

August 21, 2012

The Secretary,
Corporate Relationship Department,
Bombay Stock Exchange Limited,
25th Floor, P. J. Towers, Dalal Street, Fort,
Mumbai - 400 001.

(Company Code - 524000)

Manager,
Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza",
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.

(Symbol - MAGMA)

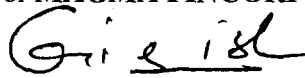
Dear Sir,

Sub: Press Release in respect of expansion of its leadership team to fuel the Company's growth ambition

Enclosed herewith please find the Press Release w.r.t expansion of its leadership team to fuel the Company's growth ambition.

This is for your information and record.

Thanking You,
Yours faithfully,
For **MAGMA FINCORP LIMITED**


Girish Bhatia
(Company Secretary)

Enclosed: As above

Press Release

Magma expands its leadership team to fuel its growth ambition

Sachin Khandelwal is CEO - Designate for Housing Finance Biz
Sandeep Walunj becomes Chief Marketing Officer for Magma Fincorp

Kolkata – August 21, 2012 – Today, Magma Fincorp Ltd ("Magma Fincorp") announced the appointment of Sachin Khandelwal as CEO for Magma Housing Finance Limited ("Magma Housing"), HFC, a new subsidiary of Magma Fincorp. In addition, Sandeep Walunj was named Chief Marketing Officer of Magma Fincorp.

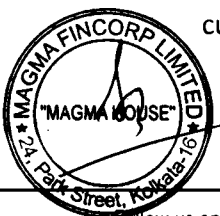
Sachin Khandelwal joins Magma Housing with nearly two decades of experience in banking, finance and automobiles. In his new role, Sachin will spearhead the housing finance foray for Magma and will leverage the nationwide network of more than 220 branches and existing customer base of more than 6, 00,000 and build the dedicated team for housing finance biz. Magma has already applied to the National Housing Bank for the necessary licenses to operate as a Housing Finance Company.

"Sachin will set-up the business and team for housing finance and will be responsible for leading the business. His wide experience in the Indian BFSI segment will be very useful for the group and under his able leadership, Magma HFC will aim to be one of the key players in the industry in India," added Mr. Sanjay Chamria, Vice Chairman & MD of Magma Fincorp Ltd.

Prior to joining Magma Housing Finance as CEO, Sachin was the Managing Director and CEO of ICICI Home Finance Company. He earlier headed the International Retail Business that included Global Remittances, NRI (Non Resident Indians) and Global Private Client Business and also headed the retail automobile finance biz for the ICICI bank. Sachin also headed the Mobile Commerce initiatives for the bank and worked closely with regulators and key industry associations to roll-out the guidelines for mobile banking and prepaid instruments in India.

Sandeep Walunj, appointed as the Chief Marketing Officer of Magma Fincorp Limited, has 17-plus years of experience in nurturing brands, building relations with consumers, and bringing innovation and strategy to firm. At Magma Fincorp, he will lead the marketing and brand, product innovation, channel and vendor development, promotions and activation for various businesses including asset finance, insurance, Gold loans and housing finance and also usher in the cross sell to the existing customers and optimize the 3000+ channel network available with the group.

"Magma has widest range of products in its basket catering to the needs of the underserved customers in the interiors of the country and these marketing and branding initiatives will



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provide fuel to the engines of growth through customer delight and channel satisfaction earned by superior credit delivery said Mr. Chamria. "Sandeep will help us achieve those goals."

"Magma's spectacular track-record, partnership with renowned partners like KKR & IFC, Washington and strong growth ambitions combined with gigantic opportunities across various consumer lending segments in India, especially in semi-urban and rural areas are exciting prospects," said Sandeep. "I look forward to bringing a strong consumer viewpoint to across Magma's value chain to the benefit of both consumer and the business," he added.

Sandeep has been instrumental in working with FMCG and retail companies across India & the Middle East and North Africa. Prior to joining Magma Fincorp Limited, Sandeep was the CMO of Value Retail (Big Bazaar) at Future Value Retail where he was responsible for the product innovations and consumer centricity among other portfolios. He has also worked with top brands PepsiCo, Heineken, Reckitt Benckiser, Royal Friesland Foods and Wipro Consumer Care at senior levels. Sandeep has a MBA from Indian Institute of Management, Ahmedabad.

In May 2011, Magma Fincorp received an investment of Rs 4400 million from Kohlberg Kravis Roberts & Co. ("KKR") and the International Finance Corporation ("IFC"). That capital infusion is supporting Magma's growth plans in existing businesses in addition to newer areas.

About Magma Fincorp

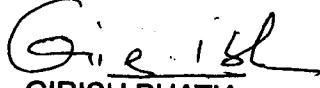
Magma Fincorp Limited ("Magma") is a non-deposit taking non-banking finance company (NBFC), registered with the Reserve Bank of India (RBI) as an Asset Finance Company. The Company, having started operations over two decades back, is listed on the Bombay Stock Exchange Limited and the National Stock Exchange in India.

Magma provides a bouquet of financial products including financing of Utility Vehicles & Cars, Commercial Vehicles, Construction Equipments, Tractors and SME Loans. Magma has a dedicated "live" base of over 3 lac customers and has assets of Rs. 13750 crores under management. The company has 220 branches in 20 states and 1 union territory and employs about 6200 people.

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Certified To Be True Copy
For MAGMA FINCORP LIMITED


GIRISH BHATIA
Company Secretary