

31 May 2021

Corporate Relationship Department
BSE Limited
25th Floor, P.J. Towers, Dalal Street, Fort,
Mumbai – 400 001

Company Code - 524000

The Manager
Listing Department,
National Stock Exchange of India Limited
“Exchange Plaza”
Bandra- Kurla Complex, Bandra (E),
Mumbai – 400 051

Symbol - MAGMA

Sub: Outcome of Board Meeting held on 31 May 2021

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

Dear Sir,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors at their meeting held today *inter alia* has approved the following:

1. Change in the Board Composition

- (a) Appointment of Mr. Adar Poonawalla (DIN:00044815) as an Additional Director in the capacity of Non-Executive Director and designated as the Chairman of the Company w.e.f. 1 June 2021, subject to the approval of the shareholders.
- (b) Appointment of Mr. Abhay Bhutada (DIN:03330542) as an Additional Director in the capacity of Managing Director of the Company w.e.f 1 June 2021 for a period of 5 years, subject to the approval of the shareholders.
- (c) Re designated Mr. Sanjay Chamria (DIN:00009894) as Executive Vice Chairman w.e.f 1 June 2021.

We are further pleased to inform you that the induction of Mr. Poonawalla and Mr. Bhutada, will further strengthen the Board of the Company, as both the Directors bring with them expertise and managerial insights, which would immensely benefit the Company. With these appointments, the Board of the Company shall now comprise of nine directors, of which more than one-half of the Board shall consist of Independent Directors.

2. Change in Key Managerial Personnel of the Company

Appointment of Mr. Vijay Deshwal as the CEO and Key Managerial Personnel of the Company as per the provisions of the Companies Act, 2013.

3. Change in Chief Internal Auditor of the Company

Mr. Raj Kumar Kapoor, Chief Internal Auditor (CIA) of the Company has opted for an early retirement and has offered to step down as the CIA of the Company w.e.f. close of the business hours of 31 May 2021.

4. Investment in Magma Housing Finance Limited, wholly owned subsidiary of the Company through Right Issue.

The Board of Directors has approved the investment of Rs. 500 Crores in Magma Housing Finance Limited (MHFL), a wholly owned subsidiary of the Company, by way of subscription to 83,991,264 Nos equity shares at a price of Rs. 59.53/- per equity share (Face Value - Rs. 10/- each, Premium- Rs. 49.53/- each) through Right Issue, thereby augmenting MHFL lending business and enhancing its capital adequacy from 30.5% as on 31 March 2021 to 57.9% post capital infusion.

The details required under Regulation 30 of the Listing Regulations in connection with appointment of directors, key managerial personnel, change in auditors and further investment in wholly owned subsidiary of the Company read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9 September 2015 is given in the enclosed Annexure A, Annexure B, annexure C, Annexure D and Annexure E respectively.

5. Alteration in the Memorandum of Association and Articles of Association of the Company

The Board has approved alteration in the Name Clause in the Memorandum of Association and Articles of Association of the Company, subject to the approval of the shareholders and other statutory approval.

Further, the Board has approved the alteration in Articles of Association (AoA) of the Company by deletion of Chapter V w.r.t. Indium V (Mauritius) Holdings Limited (Indium V) and assignment of rights thereunder by Indium V to True North Fund V LLP (True North), since the Investment Agreement entered into by the Company with True North was terminated consequent to disposal of its stake in the Company. The alteration of the AoA is subject to the approval of the shareholders of the Company.

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6. 41st Annual General Meeting of the Company

The Board of Directors of the Company has authorized Management Committee of the Board of Directors to finalize and fix the date of 41st Annual General Meeting of the Company.


The meeting of the Board of Director Commenced at 1:30 P.M. and concluded at 4:00 P.M.

You are requested to take note of the same.

Thanking you,

Yours faithfully,

For Magma Fincorp Limited


Shabnum Zaman
Company Secretary

Annexure A

Appointment of Mr. Adar Poonawalla (DIN:00044815) as the Additional Director on the Board of the Company.

