



**MAGMA FINCORP LIMITED**

**Registered Office: “Magma House”, 24, Park Street, Kolkata – 700 016**

**Phone: 033-4401 7200/350•Fax: 033-4402 7731**

**CIN: L51504WB1978PLC031813•Website: www.magma.co.in**

**NOTICE**

Notice is hereby given that an Extraordinary General Meeting of the Members of Magma Fincorp Limited will be held on Tuesday, 28<sup>th</sup> April 2015 at 10:30 A.M at Kala Kunj Auditorium, 48, Shakespeare Sarani, Kolkata-700017 to transact the following business:

**SPECIAL BUSINESS:**

**ITEM NO. 1**

**Preferential Allotment of Equity Shares of the Company**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 42 and 62 and other applicable provisions, if any of the Companies Act, 2013 (the “**Act**”) read with Rules framed thereunder (including any statutory amendments thereto and all modifications or re-enactments thereof for the time being in force), the Foreign Exchange Management Act, 1999, as amended (“**FEMA**”), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, and the rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, the Foreign Investment Promotion Board, the Reserve Bank of India, Department of Industrial Policy & Promotion, the Securities and Exchange Board of India including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**ICDR Regulations**”) and the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the “**Takeover Regulations**”) and any other guidelines and clarifications issued by any other competent authority, whether in India or abroad, from time to time, to the extent applicable including the enabling provisions of the Memorandum of Association and Articles of Association of the Company, Listing Agreements entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed (the “**Stock Exchanges**”) and subject to the permissions, consents, sanctions and approval, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approvals, consents, permissions and sanctions, and which may be agreed to by 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 Shareholders be and is hereby accorded to the Board to create, issue, offer, and allot, on a preferential basis, 4,62,96,297 equity shares of face value of Rs. 2/- each (the “**Equity Shares**”), at a price of Rs. 108/- (Rupees One hundred and eight only) each aggregating upto Rs. 500,00,00,076 (Rupees Five hundred crore and seventy six only), including a premium of Rs. 106/- per share to the below-mentioned proposed allottees on such other terms and conditions and in such manner, as the Board may, in its absolute discretion, think fit:

Sl. No.	Name and Address of the Proposed Allottees	No. of Equity Shares
1.	Zend Mauritius VC Investments, Ltd 4 <sup>th</sup> Floor, Tower A, 1 Cybercity, Ebene, Mauritius	74,22,254
2.	Indium V ( Mauritius) Holdings Limited (“ <b>Indium</b> ”) Office 201, Sterling Tower, 14 Poudriere Street, Port Louis, Mauritius	2,03,55,524
3.	LeapFrog Financial Inclusion India Holdings Limited (“ <b>LeapFrog</b> ”) The Axis, 26 Cybercity, Ebene 72201, Mauritius	1,85,18,519

**RESOLVED FURTHER THAT** the “**Relevant Date**” for determination of the issue price in terms of the ICDR Regulations be fixed at 27th March, 2015.

**RESOLVED FURTHER THAT** the members of the Company do hereby approve the Investment Agreement executed between (i) the Company and LeapFrog; and (ii) the Company and Indium, which set forth the terms and conditions of issue and allotment of the Equity Shares to LeapFrog and Indium and/or their Affiliates respectively, and other rights of Indium and LeapFrog, including *inter alia* right to appoint observer on the Board and Management Committee, right to maintain shareholding, most favorable rights and other rights as contained in the aforesaid Investment Agreements.

**RESOLVED FURTHER THAT** the Equity Shares be issued and allotted by the Company in dematerialised form within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government or any contractual approval the allotment shall be completed within a period of 15 days from the date of such approval.

**RESOLVED FURTHER THAT** the Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of ICDR Regulations and the Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted as aforesaid shall rank *pari passu* with the existing Equity Shares of the Company in all respects including as to dividend and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company.

