

Magma Fincorp Limited
Regd. Office
Magma House
24 Park Street, Kolkata 700 016
T: 91 33 4401 7350 / 7200
F: 91 33 2264 7424, 4402 7727
E: magma@magma.co.in



November 5, 2012

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

Script Code No. 524000

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

Symbol: "MAGMA"

Dear Sirs,

Sub.: Issue of 11%, 70,00,000 Nos. Cumulative Redeemable Non Convertible Preference Shares of the Company of the face value of Rs. 100/- each, aggregating Rs. 70 Crores upon passing of Special Resolution through Postal Ballot pursuant to the provisions of Section 192A of the Companies Act, 1956 and the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 proposed vide Notice dated 3rd October, 2012 to the Shareholders of the Company

This is further to and in continuation of our earlier letter dated 3rd October, 2012 on the cited subject, we would like to inform you that the results of the Postal Ballot (conducted under physical ballot as well as e-voting through www.evotingindia.com) as submitted by Mr. A. K. Labh, Proprietor of M/s. A. K. Labh & Co., Company Secretaries, the Scrutinizer appointed for conducting the Postal Ballot pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 for Issue of 11%, 70,00,000 Nos. Cumulative Redeemable Non Convertible Preference Shares of the Company of the face value of Rs. 100/- each, aggregating Rs. 70 Crores (Rupees Seventy Crore only) under Section 81(1A) of the Companies Act, 1956, was declared today and the Special Resolution as proposed in this connection for Shareholders' approval was duly taken on record as passed by requisite majority as per the contents of the Scrutinizer's report.



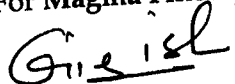
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A copy of the Scrutinizer's Report alongwith certified copy of Minutes of the proceedings is enclosed herewith for your necessary reference and record.

Thanking you,

Yours faithfully,
For Magma Fincorp Limited


Girish Bhatia
Company Secretary

Encl.: As above

CS A. K. LABH

M. Com., FCS, AICWA, ACSI (Lond.), DIM, DHRD, PGHDSM, DIRPM
Practising Company Secretary



A. K. LABH & Co.

Company Secretaries

40, Weston Street, 3rd Floor, Kolkata - 700 013
& (033) 2221-9381 / 3296-7770, Fax : (033) 2221-9381
Mobile : 98300-55689 / 98300-16585
e-mail : aklabh@aklabh.com / aklabhcs@gmail.com
website : www.aklabh.com

SCRUTINIZER'S REPORT

To

Company Secretary

M/s Magma Fincorp Limited

"MAGMA HOUSE",

24, Park Street,

Kolkata - 700 016

Dear Sir,

1. The Management Committee of the Board of Directors of the Company which has been authorized in this regard, at its meeting held on the 3rd day of October, 2012 has appointed us as Scrutinizer for conducting the postal ballot voting process.
2. We submit our report as under :
 - (a) The company has completed on 03.10.2012 the dispatch of postal ballot forms alongwith postage prepaid business reply envelope to its Members whose name (s) appeared on the Register of Members/list of beneficiaries as on 28.09.2012.
 - (b) Particulars of all the postal ballot forms received from the Members have been entered in a register separately maintained for the purpose.
 - (c) The postal ballot forms were kept under our safe custody in sealed and tamper proof ballot boxes commencing the scrutiny of such postal ballot forms.
 - (d) The ballot boxes were opened after the closure of the working hours of the Company on 03.11.2012 in our presence.
 - (e) The postal ballot forms were duly opened in our presence and scrutinized.
 - (f) All postal ballot forms received upto the closure of working hours of the Company on 03.11.2012, the last date and time fixed by the company for receipt of the forms, were considered for our scrutiny.



Certified To Be True Copy
For MAGMA FINCORP LIMITED

Girish

GIRISH BHATIA
Company Secretary

CS A. K. LABH

M. Com., FCS, AICWA, ACSI (Lond.), DIM, DHRD, PGHDSM, DIRPM
Practising Company Secretary

**A. K. LABH & Co.**

Company Secretaries

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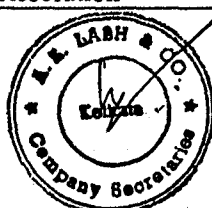
- (g) Envelopes containing postal ballot forms received after the closure of the working hours of the Company on 03.11.2012, *if any*, were not considered for our scrutiny.
- (h) We did not find any defaced or mutilated ballot paper.
- (i) Members were also provided the opportunity to cast their vote(s) through electronic voting system in terms of the platform as provided by CDSL e-voting system (www.evotingindia.com).
- (j) The result of the electronic voting was downloaded after the closure of the working hours of the Company on 03.11.2012 from CDSL website providing the platform for e-voting system(www.evotingindia.com) and has been included in our report.

