



Magma Fincorp Limited
Regd. Office
Magma House
24 Park Street, Kolkata 700 016
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8th May, 2013

National Stock Exchange of India Limited
Exchange Plaza Bandra- Kurla Complex
Bandra (E), Mumbai-400051

SYMBOL : MAGMA

The Secretary
The Bombay Stock Exchange Limited
Corporate Relationship Department
25th floor, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

SCRIP CODE: 524000

Dear Sir,

Sub: Audited Financial Results for the year ended 31st March, 2013
Ref: Clause 20 and 41 of the Listing Agreement

This is to inform you that the Board of Directors of the Company at their Meeting held today have approved the Audited Accounts for the year ended 31.03.2013. In compliance with the provisions of Clause 20 and Clause 41 of the Listing Agreement, we are enclosing herewith Audited Financial Results of fourth quarter and Financial Year ended 31st March, 2013 along with the report from Joint Statutory Auditors which has been taken on record by the Board of Directors of the Company at their Meeting held today i.e. 8th May, 2013.

The Board of Directors of the Company have also proposed, subject to the approval of the Shareholders at the Annual General Meeting dividend as under:

1. **On Equity Shares @ 40% i.e Re. 0.80 per Equity Share of the face value of Rs. 2/- each;**

2. **On Preference Shares:**

a) 9.7 % i.e. Rs. 9.70/- pro-rata per share dividend on 21,09,199 Cumulative Non-Convertible Redeemable Preference Shares of Rs. 60/- each for the period from 01.04.2012 to 17.02.2013 and 9.7% on 21,09,199 Cumulative Non-Convertible Redeemable Preference Shares of Rs. 40/- each (reduced to Rs.40/- upon redemption of 3rd instalment of Rs. 20/- each per share on 17th February, 2013) for the period from 18.02.2013 to 31.03.2013 ;

b) 5% i.e. Rs. 5/- per share dividend on 30,00,000 Cumulative Non-convertible Redeemable Preference Shares of Rs. 100 each;





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c) 3.76% i.e. Rs. 3.76/- per share dividend on 65,00,999 Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100/- each for the period from 01.04.2012 to 03.04.2012 and 3.76% i.e. Rs. 3.76/- per share dividend on 65,00,999 Cumulative Non-Convertible Redeemable Preference Shares of Rs. 80/- each (reduced to Rs. 80/- upon redemption of 1st installment of Rs. 20/- each on 1st April, 2012) for the period from 04.04.2012 to 31.03.2013.

d) 12% i.e. Rs. 12/- per share dividend on 25,00,000 Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100 each;

e) 9.6% i.e. Rs. 9.60 per share dividend on 10,00,000 Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100 each;

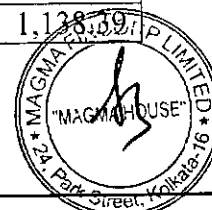
f) 1% i.e. Re. 1. pro-rata per share dividend on 21,09,199 Cumulative Non-Convertible Redeemable Preference Shares of Rs. 80/- each for the period from 01.04.2011 to 17.02.2012 and 1% on 21,09,199 Cumulative Non-Convertible Redeemable Preference Shares of Rs. 60/- each (reduced to Rs.60/- upon redemption of 2nd instalment of Rs.20/- each per share on 17th February, 2012) for the period from 18.02.2012 to 31.03.2012.

g) 11% i.e. Rs. 11 pro-rata per share dividend on 36,00,000 Cumulative Redeemable Non-Convertible Preference Shares of Rs. 100/- each for the period from 12.11.2012 to 31.03.2013.

As required under the provisions of Clause 20 of the Listing Agreement, please find detailed below the following information:-

(Rs. in Lacs)

Sl. No	Particulars	For the year ended	
		31 st March, 2013	31 st March, 2012
1	Total Income	1,60,615.16	1,02,463.70
2	Gross Profit (Before Depreciation and Tax but after Interest and Finance Charge)	21,585.83	11,165.27
3	Interest and Finance Charge	88,740.44	59,851.64
4	Provision for Depreciation	3,670.12	2,957.74
5	Profit before Tax	17,915.71	8,207.53
6	Provision for Tax	5,372.88	3,353.83
7	Provision for Deferred Tax	262.86	(1,470.53)
7	Profit after Deferred Tax	12,279.97	6,324.23
	Add: Surplus Brought Forward	18,037.29	16,172.70
	Balance Available for Appropriation	30,317.26	22,496.93
	- Statutory Reserves	2,460.00	1,270.00
	Provision for Dividend		
	- On Preference Shares	1,167.42	1,055.36
	- On Equity Shares	1,519.66	1,128.59





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Sl. No	Particulars	For the year ended	
		31 st March, 2013	31 st March, 2012
	- Dividend Tax	456.52	355.89
	- General Reserve	1,230.00	640.00
	Balance carried forward to next year	23,483.66	18,037.29

Further, this is to inform you that the 33rd Annual General Meeting (AGM) of the Members of the Company will be held on Thursday, the 18th day of July, 2013.