**RESOLVED FURTHER THAT** subject to the applicable laws, the Board be and is hereby authorized to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alteration(s) or modification(s) as they may deem fit and proper without being required to seek any fresh approval of the shareholders of the Company and give such directions as may be necessary to settle any question or difficulty that may arise in regard to creation, issue and allotment of Equity Shares including but not limited to:

- a. Approving the offer document and filing the same with any other authority or persons as may be required and making any other necessary filings with the Reserve Bank of India through the authorised dealer or any other documents as may be required from time to time for the purpose of the abovementioned allotment;
- b. To affix the Common Seal of the Company on any agreement(s)/ document(s) as may be required to be executed in connection with the above, in presence of any Director of the Company or any person who shall be authorized in this behalf, who shall sign the same in token thereof;
- c. Arranging the delivery and execution of all contracts, agreements and all other documents, deeds and instruments as may be required or desirable in connection with the issue of Equity Shares by the Company;
- d. Opening such bank accounts and demat accounts as may be required for the transaction;
- e. To make all such necessary applications with the appropriate authorities and make the necessary regulatory filings in this regard;
- f. To maintain complete record of private placements;
- g. Making applications for listing of the Equity Shares of the Company on one or more Stock Exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned Stock Exchange(s);
- h. To authorize or delegate (to the extent permitted by law) all or any of the powers herein conferred to any officer of the Company; and
- i. To do all such acts, deeds, matters and things and execute all such other documents and pay all such fees, as it may, in its absolute discretion, deem necessary or desirable for the purpose of the transactions and for giving effect to the above resolutions."

**ITEM NO. 2**

**Approval w.r.t continuity of Related Party Transactions with Celica Developers Private Limited**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Clause 49 of the Equity Listing Agreement and any other applicable law, consent of the Company be and is hereby accorded to 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 consisting of one or more members of the Board and/or management to exercise the Board's powers including the powers conferred by this Resolution) for continuation of the material related party transaction enumerated in the Table set out below and as detailed in the explanatory statement to this Resolution, with Celica Developers Private Limited ("Celica"), being a related party as per section 2(76) of Act, 2013, for an exposure, that is to say, the aggregate amount outstanding from the Company at any point of time, not exceeding Rs. 250 crore or the fair value of compulsorily convertible preference shares of Magma Advisory Services Limited (MASL CCPS) determined in accordance with internationally accepted valuation norms (whichever is higher), with authority being granted to the Board to vary/ modify (in such manner as the Board may deem fit) the terms and conditions of such transaction, from time to time.

Sl. No.	Name of Related Party	Nature of Transaction
1	Celica	Option Agreement relating to the purchase by the Company of 3,55,55,556 MASL CCPS from Celica on any of the options contained therein being exercised.

**RESOLVED FURTHER THAT** subject to the applicable laws, the Board be and is hereby authorized to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alteration(s) or modification(s) as they may deem fit and proper without being required to seek any fresh approval of the shareholders of the Company and give such directions as may be necessary to settle any question or difficulty that may arise in this connection."

**ITEM NO. 3**

**Issuance of debt securities pursuant to Sections 42, 71 and 180(1)(c) of the Companies Act, 2013, upto an overall ceiling of Rs. 2200 crore on Private Placement basis**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and 180(1)(c) of the Companies Act, 2013 read with relevant rules thereunder and such other applicable provisions and rules, if any, of the Companies Act, 2013 (including any amendment(s), statutory modification(s) or re-enactment thereof) and relevant RBI Regulations as may be applicable, consent of the shareholders of the Company be and is hereby accorded for issue on private placement basis, in one or more series or tranches, in such classes and with such rights or terms as may be considered necessary, one or more of the following non convertible debt securities, that is to say, secured debentures, unsecured debentures, bonds, subordinated debt securities, covered bonds, or other debt securities, whether constituting a charge (including in the nature of pledge) on any specific or general assets of the company or not (herein inclusively referred to as "Debt Securities"), such that the aggregate value of such Debt Securities during financial year 2015-16 shall not exceed, excluding any Debt Securities already issued earlier or any re-issuance thereof, upto an amount of Rs. 2200 crore (Rupees Two thousand and two hundred crore only) to Banks, Pension Funds, Mutual Funds and other entities/individuals including but not limited to Multilateral Development Organization, Institutional Investors, Financial Institutions, Companies etc.

