



MAGMA HOUSING FINANCE

Dated: 04 November, 2019

BSE Limited

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

(Company Code –10828)

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on 04 November 2019

Ref: Regulation 50, 51 and 52 and other applicable regulations 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 at its meeting held on 04 November 2019 has inter alia considered and approved the Unaudited Financial Results of the Company for the half year ended 30 September 2019 which are being submitted separately and revalidated the Authorisation for issuance of debt securities on Private Placement Basis of upto Rs. 600 Crores during the Financial Year 2019-20 for general corporate purposes of the Company.

Accordingly, in compliance with the provisions of Regulations 52(1) and 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are enclosing herewith the below mentioned documents for your perusal and records:

1. Unaudited Financial results of the Company for the half year ended 30 September, 2019 pursuant to Regulation 52(1)
2. Limited Review Report of Statutory Auditors of the Company for the half year ended 30 September, 2019 pursuant to Regulation 52(1)
3. Statement of disclosures of line items pursuant to Regulation 52(4)

You are requested to take note of the same.

Further please note that Certificate received in compliance with Regulations 52(5) of LODR 2015 from Catalyst Trusteeship Limited (Formerly, GDA Trusteeship Limited), Debenture Trustee of the Company is being forwarded to you separately.

This is for your information and record.

Thanking you,

Yours faithfully,
For Magma Housing Finance Limited

Priti Saraogi

Priti Saraogi
Company Secretary
Membership No.: A26360

Magma Housing Finance Limited

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

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

Particulars	Half Year Ended		Year Ended
	30 September 2019	30 September 2018	31 March 2019
	(Unaudited)	(Unaudited)	(Audited)
1. Revenue			
(a) Interest income	14,131.24	10,055.60	22,342.04
(b) Fees and commission income	548.24	345.57	829.55
(c) Net gain on fair value changes	6.95	-	-
(d) Net gain on de-recognition of financial instruments	1,980.36	681.77	979.51
Total revenue from operation	16,666.79	11,082.94	24,151.10
(e) Other income	541.49	136.08	525.61
Total revenue	17,208.28	11,219.02	24,676.71
2. Expenses			
(a) Finance costs	8,140.77	4,980.83	11,334.26
(b) Net loss on fair value changes	-	14.01	118.82
(c) Impairment on financial instruments	503.57	281.36	298.43
(d) Employee benefits expense	3,637.07	2,274.01	5,099.81
(e) Depreciation and amortisation expense	50.08	13.99	30.76
(f) Other expenses	1,515.83	1,314.38	3,094.35
Total expenses	13,847.32	8,878.58	19,976.43
3. Profit before tax (1-2)	3,360.96	2,340.44	4,700.28
4. Tax expense			
(a) Current Tax	1,108.65	1,099.69	868.32
(b) Deferred tax	(143.79)	(522.47)	430.45
5. Profit for the period (3-4)	2,396.10	1,763.22	3,401.51
6. Other comprehensive income			
(a) (i) Items that will not be reclassified to profit or loss	(5.13)	10.90	(19.78)
(ii) Income tax relating to items that will not be reclassified to profit or loss	1.49	(1.76)	7.20
(b) (i) Items that will be reclassified to profit or loss	(1,223.28)	413.03	(931.31)
(ii) Income tax relating to items that will be reclassified to profit or loss	356.22	(99.74)	293.03
Total other comprehensive income	(870.70)	322.43	(650.86)
7. Total comprehensive income for the period (5+6)	1,525.40	2,085.65	2,750.65
8. Paid-up equity share capital (face value of ₹ 10/- each)	14,810.25	14,810.25	14,810.25
9. Earnings per share			
(a) Basic (in ₹)	1.62	1.19	2.30
(b) Diluted (in ₹)	1.60	1.19	2.27

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Statement of Unaudited Financial Results for the Half year Ended 30 September 2019

