

Board’s Report on Corporate Governance

1. COMPANY’S PHILOSOPHY ON THE CODE OF GOVERNANCE

Magma pursues its long-term corporate goals on the bedrock of financial discipline, high ethical standards, transparency, and trust. Enhancing shareholders’ value and protecting the interests of all stakeholders’ is a tradition at Magma. Every effort is made to follow the best practices in all functional areas and in discharging the Company’s responsibilities towards all the stakeholders and the community at large.

2. BOARD OF DIRECTORS (‘BOARD’)

2.1 Composition and category

The Company has a judicious mix of Executive and Non-Executive Independent Directors on its Board. There were 5 Directors on the Board as on 31.03.2021, with 1 Executive Director, 1 Non-Independent Non-Executive Director and 3 Independent Non-Executive Directors which includes one Independent woman Director. The elected Chairperson of every Board Meeting is an Independent Director and more than one-half of the Board consists of Independent Directors.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 (hereinafter referred to as ‘the Act’). Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (hereinafter referred to as ‘Listing Regulations’) requires that the Board shall comprise of a minimum of 6 directors. As on 31 March 2021, the Board was comprising of 5 Directors and 4 additional Directors were appointed on the Board of the Company in May 2021. With these appointments, the Board of the Company shall now comprise of 9 directors, of which more than one-half of the Board shall consist of Independent Directors.

Pursuant to the provisions of Section 165 of the Act none of the Directors of the Company is a Director in more than 20 Indian companies, with not more than 10 public limited companies. Further, as mandated by Regulation 17A of the Listing Regulations, none of the Directors are director in more than 7 Listed entities and serves as an Independent Director in more than 7 Listed companies, or serves as an Independent Director in 3 listed companies in case he/ she serves as a Whole-time Director in any listed company. Further, as stipulated in Regulation 26 of the Listing Regulations, none of the Directors is a Member of more than 10 Committees and no such Director is a Chairman/Chairperson of more than 5 Committees, across all public limited companies in which he/she is a Director. All the Non-Executive Directors are eminent professionals and bring the wealth of their professional expertise and experience to the management of the Company. The composition of the Board as on 31 March 2021 is as under:

Category	Name of Directors
Promoter and Executive Directors	Mr. Sanjay Chamria
Promoter and Non-Executive Director	Mr. Mayank Poddar
Independent Directors	Mrs. Vijayalakshmi R Iyer Mr. Bontha Prasada Rao Mr. Sunil R Chandiramani

There are no Directors who has attained the age of 75 years or more and for which approval of shareholders was required through special resolution in terms of Regulation 17 (1A) of the Listing Regulations.

All the Directors possesses requisite qualifications and experience in general corporate management, risk management, banking, finance, economics, marketing, digitisation, analytics and other allied fields which enable them to contribute effectively to your Company by providing valuable guidance and expert advice to the Management and enhance the quality of Board’s decision-making process. Detailed profile of the Directors is available on the Company’s website at the weblink: <https://magma.co.in/about-us/people/board-of-directors/>.

The Independent Directors have been appointed for a fixed tenure of three/five years from their respective dates of appointment. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the Board, all the existing Independent Directors as well as those who are proposed to be re-appointed at the ensuing Annual General Meeting (AGM) of the Company, fulfil the conditions specified in Listing Regulations and are independent of the management. None of the Independent Directors of the Company are on the Board of any other Company as non-independent director where the non-independent director of the Company is an independent director. Mr. Narayan K Seshadri and Mr. V K Viswanathan, Independent Directors of the Company resigned with effect from 31 August 2020 and 8 February 2021 respectively owing to personal preoccupations, other than those stated above no Independent Directors have resigned during the year. Further the Independent Directors have confirmed that there are no material reasons for their resignation other than those stated above.

A letter of appointment encompassing the terms and conditions

of appointment, roles, duties and liabilities is issued to the Independent Directors at the time of their appointment. The main terms of appointment can be accessed at: <https://magma.co.in/about-us/investor-relations/secretarial-documents/information-for-shareholders/>.

2.2 Board Meetings and Procedure

Being the apex body constituted by shareholders for overseeing the functioning of the Company, the Board evaluates all the strategic decisions on a collective consensus basis amongst the Directors. The Board provides leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Company has a well-established framework for the Meetings of the Board and its Committees which seeks to systematise the decision-making process at the Board and Committee meetings in an informed and efficient manner.

Meetings, Agenda and participation thereat: The Board/Committee meetings are pre-scheduled and a tentative annual calendar of the Board and Committee meetings is circulated to the Directors well in advance to help them plan their schedule and ensure meaningful participation in the meetings. The Company Secretary, in consultation with the Chairperson of the Board Meeting, Vice Chairman & Managing Director and Chief Financial Officer, prepares the agenda for meetings. Agenda, Notes on the agenda and other pre-read materials are circulated among the Directors, at least seven days in advance, in a structured format. All the Agenda items are supported by relevant information, documents and presentation to enable the Board to take informed decisions. The company also provides Video/Teleconferencing facilities to facilitate Directors travelling or present at other locations, to participate in meetings.

Only in case of urgent business, if the need arises, the Board's/Committee's approval is taken by passing resolutions through

circulation or by calling Board/Committee meetings at short notice, as permitted by law.