**RESOLVED FURTHER THAT** consent of the shareholders of the Company be and is hereby accorded to the Board or any Committee thereof to deal with the matters relating to the finalization of the terms and conditions of such Debt Securities to be issued from time to time within the aggregate limit above, including any terms as amount payable on application and calls from time to time, and offer the same on private placement basis to any one or more investors including any Banks, Pension Funds, Mutual Funds and other entities/individuals including but not limited to Multilateral Development Organization, Institutional Investors, Financial Institutions, Companies or other person.

**RESOLVED FURTHER THAT** the Board or any Committee thereof be and is hereby authorized and empowered to consider, transact and decide matters, from time to time, pertaining to the private placement of Debt Securities, including finalization and issuance of any offer letter, opening of a separate bank account and allot the Debt Securities in one or more tranches, including, where so considered appropriate, amount payable on application and further amounts as may be called from time to time and the allotment thereof, to sign, verify, execute and file all necessary forms and documents, if any, with any governmental authority including but not limiting to the Registrar of Companies, Kolkata, West Bengal, Securities and Exchange Board of India and/or such other authorities as may be required from time to time and to do all such acts, deeds, matters and things

necessary or expedient to give effect to the issue of Debt Securities and ensuring compliance and/or any actions as may be required under applicable law.”

By Order of the Board of Directors  
For **Magma Fincorp Limited**

Place : Kolkata  
Date : 2nd April 2015

**Sd/-**  
**Kailash Baheti**  
**Company Secretary**

**NOTES :**

1. Explanatory statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder in respect of the business set out above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) members and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. Only registered members of the Company or any proxy appointed by such registered member may attend and vote at the Extraordinary General Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he can participate in the Extraordinary General Meeting but not vote.
4. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the Extraordinary General Meeting.
5. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. Electronic copy of the Notice of the Extraordinary General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Extraordinary General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
7. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission at the entrance to the place of the meeting.
8. All the documents referred to in this Notice including the Investor Agreements will be available for inspection at the registered office of the Company from the date of dispatch of the Notice till the date of Extraordinary General Meeting from 10:00 A.M to 5:00 P.M.
9. **Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended from time to time and Clause 35B of the Equity Listing Agreement the Company is pleased to provide to the members, the facility to exercise their right to vote by electronic means and the Business contained herein may be transacted through e-voting Services provided by National Securities Depository Limited (NSDL) on the resolution set forth in this Notice:

**PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING**

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
  - i. Open the e-mail and also open PDF file namely "Magma e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
  - ii. Open the internet browser and type the following URL: <https://www.evoting.nsd.com>.
  - iii. Click on Shareholder – Login.
  - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
  - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
  - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
  - viii. Select "EVEN" (E-Voting Event Number) of Magma Fincorp Limited. Now you are ready for e-voting as Cast Vote page opens.
  - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
  - xii. 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., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [aklabhcs@gmail.com](mailto:aklabhcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of [www.evoting.nSDL.com](http://www.evoting.nSDL.com).
- xiv. For persons who have acquired shares and become members of the Company after the dispatch of notice before the Cut-off Date (as defined hereunder), the method for obtaining the login ID and password will be stated in the advertisement published pursuant to the Company (Management and Administration) Amendment Rules, 2015.
- B. In case a Member receives physical copy of the Notice of Extraordinary General Meeting (for Members whose email addresses are not registered with the Company/Depositories):
- i. Initial password is provided in the enclosed attendance slip: EVEN (E-Voting Event Number), user ID and password.
  - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.
- C. Other Instructions:
- i. The e-voting period commences on Friday, 24 April 2015 (9.00 A.M. IST) and ends on Monday April 27, 2015 (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the close of working hours on April 21, 2015 ('Cut-off date') may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting on Monday April 27, 2015 after 5.00 P.M. IST. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
  - ii. 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.  
Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the closing working hours of Cut-off Date and not casting their vote electronically, may only cast their vote at the Extra Ordinary General Meeting.
  - iii. Mr. Atul Kumar Labh, Practicing Company Secretary (FCS-4848 / CP-3238) of M/s. A.K. Labh & Co., Company Secretaries, Kolkata, who has consented to act as the Scrutinizer and is available for the purpose of ascertaining the requisite majority, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - iv. The Scrutinizer shall, immediately after the conclusion of the meeting unblock the votes in the presence of at least two witnesses not in the employment of the Company and within a period not exceeding three working days from the conclusion of the Extraordinary General Meeting make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company or any other person authorized by him in writing.
  - v. The results of e-voting and poll shall be aggregated and declared on or after the Extraordinary General Meeting of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.magma.co.in](http://www.magma.co.in) and on the website of NSDL [www.evoting.nSDL.com](http://www.evoting.nSDL.com) immediately and communicated to BSE Limited and National Stock Exchange of India Limited.  
The facility of voting through ballot paper or polling paper shall also be made available for the members at the Extraordinary General Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have cast their vote electronically would be entitled to attend the Extraordinary General Meeting but would not be permitted to cast their vote again at the Meeting.

