

Magma Fincorp Limited  
Regd. Office  
Development House  
24 Park Street, Kolkata 700 016  
Tel : 91 7596067686  
91 33 44017350  
Fax : 91 33 44017428  
CIN : L51504WB1978PLC031813  
Web : www.magma.co.in



07 November 2020

The Manager,  
Listing Department,  
**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra- Kurla Complex, Bandra (E).  
Mumbai-400051

**Symbol : MAGMA**

**BSE Limited**

Corporate Relationship Department  
25th floor, Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400001

**Company Code: 524000**

Dear Sir,

**Sub: Unaudited Financial Results for the quarter and half year ended 30 September 2020**

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

This is to inform you that the Board of Directors of the Company at their meeting held today i.e. 07 November 2020 has *inter alia* approved the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter and half year ended 30 September 2020. The said results have been reviewed by the Audit Committee of the Board. The Board Meeting commenced at 10:00 A.M. and concluded at 4:00 P.M.

Pursuant to Regulation 33 of the Listing Regulations, 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.

We are also enclosing herewith Statement of disclosures of line items pursuant to Regulation 52(4) of the Listing regulations for your kind reference and record. Please note that the Certificate received in compliance with Regulations 52(5) of Listing Regulations from IDBI Trusteeship Services Limited and Catalyst Trusteeship Limited (Formerly GDA Trusteeship Limited), Debenture Trustees of the Company is being forwarded to you separately.

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Pursuant to Regulation 30 of the Listing Regulations, please note that the investor's presentation is being sent separately and subsequently the same will be uploaded on the website of the Company.

This is for your information and record.

Kindly acknowledge receipt.

Thanking You,

**For Magma Fincorp Limited**

  
**Shabnum Zaman**  
**Company Secretary**

Encl: As above

# B S R & Co. LLP

Chartered Accountants

14th Floor, Central Wing,  
Tower 4, Nesco Center,  
Western Express Highway, Goregaon (East),  
Mumbai – 400063

Telephone: +91 22 6257 1000  
Fax: +91 22 6257 1010

## Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Magma Fincorp Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

### To Board of Directors of Magma Fincorp Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Magma Fincorp Limited (the ‘Parent’) and its subsidiary (the Parent and its subsidiary together referred to as the ‘Group’), and its share of the net profit after tax and total comprehensive income of its joint ventures for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 (the ‘Statement’), being submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the Entity	Relationship
Magma Housing Finance Limited	Subsidiary
Jaguar Advisory Services Private Limited	Joint Venture
Magma HDI General Insurance Company Limited	Joint Venture

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Registered Office:

**Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Magma Fincorp Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Continued)**

**Magma Fincorp Limited**

6. We did not review the interim financial results of one subsidiary included in the Statement, whose interim financial results reflect total assets of ₹ 3,10,533.72 lacs as at 30 September 2020 and total revenues of ₹ 10,552.70 lacs and ₹ 19,676.66 lacs, total net profit after tax of ₹ 1,389.46 lacs and ₹ 2,109.53 lacs and total comprehensive income of ₹ 1,690.14 lacs and ₹ 2,147.24 lacs for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, respectively, and cash flows (net) of ₹ 18,439.43 lacs for the period from 1 April 2020 to 30 September 2020, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of ₹ 367.13 lacs and ₹ 651.85 lacs and total comprehensive (loss)/income of ₹ (695.24) lacs and ₹ 1261.85 lacs for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, respectively, as considered in the Statement, in respect of one joint venture, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.
7. The Statement also includes the Group's share of net profit after tax of ₹ 0.005 lacs and ₹ 13.09 lacs and total comprehensive income / (loss) of ₹ 40.37 lacs and ₹ (417.45) lacs for the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, respectively, as considered in the consolidated unaudited financial results, in respect of one joint venture, based on their interim financial results which have not been reviewed/audited. According to the information and explanations given to us by the management, these interim financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.
8. We draw attention to Note 12 to the unaudited consolidated financial results which explains that pursuant to inadequate profits, the aggregate managerial remuneration paid by the Company to its Vice Chairman and Managing Director and to its whole time director during the year ended 31 March 2020 exceeded the limits laid down as per Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('SEBI Regulations') by ₹ 317.85 lacs. The corresponding excess payment as per limits prescribed under Section 197 of the Companies Act, 2013 ('Act') read with Schedule V to the Act was ₹ 42.87 lacs (which is part of ₹ 317.85 lacs). Since as provided by the law, the Company proposed to obtain the approval of excess remuneration from the shareholders in the Annual general Meeting, the amount was recognised as an expense in the financial statements for the year ended 31 March 2020.

Since, the shareholders did not approve the excess remuneration by requisite majority in the Annual General Meeting held on 31 August 2020, therefore a refund of the excess remuneration has been sought from the concerned directors and until then, the amount is held by these directors in trust for the Company. Consequently, in the financial results for the period ended 30 September 2020, the Company has recognised the excess remuneration aggregating to ₹ 317.85 lacs as a write-back and a receivable.

Our conclusion on the Statement is not modified in respect of this matter.

**Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Magma Fincorp Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Continued)**

**Magma Fincorp Limited**

9. As described in Note 9 to the Statement, in respect accounts where moratorium benefit was granted, the staging of those accounts at 30 September 2020 is based on the days past due status considering the benefit of moratorium period in accordance with the Covid-19 Regulatory Package announced by the Reserve Bank of India vide notifications dated 27 March 2020, 17 April 2020 and 23 May 2020. For the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, the Group has made an additional Covid-19 related provision of ₹ 8,981.01 lacs and ₹ 12,152.55 lacs respectively. Further, the extent to which the Covid-19 pandemic will impact the Group's financial performance is dependent on future developments, which are highly uncertain.

Our conclusion on the Statement is not modified in respect of these matters.

For **B S R & Co. LLP**

*Chartered Accountants*

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

ASHWIN S Digitally signed by  
ASHWIN S SUVARNA  
Date: 2020.11.07  
16:09:46 +05'30'  
SUVARNA

**Ashwin Suvarna**

*Partner*

Membership No: 109503

UDIN: 20109503AAAADQ8741

Mumbai  
7 November 2020



## MAGMA FINCORP LIMITED

### Statement of Consolidated Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020

(₹ in lacs)