The Board generally meets 4-5 times during the year. Additional Board meetings are convened to address the Company's specific needs. During the year Magma's Board met 9 times on 2 April 2020, 18 June 2020, 3 July 2020, 8 August 2020, 27 August 2020, 7 November 2020, 6 February 2021, 10 February 2021 and 16 March 2021. The maximum interval between any two consecutive meetings were not more than 120 days. The requisite quorum was present for all the Meetings of the Board.

Paperless Board Meetings: The Board/Committee Meetings agenda and Agenda Notes are hosted on the Magma Board Meeting portal, a digital application. The Directors of the Company receive the agenda notes in electronic form through this application, which is accessible through iPad/laptop. The application meets high standards of security that are essential for storage and transmission of sensitive information in electronic form.

Post meeting follow-up mechanism: The Company has an effective post Board/Committee Meeting follow-up procedure. The important decisions taken at Board/Committee meetings are communicated to the concerned departments promptly. An action taken/status report on the decisions of the previous meeting(s) is placed at the next meeting of the Board/Committees for information and further recommended action(s), if any.

Knowledge sharing: Board members are kept informed about any material development/business update through various modes viz. e-mails, concall etc. from time to time.

The status of attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) held on 31 August 2020 and the number of Companies and Committees where each of them is a Director / Member / Chairman as on 31 March 2021 is given below:

Name of Director	Category	Materially significant, pecuniary or business relationship with the Company	Number of shares and convertible instruments held in the Company	F.Y 2020-21 Attendance at		No. of Directorships in other Companies incorporated in India(*)	Outside Committee Positions Held (**)		Names of the other listed entities where the director is a director (including debt listed)	Category of directorship
				Board Meeting	Last AGM held on 31.08.2020		Chairman	Member		
Mr. Mayank Poddar DIN: 00009409	Promoter, Non-Executive	Chairman Emeritus	Nil	9/9	Yes	7	-	-	-	-
Mr. Sanjay Chamria DIN:00009894	Promoter, Executive	Vice Chairman and Managing Director	Nil	9/9	Yes	8	-	2	1. Magma Housing Finance Limited	Non-Executive Chairman
Mrs. Vijayalakshmi R Iyer DIN:05242960	Independent, Non-executive	-	Nil	9/9	Yes	9	4	9	1. Aditya Birla Capital Limited 2. ICICI Securities Limited 3. Religare Enterprises Limited 4. GIC Housing Finance Limited 5. Computer Age Management Services Limited	1. Independent Director 2. Independent Director 3. Independent Director 4. Independent Director 5. Independent Director
Mr. Bontha Prasada Rao DIN:01705080	Independent, Non-executive	-	Nil	9/9	Yes	2	-	1	Havells India Limited	1. Independent Director

Name of Director	Category	Materially significant, pecuniary or business relationship with the Company	Number of shares and convertible instruments held in the Company	F.Y 2020-21 Attendance at		No. of Directorships in other Companies incorporated in India(*)	Outside Committee Positions Held (**)		Names of the other listed entities where the director is a director (including debt listed)	Category of directorship
				Board Meeting	Last AGM held on 31.08.2020		Chairman	Member		
Mr. Sunil Chandiramani DIN:00524035	Independent, Non-executive	-	Nil	9/9	Yes	4	-	1	NIL	-
Mr. Narayan K Seshadri ¹ DIN: 00053563	Independent, Non-executive	-	Nil	5/5	Yes	-	-	-	-	-
Mr. V K Viswanathan ² DIN: 01782934	Independent, Non-executive	-	1,432	7/7	Yes	-	-	-	-	-

*Excludes Directorships in Magma, Foreign Companies and Companies under Section 8 of the Act.

**Includes only Audit Committee and Stakeholders' Relationship Committee in all Indian public limited companies as per Regulation 26 of Listing Regulations.

¹Mr. Narayan K Seshadri resigned as Independent Non-Executive Chairman of the Company w.e.f. close of business hours of 31 August 2020

²Mr. V K Viswanathan resigned as Independent Non-Executive Director of the Company w.e.f. close of business hours of 8 February 2021

Skills/Expertise/Competence of the Board of Directors

List of core skills / expertise / competencies required by the Board (as identified by the Board) for efficient functioning of the Company in the present business environment and those skills/expertise/competence actually available with the Board are as follows:-

Sl No.	Skills / Expertise / Competencies required by the Board of Directors	Status of availability with the Board	Mayank Poddar	Sanjay Chamria	Vijayalakshmi R Iyer	Bontha Prasada Rao	Sunil Chandiramani
1	Understanding of Business/ Industry	Experience and knowledge of NBFCs and Banks	Yes	√	√	√	√
2	Strategy and strategic planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.	Yes	√	√	√	√
3	Critical and innovative thoughts	The ability to critically analyse the information and develop innovative approaches and solutions to the problems.	Yes	-	√	√	√
4	Financial Understanding	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.	Yes	√	√	√	√
5	Market Understanding	Understanding of the Market.	Yes	√	√	√	√
6	Risk and compliance oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks.	Yes	√	√	√	√

2.3 Pecuniary relationship or transactions

There were no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company during the year other than receipt of sitting fees for the meetings of Board and its Committees, commission and their shareholding, if any, in the Company. None of the Directors are related to any other Directors on the Board.

2.4 Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee works with the Board to determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective

of having a Board with diverse backgrounds and experiences in business. The Policy for appointment and removal of Directors and determining Directors' independence forms part of the Remuneration Policy of the Company and is available on our website i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/information-for-shareholders/>.

