

January 17, 2013

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 of India Limited
“Exchange Plaza”
Bandra- Kurla Complex, Bandra (E),
Mumbai – 400 051

Symbol - MAGMA

**Sub: Unaudited Financial Results (Consolidated) for the Quarter ended 31st December, 2012-
Intimation under Clause 41 of the Listing Agreement**

Dear Sir,

Pursuant to the Clause 41 of the Listing Agreement, please find enclosed herewith the Consolidated Unaudited Financial Results for the quarter ended 31st December, 2012. 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 17/01/2013.

Thanking you,

Yours faithfully,
For **Magma Fincorp Limited**


Girish Bhatia
Company Secretary



MAGMA FINCORP LIMITED

Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2012

Part - I		(Rs. in lacs)					
Particulars		Quarter ended			Year to date		Year ended
		31 December 2012	30 September 2012	31 December 2011	31 December 2012	31 December 2011	31 March 2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Income from operations						
	(a) Revenue from operations	42,394.69	38,188.05	27,315.40	113,107.47	72,883.06	103,147.59
	Total income from operations (net)	42,394.69	38,188.05	27,315.40	113,107.47	72,883.06	103,147.59
2.	Expenses						
	(a) Employee benefits expense	4,910.08	4,657.62	3,441.90	14,328.12	10,868.18	14,901.55
	(b) Depreciation and amortisation expense	886.39	756.88	632.80	2,870.17	1,903.89	2,957.74
	(c) Contingent provision against standard assets	473.00	351.21	254.00	1,197.64	741.00	641.00
	(d) Brokerage and commission	2,422.89	2,274.96	1,080.22	6,490.07	2,554.73	3,783.49
	(e) Provision for NPA / Bad debts written-off (net)	1,730.40	1,702.26	667.08	4,602.90	1,897.50	2,433.01
	(f) Other expenses	3,267.72	3,582.03	2,107.54	9,338.26	5,418.91	8,664.90
	Total expenses	13,690.48	13,324.96	8,183.54	38,827.16	23,384.21	33,381.69
3.	Profit from operations before other income and finance costs (1-2)	28,704.21	24,863.09	19,131.86	74,280.31	49,498.85	69,765.90
4.	Other income						
	(a) Market entry fee (net)	-	-	-	1,395.52	-	-
	(b) Other income	2,154.11	1,627.35	506.19	5,049.81	2,246.05	3,148.26
5.	Profit from ordinary activities before finance costs (3+4)	30,858.32	26,490.44	19,638.05	80,725.64	51,744.90	72,914.16
6.	Finance costs	25,222.57	22,259.51	17,581.51	66,012.70	44,126.94	62,542.85
7.	Profit from ordinary activities before tax (5-6)	5,635.75	4,230.93	2,056.54	14,712.94	7,617.96	10,371.31
8.	Tax expense (includes deferred tax)	1,829.10	1,407.19	666.99	4,780.22	2,386.78	2,592.19
9.	Net Profit from ordinary activities after tax (7-8)	3,806.65	2,823.74	1,389.55	9,932.72	5,231.18	7,779.12
10.	Minority interest	163.95	161.74	67.86	523.00	213.09	378.29
11.	Net Profit after taxes and minority interest (9-10)	3,642.70	2,662.00	1,321.69	9,409.72	5,018.09	7,400.83
12.	Paid-up equity share capital (Face value of Rs 2/- each)	3,799.14	3,797.84	3,794.64	3,799.14	3,794.64	3,794.64
13.	Reserves and surplus	-	-	-	-	-	106,360.26
14.	Earnings per share (not annualised)						
	(a) Basic (in Rs.)	1.73	1.26	0.51	4.48	2.46	3.60
	(b) Diluted (in Rs.)	1.73	1.26	0.51	4.48	2.46	3.56

See accompanying notes to the financial results

Part - II

Select Information for the Quarter and Nine Month Period Ended 31 December 2012

A. PARTICULARS OF SHAREHOLDING		Quarter ended			Year to Date		Year ended
Particulars		31 December 2012	30 September 2012	31 December 2011	31 December 2012	31 December 2011	31 March 2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1.	Public shareholding						
	- Number of shares	126,024,812	125,960,062	125,800,212	126,024,812	125,800,212	125,800,212
	- Percentage of shareholding	66.34%	66.33%	66.30%	66.34%	66.30%	66.30%
2.	Promoters and Promoter group shareholding						
	a) Pledged / encumbered						
	- Number of shares	4,843,576	5,123,280	7,259,542	4,843,576	7,259,542	7,259,542
	- % of shares (as a % of the total shareholding of promoter and promoter group)	7.58%	8.01%	11.36%	7.58%	11.36%	11.36%
	- % of shares (as a % of the total share capital of the Company)	2.55%	2.70%	3.83%	2.55%	3.83%	3.83%
	b) Non-encumbered						
	- Number of shares	59,088,387	58,808,683	56,672,421	59,088,387	56,672,421	56,672,421
	- % of shares (as a % of the total shareholding of promoter and promoter group)	92.42%	91.99%	88.64%	92.42%	88.64%	88.64%
	- % of shares (as a % of the total share capital of the Company)	31.11%	30.97%	29.87%	31.11%	29.87%	29.87%
B. INVESTOR COMPLAINTS		Quarter ended					
Particulars		31 December 2012					
Pending at the beginning of the quarter		Nil					
Received during the quarter		Nil					
Disposed-off during the quarter		Nil					
Remaining unresolved at the end of the quarter		Nil					