Pursuant to Clause 16 & 20 of the Listing Agreement, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 12th July, 2013 to Thursday, the 18th July, 2013 (both days inclusive), for the purpose of payment of dividend on Equity and Preference Shares for the year ended 31st March, 2013 and the dividend to be declared at the AGM shall be paid /dispatched on 2nd August, 2013

This is for your information and record.

Kindly acknowledge receipt.

Thanking You,

Yours Faithfully,
Magma Fincorp Limited

Girish Bhatia
Company Secretary

Encl: As above



MAGMA FINCORP LIMITED

Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2013

Part - I

Particulars		Quarter ended			Year ended	
		31 March 2013	31 December 2012	31 March 2012	31 March 2013	31 March 2012
		(Audited) #	(Unaudited)	(Audited) #	(Audited)	(Audited)
1.	Income from operations					
	(a) Revenue from operations	43,946.85	40,554.85	28,440.77	151,095.32	97,537.02
	Total income from operations (net)	43,946.85	40,554.85	28,440.77	151,095.32	97,537.02
2.	Expenses					
	(a) Employee benefits expense	6,083.75	4,989.40	4,033.37	20,283.36	14,901.55
	(b) Depreciation and amortisation expense	852.72	869.56	1,053.85	3,670.12	2,957.74
	(c) Contingent provision against standard assets	80.00	430.00	(80.00)	1,200.00	630.00
	(d) Provision for non performing assets and bad debts written-off	2,910.97	1,578.62	1,516.87	7,405.27	3,573.02
	(e) Brokerage and commission	2,708.43	2,407.41	1,224.31	9,154.00	3,777.28
	(f) Other expenses	3,053.45	3,329.90	3,200.33	12,246.26	8,564.94
	Total expenses	15,689.32	13,604.89	10,948.73	53,959.01	34,404.53
3.	Profit from operations before other income and finance costs (1-2)	28,257.53	26,949.96	17,492.04	97,136.31	63,132.49
4.	Other income					
	(a) Market entry fee (net)	-	-	-	1,395.52	-
	(b) Other income	2,566.68	2,345.27	2,028.70	8,124.32	4,926.68
5.	Profit from ordinary activities before finance costs (3+4)	30,824.21	29,295.23	19,520.74	106,656.15	68,059.17
6.	Finance costs	24,658.82	24,419.71	17,718.04	88,740.44	59,851.64
7.	Profit from ordinary activities before tax (5-6)	6,165.39	4,875.52	1,802.70	17,915.71	8,207.53
8.	Tax expense (includes deferred tax)	1,838.57	1,574.79	(109.88)	5,635.74	1,883.30
9.	Net Profit from ordinary activities after tax (7-8)	4,326.82	3,300.73	1,912.58	12,279.97	6,324.23
10.	Paid-up equity share capital (Face value of Rs.2/- each)	3,799.14	3,799.14	3,794.64	3,799.14	3,794.64
11.	Reserves and surplus	-	-	-	113,560.97	104,334.75
12.	Earnings per share (not annualised)					
	(a) Basic (in Rs.)	2.04	1.55	0.85	5.75	2.97
	(b) Diluted (in Rs.)	2.03	1.55	0.85	5.74	2.94