2.5 Remuneration of Directors

Executive Directors: Remuneration payable to the Executive Director is in line with the Act, Listing Regulations and Remuneration Policy for remunerating Directors/KMPs. Remuneration of Executive Director includes salary, perquisites, allowances, retiral viz. superannuation including gratuity and provident fund (fixed component) and commission (variable

component). The remuneration to Executive Director is determined by the Nomination and Remuneration Committee which is subsequently approved by the Board of Directors as per the authority given by the shareholders at the General Meeting.

Non-Executive Directors: Remuneration to Non-Executive Directors is paid by the way of Sitting Fee for attending the meetings of the Board / Committee. In addition, Independent Directors are paid Commission based on the profits of the Company not exceeding 1% of the net profit calculated in

accordance with Section 198 of the Companies Act, 2013. The criteria for payment of remuneration to Non-Executive directors is in consonance with the Remuneration Policy of the Company which is available on our website i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/information-for-shareholders/>.

The details of the remuneration paid to the Directors for the Financial Year ended 31 March 2021 is as follows:

(₹ in Lakh)

Sl No.	Directors	Salary and allowances (fixed)	Perquisites (fixed)	Commission (variable)	Sitting fees	Total as follows:
1.	Mr. Mayank Poddar ³	97.89	14.82	-	8.00	120.71
2.	Mr. Sanjay Chamria	216.54	7.86	-	-	224.40
3.	Mrs. Vijayalakshmi R Iyer	-	-	-	32.10	32.10
4.	Mr. Bontha Prasada Rao	-	-	-	16.20	16.20
5.	Mr. Sunil Chandiramani	-	-	-	32.10	32.10
6.	Mr. Narayan K Seshadri	-	-	-	15.00	15.00
7.	Mr. V K Viswanathan	-	-	-	27.00	27.00
	Total	314.43	22.67	-	130.40	467.51

1. Note: Service Contract for Executive Director is for 5 years.

2. Notice period and severance fees for Executive Director is as per the Company's rules.

3. None of the Directors hold stock options as on 31 March 2021.

³ Mr. Mayank Poddar was redesignated as Non-Executive Director w.e.f. close of business hours of 7 November 2020 and was paid sitting fees thereafter. Till 7 November 2020 he was paid remuneration as provided in the table.

2.6 Code of Conduct

The Board of Directors has laid down a Code of Conduct for all the Board Members and Senior Executives of the Company including a Code of Conduct for Independent Directors pursuant to Section 149(8) read with Schedule IV of the Act, which is a guide to professional conduct for Independent Directors of the Company. All the Board Members and Senior Executives have confirmed compliance with the Code. A declaration by Vice Chairman and Managing Director affirming the compliance with the Code is annexed at the end of this Report as Annexure-D. The said Code may be referred to, at the website of the Company i.e. www.magma.co.in.

Further, pursuant to Listing Regulations, Senior Management of the Company have affirmed that they have not entered into any material, financial and commercial transactions during the year in which they had personal interest, that may have potential conflict of interest with the Company.

2.7 Information supplied to the Board, inter alia, include:

The following information is regularly placed before the Board:

- Annual operating plans of business and budgets and any updates thereof;
- Capital budgets and any updates;
- Quarterly results for the Company and its operating divisions or business segments;

- Minutes of meetings of the Audit Committee and other Committees of the Board of Directors;
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the listed entity;
- Details of any joint venture or collaboration agreement;
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer (if any), among others;
- Minutes and Financial Results of the Subsidiary Company: M/s. Magma Housing Finance Limited and Financial Results of Joint Venture Companies: M/s. Magma HDI General Insurance Company Limited and M/s. Jaguar Advisory Services Private Limited.

3. BOARD COMMITTEES

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board, and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, as required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose. As on 31 March 2021, Magma has nine Committees of the Board: -

1. Audit Committee;
2. Stakeholders Relationship Committee;
3. Nomination and Remuneration Committee;
4. Management Committee;
5. Corporate Social Responsibility Committee;
6. Risk Management Committee;
7. Asset Liability Management Committee;
8. Review Committee; and
9. IT Strategy Committee.

All decisions pertaining to the constitution of Committees and appointment of members are taken by the Board of Directors. The terms of reference or charter of the aforesaid Committees is decided by the Board. Signed minutes of the Committee meetings are placed before the Board for noting. The role and composition including the number of meetings and related attendance are given below. The Board has duly accepted any recommendation of any committee of the Board which is mandatorily required, in the current financial year.

