

December 23, 2022

BSE Limited

Corporate Relationship Department
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001.

BSE Scrip Code: 524000

National Stock Exchange of India Limited

The Listing Department,
Exchange Plaza,
Bandra- Kurla Complex, Bandra (East),
Mumbai - 400 051.

NSE Symbol: POONAWALLA

Subject: Submission of Postal Ballot Notice

Dear Sir / Madam,

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with reference to our letter dated December 14, 2022, we would like to inform that the Board has approved the notice for seeking approval of the Members by way of postal ballot for divestment of the entire equity shares held by the Company in its material subsidiary, Poonawalla Housing Finance Limited.

Please find enclosed the copy of the notice of postal ballot which has been sent through electronic mode on Friday, December 23, 2022, to the Members of the Company.

Further, we would like to inform that the Postal Ballot Notice has been sent to all the Members, whose names appear in the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited and Central Depository Services (India) Limited and whose email IDs are registered with the Registrar & Transfer Agent / Depositories as on Wednesday, December 21, 2022 ("Cut-off date").

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Poonawalla Fincorp Limited
(Formerly, Magma Fincorp Limited)

SHABNUM ZAMAN
Digitally signed by
SHABNUM ZAMAN
Date: 2022.12.23
16:59:24 +05'30'

Shabnum Zaman
Company Secretary
ACS-13918

Poonawalla Fincorp Limited

(Formerly known as Magma Fincorp Limited)

CIN: L51504PN1978PLC209007

Registered Office: 201 and 202, 2nd floor, AP81, Koregaon Park Annex, Mundhwa, Pune - 411 036

T: +91 20 67808090 | **E:** info@poonawallafincorp.com | **W:** www.poonawallafincorp.com

POONAWALLA FINCORP LIMITED

(Formerly, Magma Fincorp Limited)

Registered office: 201 and 202, 2nd Floor, AP81, Koregaon Park Annex, Mundhwa, Pune - 411 036, Maharashtra**Phone:** 020 6780 8090 **CIN:** L51504PN1978PLC209007**Website:** www.poonawallafincorp.com **Email:** secretarial@poonawallafincorp.com**NOTICE OF POSTAL BALLOT**

(Pursuant to Section 108 and Section 110 of the Companies Act, 2013, read with Rule 20 and Rule 22 (1) of the Companies (Management and Administration) Rules, 2014, as amended)

VOTING STARTS ON	VOTING ENDS ON
Saturday, December 24, 2022 at 9:00 a.m. (IST)	Sunday, January 22, 2023 at 5:00 p.m. (IST)

Dear Members,

NOTICE is hereby given that pursuant to the provisions of Sections 101, 108 and 110 of the Companies Act, 2013 (“**Act**”), read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (“**Management Rules**”) and other applicable provisions, if any, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, provisions of Secretarial Standard on General Meetings (“**SS-2**”) read with the General Circular No. 14/2020 dated April 08, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 08, 2021, and the General Circular No.03/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs (“**MCA Circulars**”) and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments thereto (“**Listing Regulations**”), the resolution appended below are proposed to be passed as Special Resolution by way of Postal Ballot through electronic voting process (“**e-voting**”).

In accordance with the provisions of the MCA Circulars, Members can vote only through the e-voting process. Accordingly, the Company is pleased to offer e-voting facility to all its Members to cast their votes electronically. Members are requested to read the instructions in the notes under the section “General information and instructions relating to e-voting” in this postal ballot notice (“**Postal Ballot Notice**”) to cast their vote electronically. Members are requested to cast their votes through the e-voting process not later than 5:00 P.M. IST on Sunday, January 22, 2023, to be eligible for being considered, failing which it will be strictly considered that no vote has been received from the Member.

The Explanatory Statement under Section 102 of the Act setting out the material facts concerning the proposed resolutions and the reasons thereof are annexed hereto for your consideration.