Once the vote is cast, the member cannot change the same or recast the same again.

By Order of the Board of Directors  
For Magma Fincorp Limited

Place : Kolkata  
Date : 2nd April 2015

Sd/-  
Kailash Baheti  
Company Secretary

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM NO. 1**

#### **Preferential Allotment of Equity Shares of the Company**

The Company is contemplating to raise finance by way of issue of equity shares to augment long term working capital requirements of the Company in view of the growth in the business of the Company, strengthen the financial position of the Company by augmenting its long term capital resources/base, enabling redemption of Preference capital as and when required and further to continue meeting the capital adequacy norms prescribed by the Reserve Bank of India from time to time as applicable to the Company.

The Company, subject to necessary approvals, is proposing to issue and allot, on a preferential basis Equity Shares to the proposed allottees at a price of Rs. 108/- (Rupees One hundred eight only) per Equity Share determined in accordance with the ICDR Regulations.

#### **Salient features of the preferential issue of Equity Shares are as under:**

- The proposed issue and allotment of Equity Shares on a preferential basis, shall be governed by the applicable provisions of the ICDR Regulations and the Act read with the applicable provisions of the rules made thereunder.
- The Relevant Date for the pricing of the Equity Shares to be issued pursuant to the aforesaid preferential allotment is Sunday, 29th March, 2015, being 30 days prior to the date of this Extraordinary General Meeting. Therefore, as per Regulation 71 of the ICDR Regulations, since the relevant date falls on a weekend/holiday, the day preceding the weekend/ holiday is reckoned to be the relevant date. Hence, the relevant date is **27<sup>th</sup> March, 2015**.
- In terms of Regulation 76 of the ICDR Regulations the price at which the Equity Shares being proposed to be allotted on preferential basis shall not be less than the higher of the following:
  - a) The average of weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date; or

b) The average of weekly high and low of the volume weighted average price of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

'Stock Exchange' for the purpose of this clause means recognized stock exchange in which the highest trading volume in respect of the equity shares of the Company has been recorded during the preceding twenty six weeks prior to the relevant date.

The average price as computed on the above basis during 26 weeks preceding the relevant date is Rs. 107.38 per equity share whereas during two weeks preceding the relevant date is Rs. 93.13 per equity share. The higher of the two prices calculated is Rs. 107.38 per equity share and the issue price is Rs 108/- per equity share, which is higher of the two calculated prices. The Board has approved the Investment Agreements executed between the respective proposed allottees and the Company vide Board resolution dated 30<sup>th</sup> March, 2015.

This is the first preferential issue of equity shares by the Company in this year and no other persons have been allotted any securities on a preferential basis during the current year. However, the Company has allotted Equity Shares to eligible employees upon their exercise of employee stock option under Magma Employees Stock Option Scheme 2007 in the year.