3. Summary of the Postal Ballot votes casted through physical mode is as follows :-

1.	Total No. of Postal Ballot Forms Received	105
2.	Total No. of Invalid Postal Ballot Forms	9
3.	Total No. of Valid Postal Ballot Forms	96
4.	Total No. of Valid Postal Ballot Forms in Favour of the Resolution	92
5.	Total No. of Valid Postal Ballot Forms Against the Resolution	4
6.	Total No. of Votes/Shares casted	131165667
7.	Total No. of Votes/Shares Against the Resolution	16690
8.	Total No. of Votes/Shares in Favour of the Resolution	131148977

4. Summary of the Postal Ballot votes casted through Electronic Voting System is as follows:-

1	Total No. of votes/shares Against the Resolution	1
2	Total No. of votes/shares in Favour of the Resolution	6158



Certified To Be True Copy
For MAGMA FINCORP LIMITED

Girish

GIRISH BHATIA
Company Secretary

CS A. K. LABH

M. Com., FCS, AICWA, ACSI (Lond.), DIM, DHRD, PGHDSM, DIRPM
Practising Company Secretary.

**A. K. LABH & Co.****Company Secretaries**

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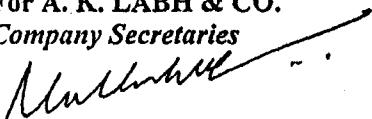
5. Total summary of the votes casted (aggregate of Physical & Electronic Voting System) is as follows:-

Sr. No.	Votes casted	By Physical Ballot	By Electronic Voting	Total No. of votes/shares	%
1.	Favour	131148977	6158	131155135	99.99
2.	Against	16690	1	16691	0.01
TOTAL				131171826	100.00

6. We have handed over the postal ballot forms and other related papers/registers and records for safe custody to Mr. Girish Bhatia, Company Secretary, authorised by the Board to supervise the postal ballot process.
7. The resolution has therefore been approved by the shareholders of the Company with the requisite majority.
8. You may accordingly declare the result of the voting by Postal Ballot.

Thanking you.

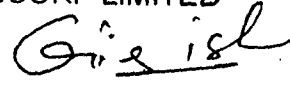
Yours truly,
For A. K. LABH & CO.
Company Secretaries


(CS A. K. LABH)
Practising Company Secretary
CP No. 3238



Place : Kolkata
Date : 05.11.2012

Certified To Be True Copy
For MAGMA FINCORP LIMITED



GIRISH BHATIA
Company Secretary

CERTIFIED TRUE COPY OF THE MINUTES OF THE PROCEEDINGS HELD ON MONDAY, THE 5TH DAY OF NOVEMBER, 2012 AT 04:30 P.M. AT THE REGISTERED OFFICE OF MAGMA FINCORP LIMITED, RELATING TO DECLARATION OF THE RESULT ON THE VOTING BY POSTAL BALLOT CONDUCTED PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956 ON THE SPECIAL RESOLUTION UNDER SECTION 81(1A) OF THE COMPANIES ACT, 1956 AS SET OUT IN THE NOTICE DATED THE 3RD OCTOBER, 2012 PURSUANT TO SECTION 192A (2) OF THE COMPANIES ACT, 1956

Present:

- | | |
|-------------------------------|---|
| 1. Mr. Mayank Poddar | Chairman of the Board of Directors |
| 2. Mr. Girish Bhatia | Company Secretary |
| 3. Mr. A. K. Labh | Proprietor, M/s. A. K. Labh & Co., Company Secretaries, Scrutinizer for the Postal Ballot |
| 4. Mr. Kazi Md. Nesar Ahammed | Member |

The Chairman stated that the Company had on 3rd October, 2012 dispatched to all the Shareholders, a Notice dated the 3rd October, 2012 under Section 81(1A) of the Companies Act, 1956, for obtaining the consent of the Shareholders to the following Special Resolution by means of Postal Ballot:

SPECIAL RESOLUTION

ISSUE OF 11% CUMULATIVE REDEEMABLE NON CONVERTIBLE PREFERENCE SHARES UPTO A SUM OF RS. 70 CRORE

"RESOLVED THAT pursuant to the provisions of Sections 80, 81(1A) and other applicable provisions, *if any*, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), enabling provisions in the Memorandum and Articles of Association of the Company and subject to such approvals, permissions and sanctions as may be necessary and further subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents 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 include any Committee thereof for the time being exercising the powers conferred by the Board), the consent, authority and approval of the Company be and is hereby accorded to the Board to offer, issue and allot 11% Cumulative Redeemable Non Convertible Preference Shares (CRNCPS) upto a sum of Rs. 70,00,00,000 (Rupees Seventy crore only) in two Series viz. Series I amounting to Rs. 50,00,00,000 (Rupees Fifty crore only) comprising of 50,00,000 Nos. 11% CRNCPS of Rs.100/- each & Series II amounting to Rs. 20,00,00,000 (Rupees Twenty crore only) comprising of 20,00,000 Nos. 11% CRNCPS of Rs.100/- each for cash at par on preferential allotment basis in one or more tranches, to



various entities which may include the Promoters / the Promoter Group on the following terms and conditions:

Series of CRNCPS	Amount
Series I 11% CRNCPS	Rs. 50 crore
Series II 11% CRNCPS	Rs. 20 crore

Terms of Issue

1. **Nature of Instrument:** Cumulative Redeemable Non-Convertible Preference Shares.
2. **Instrument Form:** Only in Dematerialized Form
3. **Face Value:** Rs.100/-
4. **Issue Price:** Rs.100/-
5. **Tenure:** 3 years
6. **Dividend Rate:** 11%
7. **Dividend Payout:** Annually. The Dividend shall be paid within the stipulated time frame post the Annual General meeting of the Company as per the provisions of the Companies Act, 1956 & the rules made there-under.

The first dividend will be paid proportionately for the portion of period of the financial year in respect of which it is paid, i.e. from the deemed date of Allotment to 31st March, 2013.

The last dividend will also be paid proportionately for the portion of period of the financial year in respect of which it is paid, i.e. from 1st of April, 2015 to the date of redemption.

8. **Interest on application money:** At 11% p.a. (On Amount Paid, subject to deduction of tax at source, as applicable) from the date of realization of cheque(s)/demand draft(s)/ RTGS up to one day prior to the Deemed Date of Allotment.
9. **Redemption:** At par at the end of 3 years from date of allotment.
10. **Depository:** NSDL & CDSL

RESOLVED FURTHER THAT for the purpose of giving effect to the Resolution, the Management Committee of the Board of Directors of the Company or such person as may be appointed / delegated by it be and is hereby authorized to do all such acts, deeds, matters and things and carry out or accept all such conditions, modifications and



alterations as it may in its sole discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard to the offer, issue and allotment of the CRNCPS in two series viz Series I and Series II and further to finalise and execute all documents and writings as may be necessary, desirable or expedient without being requested to seek any further consent or approval of the Company in this regard."

The Chairman stated that it was mentioned in the said Notice dated the 3rd October, 2012 that the Postal Ballot Form sent therewith should be returned by the Shareholders duly completed so as to reach Scrutinizer on or before 3rd November, 2012 and that the Scrutinizer will submit his report to the Chairman or any other Director after completion of the Scrutiny.

The Chairman thereafter stated that the Scrutinizer, Mr. A. K. Labh, Proprietor of *M/s. A. K. Labh & Co., Company Secretaries, Kolkata* had carried out the scrutiny of all the Postal Ballot Forms received upto the close of working hours on 3rd November, 2012 and that Mr. A. K. Labh had submitted his Report dated 5th November, 2012 and that same had been accepted.

The Chairman then announced the following result of the Postal Ballot as per the Scrutinizer's Report:

Summary of the Postal Ballot votes casted through Physical Mode:

1.	Total No. of Postal Ballot Forms Received	105
2.	Total No. of Invalid Postal Ballot Forms	9
3.	Total No. of Valid Postal Ballot Forms	96
4.	Total No. of Valid Postal Ballot Forms in Favour of the Resolution	92
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Summary of the Postal Ballot votes casted through Electronic Voting System:

1.	Total No. of votes/shares Against the Resolution	1
2.	Total No. of votes/shares in Favour of the Resolution	6158

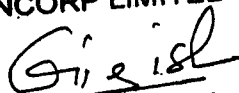


Total summary of the votes casted (aggregate of Physical & Electronic Voting System):

Sr. No.	Votes casted	By Physical Ballot	By Electronic Voting	Total No. of votes/shares	%
1.	Favour	131148977	6158	131155135	99.99
2.	Against	16690	1	16691	0.01
Total				131171826	100.00

The Chairman thereafter stated that the Special Resolution set out in the Notice dated 3rd October, 2012 was duly approved and passed by requisite majority.

Certified To Be True Copy
 For MAGMA FINCORP LIMITED


 GIRISH BHATIA
 Company Secretary