Particulars	Quarter Ended			Year To Date		Year Ended
	30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Revenue</b>						
(a) Interest income	56,606.06	55,036.52	60,080.38	111,642.58	120,198.34	232,434.29
(b) Rental income	750.82	723.16	825.18	1,473.98	1,634.24	3,671.91
(c) Fees and commission income	2,030.57	828.00	2,083.53	2,858.57	4,283.94	8,650.27
(d) Net gain on fair value changes	-	-	1.23	-	-	-
(e) Net gain on derecognition of financial instruments	-	-	3,288.54	-	3,288.54	6,586.82
<b>Total revenue from operation</b>	<b>59,387.45</b>	<b>56,587.68</b>	<b>66,278.86</b>	<b>115,975.13</b>	<b>129,405.06</b>	<b>251,343.29</b>
(a) Other income	877.28	402.41	954.69	1,279.69	2,260.17	4,944.49
<b>Total revenue</b>	<b>60,264.73</b>	<b>56,990.09</b>	<b>67,233.55</b>	<b>117,254.82</b>	<b>131,665.23</b>	<b>256,287.78</b>
<b>2. Expenses</b>						
(a) Finance costs	28,491.99	29,538.19	34,196.43	58,030.18	67,080.36	129,382.18
(b) Net loss on fair value changes	228.75	19.14	-	247.89	26.53	461.66
(c) Impairment on financial instruments	13,069.97	9,119.20	11,805.05	22,189.17	23,909.08	48,578.97
(d) Employee benefits expenses	9,755.68	9,998.84	11,085.94	19,754.52	23,068.92	44,791.09
(e) Depreciation and amortisation expense	1,402.75	1,501.54	1,958.89	2,904.29	3,775.24	7,478.99
(f) Other expenses	2,639.94	2,408.68	4,413.75	5,048.62	8,333.33	17,316.43
<b>Total expenses</b>	<b>55,589.08</b>	<b>52,585.59</b>	<b>63,460.06</b>	<b>108,174.67</b>	<b>126,193.46</b>	<b>248,009.32</b>
<b>3. Profit before share of profit/(loss) of joint ventures and tax (1-2)</b>	<b>4,675.65</b>	<b>4,404.50</b>	<b>3,773.49</b>	<b>9,080.15</b>	<b>5,471.77</b>	<b>8,278.46</b>
<b>4. Share of profit/(loss) of joint ventures</b>	<b>367.13</b>	<b>297.81</b>	<b>303.42</b>	<b>664.94</b>	<b>161.87</b>	<b>(100.72)</b>
<b>5. Profit before tax (3+4)</b>	<b>5,042.78</b>	<b>4,702.31</b>	<b>4,076.91</b>	<b>9,745.09</b>	<b>5,633.64</b>	<b>8,177.74</b>
<b>6. Tax expense</b>						
(a) Current tax - current year	2,154.87	2,452.10	1,738.96	4,606.97	2,445.23	1,656.00
- earlier year	-	(153.44)	-	(153.44)	(66.73)	(141.35)
(b) Deferred tax	(917.24)	(1,367.80)	(615.08)	(2,285.04)	(762.19)	3,957.75
<b>Total tax expense</b>	<b>1,237.63</b>	<b>930.86</b>	<b>1,123.88</b>	<b>2,168.49</b>	<b>1,616.31</b>	<b>5,472.40</b>
<b>7. Profit for the period (5-6)</b>	<b>3,805.15</b>	<b>3,771.45</b>	<b>2,953.03</b>	<b>7,576.60</b>	<b>4,017.33</b>	<b>2,705.34</b>
<b>8. Other comprehensive income</b>						
(a) (i) Items that will not be reclassified to profit and loss						
Remeasurements of the defined benefit plans	114.76	(8.70)	37.90	106.06	(180.60)	(323.94)
Share of profit of equity-accounted investee, net of tax	-	-	-	-	-	(18.80)
(ii) Income tax relating to items that will not be reclassified to profit and loss	(28.88)	2.19	(13.19)	(26.69)	62.81	34.41
(b) (i) Items that will be reclassified to profit and loss						
Debt Instruments through other comprehensive income	528.89	(396.58)	(1,417.37)	132.31	(1,338.57)	(1,105.76)
Share of profit of equity-accounted investee, net of tax	(1,022.00)	1,201.46	(111.12)	179.46	407.71	1,064.75
(ii) Income tax relating to items that will be reclassified to profit and loss	(133.11)	99.81	412.66	(33.30)	396.51	266.35
<b>Total other comprehensive income</b>	<b>(540.34)</b>	<b>898.18</b>	<b>(1,091.12)</b>	<b>357.84</b>	<b>(652.14)</b>	<b>(82.99)</b>
<b>9. Total comprehensive income for the period (7+8)</b>	<b>3,264.81</b>	<b>4,669.63</b>	<b>1,861.91</b>	<b>7,934.44</b>	<b>3,365.19</b>	<b>2,622.35</b>
<b>10. Total comprehensive income for the period attributable to</b>						
(a) Owners of the Company	3,264.81	4,669.63	1,861.91	7,934.44	3,365.19	2,622.35
(b) Non-controlling interests	-	-	-	-	-	-
<b>11. Profit for the period attributable to</b>						
(a) Owners of the Company	3,805.15	3,771.45	2,953.03	7,576.60	4,017.33	2,705.34
(b) Non-controlling interests	-	-	-	-	-	-
<b>12. Other comprehensive income attributable to</b>						
(a) Owners of the Company	(540.34)	898.18	(1,091.12)	357.84	(652.14)	(82.99)
(b) Non-controlling interests	-	-	-	-	-	-
<b>13. Paid-up equity share capital (Face value of ₹ 2/- each)</b>	5,390.50	5,390.40	5,387.20	5,390.50	5,387.20	5,390.31
<b>14. Earnings per share (not annualised)</b>						
(a) Basic (in ₹)	1.41	1.40	1.10	2.81	1.49	1.00
(b) Diluted (in ₹)	1.41	1.40	1.10	2.81	1.49	1.00

See accompanying notes to the financial results



## MAGMA FINCORP LIMITED

Statement of Consolidated Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020

### CONSOLIDATED BALANCE SHEET

Particulars	(₹ in lacs)	
	As at 30 September 2020	As at 31 March 2020
	(Unaudited)	(Audited)
<b>A. ASSETS</b>		
<b>1. Financial Assets</b>		
(a) Cash and cash equivalents	49,818.53	20,596.15
(b) Bank balance other than cash and cash equivalents	52,051.62	50,232.02
(c) Receivables		
(i) Trade receivables	667.02	799.29
(ii) Other receivables	366.42	192.12
(d) Loans	1,317,455.27	1,354,645.40
(e) Investments	18,554.32	15,059.88
(f) Other financial assets	18,930.91	32,425.64
<b>Total Financial Assets</b>	<b>1,457,844.09</b>	<b>1,473,950.50</b>
<b>2. Non-Financial Assets</b>		
(a) Current tax assets	10,872.46	10,119.72
(b) Deferred tax Assets	11,606.66	9,381.60
(c) Property, plant and equipment	14,000.93	15,578.05
(d) Intangible assets under development	729.84	661.94
(e) Goodwill	1,430.34	1,430.34
(f) Other intangible assets	1,424.30	1,603.98
(g) Right to use assets	3,741.85	5,571.51
(h) Other non-financial assets	2,640.07	5,673.88
<b>Total Non-Financial Assets</b>	<b>46,446.45</b>	<b>50,021.02</b>
<b>TOTAL - ASSETS</b>	<b>1,504,290.54</b>	<b>1,523,971.52</b>
<b>B. LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>1. Financial Liabilities</b>		
(a) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5,275.76	2,505.68
(b) Debt securities	116,386.34	70,407.73
(c) Borrowings (Other than debt securities)	960,056.30	1,042,705.58
(d) Subordinated liabilities	85,735.62	85,623.66
(e) Lease liabilities	4,109.54	5,983.06
(f) Other financial liabilities	29,481.94	32,304.87
<b>Total Financial Liabilities</b>	<b>1,201,045.50</b>	<b>1,239,530.58</b>
<b>2. Non-Financial Liabilities</b>		
(a) Current tax liabilities	5,824.25	1,435.17
(b) Provisions	1,249.21	1,124.63
(c) Other non-financial liabilities	13,137.30	7,081.26
<b>Total Non-Financial Liabilities</b>	<b>20,210.76</b>	<b>9,641.06</b>
<b>3. EQUITY</b>		
(a) Equity share capital	5,390.50	5,390.31
(b) Other equity	277,643.78	269,409.57
	283,034.28	274,799.88
<b>TOTAL - LIABILITIES AND EQUITY</b>	<b>1,504,290.54</b>	<b>1,523,971.52</b>