**Disclosures prescribed under Regulation 73 of the ICDR Regulations is given below:**

**a. Object of the issue:**

The Company is proposing to issue the Equity Shares to the investors by way of private placement to achieve one or more of the following objectives:

- i. to augment long term working capital requirements of the Company in view of the growth in the business of the Company
- ii. strengthen the financial position of the Company by augmenting its long term capital resources/base
- iii. to continue meeting the capital adequacy norms prescribed by the Reserve Bank of India from time to time as applicable to the Company
- iv. to redeem existing preference shares as and when they would fall due for redemption.

**b. Intention of the Promoters, Directors or Key Managerial Personnel to subscribe to the offer:**

The Promoters of the Company, its Directors and Key Managerial Personnel would not be subscribing to the preferential issue approved by this resolution.

**c. Shareholding pattern before and after the proposed preferential issue:**

Shareholding Pattern before and after the proposed issue based on the shareholding as on 27<sup>th</sup> March 2015 is as follows:

Sl.No.	Class of shareholders	Pre allotment (as on 27 <sup>th</sup> March 2015)		Post Allotment	
		No. shares	% of shareholding	No. shares	% of shareholding
<b>A.</b>	Promoters Holdings:				
1	Indian Promoters :				
	Individual	481580	0.25	481580	0.20
	Bodies Corporate	63450383	33.32	63450383	26.80
	Sub Total (A1)	63931963	33.57	63931963	27.01
2	Foreign Promoters (A2)	0.00	0.00	0.00	0.00
	Total Promoters Shareholding (A=A1+A2)	63931963	33.57	63931963	27.01
<b>B.</b>	Public Shareholding:				
1	Institutions:				
	Mutual Funds / UTI	2100579	1.10	2100579	0.89
	Fin. Institutions / Banks	157404	0.08	157404	0.07
	Foreign Inst. Investors	50780028	26.67	50780028	21.45
	Any Other				
	Foreign Bodies Corporate	26854380	14.10	73150677	30.90
	Multilateral Development Organization (IFC)	23000000	12.08	23000000	9.72
	FPI - Corporate - Cat-II	4567947	2.40	4567947	1.93
	Sub-Total (B)(1)	107460338	56.43	153756635	64.96
2	Non – Institution :				
	Bodies Corporate	6427419	3.38	6427419	2.72
	Individuals	10492542	5.51	10492542	4.43
	Any Other :				
	NRI/OCBs	611954	0.32	611954	0.25

	Trust	1229420	0.65	1229420	0.52
	Clearing Members/Clearing Corporations	272239	0.14	272239	0.11
	Sub-Total (B)(2)	19033574	10.00	19033574	8.03
	Total Public Shareholding(B) = (B)(1) + (B)(2)	126493912	66.43	172790209	72.99
	<b>GRAND TOTAL (A+B)</b>	<b>190425875</b>	<b>100.00</b>	<b>236722172</b>	<b>100.00</b>

**d. Proposed time within which the allotment shall be completed:**

The allotment of the Equity Shares shall be made within 15 days of the date of this resolution. Provided that where the allotment is pending on account of pendency of any regulatory or Central Government approval(s), the allotment shall be completed within 15 days of such approval(s).

**e. Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:**

The identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and /or who ultimately control proposed allottees and the percentage of the post preferential issue capital that may be held by them is given in the following table:

Sr. No.	Name of the Proposed Allottee and address	Category	Pre-issue Holding as on 27 <sup>th</sup> March 2015	% on Pre issue paid up capital	No. of equity shares proposed to be allotted*	Post-issue Holding	% on Post issue paid up capital	Natural persons who are the ultimate beneficial owners / ultimately controlling the proposed allottee
1.	Zend Mauritius VC Investments, Ltd 4 <sup>th</sup> Floor, Tower A, 1 Cybercity, Ebene, Mauritius	Foreign Bodies Corporate	26854375	14.102	7422254	34276629	14.48	Zend Mauritius VC Investments, Limited, ("Zend Mauritius") is a company incorporated in Mauritius, and as on the date of this Notice holds 26,854,375 (Twenty Six Million Eight Hundred and Fifty Four Thousand Three Hundred and Seventy Five) shares, representing 14.1% of the paid up equity share capital of the Company. Zend Mauritius is a wholly owned subsidiary of KKR VC Holdings I (Mauritius), Ltd, another company incorporated in Mauritius, wherein KKR Asian Fund I, L.P., a USD 4 billion private equity fund, is the controlling shareholder. The investors in KKR Asian Fund I, L.P. comprise of numerous investors including institutional investors, pensions, HNIs, financial institutions, sovereign wealth funds etc. KKR Asian Fund I, L.P. is managed by Kohlberg Kravis Roberts & Co. L.P., which is a US SEC registered investment adviser.
2.	Indium V (Mauritius) Holdings Limited Office 201, Sterling Tower, 14 Poudriere Street, Port Louis, Mauritius	Foreign Bodies Corporate	Nil	Nil	20355524	20355524	8.60	Not Applicable



