

Magma Fincorp Limited
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21st July, 2010

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: Proceedings of the Annual General Meeting of the Company held on 15th July, 2010 pursuant to Clause 31 of the Listing Agreement

Further to our intimation dated 15th July, 2010 on the captioned subject please find enclosed herewith a copy of the proceedings of the Annual General Meeting of the Shareholders of the Company held at Gyan Manch, 11, Pretoria Street, Kolkata – 700 071 at 3 P.M

This is for your information and record

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

A handwritten signature in black ink, appearing to read 'Girish Bhatia', is written over a horizontal line.

Girish Bhatia
(Company Secretary)

CERTIFIED TRUE COPY OF THE PROCEEDINGS OF THE 30TH ANNUAL GENERAL MEETING OF THE MEMBERS OF MAGMA FINCORP LIMITED HELD AT GYAN MANCH, 11, PRETORIA STREET, KOLKATA – 700 071, ON THURSDAY THE 15TH DAY OF JULY, 2010 AT 3:00 P.M.

Present

- | | |
|------------------------------|--|
| 1. Mr. Mayank Poddar | Chairman |
| 2. Mr. Sanjay Chamria | Vice Chairman & Managing Director |
| 3. Mr. Shrawan Kumar Todi | Vice Chairman and Member |
| 4. Mr. Ravi Todi | Joint Managing Director and Member |
| 5. Mr. Narayan Seshadri | Independent Director and Chairman of the Audit Committee |
| 6. Mr. Ved Prakash Taneja | Independent Director |
| 7. Mr. Neil Graeme Brown | Independent Director |
| 8. Mr. Nabankur Gupta | Independent Director |
| 9. Mr. Kailash Nath Bhandari | Independent Director |

In Attendance

Mr. V Lakshmi Narasimhan-Chief Financial Officer
Mr. Girish Bhatia-Company Secretary

Members Present

203 Members were present as recorded in the Attendance Register

Proxy holders and Representatives

27 valid proxies covering 2,817,271 equity shares (10.89%) and 33 representations covering 10,652,501 equity shares (41.18 %) were laid before the meeting.

The required quorum being present, Mr. Girish Bhatia, Company Secretary welcomed the gathering and requested Mr. Mayank Poddar, Chairman of the Company to take the Chair. Mr. Mayank Poddar requested Mr. Sanjay Chamria, Vice Chairman and Managing Director of the Company to Chair the Meeting.

Mr. Sanjay Chamria took the Chair and greeted the gathering.

The Chairman then informed the Shareholders about Proxies received as per the Proxy Register tabled at the Meeting.

The Chairman then announced that various Statutory Registers as required were placed at the meeting and were open for inspection by the shareholders during the continuance of the meeting.



The Chairman informed that the Notice convening 30th Annual General Meeting of the Company along with the Annual Report of the Company was circulated to all shareholders in time. With the consent of the shareholders present, the Notice of the Annual General Meeting dated 14th June, 2010 was taken as read.

The Chairman thereafter requested the Company Secretary to read out the Auditors' Report.

The Company Secretary read out the Auditors' Report to the Shareholders of the Company for the year ended 31st March 2010.

Thereafter, Chairman proposed the following resolution:

ORDINARY BUSINESS:

Item No.1

As an Ordinary Resolution:

“**RESOLVED** that the Audited Profit and Loss Account for the year ended 31st March, 2010 and the Balance Sheet as on that date together with the reports of the Auditors' and Directors' thereon as circulated amongst the Members of the Company, and copies of which are placed before the Meeting, be and are hereby received, approved and adopted.”

Proposed By : Mr. Kashmir Lal Mallik having Client ID 1202650100002667
Seconded By : Mr Mahesh Kumar Bubna having DP ID IN301250 and Client ID 28234349

Before putting the motion to vote the Chairman invited queries from the Members present on the Balance Sheet, Profit and Loss Account and the Reports of the Auditors and Directors. Queries raised were replied satisfactorily by the Chairman.