## MAGMA FINCORP LIMITED

Statement of Consolidated Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020

### STATEMENT OF CASH FLOWS (CONSOLIDATED)

Particulars	(₹ in lacs)	
	Half Year Ended 30 September 2020	Half Year Ended 30 September 2019
	(Unaudited)	(Unaudited)
<b>A. Cash flow from operating activities</b>		
<b>Profit for the period</b>	<b>9,080.15</b>	<b>5,471.77</b>
<b>Adjustments for :</b>		
Depreciation and amortisation expense	2,904.29	3,775.24
Impairment on financial assets	22,189.17	25,120.82
Net loss on fair value changes	247.89	26.53
Profit on sale of fixed assets	(1.74)	7.02
Employee share based compensation expense	299.77	39.48
Interest on tax refund	(28.51)	(12.68)
Interest on lease liability	77.83	375.72
Others	(154.24)	(78.87)
<b>Operating cash flow before working capital changes</b>	<b>34,614.61</b>	<b>34,725.03</b>
Movement in working capital:		
(Increase) in receivables	(42.04)	(296.53)
Decrease in loans	16,448.46	85,357.98
Decrease/(increase) in other financial assets	9,568.05	(4,195.54)
Decrease in other non financial assets	2,788.51	1,616.70
Increase/(decrease) in trade payables	2,994.85	(28,711.54)
(Decrease) in other financial liabilities	(3,135.27)	(2,801.04)
Increase in provisions	252.00	229.86
Increase in other non financial liabilities	6,056.04	85.12
<b>Net cash generated from operating activities before taxes</b>	<b>69,545.21</b>	<b>86,010.04</b>
Income taxes paid (net of refunds)	(788.68)	(4,393.94)
<b>Net cash generated from operating activities (A)</b>	<b>68,756.53</b>	<b>81,616.10</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(1,015.73)	(3,406.68)
Proceeds from sale of property, plant and equipment	606.89	655.71
Purchase of intangible assets	(173.86)	(607.06)
Investment in fixed deposits	(91,187.01)	(29,469.66)
Redemption of fixed deposits	89,367.41	22,224.93
Proceeds from sale of investments	200.26	753.04
<b>Net cash (used in) investing activities (B)</b>	<b>(2,202.04)</b>	<b>(9,849.72)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of long-term debentures	48,500.00	20,141.45
Redemption of long-term debentures	(2,500.00)	(7,000.00)
Proceeds from long term borrowings	78,280.89	72,510.47
Repayment of long term borrowings	(72,087.18)	(41,574.72)
Proceeds from long term borrowings - pass through certificate	-	188,222.88
Repayment of long term borrowings - pass through certificate	(72,669.46)	(116,016.91)
Repayment - loan repayable on demand (net)	(16,073.45)	(186,917.10)
Interest on lease liability	(77.83)	(375.72)
Principal portion of lease liability	(700.28)	(623.73)
Proceeds from issue of equity shares including securities premium	0.19	0.72
Dividend paid (including tax thereon)	(4.99)	(2,600.06)
<b>Net cash (used in) financing activities (C)</b>	<b>(37,332.11)</b>	<b>(74,232.72)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>29,222.38</b>	<b>(2,466.34)</b>
Cash and cash equivalents at the beginning of the period	20,596.15	57,098.20
<b>Cash and cash equivalents at the end of the period</b>	<b>49,818.53</b>	<b>54,631.86</b>

Note : The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7 on 'Statement of Cash Flows'.





## MAGMA FINCORP LIMITED

### Statement of Consolidated Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020

#### Notes :

- 1] The consolidated financial results of Magma Fincorp Limited ("the Company"), its subsidiary (collectively referred to as 'the Group') and its joint ventures have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. These financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - 'Interim Financial Reporting'. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable .
- 2] The unaudited consolidated financial results have been reviewed by the Audit Committee on 6 November 2020 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 7 November 2020.
- 3] The above consolidated financial results have been subjected to limited review by the Statutory Auditors of the Company as required under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The reports of the Statutory Auditors are unqualified.
- 4] In accordance with Regulation 33 of the Listing Regulations, the Group publishes consolidated financial results. The review report of the Statutory Auditors and financial results shall be filed with BSE Limited and National Stock Exchange of India Limited and shall be 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 Ind AS 110 (Consolidated Financial Statements) and Ind AS 111 (Joint Arrangements) and comprise of the financial results of Magma Fincorp Limited, its subsidiary, Magma Housing Finance Limited ('MHFL') and its joint ventures, Magma HDI General Insurance Company Limited and Jaguar Advisory Services Private Limited.
- 6] The Group's operating segments are established in the manner consistent with the components of the Group that are evaluated regularly by the Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'. The Group is engaged primarily in the business of financing and there are no separate reportable segments as per Ind AS 108.
- 7] During the quarter, the Company has allotted 4,800 equity shares (Year to date -9,600 equity shares) of the face value of ₹ 2/- each on 7 August 2020 to the eligible employees of the Company under Employee Stock Option Plan pursuant to SEBI (ESOS and ESPS) Guidelines, 1999 and with corresponding provision of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 26,95,24,912 equity shares of ₹ 2/- each aggregating to ₹ 5,390.50 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect.
- 8] The listed Non Convertible Debentures of the Company as on 30 September 2020 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.
- 9] In accordance with the Board approved moratorium policy and the Reserve Bank of India guidelines relating to COVID-19 Regulatory Package dated March 27 2020, April 17 2020 and May 23 2020, the Company offered moratorium on payment of all installments and / or interest, as applicable, falling due between March 1, 2020 and August 31 2020 to all eligible borrowers as per the Company's policy. For all loans where moratorium was availed by the borrowers, the Company had kept ageing of such loans and their asset classification at standstill during the moratorium period.

Further, no borrower accounts under the moratorium granted category have been classified as non-performing assets (NPA) which were not declared non-performing till 31 August 2020, in view of the Supreme Court order dated 3 September 2020 (Public Interest Litigation (PIL) by Gajendra Sharma Vs Union of India & ANR). However, provision has been made on such accounts as applicable for Stage 3 assets.