See accompanying notes to the financial results

Balancing figures

Part - II

Select Information for the Quarter and Year Ended 31 March 2013

A. PARTICULARS OF SHAREHOLDING

Particulars		Quarter ended			Year ended	
		31 March 2013	31 December 2012	31 March 2012	31 March 2013	31 March 2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1.	Public shareholding					
	- Number of shares	126,024,812	126,024,812	125,800,212	126,024,812	125,800,212
	- Percentage of shareholding	66.34%	66.34%	66.30%	66.34%	66.30%
2.	Promoters and Promoter group shareholding					
	a) Pledged / encumbered					
	- Number of shares	4,843,576	4,843,576	7,259,542	4,843,576	7,259,542
	- % of shares (as a % of the total shareholding of promoter and promoter group)	7.58%	7.58%	11.36%	7.58%	11.36%
	- % of shares (as a % of the total share capital of the Company)	2.55%	2.55%	3.83%	2.55%	3.83%
	b) Non-encumbered					
	- Number of shares	59,088,387	59,088,387	56,672,421	59,088,387	56,672,421
	- % of shares (as a % of the total shareholding of promoter and promoter group)	92.42%	92.42%	88.64%	92.42%	88.64%
	- % of shares (as a % of the total share capital of the Company)	31.11%	31.11%	29.87%	31.11%	29.87%

B. INVESTOR COMPLAINTS

Particulars	Quarter ended
	31 March 2013
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 Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2013

Standalone Statement of Assets and Liabilities

		(Rs. in lacs)	
Particulars		As at 31 March 2013	As at 31 March 2012
		(Audited)	(Audited)
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital		19,943.62	18,061.16
(b) Reserves and surplus		113,560.97	104,334.75
Sub-total - shareholders' funds		133,504.59	122,395.91
2. Non-current liabilities			
(a) Long-term borrowings		328,646.84	206,517.16
(b) Deferred tax liabilities (net)		5,614.95	2,358.87
(c) Long-term provisions		6,743.06	1,505.04
Sub-total - non-current liabilities		341,004.85	210,381.07
3. Current liabilities			
(a) Short-term borrowings		543,571.97	348,531.55
(b) Trade payables		24,588.77	22,170.85
(c) Other current liabilities		127,203.43	88,417.30
(d) Short-term provisions		4,316.56	3,254.51
Sub-total - current liabilities		699,680.73	462,374.21
TOTAL - EQUITY AND LIABILITIES		1,174,190.17	795,151.19
B. ASSETS			
1. Non-current assets			
(a) Fixed assets		17,441.57	17,880.19
(b) Non-current investments		22,052.42	3,332.44
(c) Long-term loans and advances		614,909.77	408,469.38
(d) Other non-current assets		17,334.51	9,415.54
Sub-total - non-current assets		671,738.27	439,097.55
2. Current assets			
(a) Current investments		6,491.79	-
(b) Trade receivables		680.60	860.64
(c) Cash and bank balances		116,396.28	78,909.53
(d) Short-term loans and advances		370,178.53	271,537.60
(e) Other current assets		8,704.70	4,745.87
Sub-total - current assets		502,451.90	356,053.64
TOTAL - ASSETS		1,174,190.17	795,151.19

Notes :

- The audited 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 8 May 2013.
- The Joint Statutory Auditors have carried out audit of the standalone annual financial results as required under Clause 41 of the Listing Agreement and have issued an unqualified opinion thereon.
- Figures for the quarter ended 31 March 2013 and 31 March 2012 are the balancing figures between audited figures in respect of full financial year and the published year to date unaudited figures upto the third quarter of the respective financial years.
- The Board of Directors at their meeting considered and recommended an equity dividend @ 40% i.e. Re. 0.80/- per equity share of Rs. 2/- each and a preference dividend of 9.7%, 5%, 3.76%, 9.6%, 12% and 11% (on pro-rata basis) for the financial year 2012-13 and @ 1% on 21,09,199 cumulative non-convertible redeemable preference shares of Rs. 100/- each for the financial year 2011-12, subject to approval of the shareholders.
- The Company had entered into an agreement with HDI Gerling International Holding AG, now replaced with HDI-Gerling Industrie Versicherung AG ('HDI'), a part of the Talanx AG Group, Germany, for the purpose of undertaking general insurance business in India through Magma HDI General Insurance Company Limited (the 'JV Company') subject to necessary regulatory approvals. Insurance Regulatory Development Authority ('IRDA') granted a Certificate of Registration to the JV Company on 22 May 2012 to commence business as an Indian General Insurance Company. Pursuant to the JV agreement, the Company has subscribed to 260 lacs equity share of the face value of Rs. 10/- each for cash at par aggregating to Rs. 2,600 lacs of the JV Company, during the year. The Insurance Joint Venture Company, Magma HDI General Insurance Company Limited has commenced the business from 1 October, 2012.
- Pursuant to the signing of the Definitive Agreements, the Company has, through its wholly owned subsidiary, Magma Advisory Services Limited, completed the acquisition of 100% of the equity share capital of GE Money Housing Finance (A Public Company with Unlimited Liability) (GEMHF) on 11 February 2013, a company engaged in housing finance in India. Following the acquisition, GEMHF has been renamed as Magma Housing Finance (A Public Company with Unlimited Liability).

