Company wherein, the actuarial valuation of liabilities for claims incurred but not reported (IBNR) and incurred but not enough reported (IBNER) is the responsibility of the Company's Appointed Actuary. The position of the Company's Appointed Actuary is vacant due to resignation and the Company has initiated the process of appointment of new appointed actuary and is awaiting approval from IRDA. In view of the above, the actuarial valuation of these liabilities as at 31 December 2015 has been certified by the Actuary, who is not an Appointed Actuary, duly vetted by his mentor and in their opinion, the assumptions for such valuation are in accordance with the guidelines and norms, issued by the Insurance Regulatory and Development Authority of India ('IRDAI'), and/or the Actuarial Society of India in concurrence with IRDAI. The Management has relied upon the certificate issued by the Actuary referred above. Accordingly, the accounts are prepared on actuarial valuation by the actuary and his mentor, who is not the Company's Appointed Actuary.

Our review report is not modified in respect of the above matter.



Review report (continued)
Magma Fincorp Limited

5. We did not review the interim financial results of a joint venture included in the unaudited consolidated financial results whose interim financial results reflect the Company's share in the operating result / (loss) of Rs 21.29 lakhs and Rs (522.42) lakhs for the quarter and nine months ended 31 December 2015, respectively, and the Company's share in the profit/ (loss) after tax of Rs 21.29 lakhs and Rs (533.51) lakhs for the quarter and nine months ended 31 December 2015, respectively as considered in the unaudited consolidated financial results. These financial results have been reviewed by other auditors whose report has been furnished to us by the Management and our report on the Statement, in so far as it related to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
6. The unaudited consolidated financial results includes the interim financial results of 3 subsidiaries and 1 joint venture which have not been reviewed by their auditors and are based solely on the Management's accounts, whose interim financial results reflect revenues of Rs 9,224.77 lakhs and Rs 27,310.22 lakhs for the quarter and nine months ended 31 December 2015, respectively, and profit after tax of Rs 854.42 lakhs and Rs 2,184.34 lakhs for the quarter and nine months ended 31 December 2015, respectively, as considered in the unaudited consolidated financial results.
7. Based on our review conducted as mentioned in paragraphs 2 to 6 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 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 **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W / W-100022



Akeel Master

Partner

Membership No: 046768

Place: Mumbai

Date: 9 February 2016

MAGMA FINCORP LIMITED

Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2015

Particulars	Quarter Ended			Year to Date		Year Ended
	31 December 2015	30 September 2015	31 December 2014	31 December 2015	31 December 2014	31 March 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income from operations						
(a) Revenue from operations	62,209.16	61,478.97	61,424.77	184,528.81	173,019.26	235,477.93
(b) Operating result from general insurance business	(65.85)	(459.13)	257.17	(748.53)	337.65	(114.85)
Total income from operations (net)	62,143.31	61,019.84	61,681.94	183,780.28	173,356.91	235,363.08
2. Expenses						
(a) Employee benefits expense	8,028.19	8,146.46	9,413.13	24,778.83	25,857.01	36,181.99
(b) Depreciation and amortisation expense	1,070.13	1,017.42	837.42	3,051.36	2,251.69	3,456.94
(c) Contingent provision against standard assets	170.00	(60.00)	180.00	170.00	620.00	580.00
(d) Provision for non-performing assets and bad debts written-off	9,779.59	8,964.32	7,741.08	27,468.56	18,501.55	23,856.42
(e) Brokerage and commission	2,980.85	3,103.65	3,297.00	9,308.69	9,640.35	12,937.12
(f) Other expenses	4,063.77	3,986.00	3,852.82	11,711.27	11,790.85	15,942.94
Total expenses	26,092.53	25,157.85	25,321.45	76,488.71	68,661.45	92,955.41
3. Profit from operations before other income and finance costs (1-2)	36,050.78	35,861.99	36,360.49	107,291.57	104,695.46	142,407.67
4. Other income	718.71	988.10	764.12	2,497.61	2,516.34	3,234.88
5. Profit from ordinary activities before finance costs (3+4)	36,769.49	36,850.09	37,124.61	109,789.18	107,211.80	145,642.55
6. Finance costs	29,368.30	29,545.33	31,684.49	89,360.75	91,851.68	123,293.57
7. Profit from ordinary activities before tax (5-6)	7,401.19	7,304.76	5,440.12	20,428.43	15,360.12	22,348.98
8. Tax expense (includes deferred tax)	2,169.47	2,430.18	926.28	5,676.50	2,046.22	3,622.39
9. Net Profit from ordinary activities after tax (7-8)	5,231.72	4,874.58	4,513.84	14,751.93	13,313.90	18,726.59
10. Minority interest	9.01	12.10	113.35	144.32	472.00	659.85
11. Net Profit after taxes and minority interest (9-10)	5,222.71	4,862.48	4,400.49	14,607.61	12,841.90	18,066.74
12. Paid-up equity share capital (Face value of ₹ 2/- each)	4,735.62	4,735.62	3,807.65	4,735.62	3,807.65	3,808.52
13. Reserves and surplus						161,683.20
14. Earnings per share (not annualised)						
(a) Basic (in ₹)	2.17	1.99	2.16	6.13	6.28	8.88
(b) Diluted (in ₹)	2.16	1.98	2.15	6.10	6.27	8.84