The Company has made net additional provision during the quarter and half year ended September 2020 aggregating to ₹ 8,981.01 lacs and ₹ 12,152.55 lacs respectively towards potential impact of COVID-19 pandemic resulting in consequent reduction of PBT by ₹ 8,981.01 lacs and PAT by ₹ 6,720.67 lacs for quarter ended 30 September 2020 and reduction of PBT by ₹ 12,152.55 lacs and PAT by ₹ 9,093.99 lacs for half year ended 30 September 2020.

As at 30 September 2020, Company holds cumulative provision against the potential impact of COVID-19 to the tune of ₹ 23,813.00 lacs. The Company has made these provisions on the basis of management judgement of expected losses on its loan portfolio. Any potential excess/ shortfall based on actual experience will be adjusted in the relevant period in future.

Further, the underlying forecasts and assumptions applied by the Company in determination of ECL provision (including additional provision) are subject to uncertainties which are often outside the control of the Company and accordingly, actual results may differ from these estimates.

The Company has been duly servicing its debt obligations. The Company's Capital Adequacy and Liquidity position remains strong and shall continue to be an area of focus.



## MAGMA FINCORP LIMITED

### Statement of Consolidated Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020

- 10] The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, has announced COVID-19 Relief Scheme for grant of ex-gratia payment being difference between compound interest and simple interest for six months period from 1 March 2020 to 31 August 2020 to eligible borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium was availed or not. The Company expects the said Scheme will not have any impact on the profit and loss of the Company as the ex-gratia amount will be reimbursed by the Government as per the notification.
- 11] The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules thereunder are yet to be framed. Accordingly, actual impact of this change will be assessed and accounted for when the notification becomes effective.
- 12] Pursuant to inadequate profits due to additional provision made for COVID-19, the aggregate managerial remuneration paid by the Company to its Vice Chairman and Managing Director and to its whole time director during the previous year ended 31 March 2020 exceeded the limits laid down as per Regulation 17 (6) (e) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('SEBI Regulations') by ₹ 317.85 lacs. The corresponding excess payment as per the limits prescribed under Section 197 of the Companies Act, 2013 ('Act') read with Schedule V to the Act was ₹ 42.87 lacs (which is part of ₹ 317.85 lacs). The Managerial Remuneration paid was recognized as an expense in the financial statements for the year ended 31 March 2020 and was subject to approval of the shareholders in the Annual General Meeting.

Since, the shareholders have not approved the excess remuneration by requisite majority in the Annual General Meeting held on 31 August 2020, the excess remuneration has been reversed during the quarter and would be refunded by the concerned directors within a period of 2 years as per the provisions of Companies Act 2013 and until then, the amount is held by these directors in trust for the Company.

- 13] Unaudited Financial Results of Magma Fincorp Limited (Standalone Information):

Particulars	Quarter Ended			Year To Date		Year Ended
	30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Total revenue	49,622.17	47,767.24	58,814.07	97,389.41	115,875.45	221,903.40
2. Profit before tax	2,713.03	3,381.12	1,763.54	6,094.15	2,865.08	3,418.30
3. Profit/(loss) for the period	1,970.55	2,679.57	1,209.29	4,650.12	1,993.99	(1,001.08)
4. Total comprehensive income for the period	2,151.53	2,639.26	1,234.19	4,790.79	1,804.84	(1,618.34)

- 14] Previous year's /quarter's figures have been regrouped and rearranged wherever necessary to confer to the current quarter's/year's presentation.

Place : Kolkata  
Dated : 7 November 2020

By order of the Board  
**For Magma Fincorp Limited**  
SANJAY  
CHAMRIA  
Digitally signed by SANJAY  
CHAMRIA  
Date: 2020.11.07 15:51:57  
+05'30'  
**Sanjay Chamria**  
Vice Chairman and Managing Director  
DIN No.: 00009894

**Corporate Office** : 501, 5th floor, Rustomjee Aspire, Off Eastern Express Highway, Imax Dome Theatre Road,  
Everard Nagar, Sion (East), Mumbai 400-022, Phone: 022-62291100  
**Registered Office** : Development House, 24 Park Street, Kolkata - 700 016  
**Website** : www.magma.co.in; CIN : L51504WB1978PLC031813  
**Phone**: 033-4401 7350; **E-mail**: shabnum.zaman@magma.co.in

# B S R & Co. LLP

Chartered Accountants

14th Floor, Central Wing,  
Tower 4, Nesco Center,  
Western Express Highway, Goregaon (East),  
Mumbai – 400063

Telephone: +91 22 6257 1000  
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## **Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results of Magma Fincorp Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015**

### **To Board of Directors of Magma Fincorp Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Magma Fincorp Limited (the ‘Company’) for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 (the ‘Statement’).
2. This Statement, which is the responsibility of the Company’s management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (‘Ind AS 34’), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 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 Indian accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Listing Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 11 to the unaudited standalone financial results which explains that pursuant to inadequate profits, the aggregate managerial remuneration paid by the Company to its Vice Chairman and Managing Director and to its whole time director during the year ended 31 March 2020 exceeded the limits laid down as per Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (‘SEBI Regulations’) by ₹ 317.85 lacs. The corresponding excess payment as per limits prescribed under Section 197 of the Companies Act, 2013 (‘Act’) read with Schedule V to the Act was ₹ 42.87 lacs (which is part of ₹ 317.85 lacs). Since as provided by the law, the Company proposed to obtain the approval of excess remuneration from the shareholders in the Annual General Meeting, the amount was recognised as an expense in the financial statements for the year ended 31 March 2020.

Registered Office:

**Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results of Magma Fincorp Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Continued)**

**Magma Fincorp Limited**

Since, the shareholders did not approve the excess remuneration by requisite majority in the Annual General Meeting held on 31 August 2020, therefore, a refund of the excess remuneration has been sought from the concerned directors and until then, the amount is held by these directors in trust for the Company.

Consequently, in the financial results for the period ended 30 September 2020, the Company has recognised the excess remuneration aggregating to ₹ 317.85 lacs as a write-back and a receivable.

Our conclusion on the Statement is not modified in respect of this matter.

6. As described in Note 8 to the unaudited standalone financial results, in respect accounts where moratorium benefit was granted, the staging of those accounts at 30 September 2020 is based on the days past due status considering the benefit of moratorium period in accordance with the Covid-19 Regulatory Package announced by the Reserve Bank of India vide notifications dated 27 March 2020, 17 April 2020 and 23 May 2020. For the quarter ended 30 September 2020 and for the period from 1 April 2020 to 30 September 2020, the Company has made an additional Covid-19 related provision of ₹ 8,252.11 lacs and ₹ 10,978.06 lacs respectively. Further, the extent to which the Covid-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain.

Our conclusion on the Statement is not modified in respect of these matters.