The Company and GEMHF, the acquired company, also acquired a loan against property portfolio of GE Money Financial Services Private Limited aggregating to about Rs. 811 crores.

During the quarter, the Company also acquired Auto lease portfolio from Religare Finvest Limited aggregating to about Rs. 256 crores.

**MAGMA FINCORP LIMITED****Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2013**

- 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 expected to become effective at a future date, 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.

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	Less than 120 days	0.30%	0.30%
Sub-standard Assets	> 120 days to 16 months	15%	25%
Doubtful Assets	> 16 months to 28 months	25%	100%
Doubtful Assets	> 28 months to 52 months	40%	100%
Doubtful Assets	> 52 months	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. These provisioning norms are considered the minimum and higher provision is made based on perceived credit risk where necessary.

The aforesaid revision in provisioning norms has resulted in reduction of interest income by Rs. 288.62 lacs, Rs. 623.36 lacs and Rs. 911.98 lacs, and a net lower provision / write-off of Rs. 804.01 lacs, Rs. 1,134.40 lacs and Rs. 1,938.41 lacs for the quarter ended 31 March 2013, quarter ended 31 December 2012 and year ended 31 March 2013 respectively. Recoveries made from loans previously written off 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, from the existing 0.25% to progressively comply with the draft guidelines. This increase has resulted in an additional charge of Rs. 40.00 lacs, Rs. 440.00 lacs and Rs. 480.00 lacs for the quarter ended 31 March 2013, quarter ended 31 December 2012 and year ended 31 March 2013 respectively.

- 8] During the year, the Nomination and Remuneration Committee of the Board of Directors has granted 5,00,000 options under Magma Employee Stock Option Plan 2007 (MESOP 2007) to eligible employees of the Company (each Option entitles the option holder to 1 equity share of Rs.2/- each at an exercise price of Rs.60/- per share).
- 9] During the year, the Company has allotted on preferential basis on 17 August 2012 and on 30 November 2012, 159,850 and 64,750 respectively, 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.
- 10] 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/- each on preferential basis on 12 November 2012.
- 11] 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 Talanx 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.
- 12] As per paragraph 4 of Accounting Standard 17 (Segment Reporting) notified by the Companies (Accounting Standards) Rules 2006, 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.
- 13] Previous year's / quarter's figures have been regrouped and rearranged wherever found necessary.