Balance Sheet as at 30 September 2019

		₹ in lacs	
Particulars		As at	As at
		30 September 2019	31 March 2019
		(Unaudited)	(Audited)
A. ASSETS			
1. Financial Assets			
(a) Cash and cash equivalents		193.51	357.18
(b) Other Bank Balances		2,556.12	2,058.19
(c) Loans		204,647.02	187,270.17
(d) Other financial assets		7,254.16	5,435.25
Total Financial Assets		214,650.81	195,120.79
2. Non-financial Assets			
(a) Current tax assets (net)		16.76	17.89
(b) Property, plant and equipment		107.65	70.73
(c) Capital work-in-progress		-	31.05
(d) Other intangible assets		48.42	56.84
(e) Right of use assets		475.36	-
(f) Other non-financial assets		769.36	981.72
Total Non-financial Assets		1,417.55	1,158.23
Total Assets		216,068.36	196,279.02
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		458.34	478.94
(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		1,099.52	973.85
(b) Debt securities		11,980.19	12,971.28
(c) Borrowings (Other than debt securities)		139,480.22	115,443.72
(d) Subordinated Liabilities		9,930.41	9,925.06
(e) Other financial liabilities		15,707.71	20,301.31
Total Financial Liabilities		178,656.39	160,094.16
2. Non-Financial Liabilities			
(a) Current tax liabilities (net)		597.65	95.71
(b) Provisions		130.42	67.38
(c) Deferred tax liabilities (net)		337.64	839.15
(d) Other non-financial liabilities		640.69	1,096.62
Total Non-Financial Liabilities		1,706.40	2,098.86
3. Equity			
(a) Equity share capital		14,810.25	14,810.25
(b) Other equity		20,895.32	19,275.75
Total equity		35,705.57	34,086.00
Total Liabilities and Equity		216,068.36	196,279.02





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Statement of Unaudited Financial Results for the Half year Ended 30 September 2019

Notes :

- 1] The above results have been reviewed by the Audit Committee and approved by the Board of Directors of Magma Housing Finance Limited ('the Company') at their respective meetings held on 04 November 2019.
- 2] The 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.
- 3] The financial results have been subjected to limited review by the statutory auditors of the Company. The statutory auditors have expressed an unmodified opinion on these financial results.
- 4] Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the same to the lease contracts existing on 1st April, 2019 using the modified retrospective approach. Accordingly, comparatives for the year ended 31st March, 2019 and other periods disclosed have not been retrospectively adjusted. The effect of the adoption is not significant to the profit for the period.
- 5] The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance dated September 20, 2019 inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying income tax at reduced rates as per the provisions/conditions defined in the said section. The Company has a one time option to opt for a reduced Maximum Marginal Tax Rate ("MMR") of 25.17% instead of 29.12% in the current financial year up to March 31, 2020 or in the future financial years. The Company is in the process of finalizing its position with respect to adoption of the reduced tax rates. If Company exercises the choice of lower MMR in the current financial year, it would correspondingly result in lower effective tax rate due to one-time impact of partial write back of opening deferred tax liability and lower current tax outflow net of the deferred tax income.
- 6] 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.
- 7] 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 : 04 November 2019

MAGMA HOUSING FINANCE LIMITED

Registered Office : Development House, 24, Park street, Kolkata - 700016

CIN : U65922WB2004PLC229849 ; Website : <http://www.magmahfc.co.in>



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SB Marg, Elphinstone (W)
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India

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Independent Auditor's Review Report on Unaudited Half-Yearly Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Magma Housing Finance Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of **Magma Housing Finance Limited** ('the Company') for the half-year ended 30 September 2019, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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 the company personnel and analytical procedures applied to the financial data, and thus, provides less assurance than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013 ('the Act'). We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and as per the requirements of the SEBI Circular CIR/IMD/DF1/69/2016 dated 10 August 2016, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Manish Gujral
Partner
Membership No. 105117

UDIN No:19105117AAAAOY5371

Place: Mumbai
Date: 04 November 2019


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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 2019

Sl. No.	Particulars	As at 30 September 2019	
		Type of Instrument	Rating
a.	Credit rating and change in credit rating (if any)	Short Term Debt Long Term Bank Facilities Long Term Debt (Secured NCD) Long Term Debt (Secured NCD)	CRISIL A1+ CARE/ICRA AA- CARE/ICRA/ AA- 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)		4.52
d.	Previous due date for a) the payment of interest b) the repayment of principal of non convertible debt securities <u>whether the same has been paid or not</u>		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		1.16
g.	Interest service coverage ratio (Earning before interest and tax / Interest expense)		1.42
h.	Debenture redemption reserve		Nil
i.	Net worth (₹ in lacs)		35,705.57
j.	Net profit after tax (₹ in lacs)		2,396.10
k.	Earnings per share - Basic and diluted (in ₹)		
	(a) Basic (in ₹)		1.62
	(b) Diluted (in ₹)		1.60

Notes :

- 1] Securitization of Loan Assets (PTC Pools) for Rs 18,184.24 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 3.91

By order of the Board
For Magma Housing Finance Limited


Manish Jaiswal
Managing Director & Chief Executive Officer
DIN: 07859441

Place : Mumbai
Dated : 04 November 2019

Registered Office : Development House, 24 Park street, Kolkata-700 016
CIN : U65922WB2004PLC229849 ; Website : <http://www.magmahf.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-Aug-19	27-Nov-19	27-Aug-19	27-Nov-19	30.00
6	HDFC LIFE INSURANCE COMPANY LIMITED	29-Mar-19	29-Sep-19	29-Mar-20	-	29-Sep-20	25.00
	Total						120.00

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