

Magma Fincorp Limited
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October 17, 2011

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

Company Code - 524000

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

Symbol - MAGMA

Sub: Unaudited Financial Results (Standalone) for the Quarter ended 30th September, 2011 - Intimation under Clause 41 of the Listing Agreement

Dear Sir,

Pursuant to the Clause 41 of the Listing Agreement, please find enclosed herewith the Standalone Unaudited Financial Results for the quarter ended 30th September, 2011. The said results have been reviewed by the Audit Committee and taken on record and approved by the Board of Directors of the Company at their meeting held today i.e 17/10/2011.

Thanking you,

Yours faithfully,
For **MAGMA FINCORP LIMITED**

A handwritten signature in black ink, appearing to read 'Girish Bhatia', is written over a horizontal line.

Girish Bhatia
Company Secretary



MAGMA FINCORP LIMITED

Unaudited Financial Results for the Quarter Ended 30th September 2011

(Rs. in lacs)

Particulars	Quarter Ended		Year To Date		Year Ended 31st March 2011
	30th September 2011	30th September 2010	30th September 2011	30th September 2010	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income From Operations	22,563.44	17,722.10	41,998.02	33,378.77	79,901.82
2. Other Operating Income	1,570.84	1,356.20	3,175.56	2,906.81	5,562.04
Total Operating Income (A)	24,134.28	19,078.30	45,173.58	36,285.58	84,563.86
3. Staff Cost	3,569.92	3,122.97	7,426.28	6,313.85	13,464.99
4. Depreciation	622.09	677.51	1,271.09	1,405.87	2,785.07
5. Provision for Standard Assets	190.00	-	470.00	-	1,090.00
6. Brokerage & Commission	732.78	1,353.75	1,473.88	2,945.05	7,006.42
7. Bad Debts Written-off (net)	733.98	458.44	1,368.08	1,431.12	2,463.29
8. Other Operative & Administrative Expenses	1,884.25	1,490.30	3,268.79	2,717.56	7,060.11
Total Operating Expenditure (B)	7,733.02	7,102.97	15,278.12	14,813.45	33,869.88
9. Profit From Operations Before Other Income & Interest (A-B)	16,401.26	11,975.33	29,895.46	21,472.13	50,693.98
10. Other Income	7.92	50.66	116.36	86.44	169.12
11. Profit Before Interest & Tax	16,409.18	12,025.99	30,011.82	21,558.57	50,863.10
12. Interest & Finance Charges	13,787.50	8,367.61	25,278.34	15,397.39	33,813.00
13. Profit Before Tax	2,621.68	3,658.38	4,733.48	6,161.18	17,050.10
14. Tax Expense (Includes Deferred Tax)	763.99	1,218.60	1,450.42	2,081.25	5,606.78
15. Profit After Tax	1,857.69	2,439.78	3,283.06	4,079.93	11,443.32
16. Paid-Up Equity Capital (Face Value Rs.2/-Each)	3,593.27	2,586.96	3,593.27	2,586.96	2,595.47
17. Reserves & Surplus	-	-	-	-	53,680.33
18. Earning Per Share (Face Value Rs.2/-Each)					
- Basic (In Rs.)	0.87	1.65	1.75	2.88	8.12
- Diluted (In Rs.)	0.86	1.62	1.71	2.82	7.94
19. Public Shareholding					
- Number Of Shares	125,731,612	75,320,597	125,731,612	75,320,597	75,746,047
- Percentage Of Shareholding	69.98%	58.23%	69.98%	58.23%	58.37%
20. Promoters and promoter group Shareholding					
a) Pledged/Encumbered					
- Number of Shares	7,259,542	-	7,259,542	-	-
- % of Shares (to total shareholding of promoter and promoter group)	13.46%	-	13.46%	-	-
- % of Shares (to total share capital of the Company)	4.04%	-	4.04%	-	-
b) Non-encumbered					
- Number of Shares	46,672,421	54,027,503	46,672,421	54,027,503	54,027,503
- % of Shares (to total shareholding of promoter and promoter group)	86.54%	100.00%	86.54%	100.00%	100.00%
- % of Shares (to total share capital of the Company)	25.98%	41.77%	25.98%	41.77%	41.63%