Sr No.	Details of event that needs to be provided	Information of such event
1	Reason for change viz. appointment, resignation, removal, death or otherwise;	Pursuant to preferential issue of equity capital, Rising Sun Holdings Private Limited ('RSHPL') is the majority shareholder of the Company and has been classified as the Promoter of the Company alongwith its existing promoters. In accordance with the Terms of Agreement executed with RSHPL, Mr. Adar Poonawalla is appointed as an Additional Director in the capacity of Non-Executive Director and designated as the Chairman of the Company, subject to the approval of shareholders.
2	Date of appointment/ cessation (as applicable) Term of appointment;	Date of appointment- 1 June 2021 Mr. Adar Poonawalla is liable to retire by rotation
3	Disclosure of relationships between directors (in case of appointment of a director);	Mr. Adar Poonawalla is not related to any Director of the Company.
4	Information as required pursuant to BSE Circular with ref. no. LIST/ COMP/ 14/ 2018-19 and the National Stock Exchange of India Ltd with ref. no. NSE/ CML/ 2018/ 24, both dated 20th June, 2018.	Mr. Adar Poonawalla is not debarred from holding the office of Director by virtue of any SEBI Order or any other such authority.
5	Brief profile (in case of appointment);	Mr. Adar Poonawalla is the CEO of Serum Institute of India and Chairman of Poonawalla Finance Private Limited. Mr. Poonawalla has been engaged in developing affordable children's vaccines and having supplied the same across the globe. In 2013, Forbes India included Mr. Adar Poonawalla in the list of 'Four Scions to Watch Out For'. In 2018, he was accorded the Corporate Social Responsibility award by CNBC Asia. Further, the award-winning GQ magazine included Mr. Poonawalla in its elite list of 50 most influential young Indians. By way of educational background, Mr. Poonawalla

	is qualified in the field of Finance holding BBA- Finance (UK).
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Annexure B

Appointment of Mr. Abhay Bhutada (DIN:03330542) as the Additional Director on the Board of the Company.

Sr No.	Details of event that needs to be provided	Information of such event
1	Reason for change viz. appointment, resignation, removal, death or otherwise;	Pursuant to preferential issue of equity capital, Rising Sun Holdings Private Limited ('RSHPL') is the largest shareholder of the Company and has been classified as the Promoter of the Company alongwith its existing promoters. In accordance with the Terms of Agreement executed with RSHPL, Mr. Abhay Bhutada is appointed as an Additional Director in the capacity of the Managing Director of the Company, subject to the approval of shareholders.
2	Date of appointment/ cessation (as applicable) Term of appointment;	Date of appointment- 1 June 2021 The office of Mr. Abhay Bhutada is for a period of 5 years effective from 1 June 2021 to 31 May 2026. He is liable to retire by rotation.
3	Disclosure of relationships between directors (in case of appointment of a director);	Mr. Abhay Bhutada is not related to any Director of the Company.
4	Information as required pursuant to BSE Circular with ref. no. LIST/ COMP/ 14/ 2018-19 and the National Stock Exchange of India Ltd with ref. no. NSE/ CML/ 2018/ 24, both dated 20th June, 2018.	Mr. Abhay Bhutada is not debarred from holding the office of Director by virtue of any SEBI Order or any other such authority.
5	Brief profile (in case of appointment);	Mr. Abhay Bhutada is a seasoned finance professional with over 13 years of diversified experience in the domain of commercial, housing and retail lending. He has been instrumental in making strategic decisions and pioneered the concept of flexible lending platform at Poonawalla Finance and has successfully scaled it up. He was awarded as the Young Entrepreneur of India for the year 2017 by the Chairman of State Bank of India and Promising Entrepreneur of India for the year 2019 by The Economic Times. Mr. Abhay Bhutada

	is a qualified Chartered Accountant. He served as the Managing Director of Poonawalla Finance Private Limited.
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Annexure C