3.	LeapFrog Financial Inclusion India Holdings Limited The Axis, 26 Cybercity, Ebene 72201, Mauritius	Foreign Bodies Corporate	Nil	Nil	18518519	18518519	7.82	It is ultimately held by LeapFrog Financial Inclusion Fund II, LP, and LeapFrog Financial Inclusion II-B, LP, which are widely held private equity funds, with institutional investors. These are managed by LeapFrog Investments Group, Ltd., a limited company incorporated in Mauritius, and licensed as a 'collective investment scheme' manager.
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\* Subject to necessary approvals

**f. Change in control:**

The proposed allotment on preferential basis, if made will not result in change in management or control of the Company as per the provisions of Takeover Regulations. The proposed allotment will also not result in change of control as per Non-Banking Financial Companies (Approval of Acquisition or Transfer of Control) Directions, 2014.

**g. Lock-in period:**

The proposed allottees, have not sold or transferred any Equity Shares of the Company during the six months prior to the relevant date. The Equity Shares allotted pursuant to the proposed preferential issue, shall be subject to lock-in as per ICDR Regulations.

**h. Undertaking as to re-computation of price and lock-in of specified securities:**

Since the Equity Shares of the Company has been listed on the recognized stock exchanges for a period of more than 26 weeks prior to the relevant date, the Company is not required to re-compute the price of equity shares and therefore the Company is not required to submit the undertaking specified under Regulations 73(1)(f) and (g) of the ICDR Regulations.

**i. Auditor's certificate:**

A copy of the certificate from M/s. BSR & Co. LLP, Chartered Accountants (Firm's Registration No.: 101248 W / W – 100022), the statutory auditors of the Company, certifying that the above preferential issue of Equity Shares is being made in accordance with the applicable provisions of the ICDR Regulations, is open for inspection at the registered office of the Company during the working hours between 10.00 A.M. to 5.00 P.M., except on holidays, up to the date of the Extraordinary General Meeting.

As it is proposed to make preferential issue and allotment of equity shares on private placement basis, special resolution is required to be approved by the members pursuant to the provisions of Sections 42, 62 of the Companies Act, 2013 and Chapter VII of ICDR Regulations.

The Board, therefore, recommends the above special resolution for approval of the Members.

None of the Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, shall be considered to be concerned or interested in the proposed Resolution except to the extent of shares held by any of them in the Company.

None of the Promoter, Directors and KMPs of the Company have any shareholding in the proposed allottees.

**ITEM NO. 2**

**Approval w.r.t continuity of Related Party Transactions with Celica Developers Private Limited**

Celica Developers Private Limited ('Celica') is a related party within the meaning of section 2(76) of the Companies Act, 2013. Celica is the holder of 3,55,55,556 compulsorily convertible preference shares issued by Magma Advisory Services Ltd (MASL) (MASL CCPS). Celica had issued non-convertible debentures (Celica NCDs) amounting to Rs. 160 crore to a certain investor (not a related party) and had pledged the MASL CCPS to the debenture trustee appointed in respect of that issuance.

