

8 May 2020

The Secretary,
BSE Limited
25th Floor, P. J. Towers, Dalal Street, Fort,
Mumbai - 400 001

Scrip Code No.524000

Asst. Vice President,
National Stock Exchange of India Limited
"Exchange Plaza",
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Symbol : "MAGMA"

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

Dear Sirs,

This is in continuation to our earlier communication vide letter dated 24th March, 2020, regarding COVID-19 outbreak.

Kindly note that after taking cognizance of the Governments' views around resuming operations with bare minimum staff, and in light of the Ministry of Home Affairs ("MHA"), GOI Order dated 15th April, 2020, addendum dated 16th April 2020 and in line with the MHA, GOI Order dated 1st May 2020 and with due intimation to the competent authority locally, Magma has resumed operations with limited manpower and strict adherence to social distancing at select 147 branches in few of the states. These branches are in green and orange zones of Ministry of Health and Family Welfare list. All possible sanitization measures are being followed as mandated. The Company will explore more locations where the impact of the pandemic is limited and resume operations in a gradual and phased manner, keeping in mind that employee safety is of prime importance.

We wish to provide the following update on the impact of Covid-19 on our business:

Business Continuity Plan (BCP):

- As mature organization, we had planned our BCP well ahead of the lockdown and moved to 'Work from Home' immediately when the lockdown was announced. Resultant, we continued to perform with least disturbance in situation of lockdown. All our 320+ branches and offices adopted BCP since 19th March 2020, as the pilot was done in advance.

- IT systems were beefed up in terms of cloud server capacity, bandwidth, VPN at homes of people operating from home, security features being augmented and surveillance systems upped and the risk management team increased its vigil and sampling on cash and bank transactions.

Work From Home Guidelines and Employee safety & wellbeing:

- Each business and support function had developed Standard Operating Procedures (SOPs) on work from home and conducted online training through multiple sessions. The top leadership level was having daily huddle to review and ensure people safety, and collections to the extent possible with help of digital platforms.
- Employee safety remains our top priority and we have developed SOPs for the same and urged all our branches to follow the same strictly. We have also set up 24*7 helpline and Emergency Response Team of 85+ people on Pan India basis to support employees working on any health-related issues for self and their families and created a fund to support them financially.

Customer Interface:

- All our customers are being facilitated through SMS and calls from the call centre to move to digital payment modes. Videos to promote digital repayment of EMI through Mobile and Internet payment facilities have been circulated to the customers.
- All Field Officers, Supervisors and the team of Tele-callers are in regular touch with the customers over phone.
- Magma has offered moratorium to its customers as per Board approved policy. We are pleasantly surprised that about 47% and 55% of customers in Housing and SME business respectively have not opted for moratorium and rather paid their instalments. In ABF business, around 30% of customers continued to pay in the month of April which shows that the customers are quite disciplined, and they are keen to deploy their vehicles as soon as they are allowed to step out and start earning.

***Liquidity:**

We are also happy to share that we have been able to manage our liquidity reasonably well.

- We exited March 2020 with available cash in hand of Rs. 550 Crore and unutilized credit limits of Rs. 600 Crore from working capital consortium, totaling Rs. 1,150 Crore approx.
- Our borrowings are principally in form of Term Loans, Securitisation and Working Capital facilities. Hence, our scheduled repayments in the months of April and May 2020 are less than Rs. 100 Crore.

Given our adequate liquidity position, the Company has not availed moratorium from its lenders.

Considering the prevailing uncertainties, it will be difficult to gauge overall impact on the operations of the Company. The Company is closely monitoring the situation and will continue to take swift and appropriate actions.

We hereby request you to take the above information on record.

Thanking You,

For Magma Fincorp Limited



Shabnum Zaman
Company Secretary

**The Numbers are unaudited and based on Management Estimates.*