3.1 Audit Committee

3.1.1. Terms of reference

The terms of reference of the Audit Committee is in accordance with the provisions of Section 177 of the Act, Listing Regulations and RBI Guidelines. The terms of the reference broadly include:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, replacement or removal, remuneration and terms of appointment of auditors of the Company;
- Approve rendering of services by the statutory auditors other than those expressly barred under Section 144 of Act and remuneration for the same;
- Reviewing, with the management, the annual financial statements and auditor's report thereon and the CEO & CFO Certificate as per Regulation 17(8) of Listing

Regulations before submission to the Board for approval, with particular reference to:

- o Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Act;
- o Changes, if any, in accounting policies and practices and reasons for the same;
- o Major accounting entries involving estimates based on the exercise of judgment by management;
- o Significant adjustments made in the financial statements arising out of audit findings;
- o Compliance with listing and other legal requirements relating to financial statements;
- o Disclosure of any related party transactions; and
- o Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial results before submission to the Board for approval and secure the Certificate from CFO in terms of Regulation 33(2)(a) of Listing Regulations;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
- Approve the appointment, removal and terms of remuneration of Chief Internal Auditor and reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency, scope, functioning and methodology of internal audit;
- Discussion with Internal Auditors and the Management of any significant findings, status of previous audit recommendations and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors;
- Review management letters/letters of internal control weakness issued by the statutory auditors;
- Review the Internal Audit Report relating to internal control weakness;
- Review the functioning of the Whistle Blower/Vigil Mechanism;
- Approval of appointment of CFO (i.e., the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
- Review the utilization of loans and/ or advances from/ investment by the Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- Review management discussion and analysis of financial condition and results of operations;
- Review statement of significant related party transactions submitted by management;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Scrutinise inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Approve and recommend to the Board the transactions of the Company with related parties or any subsequent modification thereof;
- Appoint registered valuers;
- Review, approve and monitor the Code of Ethics that the Company plans for its senior financial officers/Directors;
- Review the compliance of the Fair Practices Code and the functioning of the customer grievances redressal mechanism so as to comply with the guidelines and circular issued by the Reserve Bank of India for Non-Banking Financial Companies in this regard;
- Any other matter as delegated by the Board of Directors of the Company from time to time.

3.1.2 Composition and Attendance

The Audit Committee met 9 times during the year under review i.e. on 17 June 2020, 3 July 2020, 5 August 2020, 8 August 2020, 6 November 2020, 30 January 2021, 6 February 2021, 10 February 2021 and 4 March 2021. The composition and attendance details of the members of the Audit Committee is given below:

Sl No.	Name of Members	Category	Number of meetings held	Number of meetings attended
1.	Mr. Sunil Chandiramani	Independent, Non-Executive	9	9
2.	Mrs. Vijayalakshmi R Iyer	Independent, Non-Executive	9	9
3.	Mr. Mayank Poddar ⁴	Promoter, Non-Executive	4	4
4.	Mr. Narayan K Seshadri ⁵	Independent, Non-Executive	4	4
5.	Mr. V K Viswanathan ⁶	Independent, Non-Executive	7	7

⁴Inducted as a member w.e.f. 8 November 2020

⁵Ceased to be a member w.e.f. 31 August 2020

⁶Ceased to be a member w.e.f. 8 February 2021

The Audit Committee was re-constituted by the Board on 23 September 2020 and 7 November 2020 wherein Mr. Mayank Poddar was inducted as the member of the Committee.

Mr. Sunil Chandiramani acts as the Chairman of the Committee and Ms. Shabnum Zaman, Company Secretary, acts as the Secretary to this Committee. Mr. Sunil Chandiramani, Chairman of the Committee, was present at the Annual General Meeting of the Company held on 31 August 2020.

All members of the Audit Committee are financially literate and have accounting and related financial management expertise.

3.2 Stakeholders Relationship Committee

3.2.1 Terms of reference

The terms of the reference broadly include:

- Redress and resolve the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates or allotment letters, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- Monitor the compliance of Code of prevention of insider trading framed by the Company;
- Effect dematerialisation and rematerialisation of shares of the Company;
- Such other matters as per the directions of the Board of Directors of the Company which may be considered

necessary in relation to shareholders and investors of the Company.

3.2.2 Composition and Attendance

The Stakeholders Relationship Committee met 2 times during the year on 3rd July 2020 and 6th November 2020. The composition and attendance details of the members of the Stakeholders Relationship Committee is given below:

Sl No.	Name of the Members	Category	Number of meetings held	Number of meetings attended
1.	Mr. Bontha Prasada Rao	Independent, Non-Executive	2	2
2.	Mr. Sanjay Chamria	Promoter, Executive	2	2
3.	Mr. Sunil Chandiramani ⁷	Independent, Non-Executive	1	1
4.	Mrs. Vijayalakshmi R Iyer ⁸	Independent, Non-Executive	1	1

⁷Inducted as a member w.e.f. 8 August 2020

⁸Ceased to be a member w.e.f. 8 August 2020

The Stakeholders Relationship Committee was re-constituted by the Board on 8 August 2020.

Mr. Bontha Prasada Rao acts as the Chairman of the Committee and he was present at the Annual General Meeting of the Company held on 31 August 2020.

Niche Technologies Private Limited, is the Registrar and Share Transfer Agent both for physical as well as electronic mode for equity shares and privately placed debentures and KFin Technologies Private Limited (formerly, Karvy Fintech Private limited) acts as Registrar and Transfer Agents for the public debentures. Ms. Shabnum Zaman, Company Secretary, acts as the Compliance Officer and the Board has appointed Ms. Zaman as the Nodal Officer for the purpose of IEPF Regulations, the details of which is available at the weblink: <https://magma.co.in/about-us/investor-relations/secretarial-documents/information-for-shareholders/>.