MASL is your Company's wholly-equity-owned subsidiary. To institute some checks and balances and to avoid a scenario where the MASL CCPS are sold to an outside party your Company had on February 4, 2013 at the time of issuance of the Celica NCDs entered into an Option Agreement with Celica in respect of the CCPS which inter alia entitled your Company to call upon Celica to sell the MASL CCPS to your Company and Celica to call upon your Company to purchase the MASL CCPS (which right was exercisable by Celica or by any constituted attorney of Celica). While Celica NCDs are due for redemption on April 6, 2015, Celica may also raise other borrowings which may or may not be secured by a pledge over the MASL CCPS and Celica may, from time to time, require your Company to make modifications to the aforesaid Option Agreement based on their financial commitments and obligations.

In terms of the circulars issued by the Securities and Exchange Board India in relation to Clause 49 of the Equity Listing Agreement, all material related party transactions which are to continue beyond March 31, 2015 are required to be placed before the shareholders at the first general meeting held after October 1, 2014. Accordingly, your Board is placing the above proposal (i.e. continuation of the Option Agreement and requirement for authorisation to the Board to make any amendments thereto from time to time including in respect of the necessary arrangements in connection with the sale and purchase of the MASL CCPS) for your consideration and approval.

Brief particulars of the proposed transactions are provided herein below:

Sl. No.	Name of Related Party	Nature of Transaction	Material terms, monetary value and particulars of the contract	Name of the director or key managerial personnel who is related
1.	Celica	Option Agreement	Contract relating to the purchase by the Company of 3,55,55,556 MASL CCPS from Celica on any of the options contained therein being exercised; the monetary value to be paid by your Company under which transaction shall not exceed 250 crore or the fair value of MASL CCPS determined in accordance with internationally accepted valuation norms (whichever is higher).	Mr. Mayank Poddar and Mr. Sanjay Chamria are related to the proposed Resolution by virtue of section 2(76)(iv) of Act, 2013.

The Board, therefore, recommends the above special resolution for approval of the Members.

Celica, being the related party to the contract or arrangement aforesaid, will not vote on this resolution.

Pursuant to the provisions of Section 102(1) of the Companies Act 2013, the extent of shareholding of Director, Key Managerial Personnel (KMP) and their relatives in Magma Fincorp Limited ("Magma") is provided below:

Name of the Director	Extent of shareholding in Magma (%)
Nabankur Gupta	0.00
Name of KMP	
Kailash Baheti	0.02
Name of Relatives of Director	
Mansi Poddar	0.15
Kapana Poddar	0.03
Shaili Poddar	0.07
Ashita Poddar	0.01

Pursuant to the provisions of Section 102(2) of the Companies Act 2013, the extent of shareholding of Promoter, Director, and Key Managerial Personnel (KMP) of Magma in Celica is provided below:

Name of the Promoter of Magma	Extent of shareholding in Celica (%)
Kalpana Poddar	47.35
Microfirm Softwares Pvt Ltd	5.29

### **ITEM NO: 3**

#### **Issuance of debt securities pursuant to Sections 42, 71 and 180(1)(c) of the Companies Act, 2013, upto an overall ceiling of Rs. 2200 crore on Private Placement basis**

The Company had passed a Special Resolution in June, 2014 for issue of debt securities upto Rs. 2200 crore. Your company needs to pass Special resolution every year for issuance of debt securities pursuant to Rule 14 (2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. Hence, this is just an enabling resolution.

The Company issues various debt securities from time to time, such as secured non convertible debentures, unsecured non convertible debentures, subordinated debentures, etc. These debt securities are integral to the management of long term funds to be used for asset finance business of the Company and are considered essential for providing leverage to the Company.

As per broad financial plans for the financial year 2015-16, the Company may be required to issue during the financial year debt securities upto Rs. 2200 crore for general corporate purposes of the Company. The nature of these securities may include secured debentures, unsecured debentures, bonds, subordinated debt securities, covered bonds, or other debt securities, whether constituting a charge (including in the nature of pledge) on any specific or general assets of the company or not (herein inclusively referred to as "Debt Securities"), as permitted as per extant applicable regulations of the Reserve Bank of India for Non-Banking Financial Companies. These securities may be issued in one or more tranches on private placement basis to Banks, Pension Funds, Mutual Funds and other entities/ individuals including but not limited to Multilateral Development Organization, Institutional Investors, Financial Institutions, Companies etc.

