

Walker ChandioK & Co LLP
16th Floor, Tower II,
Indiabulls Finance Centre,
SB Marg, Elphinstone (W)
Mumbai - 400 013
India

T +91 22 6626 2600
F +91 22 6626 2601

Independent Auditor's Report on Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Magma Housing Finance Limited [Formerly Magma Housing Finance (A Public Company with Unlimited Liability)]

1. We have audited the financial results of Magma Housing Finance Limited [Formerly Magma Housing Finance (A Public Company with Unlimited Liability)] ('the Company') for the year ended 31 March 2019, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 8 to the financial results which states that the figures for the half year ended 31 March 2019 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 half year ended 30 September 2018. Also, the figures for the half-year ended 30 September 2018 had only been reviewed and not subjected to audit. These financial results are based on the financial statements for the year ended 31 March 2019 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act') and published year to date figures for the half year ended 30 September 2018 prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under section 133 of the Act, and SEBI Circular CIR/IMD/DF1/69/2016 dated 10 August 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the financial statements for the year ended 31 March 2019 and our review of financial results for the half year ended 30 September 2018.
2. 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 misstatements. 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.
3. In our opinion and to the best of our information and according to the explanations given to us, the financial results:
 - (i) are presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular CIR/IMD/DF1/69/2016 dated 10 August 2016, in this regard; and
 - (ii) give a true and fair view of the net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Act for the year ended 31 March 2019.



Magma Housing Finance Limited
(Formerly Magma Housing Finance (A Public Company with Unlimited Liability))
Independent Auditor's Report on Financial Results of the Company Pursuant to the Regulation 52 of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

4. The Company had prepared separate financial results for the year ended 31 March 2018, based on the financial statements for the year ended 31 March 2018 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and financial results for the half year ended 30 September 2017 prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/IMD/DF1/69/2016 dated 10 August 2016, and other accounting principles generally accepted in India, on which we issued auditor's report dated 30 April 2018 expressing an unmodified opinion. These financial results for the year ended 31 March 2019 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

For **Walker ChandioK & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013


Manish Gujral
Partner
Membership No. 105117



Place: Mumbai
Date: 08 May 2019

MAGMA HOUSING FINANCE LIMITED

[Formerly Magma Housing Finance (A Public Company with Unlimited Liability)]

Statement of Audited Financial Results for the Half Year and Year Ended 31 March 2019

(₹ in lacs)

Particulars	Half Year Ended		Year Ended	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	(Audited) - Refer note 8	(Audited) - Refer note 8	(Audited)	(Audited)
1 Revenue				
(a) Interest income	11,604.66	9,975.72	22,342.04	19,816.24
(b) Fees and commission income	483.98	90.11	829.55	785.83
(c) Net gain on fair value changes	-	-	-	233.49
(d) Net gain on de-recognition of financial instruments	979.51	1,046.54	979.51	2,281.48
Total revenue from operation	13,068.15	11,112.37	24,151.10	23,117.04
(e) Other income	389.53	53.26	525.61	222.84
Total revenue	13,457.68	11,165.63	24,676.71	23,339.88
2 Expenses				
(a) Finance costs	6,353.43	5,158.59	11,334.26	10,892.12
(b) Net loss on fair value changes	104.80	109.12	118.82	-
(c) Impairment on financial instruments	17.07	1,092.03	298.43	1,935.92
(d) Employee benefits expense	2,825.80	1,745.06	5,099.81	3,381.41
(e) Depreciation and amortisation expense	16.77	12.02	30.76	23.85
(f) Other expenses	1,779.97	1,035.84	3,094.35	1,917.42
Total expenses	11,097.84	9,152.66	19,976.43	18,150.72
3 Profit before tax (1-2)	2,359.84	2,012.97	4,700.28	5,189.16
4 Tax expense				
(a) Current Tax	(231.37)	921.75	868.32	1,690.61
(b) Deferred tax	952.92	(219.11)	430.45	119.14
5 Profit for the period (3-4)	1,638.29	1,310.33	3,401.51	3,379.41
6 Other comprehensive income				
(a) (i) Items that will not be reclassified to profit or loss	(30.68)	(3.53)	(19.78)	5.83
(ii) Income tax relating to items that will not be reclassified to profit or loss	8.96	1.14	7.20	(2.10)
(b) (i) Items that will be reclassified to profit or loss	(1,344.34)	553.16	(931.31)	801.16
(ii) Income tax relating to items that will be reclassified to profit or loss	392.77	(192.70)	293.03	(278.53)
Total other comprehensive income	(973.29)	358.07	(650.86)	526.36
7 Total comprehensive income for the period (5+6)	665.00	1,668.40	2,750.65	3,905.77
8 Paid-up equity share capital (face value of ₹ 10/- each)	14,810.25	14,810.25	14,810.25	14,810.25
9 Earnings per share				
(a) Basic (in ₹)	1.11	0.88	2.30	2.28
(b) Diluted (in ₹)	1.08	0.88	2.27	2.28