For **B S R & Co. LLP**

*Chartered Accountants*

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

**ASHWIN S** Digitally signed by  
ASHWIN S SUVARNA  
Date: 2020.11.07  
**SUVARNA** 16:10:34 +05'30'

**Ashwin Suvarna**

*Partner*

Membership No: 109503

UDIN: 20109503AAAADO3455

Mumbai  
7 November 2020



## MAGMA FINCORP LIMITED

### Statement of Standalone Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020

(₹ in lacs)

Particulars	Quarter Ended			Year To Date		Year Ended
	30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Revenue</b>						
(a) Interest income	46,306.90	45,887.56	53,293.24	92,194.46	106,441.60	202,280.66
(b) Rental income	750.82	723.16	825.18	1,473.98	1,634.24	3,671.91
(c) Fees and commission income	1,792.68	754.11	1,793.38	2,546.79	3,737.15	7,440.16
(d) Net gain on derecognition of financial instruments	-	-	2,157.58	-	2,157.58	4,361.83
<b>Total revenue from operation</b>	<b>48,850.40</b>	<b>47,364.83</b>	<b>58,069.38</b>	<b>96,215.23</b>	<b>113,970.57</b>	<b>217,754.56</b>
(a) Other income	771.77	402.41	744.69	1,174.18	1,904.88	4,148.84
<b>Total revenue</b>	<b>49,622.17</b>	<b>47,767.24</b>	<b>58,814.07</b>	<b>97,389.41</b>	<b>115,875.45</b>	<b>221,903.40</b>
<b>2. Expenses</b>						
(a) Finance costs	22,823.99	24,418.88	30,273.44	47,242.87	59,410.67	112,397.10
(b) Net loss on fair value changes	202.80	19.14	5.72	221.94	33.48	236.53
(c) Impairment on financial instruments	12,398.57	8,285.22	11,796.98	20,683.79	23,591.71	46,404.71
(d) Employee benefits expenses	7,971.15	8,238.27	9,299.97	16,209.42	19,260.95	37,408.73
(e) Depreciation and amortisation expense	1,320.33	1,426.42	1,835.15	2,746.75	3,627.56	7,164.14
(f) Other expenses	2,192.30	1,998.19	3,839.27	4,190.49	7,086.00	14,873.89
<b>Total expenses</b>	<b>46,909.14</b>	<b>44,386.12</b>	<b>57,050.53</b>	<b>91,295.26</b>	<b>113,010.37</b>	<b>218,485.10</b>
<b>3. Profit before tax (1-2)</b>	<b>2,713.03</b>	<b>3,381.12</b>	<b>1,763.54</b>	<b>6,094.15</b>	<b>2,865.08</b>	<b>3,418.30</b>
<b>4. Tax expense</b>						
(a) Current tax- current year	1,857.50	2,314.56	958.13	4,172.06	1,333.94	1,130.00
- earlier year	-	(128.27)	-	(128.27)	(64.09)	(109.50)
(b) Deferred tax	(1,115.02)	(1,484.74)	(403.88)	(2,599.76)	(398.76)	3,398.88
<b>Total tax expense</b>	<b>742.48</b>	<b>701.55</b>	<b>554.25</b>	<b>1,444.03</b>	<b>871.09</b>	<b>4,419.38</b>
<b>5. Profit/(loss) for the period (3-4)</b>	<b>1,970.55</b>	<b>2,679.57</b>	<b>1,209.29</b>	<b>4,650.12</b>	<b>1,993.99</b>	<b>(1,001.08)</b>
<b>6. Other comprehensive income</b>						
(a) (i) Items that will not be reclassified to profit and loss						
Remeasurements of the defined benefit plans	106.13	(12.42)	36.92	93.71	(175.47)	(322.93)
(ii) Income tax relating to items that will not be reclassified to profit and loss	(26.71)	3.13	(12.90)	(23.58)	61.32	33.97
(b) (i) Items that will be reclassified to profit and loss						
Debt Instruments through other comprehensive income	135.71	(41.45)	1.35	94.26	(115.29)	(452.13)
(ii) Income tax relating to items that will be reclassified to profit and loss	(34.15)	10.43	(0.47)	(23.72)	40.29	123.83
<b>Total other comprehensive income</b>	<b>180.98</b>	<b>(40.31)</b>	<b>24.90</b>	<b>140.67</b>	<b>(189.15)</b>	<b>(617.26)</b>
<b>7. Total comprehensive income for the period (5+6)</b>	<b>2,151.53</b>	<b>2,639.26</b>	<b>1,234.19</b>	<b>4,790.79</b>	<b>1,804.84</b>	<b>(1,618.34)</b>
<b>8. Paid-up equity share capital (Face value of ₹ 2/- each)</b>	5,390.50	5,390.40	5,387.20	5,390.50	5,387.20	5,390.31
<b>9. Earnings per share (not annualised)</b>						
(a) Basic (in ₹)	0.73	0.99	0.45	1.73	0.74	(0.37)
(b) Diluted (in ₹)	0.73	0.99	0.45	1.72	0.74	(0.37)

See accompanying notes to the financial results



**MAGMA FINCORP LIMITED**

**Statement of Standalone Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020**

STANDALONE BALANCE SHEET

(₹ in lacs)

Particulars	As at	As at
	30 September 2020	31 March 2020
	(Unaudited)	(Audited)
<b>A. ASSETS</b>		
<b>1. Financial Assets</b>		
(a) Cash and cash equivalents	31,433.94	20,485.66
(b) Bank balance other than cash and cash equivalents	38,644.93	44,350.78
(c) Receivables		
(i) Trade receivables	667.02	799.29
(ii) Other receivables	366.42	192.12
(d) Loans	1,050,208.24	1,117,491.30
(e) Investments	42,892.20	40,242.16
(f) Other financial assets	12,172.32	25,605.65
<b>Total Financial Assets</b>	<b>1,176,385.07</b>	<b>1,249,166.96</b>
<b>2. Non-Financial Assets</b>		
(a) Current tax assets	10,377.86	9,540.56
(b) Deferred tax Assets	12,950.77	10,398.31
(c) Property, plant and equipment	13,893.13	15,451.77
(d) Intangible assets under development	589.39	553.48
(e) Other intangible assets	1,369.30	1,546.02
(f) Right to use assets	3,249.33	5,122.24
(g) Other non-financial assets	1,447.82	3,740.93
<b>Total Non-Financial Assets</b>	<b>43,877.60</b>	<b>46,353.31</b>
<b>TOTAL - ASSETS</b>	<b>1,220,262.67</b>	<b>1,295,520.27</b>
<b>B. LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>1. Financial Liabilities</b>		
(a) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	4,990.66	1,966.47
(b) Debt securities	72,506.74	64,915.80
(c) Borrowings (Other than debt securities)	762,920.75	859,857.27
(d) Subordinated liabilities	75,794.51	75,684.48
(e) Lease liabilities	3,583.60	5,496.91
(f) Other financial liabilities	24,829.92	27,127.87
<b>Total Financial Liabilities</b>	<b>944,626.18</b>	<b>1,035,048.80</b>
<b>2. Non-Financial Liabilities</b>		
(a) Current tax liabilities	5,824.25	1,435.17
(b) Provisions	1,139.16	1,026.16
(c) Other non-financial liabilities	12,175.28	6,478.89
<b>Total Non-Financial Liabilities</b>	<b>19,138.69</b>	<b>8,940.22</b>
<b>3. EQUITY</b>		
(a) Equity share capital	5,390.50	5,390.31
(b) Other equity	251,107.30	246,140.94
	256,497.80	251,531.25
<b>TOTAL - LIABILITIES AND EQUITY</b>	<b>1,220,262.67</b>	<b>1,295,520.27</b>



