Pg 1 of 5

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

MAGMA
Investing in the smallest dream

June 12, 2010

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 12%, 30,00,000 Cumulative Redeemable Non Convertible Preference Shares of Rs. 100/- each, aggregating Rs. 30 Crores and 9.6%, 10,00,000 Cumulative Redeemable Non Convertible Preference Shares of Rs. 100/- each aggregating Rs. 10 Crores respectively - Passing of Special Resolutions 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, 2001 proposed vide Notice dated the 8th May, 2010 to the Shareholders of the Company.

With reference to our letter dated May 8, 2010 on the cited subject, we would like to inform you that the results of the **Postal Ballot** as submitted by Ms. Swati Bajaj of *M/s. PS & Associates, 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, 2001 for Issue of 12% 30,00,000 Cumulative Redeemable Non Convertible Preference Shares of Rs. 100/- each aggregating Rs. 30 Crores and 9.6%, 10,00,000 Cumulative Redeemable Non Convertible Preference Shares of Rs. 100/- each aggregating Rs. 10 Crores under Section 81(1A) of the Companies Act, 1956, respectively were declared today and the Special Resolutions as proposed in this connection for Shareholder's approval were duly taken on record as passed by requisite majority as per the contents of the Scrutinizer's report.

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

Girish Bhatia
Company Secretary

Encl.: As above

PS & ASSOCIATES
practising company secretari
225D, A.J.C Bose Road, Kolkata – 700020, India
Te : +91 33 2280-9045 Fax: +91 33 2287-6329
Email: ps@gravityinfotech.com

Date: 12/06/2010

Magma Fincorp Limited
24, Park Street
Kolkata-700 016

I herewith submit my report on the postal ballot that was conducted under my scrutiny (Notice dated 08/05/2010 and last date of receipt of ballots being 10/06/2010).

RESULT OF THE POSTAL BALLOT

S.No.	Particulars	Resolution No.1	Resolution No.2
1.	Total Number of Postal Ballot Forms Received	116	116
2.	Total Number of Invalid Postal Ballot Forms	25	25
3.	Total Number of valid Postal Ballot Forms	91	91
4.	Total Number of valid Postal Ballot Forms in favour of the Resolution	85	82
5.	Total Number of valid Postal Ballot Forms against the Resolution	6	6
6.	Total Number of Votes / Shares casted*	10128373	10128359
7.	Total Number of Votes / shares in favour of the Resolution	10128282	10128268
8.	Total Number of Votes / shares against the Resolution	91	91
9.	% of Votes in favour of the Resolution	99.99%	99.99%
10.	% of Votes against the Resolution	0.01%	0.01%

** calculated as per valid postal ballot forms*

As per the above data,

Resolution No. 1 has been duly approved as votes cast in favour of the resolution is three times more than the votes cast against the resolution.

Resolution No. 2 has been duly approved as votes cast in favour of the resolution is three times more than the votes cast against the resolution.

The Resolutions have therefore been approved by the Shareholders with the Requisite Majority.

Thanking You,
Yours truly,
For P.S. & Associates

S. Bajaj

(Swati Bajaj)
Partner
Practicing Company Secretary
C.P.No. 3502, ACS: 13216

PS & ASSOCIATES COMPANY SECRETARIES

Certified To Be True Copy
For MAGMA FINCORP LIMITED

GIRISH BHATIA
Company Secretary

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

MAGMA
Investing in the smallest dream

Certified True Copy of the Minutes of the proceedings held on Saturday, the 12th day of June, 2010 at 11.00 A.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 Resolutions under Section 81(1A) of the Companies Act, 1956 respectively as set out in the Notice dated the 8th May, 2010 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. Ms. Swati Bajaj	Scrutinizer for the Postal Ballot
4. Mr. Kazi Md. Nesar Ahammed	Member

The Chairman stated that the Company had, on 10th May, 2010 dispatched to all the Shareholders, a Notice dated the 8th May, 2010 under Section 81(1A) of the Companies Act, 1956, for obtaining the consent of the Shareholders to the following Special Resolutions by means of Postal Ballot:

ITEM NO. 1

ISSUE OF 12%, 30,00,000 CUMULATIVE REDEEMABLE NON CONVERTIBLE PREFERENCE SHARES

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 including any statutory modification or re-enactment thereof for the time being in force and enabling provisions in the Memorandum and Articles of Association of the Company and the listing agreement entered into by the Company with the stock exchanges where the shares of the Company are listed and subject to such approvals, permissions and sanctions as may be necessary and subject also to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions 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 of the Company be and is hereby accorded to the Board to offer, issue and allot in one or more tranches 12% (Twelve percent) Cumulative Redeemable Non Convertible Preference Shares ("**12% CRNCPS**") up to a sum of Rs. 30,00,00,000 (Rupees Thirty Crore only) on preferential allotment basis comprising of 30,00,000 (Thirty Lakh) 12% CRNCPS of Rs.100/- (Rupees One Hundred only) each for cash at par on preferential allotment basis, to various entities which may include the Promoters / the Promoter Group with such rights and privileges and on such other terms and conditions as the Board at its sole discretion may deem fit, including as to the rate of dividend, redemption period and manner of redemption and that such authority shall be a continuing authority to the Board to make such further issue(s) of 12% CRNCPS within such limit on appropriate terms and conditions on any subsequent redemption of such and/or outstanding 12% CRNCPS or any part thereof from time to time as may be considered fit and proper by the Board so however that the total issued and subscribed 12% CRNCPS Capital at any time shall not exceed Rs. 30,00,00,000/- (Rupees Thirty Crore only) or such amount as may be authorized under the Memorandum of Association of the Company.

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

MAGMA FINCORP LIMITED "MAGMA HOUSE" 24 Park Street, Kolkata-700016

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

MAGMA
Investing in the smallest dream

allotment of the 12% CRNCPS 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."

ITEM NO. 2

ISSUE OF 9.6%, 10,00,000 CUMULATIVE REDEEMABLE NON CONVERTIBLE PREFERENCE SHARES

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force and enabling provisions in the Memorandum and Articles of Association of the Company and the listing agreement entered into by the Company with the stock exchanges where the shares of the Company are listed and subject to such approvals, permissions and sanctions as may be necessary and subject also to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions 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 of the Company be and is hereby accorded to the Board to offer, issue and allot in one or more tranches 9.6% (Nine decimal Six percent) Cumulative Redeemable Non Convertible Preference Shares (**"9.6% CRNCPS"**) up to a sum of Rs. 10,00,00,000/- (Rupees Ten Crore only) on preferential allotment basis comprising of 10,00,000 (Ten Lakh) CRNCPS of Rs.100/- (Rupees One Hundred only) each for cash at par on preferential allotment basis, to various entities which may include the Promoters / the Promoter Group with such rights and privileges and on such other terms and conditions as the Board at its sole discretion may deem fit, including as to the rate of dividend, redemption period and manner of redemption and that such authority shall be a continuing authority to the Board to make such further issue(s) of 9.6% CRNCPS within such limit on appropriate terms and conditions on any subsequent redemption of such and/or outstanding 9.6% CRNCPS or any part thereof from time to time as may be considered fit and proper by the Board so however that the total issued and subscribed 9.6% CRNCPS Capital at any time shall not exceed Rs. 10,00,00,000/- (Rupees Ten Crore only) or such amount as may be authorized under the Memorandum of Association of the Company.

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 9.6% CRNCPS 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 8th May, 2010 that the Postal Ballot Form sent therewith should be returned by the Shareholders duly completed so as to reach Scrutinizer on or before 10th June, 2010 and that the Scrutinizer will submit her report to the Chairman after completion of the Scrutiny.

The Chairman thereafter stated that the Scrutinizer, Ms. Swati Bajaj of ***M/s. PS & Associates, Company Secretaries***, had carried out the scrutiny of all the Postal Ballot Forms received upto the close of working hours on 10th June, 2010 and that Ms. Swati Bajaj had submitted her Report dated 12th June, 2010 and that same had been accepted.

MAGMA FINCORP LTD. "MAGMA HOUSE" 24 Park Street, Kolkata-700016

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

MAGMA
Investing in the smallest dream

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

S. No.	Particulars	Resolution No. 1	Resolution No. 2
1.	Total Number of Postal Ballot Forms Received	116	116
2.	Total Number of Invalid Postal Ballot Forms	25	25
3.	Total Number of valid Postal Ballot Forms	91	91
4.	Total Number of valid Postal Ballot Forms in favour of the Resolutions	85	82
5.	Total Number of valid Postal Ballot Forms against the Resolutions	6	6
6.	Total Number of Votes / Shares casted	10128373	10128359
7.	Total Number of Votes / shares in favour of the Resolution	10128282	10128268
8.	Total Number of Votes / shares against the Resolution	91	91
9.	% of Votes in favour of the Resolution	99.99	99.99
10.	% of Votes against the Resolution	0.01	0.01

The Chairman thereafter stated that the Special Resolutions set out in the Notice dated the 8th May, 2010 were therefore duly approved by requisite majority of the total valid votes cast by the Shareholders.

MAGMA FINCORP LIMITED "MAGMA HOUSE" 24 Park Street, Kolkata-700016

Certified To Be True Copy
For MAGMA FINCORP LIMITED

GIRISH BHATIA
Company Secretary