Pursuant to Section 42 of the Companies Act, 2013 read with relevant rules of Companies (Prospectus and Allotment of Securities) Rules, 2014, and such other applicable provisions and rules, if any, of the Companies Act, 2013 (including any amendment(s), statutory modification(s) or re-enactment thereof) prior approval of shareholders of the Company by way of special resolution is required for any private placement of securities. The said approval may be taken only once in a year for all the offers on private placement basis for the non-convertible debt securities proposed to be issued during the year.

The Board, therefore, recommends the above special resolution for approval of the Members.

None of the Directors & Key Managerial Personnel of the Company including their relatives are, in any way concerned or interested in this Resolution.

#### **Registered Office :**

"Magma House",  
24, Park Street,  
Kolkata-700 016  
West Bengal  
2nd April 2015

By order of the Board of Directors  
For Magma Fincorp Limited

Sd/-  
Kailash Baheti  
Company Secretary





**MAGMA FINCORP LIMITED**

**Registered Office : "Magma House", 24, Park Street, Kolkata – 700 016.**

**Phone : 033-44017200/350 • Fax : 033-44027731**

**CIN : L51504WB1978PLC031813 • Website : [www.magma.co.in](http://www.magma.co.in)**

**ATTENDANCE SLIP FOR EXTRA ORDINARY GENERAL MEETING**

**DATE : APRIL 28, 2015**

**TIME : 10:30 A.M.**

**VENUE : KALA KUNJ AUDITORIUM, 48, SHAKESPEARE SARANI, KOLKATA – 700 017.**

**Sl. No. :**

Name and Registered address :  
of Sole / first named member

Name(s) of Joint Holders, if any :

Ledger Folio / DP ID & Client ID No. :

Number of Shares held :

Please tick in the box  Member  Proxy

\_\_\_\_\_  
Member's Signature

\_\_\_\_\_  
Name of the Proxy in Block Letters

\_\_\_\_\_  
Proxy's Signature

Note : Shareholder / Proxy holder wishing to attend the meeting must bring this Attendance Slip to the meeting and hand over at the entrance duly signed.

**ELECTRONIC VOTING PARTICULARS**

<b>EVEN (E-Voting Event Number)</b>	<b>User ID</b>	<b>Password / PIN</b>

Note : Please read the notes / instructions printed on the Notice carefully before exercising your vote.

# Form No. MGT-11

## Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L51504WB1978PLC031813  
Name of the Company : Magma Fincorp Limited  
Registered office: "Magma House", 24, Park Street, Kolkata-700 016

Name of the member(s):

Registered address :

E-mail ID:

Folio No. / DP ID / Client ID\*

I / We, being the member(s) of ..... shares of Magma Fincorp Limited, hereby appoint

1.	Name :	
	Address :	
	E-mail ID :	
	Signature :	_____, or failing him/her

2.	Name :	
	Address :	
	E-mail ID :	
	Signature :	_____, or failing him/her

3.	Name :	
	Address :	
	E-mail ID :	
	Signature:	_____, or failing him/her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Extraordinary General Meeting of the Members of the Company, to be held on the Tuesday, 28<sup>th</sup> April 2015 at 10.30 A.M. at Kala Kunj Auditorium, 48, Shakespeare Sarani, Kolkata-700017 West Bengal and at any adjournment thereof in respect of such resolution as indicated below:

Resolution Number	Resolutions	Vote (Please mention No. of shares)		
		For	Against	Abstain
<i>Special Business</i>				
1.	Preferential Allotment of Equity Shares of the Company			
2.	Approval w.r.t continuity of Related Party Transactions with Celica Developers Private Limited			
3.	Issuance of debt securities pursuant to Sections 42, 71 and 180(1)(c) of the Companies Act, 2013, upto an overall ceiling of Rs. 2200 crore on Private Placement basis			

Signed this ..... day of ..... 2015

Affix  
Revenue  
Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note : This form of Proxy in order to be effective should be duly submitted and deposited at the Registered Office of the Company, not less than forty eight hours before the commencement of the meeting.

\*Applicable for Members holding shares in Electronic Form