**MAGMA FINCORP LIMITED**

**Statement of Standalone Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020**

STATEMENT OF CASH FLOWS (STANDALONE)

(₹ in lacs)

Particulars	Half year ended 30 September 2020	Half year ended 30 September 2019
	(Unaudited)	(Unaudited)
<b>A. Cash flow from operating activities</b>		
<b>Profit for the period</b>	<b>6,094.15</b>	<b>2,865.08</b>
<b>Adjustments for :</b>		
Depreciation and amortisation expense (gross)	2,841.34	3,725.16
Impairment on financial assets	20,683.79	24,617.25
Net loss on fair value changes	221.94	33.48
Profit on sale of fixed assets	14.38	7.02
Employee share based compensation expense	175.57	(54.69)
Interest on tax refund	(28.51)	(12.68)
Interest on lease liability	71.84	350.10
Others	(100.47)	(78.87)
<b>Operating cash flow before working capital changes</b>	<b>29,974.03</b>	<b>31,451.85</b>
Movement in working capital:		
(Increase) in receivables	(42.04)	(296.53)
Decrease in loans	47,243.55	104,456.89
Decrease/(increase) in other financial assets	9,811.07	(3,494.23)
Decrease in other non financial assets	2,293.11	737.62
Increase/(decrease) in trade payables	3,124.66	(28,816.61)
(Decrease)/increase in other financial liabilities	(1,244.80)	3,506.13
Increase in provisions	206.71	171.95
Increase in other non financial liabilities	5,696.39	541.05
<b>Net cash generated from operating activities before taxes</b>	<b>97,062.68</b>	<b>108,258.12</b>
Income taxes paid (net of refunds)	(463.50)	(3,788.36)
<b>Net cash generated from operating activities (A)</b>	<b>96,599.18</b>	<b>104,469.76</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(1,015.73)	(3,397.99)
Proceeds from sale of property, plant and equipment	605.67	655.71
Purchase of intangible assets	(132.71)	(607.06)
Investment in fixed deposits	(13,734.23)	(26,448.57)
Redemption of fixed deposits	19,440.08	19,701.77
Proceeds from sale of investments	200.26	753.04
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>5,363.34</b>	<b>(9,343.10)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of long-term debentures	7,500.00	20,141.45
Redemption of long-term debentures	-	(6,000.00)
Proceeds from long term borrowings	37,545.89	47,510.47
Repayment of long term borrowings	(48,949.89)	(31,340.65)
Proceeds from long term borrowings - pass through certificate	-	184,717.70
Repayment of long term borrowings - pass through certificate	(69,822.90)	(114,047.41)
Repayment - loan repayable on demand (net)	(16,556.81)	(194,856.16)
Interest on lease liability	(71.84)	(350.10)
Principal portion of lease liability	(653.89)	(605.29)
Proceeds from issue of equity shares including securities premium	0.19	0.72
Dividend paid (including tax thereon)	(4.99)	(2,600.06)
<b>Net cash (used in) financing activities (C)</b>	<b>(91,014.24)</b>	<b>(97,429.33)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>10,948.28</b>	<b>(2,302.67)</b>
Cash and cash equivalents at the beginning of the period	20,485.66	56,741.02
<b>Cash and cash equivalents at the end of the period</b>	<b>31,433.94</b>	<b>54,438.35</b>

Note : The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7 on 'Statement of Cash Flows'.



## MAGMA FINCORP LIMITED

### Statement of Standalone Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020

#### Notes :

- 1] The standalone financial results of Magma Fincorp Limited ("the Company") have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. These financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - 'Interim Financial Reporting'. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.
- 2] The unaudited standalone financial results for the quarter and half year ended 30 September 2020 have been reviewed by the Audit Committee on 6 November 2020 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 7 November 2020.
- 3] The above standalone financial results have been subjected to limited review by the Statutory Auditors of the Company as required under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The reports of the Statutory Auditors are unqualified.
- 4] The review report of the Statutory Auditors and financial results shall be filed with BSE Limited and National Stock Exchange of India Limited and shall be 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 Company's operating segments are established in the manner consistent with the components of the Company that are evaluated regularly by the Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'. The Company is engaged primarily in the business of financing and there are no separate reportable segments as per Ind AS 108.
- 6] During the quarter, the Company has allotted 4,800 equity shares (Year to date - 9,600 equity shares) of the face value of ₹ 2/- each on 7 August 2020 to the eligible employees of the Company under Employee Stock Option Plan pursuant to SEBI (ESOS and ESPS) Guidelines, 1999 and with corresponding provision of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 26,95,24,912 equity shares of ₹ 2/- each aggregating to ₹ 5,390.50 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect.
- 7] The listed Non Convertible Debentures of the Company as on 30 September 2020 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.
- 8] In accordance with the Board approved moratorium policy and the Reserve Bank of India guidelines relating to COVID-19 Regulatory Package dated March 27 2020, April 17 2020 and May 23 2020, the Company offered moratorium on payment of all installments and / or interest, as applicable, falling due between March 1, 2020 and August 31 2020 to eligible borrowers as per the Company's policy. For all loans where moratorium was availed by the borrowers, the Company had kept ageing of such loans and their asset classification at standstill during the moratorium period.

Further, no borrower accounts under the moratorium granted category have been classified as non-performing assets (NPA) which were not declared non-performing till 31 August 2020, in view of the Supreme Court order dated 3 September 2020 (Public Interest Litigation (PIL) by Gajendra Sharma Vs Union of India & ANR). However, provision has been made on such accounts as applicable for Stage 3 assets.

The Company has made net additional provision during the quarter and half year ended September 2020 aggregating to ₹ 8,252.11 lacs and ₹ 10,978.06 lacs respectively towards potential impact of COVID-19 pandemic resulting in consequent reduction of PBT by ₹ 8,252.11 lacs and PAT by ₹ 6,175.22 lacs for quarter ended 30 September 2020 and reduction of PBT by ₹ 10,978.06 lacs and PAT by ₹ 8,215.10 lacs for half year ended 30 September 2020.

As at 30 September 2020, Company holds cumulative provision against the potential impact of COVID-19 to the tune of ₹ 21,902.47 lacs. The Company has made these provisions on the basis of management judgement of expected losses on its loan portfolio. Any potential excess/ shortfall based on actual experience will be adjusted in the relevant period in future.