The table below gives the number of complaints received and resolved during the financial year and pending as on 31 March 2021:

Sl No.	Nature of Security	No. of complaints received during the year	No. of complaints not resolved to the satisfaction of the shareholders/debentureholders during the year	No. of complaints resolved to the satisfaction of the shareholders/debentureholders during the year	No. of complaints pending as on 31 March 2021
1.	Equity Shares	0	0	0	0
2.	Public Issue of Secured Redeemable NCDs	64	0	64	0
3.	Private Placement of Debentures	0	0	0	0

3.3 Nomination and Remuneration Committee

3.3.1 Terms of reference

The terms of the reference broadly include:

Review of matters by the Committee

1. Carry out evaluation of performance of all the directors of the Company;
2. Review overall compensation philosophy and framework of the Company;
3. Review outcome of the annual performance appraisal of the employees of the Company;
4. Conduct annual review of the Committee's performance and effectiveness at the Board level;
5. Examine and ensure 'fit and proper' status of the directors of the Company.

Approval of matters by the Committee

1. Formulate criteria for:
 - a. Determining qualifications, positive attributes and independence of a director;
 - b. Evaluation of independent directors and the Board;
 - c. Based on the Remuneration Policy of the Company, approve framework and broad policy in respect of all employees for increments;
2. ESOPs and RSO: approve grant and allotment of shares to the eligible employees of the Company and its subsidiaries under the shareholders approved ESOP and RSO Schemes and authorize any official of the Company to offer ESOPs and RSO to the new joinees in the Company in accordance with the authority matrix approved by the Committee from time to time;

3. Review and approve succession plan for Senior Management (all the Direct Reportees to the Vice Chairman and Managing Director i.e. Excom members of the Company);
4. Approval of the annual compensation revision cycle of the employees of the Company.

Review of items by the Committee for recommendation to the Board for approval

1. Devising a policy on Board diversity and recommending the size and an optimum mix of promoter directors, executive, independent and non-independent directors keeping in mind the needs of the Company.
2. Identifying, evaluating and recommending to the Board:
 - a. Persons who are qualified for appointment as Independent and Non-Executive Directors/Executive Directors/ Whole time Directors/Managing Directors in accordance with the criteria laid down;
 - b. Appointment of Senior Management Personnel (all the Direct Reportees to the Vice Chairman and Managing Director i.e. Excom members of the Company) in accordance with the criteria laid down;
 - c. Removal of Directors and Senior Management Personnel.
3. Determining processes for evaluating the skill, knowledge, experience, effectiveness and performance of individual directors as well as the Board as a whole;
4. To devise a Policy on remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the Board of Directors of the Company;
5. Based on the Policy as aforesaid, determine remuneration packages for the following:
 - a. Recommend remuneration package of the Directors of the Company, including Commission, Sitting Fees and other expenses payable to Non-Executive Directors of the Company.
 - b. Recommend changes in compensation levels and one-time compensation related payments in respect of Managing Director/Whole-time Director/Executive Director.
6. Recommend the remuneration payable to Senior management (all the Direct Reportees to the Vice Chairman and Managing Director i.e. Excom members of the Company) to the Board for their approval including the structure, design and target setting for short and long-term incentives / bonus
7. Recommend & review succession plans for Managing Directors;
8. Evolve a policy for authorizing expenses of the Chairman and Managing Director of the Company.

3.3.2 Composition and Attendance

The Nomination and Remuneration Committee met 4 times during the year on 17 June 2020, 25 June 2020, 6 November 2020 (adjourned and reconvened on 17 November 2020) and 4 February 2021 to discharge its functions. The composition and attendance details of the members of the Nomination and Remuneration Committee is given below:

Sl No.	Name of the Members	Category	Number of meetings held	Number of meetings attended
1.	Mr. Bontha Prasada Rao	Independent, Non-Executive	4	4
2.	Mrs. Vijayalakshmi R Iyer ⁹	Independent, Non-Executive	2	2
3.	Mr. Mayank Poddar ¹⁰	Promoter, Non-Executive	1	1
4.	Mr. Narayan K. Seshadrin ¹¹	Independent, Non-Executive	2	2
5.	Mr. V K Viswanathan ¹²	Independent, Non-Executive	4	4

⁹Inducted as a member wef 23 September 2020

¹⁰Inducted as a member wef 8 November 2020

¹¹Ceased to be a member wef 31 August 2020

¹²Ceased to be a member wef 8 February 2021

The Nomination and Remuneration Committee was re-constituted by the Board of Directors on 23 September 2020, 7 November 2020 and 25 March 2021. On 25 March 2021 Mr. Bontha Prasada Rao was designated as the Chairman of the Committee. Ms. Shabnum Zaman, Company Secretary, acts as the Secretary to this Committee

At present, there are two-third of the Committee comprises of Independent Directors and one-third comprise of Non-Executive Director.

Mr. V K Viswanathan erstwhile Chairman of the Committee attended the last AGM held on 31 August 2020.

3.4 Management Committee

3.4.1 Terms of reference

The Management Committee constituted by the Board of Directors is to execute Board's directions and facilitate operational matters and to perform its executive role on matters which are within the purview of delegated powers by the Board from time to time subject to the provisions of the Companies Act, 2013. Such authorizations inter-alia includes to decide on matters w.r.t direct assignment deal with various banks from time to time, acceptance of term loans, credit facilities of any type, other borrowings etc., opening and closing of current/cash credit account and inclusion and deletion of the authorized signatories to the said current/ cash credit account opened in the name of the Company.