The Chairman put the motion to vote on a show of hands and declared the same carried unanimously

Item No.2

As an Ordinary Resolution:

“**RESOLVED** that dividend at the rate of Rs. 2/- per Equity Share (20 %), aggregating to Rs. 5,17,39,240 (Rupees Five Crores Seventeen Lakhs Thirty Nine Thousand Two Hundred and Forty) on 25,869,620 Equity Shares of Rs. 10 each fully paid-up be and is hereby declared for payment, to those Members whose name appear on the Register of Members of the Company at the close of working hours of the company as on 8th July, 2010.



RESOLVED FURTHER that dividend at the rate of 9.70% aggregating to Rs. 20,743,386 (Rupees Two Crores Seven Lacs Forty Three Thousand Three Hundred and Eighty Six) on 2,109,199 Cumulative Non Convertible Redeemable Preference Shares of Rs.100/- each fully paid-up be and is hereby declared for payment, for the year ended 31st March, 2010.

RESOLVED FURTHER that dividend at the rate of 5% aggregating to Rs. 15,000,000 (Rupees One Crore Fifty Lacs) on 3,000,000 Cumulative Non-Convertible Redeemable Preference Shares of Rs.100/- each fully paid-up be and is hereby declared for payment, for the year ended 31st March, 2010.

RESOLVED FURTHER that dividend at the rate of 3.68% aggregating to Rs. 25,509,622 (Rupees Two Crores Fifty Five Lacs Nine Thousand Six Hundred and Twenty Two) on 6,500,999 Cumulative Non-Convertible Redeemable Preference Shares of Rs.100/- each fully paid-up be and is hereby declared for payment, for the year ended 31st March, 2010.

RESOLVED FURTHER that dividend at the rate of 0.50% aggregating to Rs. 1,069,247 (Rupees Ten Lacs Sixty Nine Thousand Two Hundred and Forty Seven) on 2,109,199 Cumulative Non Convertible Redeemable Preference Shares of Rs.100/- each fully paid-up be and is hereby declared for payment, for the previous year ended 31st March, 2009.

RESOLVED FURTHER that a differential dividend of Rs. 19,48,071/- on 65,00,999 Cumulative Non-Convertible Redeemable Preference Shares of Rs.100/- each fully paid-up for the financial years 2006-07, 2007-08 and 2008-09 representing difference of dividends payable as per dollar-denominated value of the preference shares, over the dividends paid on rupee-denominated value of preference shares, be and is hereby declared on pro-rata basis for payment”

Proposed By : Mr. Radhe Shyam Sharma having Folio No. 4007771
Seconded By : Mr. Bankim Chandra Roy having DP ID IN301774 and Client ID 10721408

The Chairman put the motion to vote on a show of hands and declared the same carried unanimously

Item No.3

As an Ordinary Resolution:

“**RESOLVED** that Mr. Shrawan Kumar Todi, who retires by rotation at this Annual General Meeting, and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company.”

Proposed By: Mr. Mahesh Kumar Bubna having DP ID IN301250 and Client ID 28234349



Seconded By : Mr. Sarbananda Gattani having DP ID IN300441 and Client ID 10570834

The Chairman put the motion to vote on a show of hands and declared the same carried unanimously

Item No.4

As an Ordinary Resolution:

“**RESOLVED** that Mr. Narayan K Seshadri, who retires by rotation at this Annual General Meeting, and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company.”

Proposed By: Mr. Bharat Kumar Mehta having Folio No. 4007780

Seconded By: Mr. Krishnendu Das having DP ID IN300263 and Client ID 10064688

The Chairman put the motion to vote on a show of hands and declared the same carried unanimously

Item No.5

As an Ordinary Resolution :

“**RESOLVED** that pursuant to Section 224(1) of the Companies Act, 1956, Messrs S. S. Kothari & Company, Chartered Accountants, Kolkata bearing registration number 302034E be and are hereby re-appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at a remuneration, including terms of payment and reimbursement of related out of pocket expenses, to be mutually agreed between the Auditors and the Board of Directors.”

Proposed By: Mr. Shyam Lal Rathi having DP ID IN300183 and Client ID 10280464

Seconded By: Mr. Durga Prasad Paul Chowdhury having DP ID IN301436 and Client ID 10248777

Thereafter the Chairman put the motion to vote by show of hands and declared the same carried with requisite majority.



