

17 February 2021

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: Credit Rating

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

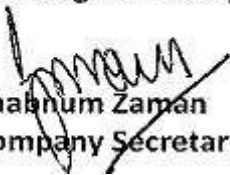
Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby intimated that the Company has received a communication from ICRA on 17 February 2021 whereby the rating of the Company's Long Term Fund based term loans (ICRA AA-) has been placed on watch with developing implication.

Furthermore, ICRA has given the following rationale for the same:

ICRA is of the view that pursuant to announcement made by Magma regarding change in shareholding of the Company following the proposed capital infusion of Rs 3,456 crore of equity through preferential issue by Mr. Adar Poonawalla-controlled Rising Sun Holdings Private Limited, Mr. Chamria and Mr. Poddar. The proposed capital infusion would be a positive for the group's capitalisation profile and would provide capital for both absorbing losses as well as fund growth over the medium term. The transaction is subject to regulatory approvals and ICRA would monitor the developments on this transaction and would take suitable rating action once it has clarity on the proposed business model of the company and the likely impact on the various credit metrics, and other organization related changes.

Kindly take the same on record.

**Thanking you,
Yours faithfully,
For Magma Fincorp Limited**



**Shaanum Zaman
Company Secretary**