

8 May 2018

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

Magma Fincorp Limited
Regd. Office
Magma House
24 Park Street, Kolkata 700 016
Tel : 91 33 4401 7350 / 7200
Fax : 91 33 4401 7313
CIN : L51504WB1978PLC031813
Web: www.magma.co.in



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: Merger of Magma ITL Finance Limited (MITL) with Magma Fincorp Limited ("the Company")


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

Dear Sir,

With reference to our earlier letter dated 20 November 2017 on the captioned subject, this is to inform you that the Hon'ble National Company Law Tribunal, Kolkata Bench ("NCLT") has passed an Order dated 8th May 2018 pursuant to the provisions of Section 230-232 of the Companies Act, 2013 approving the merger of Magma ITL Finance Limited (MITL) (Wholly Owned Subsidiary of the Company) with Magma Fincorp Limited ("the Company") with appointed date of 1st October, 2017. By virtue of the said Order, MITL stands dissolved without winding-up and therefore ceases to be Wholly owned subsidiary Company of the Company. The said merger will have no effect on the management and shareholding pattern of the Company.

Enclosing herewith a copy of the Order dated 8th May 2018 as received from the NCLT for your reference. You are requested to take note of the same.

**Yours faithfully,
For Magma Fincorp Limited**


Shabnam Zaman
Company Secretary
ACS No. 13918

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH
KOLKATA

C.P.(CAA) No.329/KB/2018
Connected with
CA (CAA) No.522/KB/2017

Coram: Mr. Jinan K.R., Member (Judicial)
Mr. Madan B. Gosavi, Member (Judicial)

In the matter of:

A petition under Section 230(1) to 232(1) and 233 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

In the matter of:

MAGMA FINCORP LIMITED, a Company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at Magma House, 24, Park Street, Kolkata 700 016 in the state of West Bengal within the aforesaid jurisdiction. ... Transferee Company
And

In the matter of

MAGMA ITL FINANCE LIMITED, a company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Magma House, 24 Park Street, Kolkata 700 016 in State of West Bengal within the aforesaid jurisdiction. ... Transferor Company

Counsel on Record:

1. Mr. D.N. Sharma, Advocate,
2. Mr. Raj Kumar Banthia, PCS
3. Ms. Neha Somani, PCS

Date of pronouncement of order: 8th May, 2018.

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ORDER

Per Shri Jinan K.R., Member (Judicial)

1. This joint petition has been filed under Section 230(1), 232(1), 233 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 by the Petitioner namely Magma ITL Finance Limited (the Transferor Company) and Magma Fincorp Limited (the Transferee Company) in relation to the Scheme of Amalgamation proposed between them. The Scheme of Amalgamation is annexed at **Annexure-A**.

2. The object of this joint petition is to ultimately obtain sanction of the Hon'ble Tribunal to the Scheme of Amalgamation to be made between the Transferor Company, Transferee Company and their respective shareholders whereby and where under the entire undertaking of the Transferor Company with all assets and liabilities relating thereto as a going concern is proposed to be transferred to and vested in the Transferee Company.

3. The Board of Directors of the Transferor Company and Transferee Company, have, at their respective meetings held on 28th October, 2017 and 9th November, 2017 respectively, by resolutions passed unanimously, approved a draft scheme of amalgamation of transferor company with the transferee company whereby and there under the entire undertaking of the transferor company will all assets and liabilities relating thereto as a going concern is proposed to be transferred to and vested in Transferee Company. Copies of the Board resolutions of

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the transferor and the transferee company are collectively annexed as Annexure G to the petition.

4. It is stated in the petition that the transferor company is unlisted public limited company while the transferee company is a listed public limited company. The transferor company is a wholly owned subsidiary of the transferee company and the amalgamation will lead to operational synergies, greater productivity and economical operations for future growth of the transferee company. It is further stated that the proposed merger will achieve cost savings from more focussed operational efforts, rationalisation, standardization and simplification of business processes, productivity improvements and rationalization of administrative expenses

5. It is also stated in the petition that the proposed amalgamation will provide for pooling of the managerial, technical and financial resources of the transferor company and the transferee company which will help in increasing the competitiveness of the Transferee Company. It is submitted in the petition that the proposed amalgamation is in the interest of the shareholders, creditors, employees and all other stakeholders of the transferor company and the transferee company.

6. In compliance with Section 230(7) of the Act, Statutory Auditor of the petitioner companies has certified that the Accounting Treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standards under Section 133 of the Act. The copy of the said certificate is annexed as Annexure-J. It is further stated that both the transferor company and transferee company are non-banking financial

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companies. In terms of the Reserve Bank of India's Circular dated 9th July, 2015 the transferor company is required to obtain prior approval of Reserve Bank of India and accordingly a petition was made to Reserve Bank of India to which vide reply dated 17.11.2017 RBI conveyed its "No Objection" to the proposed amalgamation to both the petitioner companies.

7. It is stated in the petition that no investigations or proceedings are pending under Sections 235 to 251 of the Companies Act, 1956 and / or applicable provisions of the Companies Act, 2013 against the petitioner companies.

The Hon'ble Tribunal, by an order dated 10th January, 2013, directed convening of separate meetings of the Equity Shareholders, Secured Creditors, Unsecured Creditors and Debenture Holders of the Petitioner No.1 company and convening of meetings of the Secured Creditors and Unsecured Creditors of the Petitioner No.2 company for the purpose of considering and, if thought fit, approving, with or without modification, the proposed scheme of amalgamation. The meeting of the equity shareholders of the petitioner No.2 company was dispensed with in view of the shareholders having already considered and given their consent to the scheme by way of an affidavit dated 23rd November, 2017. On 17th February, 2018, the said meetings of the Equity Shareholders, Secured Creditors, Unsecured Creditors and Debenture holders of the petitioner No.1 Company and meetings of secured creditors of the petitioner No.2 company had been duly convened in accordance with the said order dated 10th January, 2018.