Poonawalla Fincorp Limited

(Formerly known as Magma Fincorp Limited)

CIN: L51504PN1978PLC209007**Registered Office:** 201 and 202, 2nd floor, AP81, Koregaon Park Annex, Mundhwa, Pune - 411 036**T:** +91 20 67808090 | **E:** info@poonawallafincorp.com | **W:** www.poonawallafincorp.com

SPECIAL BUSINESS(ES):**1. Approval for divestment of entire stake held by the Company in Poonawalla Housing Finance Limited, its material subsidiary:**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and such other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 25(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Regulation 24 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable provisions of the Foreign Exchange and Management Act, 1999, and the rules and regulations issued thereunder (“FEMA”), any other rules / regulations / guidelines, if any, prescribed by the Ministry of Corporate Affairs, Securities and Exchange Board of India (“SEBI”), Reserve Bank of India, stock exchanges where the securities of the Company are listed, and / or any other statutory / regulatory authority and the Memorandum and Articles of Association of the Company, and subject to completion of certain agreed contractual conditions including obtaining approvals, consents and permissions as may be necessary from statutory / regulatory authorities / third parties (including Reserve Bank of India/ National Housing Board and lenders) and pursuant to the approval of the Audit Committee and the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board or committee constituted / to be constituted of management to exercise its powers including the powers conferred by this Resolution), the consent of the Members of the Company be and is hereby accorded to sell or transfer or divest 249,821,117 equity shares held by the Company in its material subsidiary, Poonawalla Housing Finance Limited (Formerly, Magma Housing Finance Limited), to Perseus SG Pte. Ltd. (**“Purchaser”**), an entity affiliated to TPG Global LLC, at a purchase consideration based on a per equity share price of INR 152.84/- representing a total equity value of the Company of INR 39,000,000,000/- (Indian Rupees Three Thousand Nine Hundred Crores) and on such terms and conditions as set forth in the Share Purchase Agreement (**“SPA”**) executed between the Company, Poonawalla Housing Finance Limited and Perseus SG Pte. Ltd dated December 14, 2022 (**“Proposed Transaction”**).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake and perform all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution or to settle any question, difficulty or doubt that may arise in this regard or incidental thereto, take any other steps which may be incidental, consequential, relevant or ancillary in this regard (including but not limited to negotiating, executing and finalizing any other ancillary definitive agreements (or amendments thereto), for giving effect to the Proposed Transaction or pursuant to the SPA, obtaining the required approvals from all appropriate regulatory authorities and third parties, including the Reserve Bank of India/National Housing Bank, bankers/ lenders etc, making filings with various regulatory authorities, etc), as it may in its absolute discretion deem fit in the interest of the Company, without being required to seek any further consent or approval of the Members and the decision of the Board of Directors shall be final and conclusive in such regard.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred herein, to any directors or any such officer (s) of the Company as the Board of Directors may deem fit in its absolute discretion, with the power to take such steps and to do all such acts, deeds, matters and things as may be deemed fit and proper for the purposes of giving effect to the aforesaid resolution including without limitation to settle any question, difficulty or doubt that may arise in this regard.”

Date : December 22, 2022
Place: Pune

**By Order of the Board of Directors
For Poonawalla Fincorp Limited**
(Formerly, Magma Fincorp Limited)

Registered Office:
201 and 202, 2nd Floor, AP81,
Koregaon Park Annex, Mundhwa
Pune - 411036

Sd/-
Shabnum Zaman
Company Secretary
ACS No.: 13918

NOTES:

1. The Explanatory Statement and reasons for the proposed Special Resolution pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (“**Act**”) and Secretarial Standards on General Meetings (“**SS-2**”) setting out material facts are appended herein below.
2. Mr. Girish Bhatia, Practicing Company Secretary (FCS 3295 CP 13792) has been appointed as the Scrutinizer for conducting the postal ballot only through the e-voting process in a fair and transparent manner.
3. In compliance with the MCA Circulars, the Postal Ballot Notice is being sent by electronic mode to those Members whose names appear in the Register of Members/ List of Beneficial Owners maintained by the Company/ Depositories as on Wednesday, December 21, 2022 (“**Cut-off date**”) and whose e-mail IDs are registered with the Company/ Depositories. For Members who have not registered their e-mail IDs, please follow the instructions given under Note No.13.
4. In compliance with provisions of Section 108 and Section 110 and other applicable provisions of the Act read with the Management Rules, the Company is pleased to offer e-voting facility to all the Members of the Company. For this purpose, the Company has engaged the services of National Securities and Depository Limited (NSDL) for facilitating e-voting to enable the Members to cast their votes electronically.
5. In accordance with the provisions of the MCA Circulars, Members can vote only through the e-voting process. Members are requested to provide their assent or dissent through e-voting only.
6. As per the MCA Circulars, physical copies of this Postal Ballot Notice, Postal Ballot forms and pre-paid Business Reply Envelopes are not being sent to Members for this Postal Ballot. Members are requested to provide their assent or dissent through e-voting only.
7. Members may please note that the Postal Ballot Notice will also be available on the Company’s website at www.poonawallafincorp.com at its weblink i.e. <https://poonawallafincorp.com/pfca/assets/pdf/Postal-Ballot-Notice-dated-December-22-2022.pdf> and websites of the stock exchanges, i.e., BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.nsdl.co.in.
8. All the material documents referred to in the Explanatory Statement, or as may be relevant to/ connected with the proposed resolution, shall be available for inspection from 10:00 A.M. to 12:00 Noon on all working days from the date of dispatch of this Postal Ballot Notice at the registered office of the Company till the last date of voting by the Members.
9. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from NSDL/ Central Depository Services (India) Limited (CDSL) as on Cut-off date. The members whose name appear in the Register of Members/ list of Beneficial Owners as on Cut-off date, are entitled to vote on the Resolutions set forth in this Postal Ballot Notice.

10. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Cut-off date fixed for the purpose.
11. The voting through electronic means will commence on Saturday, December 24, 2022 at 09:00 A.M. (IST) and will end on Sunday, January 22, 2023 at 05:00 P.M. (IST). The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change subsequently.
12. A Member cannot exercise his/ her vote by proxy on Postal Ballot.
13. Members holding shares in physical mode and who have not registered / updated their e-mail address with the Company are requested to register / update the same by submitting duly filled and signed Form ISR-1 with the Registrar & Transfer Agent (“RTA”), Link Intime India Pvt. Ltd. at rnt.helpdesk@linkintime.co.in. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants. In case of any queries/difficulties in registering the e-mail address, Members may write to secretarial@poonawallafincorp.com
14. Dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement published in one Regional Newspaper and one English Newspaper widely circulated, and shall be hosted at the Company’s website at www.poonawallafincorp.com. The said public notice shall also mention the process for registration of email ids by those Members who have not yet registered their email-ids with the RTA and Depository Participants.
15. The Scrutinizer will submit their report to the Chairman or to any other person authorized by him after completion of the scrutiny and the result of the Postal Ballot voting process will be declared on or before January 24, 2023, at the Registered Office of the Company. The result of the Postal Ballot (including e-voting), along with the Scrutinizer’s Report will be posted on the Company’s website www.poonawallafincorp.com at its weblink i.e. <https://poonawallafincorp.com/investor.php>
16. The result of the Postal Ballot shall be communicated to all the Stock Exchanges where the equity shares of the Company are listed and NSDL. The Special Resolutions, if passed by the requisite majority, shall be deemed to have been passed on Sunday, January 22, 2023 being the last date specified by the Company for e-voting.
17. The resolution passed by Members with requisite majority, through Postal Ballot shall be deemed to have been passed at a General Meeting of Members convened on that behalf.
18. Any query in relation to the resolution proposed to be passed through Postal Ballot may be addressed to Ms. Shabnum Zaman, Company Secretary at Email: shabnum.zaman@poonawallafincorp.com/secretarial@poonawallafincorp.com or query/ grievance with respect to E-voting, Members may refer to the Frequently Asked Questions (FAQs) for Members and E-voting User Manual for Members available under the Downloads section of NSDL’s e-voting website or contact Mr. Amit Vishal, Asst. Vice President/ Ms. Pallavi Mhatre, Senior Manager, NSDL, Trade World, “A” Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400 013 at Toll Free No. 1800 1020 990/ 1800 22 44 30 or at E-mail ID : evoting@nsdl.co.in.
19. Members who have not registered their e-mail addresses so far are requested to register the same so that they can receive all future communications from the Company electronically.

General information and instructions relating to e-voting

PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING

In compliance with provisions of Section 108 and 110 of the Act read with Rule 20 of the management Rules including any amendments thereto and as per Regulation 44 of Listing Regulations, the Company is pleased to provide Members the facility to exercise their right to vote by electronic means and the business may be transacted through e-voting Services provided by NSDL.

The instructions for e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e- Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

Type of shareholders	Login Method
	<p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <p>   </p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 6000001 and EVEN is 123127 then user ID is 1231276000001

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “[Forgot User Details/Password?](#)” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) “[Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e- Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button. After you click on the “Login” button, Home page of e-Voting will open.