Further, the underlying forecasts and assumptions applied by the Company in determination of ECL provision (including additional provision) are subject to uncertainties which are often outside the control of the Company and accordingly, actual results may differ from these estimates.

The Company has been duly servicing its debt obligations. The Company's Capital Adequacy and Liquidity position remains strong and shall continue to be an area of focus.





## MAGMA FINCORP LIMITED

### Statement of Standalone Unaudited Financial Results for the Quarter and Six Month Period Ended 30 September 2020

- 9] The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, has announced COVID-19 Relief Scheme for grant of ex-gratia payment being difference between compound interest and simple interest for six months period from 1 March 2020 to 31 August 2020 to eligible borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether moratorium was availed or not. The Company expects the said Scheme will not have any impact on the profit and loss of the Company as the ex-gratia amount will be reimbursed by the Government as per the notification.
- 10] The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules thereunder are yet to be framed. Accordingly, actual impact of this change will be assessed and accounted for when the notification becomes effective.
- 11] Pursuant to inadequate profits due to additional provision made for COVID-19, the aggregate managerial remuneration paid by the Company to its Vice Chairman and Managing Director and to its whole time director during the previous year ended 31 March 2020 exceeded the limits laid down as per Regulation 17 (6) (e) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('SEBI Regulations') by ₹ 317.85 lacs. The corresponding excess payment as per the limits prescribed under Section 197 of the Companies Act, 2013 ('Act') read with Schedule V to the Act was ₹ 42.87 lacs (which is part of ₹ 317.85 lacs). The Managerial Remuneration paid was recognized as an expense in the financial statements for the year ended 31 March 2020 and was subject to approval of the shareholders in the Annual General Meeting.
- Since, the shareholders have not approved the excess remuneration by requisite majority in the Annual General Meeting held on 31 August 2020, the excess remuneration has been reversed during the quarter and would be refunded by the concerned directors within a period of 2 years as per the provisions of Companies Act 2013 and until then, the amount is held by these directors in trust for the Company.
- 12] Previous year's /quarter's figures have been regrouped and rearranged wherever necessary to confer to the current quarter's/year's presentation.

By order of the Board  
For **Magma Fincorp Limited**

**SANJAY**  
**CHAMRIA**

Digitally signed by  
SANJAY CHAMRIA  
Date: 2020.11.07  
15:53:09 +05'30'

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

Place : Kolkata  
Dated : 7 November 2020

**Corporate Office** : 501, 5th floor, Rustomjee Aspire, Off Eastern Express Highway, Imax Dome Theatre Road,  
Everard Nagar, Sion (East), Mumbai 400-022, Phone: 022-62291100

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

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

**Phone**: 033-4401 7350; **E-mail**: shabnum.zaman@magma.co.in

<b>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 2020</b>			
<b>Sl. No.</b>	<b>Particulars</b>	<b>Standalone</b>	<b>Consolidated</b>
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**	3.55	4.11
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		
	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)	256,497.80	283,034.28
k.	Net profit after tax (₹ in lacs)	4,650.12	7,576.60
l.	Earnings per share (not annualised)		
	a) Basic (in ₹)	1.73	2.81
	b) Diluted (in ₹)	1.72	2.81

\*Pursuant to Rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules, 2014, as amended vide the Companies (Share Capital and Debentures) Amendment Rules, 2019, the Company, being an NBFC registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, is not required to create a Debenture Redemption Reserve, in respect of public issue of debentures and debentures issued by it on a private placement basis.

\*\*Securitization of Loan Assets (PTC Pools) for ₹ 257,513.20 Lacs and ₹ 290,403.64 lacs for standalone and consolidated financials respectively do not meet the de-recognition criteria under Ind AS and accordingly classified as borrowings in financials. As such, we have considered amount held for PTC pools in calculation of Debt/Equity ratio. The debt equity ratio excluding such borrowing would be 2.55 for and 3.08 for standalone and consolidated financials respectively.

For **Magma Fincorp Limited**

**SANJAY CHAMRIA**  
 Digitally signed by SANJAY CHAMRIA  
 Date: 2020.11.07 15:53:57 +05'30'

**Sanjay Chamria**  
**Vice Chairman and Managing Director**

Place: Kolkata

Date: 7 November 2020

**Details of Ratings assigned by credit rating agencies and migration of ratings during the half year ended 30 September 2020**

**Magma Fincorp Limited**

Sl. No.	Nature	Sep-20	Mar-20
1	Secured Debentures	CARE AA-	CARE AA-
		-	IND AA-
		-	ICRA AA-
	Public Issue NCD	BWR AA-	BWR AA
	Public Issue NCD	ACUITE AA	ACUITE AA
2	Subordinated Debentures	CARE AA-	CARE AA-
		BWRAA-	BWRAA
		ACUITE AA	ACUITE AA
3	Perpetual Debt Instruments	CARE A+	CARE A+
		BWR A+	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 Housing Finance Limited (Subsidiary)**

Sl. No.	Nature	Sep-20	Mar-20
1	Short Term Debt	CRISIL A1+	CRISIL A1+
2	Long Term Debt (Secured NCD)	CARE AA-	CARE AA-
		-	ICRA AA-
		BWR AA-	BWR AA
		-	ACUITE AA
3	Long Term Bank Facilities	CARE AA-	CARE AA-
		ICRA AA-	ICRA AA-

**Annexure B**

**MAGMA FINCORP LIMITED**

**TRUSTEE: IDBI TRUSTESHIP SERVICES LTD**

**SUMMARY OF DEBT SECURITIES AS ON 30 September 2020**

(₹ 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	INE511C07573	10-Jan-17	10-Jan-20	10-Jan-21	-	07-Jan-22	5.00
2	INE511C07581	13-Feb-17	13-Feb-20	13-Feb-21	-	13-Feb-24	50.00
3	INE511C07599	06-Apr-17	06-Apr-20	06-Apr-21	-	06-Apr-24	50.00
4	INE511C07730	30-Sep-20	-	30-Sep-21	-	30-Mar-22	75.00
	<b>Sub Total (A)</b>						<b>180.00</b>
<b>B) Subordinated Debentures</b>							
1	INE511C08803	06-Sep-12	06-Sep-20	06-Sep-21	-	06-Sep-22	25.00
2	INE511C08829	17-Jan-13	17-Jan-20	17-Jan-21	-	17-Jan-23	10.00
3	INE511C08860	23-Apr-13	23-Apr-20	23-Apr-21	-	21-Apr-23	48.00
4	INE511C08886	26-Sep-13	26-Sep-20	26-Sep-21	-	26-Sep-23	14.00
5	INE511C08902	28-Mar-14	28-Mar-20	28-Mar-21	-	28-Apr-21	15.00
6	INE511C08910	30-Jun-14	30-Jun-20	30-Dec-20	-	30-Jun-21	215.00
	<b>Sub Total (B)</b>						<b>327.00</b>
<b>C) Perpetual Debt Instruments</b>							
1	INE511C08704	09-Dec-10	09-Jun-20	09-Dec-20	-	<b>Call Option at the end of 10th year from DOA</b>	10.00
2	INE511C08712	07-Jan-11	07-Jul-20	07-Jan-21	-		15.00
3	INE511C08878	20-May-13	20-May-20	20-May-21	-		25.50
4	INE511C08894	26-Sep-13	26-Sep-20	26-Sep-21	-		25.00
	<b>Sub Total (C)</b>						<b>75.50</b>
	<b>Total (A+B+C)</b>						<b>582.50</b>