8. The equity shareholders of petitioner No.1 company approved the scheme of amalgamation by requisite majority without any

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modification. The secured creditors, unsecured creditors and debenture holders of the petitioner No.1 company and secured creditors and unsecured creditors of the petitioner No.2 company unanimously passed the resolution approving the Scheme of Amalgamation without any modification.

9. The Chairperson of the said meetings, as appointed by the Hon'ble Tribunal by order dated 10th January 2018 has reported the results of the said meetings before the Hon'ble Tribunal on 27th February 2018, a copy of the said report is annexed as Annexure-I. In compliance with Section 230(5) of the Act and the said order dated 10th January 2018 notice in Form CAA 3 was duly served upon the Central Government through the Regional Director, Eastern Region, Ministry of Corporate Affairs, Registrar of Companies, West Bengal, the Official Liquidator attached to the Hon'ble High Court Calcutta, the Income Tax Assessing Officer along with Chief Commissioner having jurisdiction over the petitioner companies, Securities and Exchange Board of India (SEBI), Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE) and the Reserve Bank of India (RBI), as applicable. The notice of such meetings were also published in the "AAJKAL" Bengali Newspaper and in "Financial Express" English Newspaper on 17th January, 2018.

10. In compliance with Rule 12 of the Companies (Compromise, Arrangements and Amalgamation) Rules, 2016, the petitioner companies filed an affidavit of service with the Tribunal on 05.2.18. After this compliance the petitioners have made the instant petition bearing No. CP(CAA) No.329/KB/2018 before the Tribunal seeking final sanction to the proposed scheme of amalgamation. The Tribunal passed an order

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dated 19.03.2018 directing the petitioner companies for publication to be effected of the petition and issuance of notices of this petition to the concerned statutory authorities for their representations or objections, if any.

11. Petitioner companies stated vide affidavit dated 24.3.18 that notice was served upon the concerned statutory authorities on 21.3.18 and that the publications of the notice were made in two newspapers namely English daily "Financial Express": and Bengali daily "Aajkal" on 23.3.18 pursuant to the order dated 19.03.18 of this Tribunal.

12. The Regional Director, Eastern Region, Ministry of Corporate Affairs at Kolkata vide affidavit dated 25.4.18 observed that no complaint has been received against the proposed Scheme of Amalgamation and the scheme of amalgamation is not prejudicial to the interest of the members or shareholder and/or public. It was observed that the Income Tax Department had also given a "No Objection Certificate" to the proposed scheme of amalgamation and the dues of the transferor company are liable to be paid by the transferee company. The Company Secretary of the petitioner No.1 Company has also filed an affidavit stating that the petitioner No.1 Company undertakes to pay any statutory dues including income tax or any other dues that shall become payable at any time in future on behalf of the Petitioner Company No.2. As such, the Central Government conveyed no objection to the scheme of amalgamation.

13. The Official Liquidator vide his report dated 31.3.2018 has observed that after scrutiny of the report submitted by Chartered

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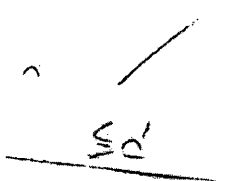
Accountant, the Official Liquidator is of the opinion that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of their members or to public.

Heard the submissions made on behalf of the petitioners and perused the records.

14. Upon hearing the submissions and on perusal of the documents on record and absence of any objection to the Scheme of Amalgamation, the following orders are passed :

- (i) The Scheme of Amalgamation is sanctioned by this Tribunal to be binding with effect from 1st October, 2017, on all the equity shareholders and creditors of the petitioner companies i.e. Magma Fincorp Limited and Magma ITL Finance Limited and all concerned;
- (ii) All the assets and properties and interest of the transferor company i.e. Magma ITL Finance Limited be transferred without any further act or deed to Transferee Company i.e. Magma Fincorp Limited with all the estate and interest of Transferor Company;
- (iii) Leave is granted to the petitioners to file the Scheme of Assets of the Transferor Company within four weeks from the date of this order.
- (iv) All the liabilities and duties of the transferor company be transferred without further act or deed to transferee company and shall become liabilities and duties of transferee company;
- (v) All employees of the transferor company to be transferred to the transferee company;

7/1/2018

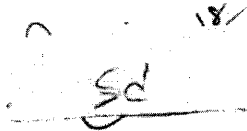


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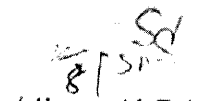
- (vi) All proceedings and / or suit and / or appeals now pending by or against the Transferor Company shall be continued by or against Transferee Company;
- (vii) The petitioner companies shall within 30 days of receipt of this order cause a certified copy of this order to be delivered to the Registrar of Companies;
- (viii) Dissolution without winding up of the Transferor Company;
- (ix) After dissolution of the transferor company, only such amount of authorized capital of the transferor company be allowed to be added to the authorized share capital of the transferee company as can be raised by the transferee company by utilising the fees paid by the transferor company on its authorized share capital which is available for set-off against any fees payable by the transferee company for increase of authorized share capital subsequent to the amalgamation.

The Company Petition being CP (CAA) No.329/KB/2018 is disposed of accordingly.

Urgent certified copy of this order, if applied for be issued upon compliance with all requisite formalities.



(Madan B. Gosavi)
Member (J)


(Jinan K.R.)
Member (J)

Signed this day of 8th May, 2018.

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