MAGMA FINCORP LIMITED

Unaudited Financial Results for the Quarter Ended 30th September 2011

Interim disclosure of Balance Sheet items

(Rs. in lacs)

Particulars	As at	
	30th September 2011	30th September 2010
	(Unaudited)	(Unaudited)
Shareholders' Funds		
(a) Share Capital	18,281.63	17,697.16
(b) Optionally Convertible Equity Warrants	1,250.00	1,250.00
(b) Reserves and Surplus	99,708.61	48,185.98
Total Shareholders' Funds	119,240.24	67,133.14
Subordinated Non-Convertible Perpetual Debentures (Tier I Capital)	5,500.00	3,000.00
Subordinated Redeemable Non-Convertible Debentures (Tier II Capital)	35,420.00	32,920.00
Loan Funds	513,953.86	351,479.56
Deferred Tax Liability	3,559.10	4,681.07
Total	677,673.20	459,213.77
Fixed Assets	18,074.53	19,651.23
Investments	3,332.44	3,727.65
Current Assets, Loans and Advances		
(a) Assets on Finance	606,415.61	348,148.58
(b) Stock-in-Trade	-	17.17
(c) Sundry Debtors	2,380.94	1,023.73
(d) Cash & Bank Balances	74,421.30	114,483.71
(e) Other Current Assets	24.26	28.99
(f) Loans and Advances	16,969.00	17,700.24
Less: Current Liabilities and Provisions		
(a) Current Liabilities	40,602.49	39,531.94
(b) Provisions	3,342.39	6,035.59
Total Net Current Assets, Loans and Advances	656,266.23	435,834.89
Total	677,673.20	459,213.77

Notes :

- The 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 17th October 2011.
- The Statutory Auditors have carried out the Limited Review of the unaudited financial results as required under Clause 41 of the listing agreement.
- On 29th July 2011, the Company has allotted, 35,650 Equity Shares of the face value of Rs.2/- each on preferential basis, under Employee Stock Option Plan (ESOP) pursuant to SEBI (ESOS and ESOS) Guidelines, 1999 to eligible employees of the Company. The total paid up capital of the Company stands increased to 17,96,63,575 Equity Shares of the face value of Rs. 2/- each aggregating Rs. 3593.27 lacs.
- With effect from 1st April 2011, the Company has decided to (i) minimize sale of its receivables in respect of assets originated by it and instead, using additional capital raised during the year, hold such loans on its balance sheet (ii) amortize the income arising out of securitization / assignment of receivables and any upfront brokerage expenses / income pertaining to origination over the tenure of the underlying contracts.
 - Consequently, in the quarter / period there is no upfront recognition of income arising from securitization / assignment of receivables unlike in the corresponding quarter / period of the previous year wherein such upfront income was Rs. 3,090.92 lacs for the quarter and Rs. 5,793.72 lacs for the period. Further, to align its accounting policies with this change, income and expense related to origination, hitherto recognized entirely at the time of booking of the loan, has been amortized over the tenor of the contracts. Consequently, a net expense of Rs. 1,372.01 lacs for the quarter and Rs. 2,544.92 lacs for the period is not charged off and is amortized over the tenor of the contracts.
 - During the current quarter / period, in line with the change in accounting policy on securitization / assignment of receivables, the Company has also amortized income arising out of securitization / assignment of receivables. Consequently, an amount of Rs. 1678.18 lacs, being income relating to future period is being recognized over the tenure of the contracts securitized / assigned.
- The Reserve Bank of India (RBI) vide its Notification No. DNBS. 223/CGM (US) - 2011 dated 17th January 2011 had issued directions to all NBFCs to make provision of 0.25% against standard assets with immediate effect. Accordingly, the Company has made provision of Rs. 190.00 lacs during the quarter and Rs. 470.00 lacs during the period. The above provision, in accordance with RBI guideline is included in Tier II Capital.
- The Company is engaged primarily in the business of financing in India and as such no separate information as per Accounting Standard 17 (Segment Reporting) is required to be furnished.
- Previous year / quarter figures are regrouped / restated, wherever found necessary.
- There was no investor complaint pending as on 30th September 2011. During the quarter, two complaints were received and duly resolved.

Place : Kolkata - 700 016
Dated : 17th October 2011

On Behalf of the Board
For Magma Fincorp Limited


Sanjay Chandra
Vice Chairman & Managing Director

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