J.M.

Balance Sheet as at 31 March 2019

Particulars	As at	As at
	31 March 2019	31 March 2018
	(Audited)	(Audited)
A. ASSETS		
1. Financial Assets		
(a) Cash and cash equivalents	357.18	889.78
(b) Other Bank Balances	2,058.19	-
(c) Loans	187,270.17	141,606.08
(d) Other financial assets	5,435.25	5,034.02
Total Financial Assets	195,120.79	147,529.88
2. Non-financial Assets		
(a) Current tax assets (net)	17.89	118.30
(b) Property, plant and equipment	70.73	44.82
(c) Capital work-in-progress	31.05	-
(d) Other intangible assets	56.84	76.92
(e) Other non-financial assets	981.72	661.03
Total Non-financial Assets	1,158.23	901.07
Total Assets	196,279.02	148,430.95
B. LIABILITIES AND EQUITY		
Liabilities		
1. Financial Liabilities		
(a) Payables		
(I) 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	478.94	348.38
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	973.85	770.09
(b) Debt securities	12,971.28	10,455.03
(c) Borrowings (Other than debt securities)	115,443.72	92,407.09
(d) Subordinated Liabilities	9,925.06	-
(e) Other financial liabilities	20,301.31	11,330.29
Total Financial Liabilities	160,094.16	115,310.88
2. Non-Financial Liabilities		
(a) Current tax liabilities (net)	95.71	280.00
(b) Provisions	67.38	51.29
(c) Deferred tax liabilities (net)	839.15	708.89
(d) Other non-financial liabilities	1,096.62	855.87
Total Non-Financial Liabilities	2,098.86	1,896.05
3. Equity		
(a) Equity share capital	14,810.25	14,810.25
(b) Other equity	19,275.75	16,413.77
Total equity	34,086.00	31,224.02
Total Liabilities and Equity	196,279.02	148,430.95



JAL.

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 08 May 2019.
- 2] The audited financial results of 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. The Company has adopted Ind AS from 01 April 2018 and the effective date of such transition is 01 April 2017. Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2017 and the corresponding adjustments pertaining to comparative previous year/quarter as presented in these financial results have been restated/reclassified in order to conform to current year/period presentation.
- 3] The Statutory Auditors have audited the financial statements for the year ended 31 March 2019 and have issued an unqualified opinion thereon. The information presented above is extracted from the audited financial statements as stated.
- 4] During the half year ended 31 March 2019, the Nomination and Remuneration Committee of the Board of Directors has granted 1,40,000 options to the eligible employees at an exercise price of ₹ 24.25/- per share under Magma Housing - Employee Stock Option Plan 2018 and 29,60,000 options to the eligible employees at an exercise price of ₹ 10/- per share under Magma Housing - Restricted Stock Option Plan 2018
- 5] The Company has prepared a reconciliation of the net profit, as required by Para 32 of Ind AS 101, of the corresponding period under the Previous GAAP with the respective figures as reported in these financial results under Ind AS. The net profit reconciliation for the half year and year ended 31 March 2018 is presented as below:

(₹ in lacs)

Particulars	Profit reconciliation	
	Half Year ended	Year ended
	31 March 2018	31 March 2018
	(Audited) - Refer note 8	(Audited)
1. Net profit as per Previous GAAP	898.32	2,319.99
2. Adjustments resulting in increase / (decrease) in profit after tax :		
(a) Impact on application of expected credit loss method on impairment of financial assets	472.06	441.46
(b) Net gain on derecognition of loans sold under direct assignment transactions	369.81	1,082.34
(c) Impact on recognition of financial assets and financial liabilities by application of effective interest rate method	(97.09)	(122.14)
(d) Fair valuation of financial assets and liabilities	(109.21)	233.31
(e) Others	3.53	(5.83)
(f) Tax impact on Ind AS adjustments	(227.09)	(569.72)
3. Net profit as per Ind AS	1,310.33	3,379.41
4. Other comprehensive income, net of taxes	358.07	526.36
5. Total comprehensive income as per Ind AS	1,668.40	3,905.77

- 6] As required by Para 32 of Ind AS 101, the equity reconciliation between the figures reported under Previous GAAP and Ind AS for the year ended 31 March 2018 is presented as below:

(₹ in lacs)

Particulars	Equity reconciliation
	Year ended
	31 March 2018
	(Audited)
1. Equity as reported Previous GAAP	29,821.81
2. Adjustments resulting in increase / (decrease) in equity :	
(a) Impact on application of expected credit loss method on impairment of financial assets	(870.38)
(b) Net gain on derecognition of loans sold under direct assignment transactions	3,729.92
(c) Impact on recognition of financial assets and financial liabilities by application of effective interest rate method	(1,312.09)
(d) Fair valuation of financial assets and liabilities	607.94
(e) Tax impact on Ind AS adjustments	(753.18)
3. Equity as per Ind AS	31,224.02

- 7] As per Regulation 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), debentures are secured by first charge ranking pari-passu with each other on the Company's book debts and loan instalment receivables along with mortgage created over the Immovable Property. The total asset cover is hundred percent or above of the principal amount of the said debentures.
- 8] The figures for the half year ended 31 March 2019 and 31 March 2018 are the balancing figures between figures in respect of full financial year and half year ended 30 September 2018 and 30 September 2017
- 9] The Company is primarily engaged in mortgage based finance and as such no separate information is required to be furnished in terms of Ind AS 108 "Operating segments" specified under section 133 of the Companies Act, 2013.

By order of the Board
For Magma Housing Finance Limited


Manish Jaiswal
Managing Director & Chief Executive Officer
DIN: 07859441

Place : Mumbai
Dated : 08 May 2019





MAGMA HOUSING FINANCE

Dated: 8 May, 2019

BSE Limited

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

(Company Code –10828)

Dear Sir/Madam,

Sub: Declaration in respect of unmodified opinion on Audited Financial Results for the financial year ended 31 March 2019

Ref: Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

Dear Sir,

Pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27 May 2016 we hereby declare and confirm that the Statutory Auditors of the Company, M/s. Walker Chandiok & Co. LLP, Chartered Accountants, have issued unmodified audit report on Standalone Financial Results of the Company for the financial year ended 31 March 2019.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For **Magma Housing Finance Limited**

Manish Jaiswal
Managing Director & Chief Executive Officer
DIN: 07859441

Magma Housing Finance Limited

136526

Regd. Office: Development House, 24 Park Street, Kolkata 700 016, Ph: 91 7596067686 / 91 33 44017350
Web : <https://www.magmafc.co.in>, CIN : U65922WB2004PLC229849