3.4.2 Composition and Attendance

The Management Committee met 10 times during the year

under review on 10 June 2020, 17 July 2020, 18 September 2020, 25 September 2020, 30 September 2020, 6 November 2020, 9 November 2020, 12 November 2020, 13 February 2021 and 9 March 2021. The composition and attendance details of the members of the Management Committee is given below:

Sl No.	Name of the Members	Category	Number of meetings held	Number of meetings attended
1.	Mr. Sanjay Chamria	Promoter, Executive	10	10
2.	Mrs. Vijayalakshmi R Iyer	Independent, Non-executive	10	10
3.	Mr. Sunil Chandiramani	Independent, Non-Executive	10	10

Mr. Sanjay Chamria acts as the Chairman of the Committee.

3.5 Corporate Social Responsibility (CSR) Committee

3.5.1 Terms of reference

The terms of the reference broadly include:

- Formulation and ensuring compliance of CSR Policy;
- Identifying the CSR activities and the geographic distribution of CSR;
- Identifying structure for CSR implementation;
- Execution, implementation, monitoring and reporting of CSR activities;
- Formulate and recommend to the Board for its approval and implementation, the Business Responsibility (BR) Policy of the Company;
- Oversee and review the Company's BR performance;
- Such other acts as may be delegated by the Board from time to time.

3.5.2 Composition and Attendance

The CSR Committee met thrice during the year on 5 August 2020, 19 January 2021 and 10 March 2021 to discharge its functions. The composition and attendance details of the members of the CSR Committee is given below:

Sl No.	Name of the Directors	Category	Number of meetings held	Number of meetings attended
1.	Mr. Mayank Poddar	Promoter, Non-Executive	3	3
2.	Mrs. Vijayalakshmi R Iyer	Independent, Non-Executive	3	3
3.	Mr. Bontha Prasada Rao	Independent, Non-Executive	3	3

Mr. Mayank Poddar acts as the Chairman of the Committee.

3.6 Risk Management Committee

3.6.1 Terms of reference

The terms of the reference broadly include:

- Review and recommend to the Board on a regular basis the risk management policies and other policies concerning credit risk, market risk, etc.;
- Approval of risk management processes and framework;
- Approval of risk management governance structure at Magma;
- Defining the risk appetite of Magma;
- Approval of revision in existing systems, policies and procedures to address risk management requirements and good practices;
- Considering the overall risk management framework and reviewing its effectiveness in meeting sound corporate governance principals and identifying, managing and monitoring the key risks of the group;
- To oversee and monitor Company's compliance with regulatory capital requirements;
- Obtain on a regular basis reasonable assurance that Company's risk management policies for significant risks are being adhered to;
- Evaluate, on a regular basis, the effectiveness and prudence of senior management in managing the risks to which Magma is exposed to;
- Approve delegation of risk limits to management and approve any transactions exceeding those delegated authorities;
- Review risk reporting on significant risks, including the amount, nature, characteristics, concentration and quality of the credit portfolio, as well as all significant exposures to credit risk through reports on significant credit exposure presented to the Committee;
- Review risk mitigation plans on significant risks which affects policy or procedure level changes for effective implementation;
- Review the economic situation & its impact on industry;
- Review of the early warning report and necessary action thereof;
- Commission the risk assessment process to identify significant business, operational, financial, compliance, reporting and other risks;
- Review of risk assessment results and ensure that these are appropriately and adequately mitigated and monitored;
- Monitor the progress in implementation of risk mitigation strategies including the status of risk assessment program;
- Review cyber security functions.

3.6.2 Composition and Attendance

The Risk Management Committee met 6 times during the year on 2 April 2020, 5 June 2020, 17 June 2020, 5 August 2020, 6 November 2020 and 4 February 2021 to discharge its functions. The composition and attendance details of the members of the Risk Management Committee is given below:

Sl No.	Name of the Members	Category	Number of meetings held	Number of meetings attended
1.	Mrs. Vijayalakshmi R Iyer	Independent, Non-Executive	6	6
2.	Mr. Sanjay Chamria	Promoter, Executive	6	6
3.	Mr. Sunil Chandiramani	Independent, Non-Executive	6	6
4.	Mr. V K Viswanathan ¹³	Independent, Non-Executive	6	6
5.	Mr. Narayan K Seshadri ¹⁴	Independent, Non-Executive	4	4

¹³Ceased to be a member w.e.f. 8 February 2021

¹⁴Ceased to be member w.e.f. 31 August 2020

The Risk Management Committee was re-constituted by the Board on 23 September 2020 and 25 March 2021.

Mrs. Vijayalakshmi R Iyer acts as the Chairperson of the Committee.

3.7 Asset Liability Management Committee

3.7.1 Terms of reference

The terms of the reference broadly include:

- Liquidity risk management through Asset Liability Mismatches across various time buckets;
- Management of market risks through articulation on current interest rate view & its future direction;
- Funding and capital planning – source & mix of liabilities;
- Forecasting and analysing 'What if scenario' and preparation of contingency plans through review of treasury strategy at regular interval;
- Regulatory updates;
- Product Pricing for both advances and borrowing; and
- Review of Internal Capital Adequacy assessment.

3.7.2 Composition and Attendance

The Asset Liability Management Committee met 4 times during the year on 14 May 2020, 29 July 2020, 19 October 2020 and 19 January 2021 to discharge its functions. The composition and attendance details of the members of the Asset Liability Management Committee is given below:

Sl No.	Name of the Members	Category	Number of meetings held	Number of meetings attended
1.	Mr. Sanjay Chamria	Promoter, Executive	4	4
2.	Mrs. Vijayalakshmi R Iyer	Independent, Non-executive	4	4
3.	Mr. Sunil Chandiramani	Independent, Non-Executive	4	4

Mr. Sanjay Chamria acts as the Chairman of the Committee.