Appointment of CEO and KMP of the Company

Sr No.	Details of event that needs to be provided	Information of such event
1	Reason for change viz. appointment, resignation, removal, death or otherwise;	Mr. Vijay Deshwal has been appointed as the CEO of the Company.
2	Date of appointment/ cessation (as applicable) Term of appointment;	Appointed as CEO and KMP of the Company by the Board of Directors on 31 May 2021 and will take charge as the CEO of the Company from first week of July 2021.
3.	Brief profile (in case of appointment);	Mr. Vijay Deshwal is a seasoned banker with a track record of over two decades. Mr. Deshwal is currently a business head at ICICI Bank, responsible for its fast growing services sector, including new age businesses. He is also responsible for driving the liability strategy for the corporate ecosystem at the Bank. Having handled pan-India financial institutions including NBFCs for over six years, Mr. Deshwal has vast understanding of various asset classes and the cyclical nature of these businesses. He had previously headed debt syndication business for ICICI Bank for over five years.
	Disclosure of relationships between Directors (in case of appointment as a Director)	Not Applicable

Annexure D

Change in auditors of the Company

Sr No.	Details of event that needs to be provided	Information of such event
1	Reason for change viz. appointment, resignation, removal, death or otherwise;	Mr. Raj Kumar Kapoor, Chief Internal Auditor (CIA) of the Company has opted for an early retirement due to personal reasons.
2	Date of appointment/ cessation (as applicable) Term of appointment;	Mr. Kapoor has offered to step down as the CIA of the Company w.e.f. close of the business hours of 31 May 2021.

Annexure E

Acquisition (including agreement to acquire)

Sr No.	Requirement of Disclosures	Description
a.	Name of the target entity, details in brief such as size, turnover etc.	Name: Magma Housing Finance Limited (Magma Housing) incorporated as a Wholly Owned Subsidiary of the Company on 21.04.2004. Paid up Share capital: Equity Capital of Rs. 1,658,298,530/- (Rupees One Hundred Sixty Five Crore Eighty Two Lakhs Ninety Eight Thousand Five Hundred and Thirty) Turnover: FY 2020-21: Rs. 47,254.33 lakh (Rupees Forty Seven Thousand Two hundred Fifty Four Lakh decimal Thirty Three).
b.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	Although the transaction is done with the related party of the Company (i.e. wholly owned subsidiary of the Company) and is at arm's length, but the transaction does not fall under the list of related party transactions as defined under section 188(1)(a) to (g) of the Companies Act, 2013. Mr. Sanjay Chamria, promoter director of the Company and MHFL, no promoter or promoter group of the Company has any interest in the said transaction.

c	Industry to which the entity being acquired belongs	Magma Housing is engaged in the business of providing housing finance and is registered with the National Housing Bank.
d	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	To augment Magma Housing lending business and enhancing its capital adequacy.
e	Brief details of any governmental or regulatory approvals required for the acquisition	Not Applicable
f	Indicative time period for completion of the acquisition	Within 7 working days from the date of the Board approval.
g	Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration.
h	Cost of acquisition or the price at which the shares are acquired	Cost of acquisition: Rs. 500 crores approximately (Rupees Five Hundred Crore Only). Price at which shares are acquired: Rs. 59.53/- per equity share (Face Value - Rs. 10/- each, Premium- Rs. 49.53/- each)
i	Percentage of shareholding / control acquired and / or number of shares acquired	The Company holds 100% shareholding in Magma Housing.
j	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	Magma Housing is engaged in the business of providing housing finance and is registered with the National Housing Bank. Date of incorporation: 21.04.2004. Turnover: FY 2020-21: Rs. 47,254.33 lakh FY2019-20: Rs. 35,636.65 lakh FY 2018-19: Rs. 24,551.38 lakh Country: India