See accompanying notes to the financial results

Consolidated Segment Reporting for the Quarter and Nine Month Period Ended 31 December 2015

Particulars	Quarter Ended			Year to Date		Year Ended
	31 December 2015	30 September 2015	31 December 2014	31 December 2015	31 December 2014	31 March 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. REVENUE *						
(a) Finance and mortgages	62,592.28	61,872.01	61,806.55	185,646.33	174,130.69	236,887.55
(b) General insurance	21.41	(356.98)	419.60	(522.42)	608.11	321.64
(c) Others	248.33	492.91	219.91	1,153.98	1,134.45	1,388.77
TOTAL REVENUE	62,862.02	62,007.94	62,446.06	186,277.89	175,873.25	238,597.96
2. RESULT - PROFIT BEFORE TAX						
(a) Finance and mortgages	7,456.00	7,488.22	5,119.18	20,752.90	14,588.94	21,921.99
(b) General insurance	21.41	(362.96)	419.60	(528.51)	608.11	318.46
(c) Others	(76.22)	179.50	(98.66)	204.04	163.07	108.53
TOTAL	7,401.19	7,304.76	5,440.12	20,428.43	15,360.12	22,348.98
3. CAPITAL EMPLOYED						
(a) Finance and mortgages	222,036.34	223,041.16	168,152.66	222,036.34	168,152.66	170,353.29
(b) General insurance	8,943.72	8,918.92	6,916.26	8,943.72	6,916.26	6,702.21
(c) Others	5,980.11	6,083.13	5,622.51	5,980.11	5,622.51	5,673.65
TOTAL	236,960.17	238,043.21	180,691.43	236,960.17	180,691.43	182,729.15

* Includes 'Other income'

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MAGMA FINCORP LIMITED

Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2015

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 09 February 2016.
- 2] The Statutory Auditors have carried out limited review of the consolidated unaudited financial results as required under Regulation 33 of the Listing Regulations and have issued an unqualified opinion thereon.
- 3] In accordance with Regulation 33 of the Listing Regulations, the Company has opted to 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 (A Public Company with Unlimited Liability) ('MHF') (subsidiary of MASL) and Joint Venture Companies, Magma HDI General Insurance Company Limited ('MHDI') and Jaguar Advisory Services Private Limited ('JASPL').
The "Interim Unaudited Condensed Financial Statements" of MHDI for the period ended 31 December 2015 have been approved on the basis of the actuarial valuation report of Chief Actuary as the Company does not have an Appointed Actuary as per the Insurance Regulatory and Development Authority ('IRDA') regulations.
- 5] Consequent to the Revised Regulatory Framework for Non-Banking Finance Companies (NBFCs) issued by Reserve Bank of India (RBI) on 10 November 2014 and the related notification dated 27 March 2015 (collectively referred to as 'the Framework'), the Company has aligned itself with the prescribed provisioning rates for Non Performing Assets (NPAs), stated in the Framework with effect from the quarter ended 31 March 2015, as against the higher rate being followed by the Company till 31 December 2014. As a result thereof, the provision for the quarter and period ended 31 December 2015 is in line with RBI guidelines and as compared to the basis of provision for the quarter and period ended 31 December 2014, is lower by ₹ 1,171.71 lacs and ₹ 3,752.19 lacs respectively.
The Company continues to recognise NPAs at 4 months overdue as against 5 months overdue as per the Framework and therefore, is already compliant with the requirements coming into force from 31 March 2017. Consequently, the Company is carrying additional NPA provision to the extent of ₹ 6,009.13 lacs on a cumulative basis as at 31 December 2015, as compared to the current RBI requirements.
- 6] 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.
- 7] Unaudited Financial Results of Magma Fincorp Limited (Standalone Information):

Particulars		Quarter Ended			Year to Date		(₹ in lacs)
		31 December 2015	30 September 2015	31 December 2014	31 December 2015	31 December 2014	Year Ended 31 March 2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Total income from operations	53,022.64	52,612.87	52,409.08	157,207.42	148,734.08	201,877.45
2.	Profit from ordinary activities before tax	6,058.18	6,869.98	4,094.85	18,085.06	11,570.23	17,510.72
3.	Net Profit from ordinary activities after tax	4,355.89	4,743.32	3,383.07	13,101.10	10,294.73	14,906.75