3.8 Review Committee

3.8.1 Terms of reference

The terms of the reference broadly include:

- Review the order passed by the Credit Committee of the Company w.r.t. classification of non co-operative borrowers;
- Seek necessary information from the Credit Committee;
- Give the non co-operative borrower, opportunity of being heard, where it deems fit;
- Pass the final order, as to whether to classify a borrower as non co-operative or not, after due consideration of all the facts of the case. The order so passed shall be treated binding on the borrower and the Chairman of the Committee will report to the Board after each Committee meeting and circulate the minutes of the Committee.

3.8.2 Composition and attendance

The Review Committee was not required to hold the meeting during the Financial Year 2020-2021. The composition of the Review Committee is given below:

Sl No.	Name of the Members	Category
1.	Mr. Sanjay Chamria	Promoter, Executive
2.	Mr. Sunil Chandiramani	Independent, Non-Executive
3.	Mr. Bontha Prasada Rao ¹⁵	Independent, Non-Executive
4.	Mr. Narayan K Seshadri ¹⁶	Independent, Non-Executive

¹⁵Inducted as a member w.e.f. 6 February 2021

¹⁶Ceased to be a member w.e.f. 31 August 2020

The Review Committee was reconstituted by the Board on 6 February 2021.

Mr. Sanjay Chamria, acts as the Chairman of the Committee.

3.9 IT Strategy Committee

3.9.1 Terms of Reference

The terms of the reference broadly include:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;

- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls;
- Periodically reviewing the process for development, approval and modification of the Company's IT strategy and strategic plan;
- Review the key issues, options and external developments impacting the Company's IT strategy including acquisition and development of Information Systems (New Application Software) and Change Management;
- Monitor enterprise risks assigned to the Committee by the Board under the Company's Enterprise Risk Management program and report thereon to the Audit Committee of the Board;
- Review the Information System (IS) audit report. The periodicity of IS audit should be at least once in a year;
- Ensuring that contingency plans have been developed and tested adequately.

3.9.2 Composition and attendance

The IT Strategy Committee met 2 times during the year on 14 May 2020 and 6 November 2020 to discharge its functions. The composition and attendance details of the Directors of the IT Strategy Committee is given below:

Sl No.	Name of the Members	Category	Number of meetings held	Number of meetings attended
1.	Mr. Sanjay Chamria	Promoter, Executive	2	2
2.	Mr. Sunil Chandiramani	Independent, Non-Executive	2	2
3.	Mr. Bontha Prasada Rao	Independent, Non-Executive	2	2
4.	Mr. V K Viswanathan ¹⁷	Independent, Non-executive	2	2

¹⁷Ceased to be a member w.e.f. 8 February 2021

The constitution of Committee also comprises of Senior Management Team in accordance RBI Master Direction - Information Technology Framework for the NBFC Sector. Other senior management attended the meeting. The IT Strategy Committee was reconstituted by the Board on 25 March 2021 wherein Mr. Sunil Chandiramani was inducted as the Chairman of the Committee in place of Mr. V K Viswanathan.

4. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year as per the requirement of Schedule IV of the

Act and Listing Regulations all the Independent Directors (IDs) met on 1 February 2021 without the presence of other Non-Independent Directors and members of the management. At this meeting, the IDs inter alia evaluated the performance of Non-Independent Directors & the Board as a whole, performance of the Chairperson of the Company after taking into account the views of executive directors and non-executive directors and discussed aspects relating to the quality, quantity and timeliness of flow of information between the Company management & the Board.

5. REMUNERATION POLICY

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors has adopted a Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors and Executive Directors and their remuneration. The Remuneration Policy is in consonance with the existing industry practice. The Policy of the Company is available on our website i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/download-secretarial-documents/>. This Policy inter alia includes the following:

5.1 Selection criteria for Directors, Senior Management Personnel and Key Managerial Personnel:

- 5.1.1. Apart from promoter Executive Directors, Magma currently has no Executive Director/s. Selection of Executive Director/s shall be in line with the selection criteria laid down for Independent Directors, in so far as those criteria are not inconsistent with the nature of appointment;
- 5.1.2. Nominee Directors shall be taken on Board, as and when nominated by the investor/s to protect such investor/s interests and such appointments shall usually be governed by the investment/ subscription agreement/s the Company has/will have with such investor/s;
- 5.1.3. Independent Directors will be selected on the basis of identification of industry/ subject leaders with strong experience. The advisory area and therefore the role, may be defined for each independent director;
- 5.1.4. In Magma, Senior Management Personnel shall consist of Excom group. It usually comprises of the function and business heads who directly reports to Vice Chairman and Managing Director (VC & MD);
- 5.1.5. For any Senior Management Personnel recruitment, it is critical to identify the necessity for that role in the context of the Company. In order to validate the requirement –
 - a. Job Description (JD) along with profile fitment characteristics from a personality, experience and qualification point of view shall be created;
 - b. The recruitment process shall generally involve meetings with Chief People Officer (CPO), VC&MD

and/or identified members of the NRC and Board, on the basis of which the candidature will be finalised;

- c. The total remuneration to be offered to the new candidate as above, shall be shared with the NRC for their concurrence by the CPO. Thereafter, the offer shall be rolled out.