Please Visit <https://ipg.magma.co.in> For Online Payment

**MAGMA HOUSING FINANCE****MAGMA HOUSING FINANCE LIMITED****[Formerly Magma Housing Finance (A Public Company with Unlimited Liability)]****Statement under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Year ended 31 March 2019**

Sl. No.	Particulars	As at 31 March 2019	
		Type of Instrument	Rating
a	Credit rating and change in credit rating (if any)	Short Term Debt	CRISIL A1+
		Long Term Bank Facilities	CARE/ICRA AA-
		Long Term Debt (Secured NCD)	CARE/ICRA/ AA-
		Long Term Debt (Secured NCD)	BWR AA
		There has been no change in existing long term ratings in last six months but we had received a new long term rating from BWR which is 1 notch higher i.e. AA from existing long term ratings of AA- from other rating agencies.	
b	Asset cover available, in case of non convertible debt securities: Debentures are (except for 650 nos of debentures allotted in Feb 19 & March 19 which are secured by exclusive first charge by way of hypothecation on the company's book debts and loan installments receivables along with pari-passu mortgage created over the Immovable Property situated at Barasat, Dist - 24 Parganas (N)) secured by first charge ranking pari-passu on the Company's book debts and loan installments receivables along with mortgage created over the Immovable Property situated at Barasat, Dist - 24 Parganas (N). The total asset cover is hundred percent or above of the principal amount of the said debentures.		
c	Debt-equity ratio (Total Debts / Shareholder's fund)		4.06
	Total Debt		138,340.06
	Debt securities		12,971.28
	Borrowings (other than debt securities) (Note-1)		115,443.72
	Subordinated Liabilities		9,925.06
	Equity (Shareholder's fund)		34,086.00
d	Previous due date for a) the payment of interest b) the repayment of principal of non convertible debt securities whether the same has been paid or not		As per Annexure
e	Next due date for a) the payment of interest b) the principal along with the amount of interest		
f	Debt service coverage ratio		1.38
g	Interest service coverage ratio (Earning before interest and tax / Interest expense)		1.41
h	Debenture redemption reserve		Nil
i	Net worth (₹ in lacs)		34,086.00
j	Net profit after tax (₹ in lacs)		3,401.51
k	Earnings per share - Basic and diluted (in ₹)		
	(a) Basic (in ₹)		2.30
	(b) Diluted (in ₹)		2.27

Notes :

- 1] Securitization of Loan Assets (PTC Pools) for Rs 16,648.57 Lacs 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 3.57

By order of the Board
For Magma Housing Finance Limited


Manish Jaiswal
Managing Director & Chief Executive Officer
DIN: 07859441

Place: Mumbai
Date: 08 May 2019

Registered Office : Development House, 24 Park street, Kolkata-700 016
CIN : U65922WB2004PLC229849 ; Website : <http://www.magmahfc.co.in>



Annexure**Details of payment of interest / principal of non convertible debentures****₹ In crores**

S. No	Name of debenture holders	Date of Allotment	Last Interest payment date	Next Interest payment date	Last Principal Payment Date	Next Principal Payment Date	Principal Amount
1	BANK OF MAHARASHTRA	31-Mar-15	02-Apr-19	31-Mar-20	-	31-Mar-20	10.00
2	BANK OF MAHARASHTRA	31-Mar-16	02-Apr-19	31-Mar-20	-	31-Mar-23	10.00
3	BANK OF INDIA	31-Mar-15	02-Apr-19	31-Mar-20	-	31-Mar-22	20.00
4	BANK OF BARODA	31-Mar-15	02-Apr-19	31-Mar-20	-	31-Mar-20	25.00
5	KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.	27-Feb-19	-	27-May-19	-	27-May-19	40.00
6	HDFC LIFE INSURANCE COMPANY LIMITED	29-Mar-19	-	29-Sep-19	-	29-Sep-20	25.00
	Total						130.00



A handwritten signature in blue ink, located at the bottom left of the page.