Poonawalla Fincorp Limited

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Step 2: Cast your vote electronically on NSDL e-Voting system.**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to girishbhatia1956@gmail.com with a copy marked to evoting@nsdl.co.in; rnt.helpdesk@linkintime.co.in; and secretarial@poonawallafincorp.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Asst. Vice President and/ or Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolution set out in this Postal Ballot Notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to rnt.helpdesk@linkintime.co.in ;
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to your Depository Participants. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., [Login method for e-Voting for Individual shareholders holding securities in demat mode.](#)
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

Poonawalla Fincorp Limited

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item no. 1:**

The Board in its Meeting held on December 14, 2022 has approved, subject to the approval of the Shareholders of the Company and other requisite regulatory and statutory authorities, the proposal for divestment of 249,821,117 equity shares held by the Company in Poonawalla Housing Finance Limited (“PHFL”), the material subsidiary of the Company to Perseus SG Pte. Ltd. (“Purchaser”), an entity affiliated to TPG Global LLC, at a purchase consideration based on a per equity share price of INR 152.84 representing a total equity value of the Company of INR 39,000,000,000 (Indian Rupees Three Thousand Nine Hundred Crores) subject to adjustments as set out in the definitive documents and on such terms and conditions as set forth in the Share Purchase Agreement (“SPA”) executed between the Company, Poonawalla Housing Finance Limited, material subsidiary and Perseus SG Pte. Ltd on December 14, 2022 (“Proposed Transaction”).

The Proposed Transaction is subject to completion of customary condition precedents, such as the receipt of requisite approvals (including from Reserve Bank of India/National Housing Board and lenders). The consideration offered by Purchaser for the Proposed Transaction is above the fair market value arrived at under the valuation report of the independent valuer dated December 14, 2022, as presented before the Audit Committee and Board on December 14, 2022.

The Proposed Transaction will maximize the Shareholders’ value in the long term as the Company focusses on building a Tech-Led and Digital-First financial services company, with leadership in consumer & MSME financing. The Company will continue to work towards achieving its stated Vision 2025 at a standalone level with focus on Growth, Asset Quality and Profitability. The value unlocking of the housing finance subsidiary was one of the stated objectives in the Company’s Vision 2025 statement. In line with that, the Company started the process by looking at part dilution and price discovery. The Company received tremendous response with proposals including those for a full stake buyout. Post an exhaustive strategic review of the proposals, the Board decided that complete stake sale would be in the best interest of both the entities and all stakeholders considering the different customer segments, geographies, and distribution model. This Proposed Transaction will help focus on maximizing value creation by optimizing resource allocation and increasing management focus on their respective business needs. With the rapidly growing digital ecosystem, the Company (standalone) sees tremendous growth opportunities in its current and proposed line of businesses. The digitization further complements innovation in products, customer experience and engagement. It will continue to build a strong retail franchise in consumer and MSME financing.

As per Section 180(1)(a) of the Companies Act, 2013, a special resolution of the members of the company is required to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company (i.e., in which the investment of the company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of the company during the previous financial year). The Proposed Transaction will result in a divestment of the Company’s entire stake in PHFL, which constitutes an undertaking of the Company.

Further, in terms of Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a listed company shall not dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the material subsidiary without passing a special resolution. The Proposed Transaction will result in a divestment of the Company’s entire stake in PHFL, which is a material subsidiary of the Company.

Further, Regulation 25(2) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, provides that if a target company, or any of its subsidiaries is required to so alienate assets, within a period of two years from the date of the open offer, despite the intention to alienate not having been expressed by the acquirer in the detailed public offer, then such alienation shall require a special resolution passed by Shareholders of the target company. The Proposed Transaction will result in a divestment of the Company’s entire stake in PHFL, a subsidiary of the Company. Such divestment is likely to be carried out within the aforementioned period of two years from the date of the open offer (i.e. on or before May 20, 2023).

Poonawalla Fincorp Limited

(Formerly known as Magma Fincorp Limited)

CIN: L51504PN1978PLC209007

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Accordingly, the divestment of the entire equity shareholding held by the Company in PHFL requires the approval of the Members of the Company through a special resolution.

The Board is of the opinion that the “**Proposed Transaction**” is in the best interests of the Company and accordingly recommends the special resolution set forth in Item No. 1 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding in the Company, are concerned / interested, financially or otherwise, in the above resolution.

Date : December 22, 2022

Place: Pune

**By Order of the Board of Directors
For Poonawalla Fincorp Limited**
(Formerly, Magma Fincorp Limited)

Registered Office:

201 and 202, 2nd Floor, AP81,
Koregaon Park Annex, Mundhwa
Pune - 411036

Sd/-
Shabnum Zaman
Company Secretary
ACS No.: 13918