MAGMA FINCORP LIMITED

Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2012

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 17 January 2013.
- 2] The Joint Statutory Auditors have carried out the Limited Review of the unaudited standalone financial results as required under Clause 41 of the Listing Agreement and have issued an unqualified opinion thereon.
- 3] In accordance with Clause 41 of the Listing Agreement, the Company has opted to publish consolidated financial results. The standalone 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 statements 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 and Magma Advisory Services Limited (Formerly Magma Housing Finance Limited) and Joint Venture Companies, Magma HDI General Insurance Company Limited and Jaguar Advisory Services Private Limited.
- 5] The Insurance Joint Venture Company, Magma HDI General Insurance Company Limited has commenced the business from 1 October 2012, the results of which are reflected in the above results.
- 6] The Company has signed Definitive Agreements for the acquisition of the following:

- (a) 100% equity share capital of GE Money Housing Finance ("GEMHF"), which is an affiliate of GE Capital India engaged in housing finance in India with about Rs. 66,000 lacs loan assets and about Rs. 19,300 lacs net worth as at 31 March 2012, and;
- (b) Entire home equity loans portfolio of GE Money Financial Services Private Limited ("GEMFSP") with about Rs. 94,000 lacs loan assets as at 31 May 2012.

Consummation of the acquisitions is subject to standard conditions precedents including relevant regulatory approvals. The above transaction will be reflected in the financial statements of the Company when consummated.

- 7] In view of the imminent regulatory changes in capital adequacy, income recognition, asset classification and provisioning norms being proposed in the RBI draft guidelines released on 12 December 2012, and to become effective on 1 April 2013, the Company has proactively refined its method of recognising delinquencies and loan losses giving effect to such refinements from 1 April 2012.

Further, the Company believes that in the light of the current business and economic conditions and the change in its business model it would be prudent and appropriate in reflecting the prevalent credit risk by commencing recognition of delinquencies earlier and creating provisions against them as prescribed in the draft RBI guidelines set out below. These provisioning norms are considered the minimum and higher provision is made based on perceived credit risk where necessary.

Such early adoption of the draft guidelines enables the Company to be better prepared for full compliance well before the prescribed timelines.

Asset Classification	Ageing	Secured	Unsecured
Standard Assets	0 - 120 DPD	0%	0%
Sub-standard Assets	> 120 DPD (Up to one year)	15%	25%
Doubtful Assets	Up to one year	25%	100%
Doubtful Assets	One to three years	40%	100%
Doubtful Assets	More than three years	100%	100%
Loss Assets		100%	100%

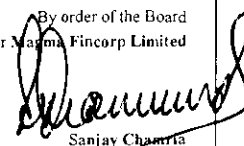
Following the change, the Company recognises delinquencies and commences provisioning at 120 days, rather than recognising delinquencies at 180 days and writing off 100% of loan outstanding as done previously. The application of the above provisioning norms has resulted in reduction of interest income by Rs. 735.17 lacs, and a net lower provision of Rs. 1,085.08 lacs. Recoveries made from loans written off prior to 1 April 2012 are included in Other Income.

Further, the Company has increased the standard provisioning by 0.05% to a total of 0.30% of the Standard Assets at 31 December 2012, from the existing 0.25% to gradually move to the proposed guideline of 0.40% which is to be effective by March 2014. This increase has resulted in an additional charge of Rs 460.58 lacs for the quarter and nine month period ended 31 December 2012.

- 8] During the quarter, the Company has allotted on preferential basis on 30 November 2012, 64,750, Equity Shares of the face value of Rs. 2/- each under Employee Stock Option Plan pursuant to SEBI (ESOS and ESPS) Guidelines, 1999 to the eligible employees of the Company. Consequently, the total paid-up capital of the Company stands increased to 189,956,775 Equity Shares of the face value of Rs. 2/- each aggregating to Rs. 3,799.14 lacs.
- 9] Pursuant to the approval given by the shareholders of the Company by way of Postal Ballot under Section 192A of the Companies Act, 1956 on 5 November 2012, the Company has raised a sum of Rs. 3,600 lacs by issue and allotment of 3,600,000, 11% Cumulative Non-Convertible Redeemable Preference Shares of the face value of Rs. 100/- on preferential basis on 12 November 2012.
- 10] During the quarter ended 30 June 2012, the Company had received a one time market entry fee from HDI Gerling International Holding AG, now replaced with HDI-Gerling Industrie Versicherung AG ("HDI"), a part of the Allianz AG Group, Germany, per Market Entry Agreement for providing support and market entry assistance in relation to general insurance business in India. Expenses attributable towards earning this fee income have been deducted therefrom.
- 11] The Company is primarily engaged in the business of financing in India and as such no separate information is required to be furnished in terms of Accounting Standard 17 - Segment Reporting.
- 12] Unaudited Financial Results of Magma Fincorp Limited (Standalone Information):

Particulars	Quarter ended			Year to Date		Year ended 31 March 2012
	31 December 2012	30 September 2012	31 December 2011	31 December 2012	31 December 2011	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Total income from operations	40,554.85	36,114.61	25,922.06	107,148.47	69,096.25	97,537.02
2. Profit from ordinary activities before tax	4,875.52	3,145.84	1,671.35	11,750.32	6,404.83	8,207.53
3. Net Profit from ordinary activities after tax	3,300.73	2,102.93	1,128.59	7,953.15	4,411.65	6,324.23

By order of the Board
For Magma Fincorp Limited

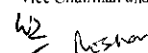

Sanjay Chandra

Vice Chairman and Managing Director

Place : Kolkata

Dated : 17 January 2013

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


Anshu