**MAGMA FINCORP LIMITED**

**TRUSTEE: CATALYST TRUSTEESHIP LTD (FORMERLY - GDA TRUSTEESHIP LTD)**

**SUMMARY OF LISTED DEBT SECURITIES AS ON 30 SEPTEMBER 2020**

(₹ in Crores)

S.No	ISIN No.	Date of Allotment	Last Interest payment date	Next Interest payment date	Last Principal Payment Date	Next Principal Payment Date	Principal Amount
<b>A</b>	<b>Subordinated Debentures</b>						
1	INE511C08985	07-Dec-16	09-Dec-19	07-Dec-20	-	07-Dec-26	35.00
2	INE511C08993	14-Dec-16	16-Dec-19	14-Dec-20	-	14-Sep-22	10.00
3	INE511C08AA9	28-Dec-16	30-Dec-19	28-Dec-20	-	28-Sep-22	3.00
4	INE511C08AB7	03-Jan-17	03-Jan-20	04-Jan-21	-	03-Oct-22	5.00
5	INE511C08AC5	06-Jan-17	06-Jan-20	06-Jan-21	-	06-Oct-22	5.00
6	INE511C08AD3	06-Jan-17	06-Jan-20	06-Jan-21	-	06-Jan-27	15.00
7	INE511C08AE1	24-Jan-17	24-Jan-20	24-Jan-21	-	24-Jan-27	25.00
8	INE511C08AG6	03-Mar-17	03-Mar-20	03-Mar-21	-	03-Mar-27	15.00
9	INE511C08AI2	18-May-17	18-May-20	18-May-21	-	18-May-27	10.00
10	INE511C08AK8	07-Mar-18	07-Mar-20	07-Mar-21	-	06-Jun-25	5.00
11	INE511C08AL6	28-Mar-18	28-Mar-20	28-Mar-21	-	28-Mar-28	5.00
	<b>Sub Total (A)</b>						<b>133.00</b>
<b>B</b>	<b>Subordinate Perpetual Debenture</b>						
1	INE511C08928	18-Sep-15	18-Sep-20	20-Sep-21	-	<b>Call Option at the end of 10th years from DOA</b>	2.00
2	INE511C08936	15-Oct-15	15-Oct-19	15-Oct-20	-		5.00
3	INE511C08944	14-Jun-16	14-Jun-20	14-Jun-21	-		3.00
4	INE511C08951	05-Jul-16	05-Jul-20	05-Jul-21	-		1.70
5	INE511C08969	01-Aug-16	01-Aug-20	02-Aug-21	-		10.00
6	INE511C08977	09-Sep-16	10-Sep-20	09-Sep-21	-		3.00
7	INE511C08AF8	03-Feb-17	03-Feb-20	03-Feb-21	-		1.90
8	INE511C08AH4	07-Mar-17	07-Mar-20	07-Mar-21	-		1.00
9	INE511C08AJ0	04-Aug-17	04-Aug-20	04-Aug-21	-		1.00
	<b>Sub Total (B)</b>						<b>28.60</b>
<b>C</b>	<b>Secured Debenture - Public Issue</b>						
1	INE511C07656	06-May-19	06-May-20	06-May-21	-	06-May-22	106.77
2	INE511C07664	06-May-19	-	06-May-22	-	06-May-22	4.75
3	INE511C07672	06-May-19	06-Sep-20	06-Oct-20	-	06-May-24	6.17
4	INE511C07680	06-May-19	06-May-20	06-May-21	-	06-May-24	77.82
5	INE511C07698	06-May-19	-	06-May-24	-	06-May-24	1.19
6	INE511C07706	06-May-19	06-Sep-20	06-Oct-20	-	06-May-29	2.67
7	INE511C07714	06-May-19	06-May-20	06-May-21	-	06-May-29	2.03
	<b>Sub Total (C)</b>						<b>201.41</b>

S.No	ISIN No.	Date of Allotment	Last Interest payment date	Next Interest payment date	Last Principal Payment Date	Next Principal Payment Date	Principal Amount
<b>D</b>	<b>Secured Debenture - Unlisted &amp; Unrated Private Placement</b>						
1	INE511C07722	10-Dec-19	10-Jun-20	10-Dec-20	-	10-Jun-21	350.00
	<b>Sub Total (D)</b>						<b>350.00</b>
	<b>Total (A+B+C+D)</b>						<b>713.01</b>

**MAGMA HOUSING FINANCE LIMITED (SUBSIDIARY)**  
**TRUSTEE: CATALYST TRUSTEESHIP LTD (FORMERLY - GDA TRUSTEESHIP LTD)**  
**SUMMARY OF LISTED DEBT SECURITIES AS ON 30 SEPTEMBER 2020**

(₹ in Crores)

S.No.	ISIN No.	Date of Allotment	Last Interest payment date	Next Interest payment date	Last Principal Payment Date	Next Principal Payment Date	Principal Amount
<b>A</b>	<b>Secured Debentures</b>						
1	INE055I07057	31-Mar-15	31-Mar-20	31-Mar-21	-	31-Mar-22	20.00
2	INE055I07065	31-Mar-16	31-Mar-20	31-Mar-21	-	31-Mar-23	10.00
	<b>Sub Total (A)</b>						<b>30.00</b>

**MAGMA HOUSING FINANCE LIMITED (SUBSIDIARY)**  
**TRUSTEE: CATALYST TRUSTEESHIP LTD (FORMERLY - GDA TRUSTEESHIP LTD)**  
**SUMMARY OF LISTED DEBT SECURITIES AS ON 30 SEPTEMBER 2020**

(₹ in Crores)

S.No.	ISIN No.	Date of Allotment	Last Interest payment date	Next Interest payment date	Last Principal Payment Date	Next Principal Payment Date	Principal Amount
<b>A</b>	<b>Secured Debentures</b>						
1	INE055I07099	26-Jun-20	-	28-Jun-21	-	26-Jun-23	125.00
2	INE055I07107	06-Jul-20	-	06-Jan-21	-	21-Apr-23	75.00
3	INE055I07107	31-Jul-20	-	06-Jan-21	-	21-Apr-23	20.00
4	INE055I07115	31-Jul-20	-	31-Jul-21	-	31-Jul-23	50.00
5	INE055I07123	18-Aug-20	-	18-Aug-21	-	18-Feb-22	140.00
	<b>Sub Total (B)</b>						<b>410.00</b>
	<b>Total (A+B)</b>						<b>440.00</b>