Place : Kolkata
Dated : 8 May 2013

By order of the Board
For Magma Fincorp Limited


Sanjay Chandra
Vice Chairman and Managing Director

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

MAGMA FINCORP LIMITED

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2013

Part - I

Particulars		Quarter ended			Year ended	
		31 March 2013	31 December 2012	31 March 2012	31 March 2013	31 March 2012
		(Unaudited) #	(Unaudited)	(Unaudited) #	(Audited)	(Audited)
1.	Income from operations					
	(a) Revenue from operations	47,870.18	42,946.24	30,264.53	161,529.20	103,147.59
	(b) Operating result from general insurance business	(288.35)	(551.55)	-	(839.90)	-
	Total income from operations (net)	47,581.83	42,394.69	30,264.53	160,689.30	103,147.59
2.	Expenses					
	(a) Employee benefits expense	6,073.65	4,910.08	4,033.37	20,401.77	14,901.55
	(b) Depreciation and amortisation expense	885.66	886.39	1,053.85	3,755.83	2,957.74
	(c) Contingent provision against standard assets	204.68	473.00	(100.00)	1,402.32	641.00
	(d) Provision for non performing assets and bad debts written-off	3,654.16	1,730.40	2,240.08	8,257.06	4,137.58
	(e) Brokerage and commission	2,803.43	2,422.89	1,228.76	9,293.50	3,783.49
	(f) Other expenses	3,825.87	3,267.72	3,245.99	13,164.13	8,664.90
	Total expenses	17,447.45	13,690.48	11,702.05	56,274.61	35,086.26
3.	Profit from operations before other income and finance costs (1-2)	30,134.38	28,704.21	18,562.48	104,414.69	68,061.33
4.	Other income					
	(a) Market entry fee (net)	-	-	-	1,395.52	-
	(b) Other income	3,012.54	2,154.11	2,606.78	8,062.35	4,852.83
5.	Profit from ordinary activities before finance costs (3+4)	33,146.92	30,858.32	21,169.26	113,872.56	72,914.16
6.	Finance costs	26,611.90	25,222.57	18,415.91	92,624.60	62,542.85
7.	Profit from ordinary activities before tax (5-6)	6,535.02	5,635.75	2,753.35	21,247.96	10,371.31
8.	Tax expense (includes deferred tax)	1,973.54	1,829.10	205.41	6,753.76	2,592.19
9.	Net Profit from ordinary activities after tax (7-8)	4,561.48	3,806.65	2,547.94	14,494.20	7,779.12
10.	Minority interest	146.91	163.95	165.20	669.91	378.29
11.	Net Profit after taxes and minority interest (9-10)	4,414.57	3,642.70	2,382.74	13,824.29	7,400.83
12.	Paid-up equity share capital (Face value of Rs.2/- each)	3,799.14	3,799.14	3,794.64	3,799.14	3,794.64
13.	Reserves and surplus	-	-	-	135,941.14	106,360.26
14.	Earnings per share (not annualised)					
	(a) Basic (in Rs.)	2.08	1.73	1.10	6.56	3.60
	(b) Diluted (in Rs.)	2.08	1.73	1.10	6.55	3.56

See accompanying notes to the financial results

Balancing figures

Part - II

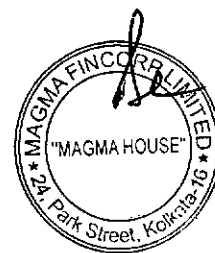
Select Information for the Quarter and Year Ended 31 March 2013

A. PARTICULARS OF SHAREHOLDING

Particulars		Quarter ended			Year ended	
		31 March 2013	31 December 2012	31 March 2012	31 March 2013	31 March 2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1.	Public shareholding					
	- Number of shares	126,024,812	126,024,812	125,800,212	126,024,812	125,800,212
	- Percentage of shareholding	66.34%	66.34%	66.30%	66.34%	66.30%
2.	Promoters and Promoter group shareholding					
	a) Pledged / encumbered					
	- Number of shares	4,843,576	4,843,576	7,259,542	4,843,576	7,259,542
	- % of shares (as a % of the total shareholding of promoter and promoter group)	7.58%	7.58%	11.36%	7.58%	11.36%
	- % of shares (as a % of the total share capital of the Company)	2.55%	2.55%	3.83%	2.55%	3.83%
	b) Non-encumbered					
	- Number of shares	59,088,387	59,088,387	56,672,421	59,088,387	56,672,421
	- % of shares (as a % of the total shareholding of promoter and promoter group)	92.42%	92.42%	88.64%	92.42%	88.64%
	- % of shares (as a % of the total share capital of the Company)	31.11%	31.11%	29.87%	31.11%	29.87%

B. INVESTOR COMPLAINTS

Particulars	Quarter ended
	31 March 2013
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 Audited Financial Results for the Quarter and Year Ended 31 March 2013

Consolidated Segment Reporting for the Quarter and Year Ended 31 March 2013

Particulars	Quarter ended			Year ended	
	31 March 2013	31 December 2012	31 March 2012	31 March 2013	31 March 2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1. REVENUE *					
(a) Finance and mortgages	50,719.66	44,552.82	32,678.63	169,087.13	106,647.93
(b) General insurance	(380.73)	(184.59)	-	(237.70)	-
(c) Others	255.44	180.51	192.68	1,297.74	1,352.49
TOTAL REVENUE	50,594.37	44,548.80	32,871.31	170,147.17	108,000.42
2. RESULT - PROFIT BEFORE TAX					
(a) Finance and mortgages	7,081.66	5,937.00	2,846.83	21,692.81	10,427.02
(b) General insurance	(441.80)	(186.75)	-	(499.26)	-
(c) Others	(104.84)	(114.50)	(93.48)	54.41	(55.71)
TOTAL	6,535.02	5,635.75	2,753.35	21,247.96	10,371.31
3. CAPITAL EMPLOYED					
(a) Finance and mortgages	149,158.90	130,751.06	122,202.82	149,158.90	122,202.82
(b) General insurance	7,348.14	7,639.69	-	7,348.14	-
(c) Others	5,484.99	6,573.20	4,100.40	5,484.99	4,100.40
TOTAL	161,992.03	144,963.95	126,303.22	161,992.03	126,303.22