SPECIAL BUSINESS:

Item No. 6

As an Ordinary Resolution :

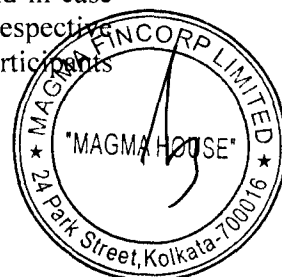
Subdivision of Equity Shares of the Company

“RESOLVED THAT pursuant to the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 and Article 55 of the Articles of Association of the Company and subject to such other approvals, consents, permissions and sanctions as may be necessary, the existing 3,50,00,000 (Three Crores Fifty Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each be sub-divided into 17,50,00,000 (Seventeen Crores and Fifty Lacs) Equity Shares of the face value of Rs. 2/- (Rupees Two) each and consequently the Authorised Share Capital of the Company of Rs. 285,00,00,000/- (Rupees Two Hundred Eighty Five Crores only) would comprise 17,50,00,000 (Seventeen Crores and Fifty Lacs) Equity Shares of the face value of Rs. 2/- (Rupees Two) each and 2,50,00,000 (Two Crores Fifty Lacs) Preference Shares of Rs. 100/- each (Rupees One Hundred) each, and Clause V in the Memorandum of Association of the Company would be accordingly altered and the altered Clause V of the Memorandum of Association shall be read as follows:-

“The Authorised Shares Capital of the Company is 285,00,00,000/- (Rupees Two Hundred Eighty Five Crores only) divided into 17,50,00,000 (Seventeen Crores and Fifty Lacs) Equity Shares of the face value of Rs. 2/- (Rupees Two) each and 2,50,00,000 (Two Crores Fifty Lacs) Preference Shares of Rs. 100/- each (Rupees One Hundred) each with power to increase or reduce the Share Capital of the Company and to divide the shares in the share capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate and/or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

RESOLVED FURTHER that pursuant to the sub-division of the Equity Shares of the Company, the 25869620 (Two Crores Fifty Eight Lacs Sixty Nine Thousand Six Hundred and Twenty) Issued, Subscribed and Paid-Up Equity Shares of Rs. 10/- each shall stand sub-divided into 12,93,48,100 (Twelve Crores Ninety Three Lakhs Forty Eight Thousand and One Hundred only) Equity Shares of face value of Rs. 2/- (Rupees Two) each.

RESOLVED FURTHER that the Share Certificates in relation to such issued Equity Shares of the Company as are in physical form be cancelled and fresh certificates be issued in lieu thereof with regard to the sub-divided Equity Shares in accordance with the provisions of the Companies (Issue of Share Certificate) Rules, 1960 and in case of shareholders who hold the Equity Shares shall be credited to the respective beneficiary accounts of the shareholders with their respective Depository Participants



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and the Company shall take such corporate action as may be necessary in relation to the existing Equity Shares

RESOLVED FURTHER that to give effect to this resolution, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors (whether existing or that may be constituted) or any Director or any other officer(s) of the Company; AND for the purpose of giving effect to this resolution, the Board acting on its own or through a Committee of Directors or an other person duly authorized in this regard by the Board/ Committee, be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and take such other steps that are incidental and ancillary in this regard”

Proposed By: Mr. Sanjoy Banerjee having DP ID IN302201 and Client ID 10105198
Seconded By: Mr. Goutam Nandy having DP ID IN301250 and Client ID 28077286

Thereafter the Chairman put the motion to vote on a show of hands and declared the same carried with requisite majority.

All the items of the agenda having been transacted, the Chairman concluded the meeting by expressing special thanks to all the Shareholders of the Company for attending the Meeting and participating in the deliberations. He also expressed his gratitude to the family of Shareholders for their continuous support extended to the Company.

Thereafter, there being no other business remaining to be transacted, on the proposal by Mr. Girish Bhatia, Company Secretary of the Company, the meeting concluded with a vote of thanks to the Chair.

**Certified to be true copy,
For MAGMA FINCORP LIMITED**

A handwritten signature in black ink, appearing to read 'Girish', written over a horizontal line.

**Girish Bhatia
(Company Secretary)**