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

By order of the Board
For Magma Fincorp Limited



Sanjay Chandra

Vice Chairman and Managing Director

Place : Mumbai
Dated : 09 February 2016

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

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B S R & Co. LLP

Chartered Accountants

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India

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Review report To the Board of Directors Magma Fincorp Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results ('the Statement') of Magma Fincorp Limited ('the Company') for the quarter and nine months ended 31 December 2015, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in their meeting held on 9 February 2016. Our responsibility is to issue a report on the Statement based on our review.
2. 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 the 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.
3. Based on our review conducted as mentioned in paragraph 2 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 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 **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W / W-100022



Place: Mumbai
Date: 9 February 2016

Akcel Master
Partner
Membership No: 046768

MAGMA FINCORP LIMITED

Statement of Standalone Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2015

Particulars	Quarter Ended			Year to Date		Year Ended
	31 December 2015	30 September 2015	31 December 2014	31 December 2015	31 December 2014	31 March 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income from operations						
(a) Revenue from operations	53,022.64	52,612.87	52,409.08	157,207.42	148,734.08	201,877.45
Total income from operations (net)	53,022.64	52,612.87	52,409.08	157,207.42	148,734.08	201,877.45
2. Expenses						
(a) Employee benefits expense	6,289.50	6,367.75	7,360.69	19,346.54	20,495.30	28,969.74
(b) Depreciation and amortisation expense	1,064.63	1,015.83	837.06	3,042.69	2,251.07	3,451.50
(c) Contingent provision against standard assets	100.00	10.00	90.00	150.00	390.00	290.00
(d) Provision for non-performing assets and bad debts written-off	8,968.78	8,050.28	7,029.50	24,844.29	17,072.93	21,965.61
(e) Brokerage and commission	2,846.11	2,960.18	3,176.86	8,885.62	9,295.66	12,435.60
(f) Other expenses	3,594.09	3,475.51	3,358.20	10,290.56	10,244.63	13,828.07
Total expenses	22,863.11	21,879.55	21,852.31	66,559.70	59,749.59	80,940.52
3. Profit from operations before other income and finance costs (1-2)	30,159.53	30,733.32	30,556.77	90,647.72	88,984.49	120,936.93
4. Other income	593.76	877.46	602.99	2,287.00	2,182.84	2,717.80
5. Profit from ordinary activities before finance costs (3+4)	30,753.29	31,610.78	31,159.76	92,934.72	91,167.33	123,654.73
6. Finance costs	24,695.11	24,740.80	27,064.91	74,849.66	79,597.10	106,144.01
7. Profit from ordinary activities before tax (5-6)	6,058.18	6,869.98	4,094.85	18,085.06	11,570.23	17,510.72
8. Tax expense (includes deferred tax)	1,702.29	2,126.66	711.78	4,983.96	1,275.50	2,603.97
9. Net Profit from ordinary activities after tax (7-8)	4,355.89	4,743.32	3,383.07	13,101.10	10,294.73	14,906.75
10. Paid-up equity share capital (Face value of ₹ 2/- each)	4,735.62	4,735.62	3,807.65	4,735.62	3,807.65	3,808.52
11. Reserves and surplus						134,546.62
12. Earnings per share (not annualised)						
(a) Basic (in ₹)	1.80	1.94	1.62	5.47	4.94	7.22
(b) Diluted (in ₹)	1.80	1.93	1.62	5.45	4.94	7.19

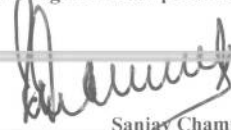
See accompanying notes to the financial results

Notes :

- 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 09 February 2016.
- The Statutory Auditors have carried out limited review of the standalone unaudited financial results as required under Regulation 33 of the Listing Regulations and have issued an unqualified opinion thereon.
- Consequent to the Revised Regulatory Framework for Non-Banking Finance Companies (NBFCs) issued by Reserve Bank of India (RBI) on 10 November 2014 and the related notification dated 27 March 2015 (collectively referred to as 'the Framework'), the Company has aligned itself with the prescribed provisioning rates for Non Performing Assets (NPAs), stated in the Framework with effect from the quarter ended 31 March 2015, as against the higher rate being followed by the Company till 31 December 2014. As a result thereof, the provision for the quarter and period ended 31 December 2015 is in line with RBI guidelines and as compared to the basis of provision for the quarter and period ended 31 December 2014, is lower by ₹ 1,148.30 lacs and ₹ 3,481.08 lacs respectively.
The Company continues to recognise NPAs at 4 months overdue as against 5 months overdue as per the Framework and therefore, is already compliant with the requirements coming into force from 31 March 2017. Consequently, the Company is carrying additional NPA provision to the extent of ₹ 5,369.14 lacs on a cumulative basis as at 31 December 2015, as compared to the current RBI requirements.
- 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.
- Previous year's / quarter's figures have been regrouped and rearranged wherever found necessary.

By order of the Board

For **Magma Fincorp Limited**



Sanjay Chamria

Vice Chairman and Managing Director

Place : Mumbai

Dated : 09 February 2016

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

Website : www.magma.co.in; CIN : L51504WB1978PLC031813

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