* Includes 'Other income'

Consolidated Statement of Assets and Liabilities

Particulars	(Rs. in lacs)	
	As at 31 March 2013	As at 31 March 2012
	(Audited)	(Audited)
A. EQUITY AND LIABILITIES		
1. Shareholders' funds		
(a) Share capital	23,499.18	18,061.16
(b) Reserves and surplus	135,941.14	106,360.26
Sub-total - shareholders' funds	159,440.32	124,421.42
2. Minority interest	2,551.71	1,881.80
3. Non-current liabilities		
(a) Long-term borrowings	386,927.37	212,452.03
(b) Deferred tax liabilities (net)	5,447.62	2,336.48
(c) Long-term provisions	8,297.95	1,551.04
Sub-total - non-current liabilities	400,672.94	216,339.55
4. Current liabilities		
(a) Short-term borrowings	576,710.52	352,422.62
(b) Trade payables	26,529.39	23,263.92
(c) Other current liabilities	137,365.30	93,683.84
(d) Short-term provisions	8,110.79	3,367.10
Sub-total - current liabilities	748,716.00	472,737.48
TOTAL - EQUITY AND LIABILITIES	1,311,380.97	815,380.25
B. ASSETS		
1. Non-current assets		
(a) Fixed assets	19,023.11	17,880.19
(b) Non-current investments	19,960.29	2.50
(c) Long-term loans and advances	722,376.26	422,013.46
(d) Other non-current assets	20,814.83	10,148.04
Sub-total - non-current assets	782,174.49	450,044.19
2. Current assets		
(a) Current investments	6,732.40	-
(b) Trade receivables	619.26	772.41
(c) Cash and bank balances	121,784.70	81,005.04
(d) Short-term loans and advances	390,044.23	278,802.11
(e) Other current assets	10,025.89	4,756.50
Sub-total - current assets	529,206.48	365,336.06
TOTAL - ASSETS	1,311,380.97	815,380.25





MAGMA FINCORP LIMITED

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2013

Notes :

- 1] The audited 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 8 May 2013.
- 2] The Joint Statutory Auditors have carried out audit of the standalone annual 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 (MITL) and Magma Advisory Services Limited (MASL), its step down subsidiaries, International Autotrac Finance Limited (subsidiary of MITL) and Magma Housing Finance (A Public Company with Unlimited Liability) (subsidiary of MASL) which have been acquired by the respective subsidiary companies during the year and Joint Venture Companies, Magma HDI General Insurance Company Limited and Jaguar Advisory Services Private Limited.
- 5] Figures for the quarter ended 31 March 2013 and 31 March 2012 are the balancing figures between audited figures in respect of full financial year and the published year to date unaudited figures upto the third quarter of the respective financial years.
- 6] The Board of Directors at their meeting considered and recommended an equity dividend @ 40% i.e. Re. 0.80/- per equity share of Rs. 2/- each and a preference dividend of 9.7%, 5%, 3.76%, 9.6%, 12% and 11% (on pro-rata basis) for the financial year 2012-13 and @ 1% on 21,09,199 cumulative non-convertible redeemable preference shares of Rs. 100/- each for the financial year 2011-12, subject to approval of the shareholders.
- 7] The Company had entered into an agreement with HDI Gerling International Holding AG, now replaced with HDI-Gerling Industrie Versicherung AG ('HDI'), a part of the Talanx AG Group, Germany, for the purpose of undertaking general insurance business in India through Magma HDI General Insurance Company Limited (the 'JV Company') subject to necessary regulatory approvals. Insurance Regulatory Development Authority ('IRDA') granted a Certificate of Registration to the JV Company on 22 May 2012 to commence business as an Indian General Insurance Company. Pursuant to the JV agreement, the Company has subscribed to 260 lacs equity share of the face value of Rs. 10/- each for cash at par aggregating to Rs. 2,600 lacs of the JV Company, during the year. The Insurance Joint Venture Company, Magma HDI General Insurance Company Limited has commenced the business from 1 October, 2012.
- 8] Pursuant to the signing of the Definitive Agreements, the Company has, through its wholly owned subsidiary, Magma Advisory Services Limited, completed the acquisition of 100% of the equity share capital of GE Money Housing Finance (A Public Company with Unlimited Liability) ('GEMHF') on 11 February 2013, a company engaged in housing finance in India. Following the acquisition, GEMHF has been renamed as Magma Housing Finance (A Public Company with Unlimited Liability).

The Company and GEMHF, the acquired company, also acquired a loan against property portfolio of GE Money Financial Services Private Limited aggregating to about Rs. 811 crores.

During the quarter, the Company also acquired Auto lease portfolio from Religare Finvest Limited aggregating to about Rs. 256 crores.

- 9] 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 expected to become effective at a future date, 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.

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	Less than 120 days	0.30%	0.30%
Sub-standard Assets	> 120 days to 16 months	15%	25%
Doubtful Assets	> 16 months to 28 months	25%	100%
Doubtful Assets	> 28 months to 52 months	40%	100%
Doubtful Assets	> 52 months	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. These provisioning norms are considered the minimum and higher provision is made based on perceived credit risk where necessary.

The aforesaid revision in provisioning norms has resulted in reduction of interest income by Rs. 337.84 lacs, Rs. 735.17 lacs and Rs. 1,073.01 lacs, and a net lower provision / write-off of Rs. 274.53 lacs, Rs. 1,085.08 lacs and Rs. 1,359.61 lacs for the quarter ended 31 March 2013, quarter ended 31 December 2012 and year ended 31 March 2013 respectively. Recoveries made from loans previously written off 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, from the existing 0.25% to progressively comply with the draft guidelines. This increase has resulted in an additional charge of Rs. 43.00 lacs, Rs. 460.00 lacs and Rs. 503.00 lacs for the quarter ended 31 March 2013, quarter ended 31 December 2012 and year ended 31 March 2013 respectively.





MAGMA FINCORP LIMITED

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2013

- 10] During the year, the Nomination and Remuneration Committee of the Board of Directors has granted 5,00,000 options under Magma Employee Stock Option Plan 2007 (MESOP 2007) to eligible employees of the Company (each Option entitles the option holder to 1 equity share of Rs.2/- each at an exercise price of Rs.60/- per share).
- 11] During the year, the Company has allotted on preferential basis on 17 August 2012 and on 30 November 2012, 159,850 and 64,750 respectively, 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.
- 12] 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/- each on preferential basis on 12 November 2012.
- 13] 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 Talanx 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.
- 14] The Company has reported segment wise information as per Accounting Standard 17 (Segment Reporting), in terms of Companies (Accounting Standards) Rules, 2006. As the operations of the Company are conducted through its subsidiaries and joint ventures within India, there is no separate reportable geographical segment.
- 15] Financial Results of Magma Fincorp Limited (Standalone Information):

Particulars	Quarter ended			Year to date	
	31 March 2013	31 December 2012	31 March 2012	31 March 2013	31 March 2012
	(Audited) *	(Unaudited)	(Audited) *	(Audited)	(Audited)
1. Total income from operations	43,946.85	40,554.85	28,440.77	151,095.32	97,537.02
2. Profit from ordinary activities before tax	6,165.39	4,875.52	1,802.70	17,915.71	8,207.53
3. Net Profit from ordinary activities after tax	4,326.82	3,300.73	1,912.58	12,279.97	6,324.23

- 16] 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 : Kolkata
Dated : 8 May 2013

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

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Independent Auditor's Report on Quarterly Financial Results and Year to Date Financial Results of Magma Fincorp Limited pursuant to Clause 41 of the Listing Agreement

We have audited the accompanying annual financial results ('the Statement') of Magma Fincorp Limited ('the Company') for the year ended 31 March 2013, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2013 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter have only been reviewed and not subjected to audit.

These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.

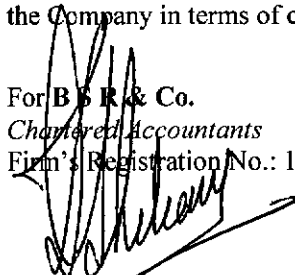
We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the year ended 31 March 2013.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For **BSR & Co.**
Chartered Accountants
Firm's Registration No.: 101248W


Zubin Shekary
Partner
Membership No.: 048814
Kolkata
8 May 2013



For **S. S. Kothari & Co.**
Chartered Accountants
Firm's Registration No.: 302034E


R. N. Bardhan
Partner
Membership No.: 017270
Kolkata
8 May 2013