5.2 Determination of qualification, positive attributes and independence test for the Independent Directors to be appointed:

- 5.2.1 For each Independent Director, the appointment shall be based on the need identified by the Board;
- 5.2.2 The role and duties of the Independent Director shall be clearly specified by highlighting the committees they are expected to serve on, as well as the expectations of the Board from them;
- 5.2.3 At the time of selection, Board shall review the candidature on skill, experience and knowledge to ensure an overall balance in the Board so as to enable the Board to discharge its functions and duties effectively;
- 5.2.4 Any appointment of the Independent Director shall be approved at the meeting of the shareholders, in accordance with extant laws;
- 5.2.5 Director's Independence test shall be conducted as per the conditions specified in the Companies' Act and the rules thereunder;
- 5.2.6 Board's expectation from each Independent Director shall be clearly mentioned in the appointment letter;
- 5.2.7 The Independent Director shall confirm having read and complied with the Magma's Code of Conduct. They shall also need to confirm and sign the Independence Test;
- 5.2.8 The remuneration of the Directors shall be established on the reasonability and sufficiency of level in order to attract, retain and motivate the Directors; and
- 5.2.9 VC&MD along with Company Secretary shall be involved in the familiarisation/ induction process for the independent director/s.

5.3 Remuneration policy for the Directors (including Independent Directors), Key Managerial Personnel and Senior Management Personnel:

- 5.3.1 The Independent Directors would be paid sitting fees subject to the limits prescribed under the Companies Act, 2013 or any amendments thereto, as may be determined by NRC from time to time, for attending each meeting(s) of the Board and Committees thereof;
- 5.3.2 Directors shall be reimbursed any travel or other expenses, incurred by them, for attending the Board and Committee meetings;
- 5.3.3 Additionally, the Independent Directors shall be paid

remuneration by way of commission for each financial year:

- a. Total commission pay out to all Independent Directors in aggregate shall be restricted to a limit of 1% of net profits of the Company, further subject to recommendation by the NRC and determination by the Board, as further subject to approval by the shareholders of the Company at the Annual General Meeting; and
 - b. NRC shall recommend quantum of commission which, in its best judgement and opinion is commensurate to the level of engagement each Independent Director would have with the members of Senior Management Personnel and/or other Board members, towards providing inputs, insights and guidance on various matters of importance from time to time.
- 5.3.4 The remuneration paid to VC&MD shall be considered by the NRC taking into account various parameters included in this policy document and recommended to the Board for approval. This shall be further subject to the approval of the members at the next General Meeting of the Company in consonance with the provisions of the Act and the rules made thereunder;
- 5.3.5 For KMP and Senior Management Personnel, remuneration shall be based on the KRAs identified and the achievement thereof. The increments shall usually be linked to their performance as well as performance of the Company.

6. FAMILIARIZATION PROGRAMME

Pursuant to the provisions of the Act and Regulation 25(7) of the Listing Regulations, the Company has in place a mechanism to familiarize its Independent Directors about the Company, its products, the industry and business structure of the Company and its subsidiary, associates and JVs. The Independent Directors are updated on an on-going basis at the Board/ Committee meetings. The Company also undertakes various initiatives to update the Independent Directors about the ongoing events and developments relating to the Company, significant changes in regulatory environment and implications on the Industry/ Company. To familiarize the new Directors with the business and operations of the Company an Induction kit is shared with them which, inter alia, includes Mission, Vision and Values, Group Business Structure, Brief profile of the Board of Directors, Composition of Committees of the Board, Brief profile of Senior Managerial Personnel, Press Releases, Investor Presentation, Latest Annual Report and Codes and Policies and Remuneration payable to Directors. Furthermore, the role, rights, responsibilities, duties and liabilities of the Independent Directors are embodied in detail in their Appointment Letter.

During the financial year 2020-21, the Independent Directors

were updated from time to time on an on-going basis on the significant changes in the regulations applicable to the Non-Banking Finance Companies. The details of such Familiarization Programmes for Directors may be referred to, at the website of the Company at its weblink i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/download-secretarial-documents/>.

7. PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and Regulation 17(10) of Listing Regulations, the Company has adopted the Remuneration Policy with the comprehensive procedure on performance evaluation. The Board has carried out the annual performance evaluation of its own performance, of individual Directors, the Chairperson and that of its Committee. Also, the Nomination and Remuneration Committee has carried out evaluation of every director's performance and reviewed the self-evaluation submitted by the respective directors. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the director being evaluated.

The detailed process of Performance Evaluation is given in the Board's Report.

8. SUBSIDIARY COMPANY

Regulation 16(1)(c) of the Listing Regulations defines a "material subsidiary" to mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Pursuant to the above definition, Magma Housing Finance Limited is a debt listed material subsidiary of the Company. The subsidiary of the Company functions independently, with an adequately empowered Board of Directors and sufficient resources. The Minutes of the Board Meetings of the Company's subsidiary are placed at the Board Meeting for review by the Board Members. The financial statements of the subsidiary company are presented to the Audit Committee and Board meeting at every quarterly Meeting.

The Company has also complied with the other provisions of Regulation 24 of the Listing Regulations with regard to Corporate Governance requirements for subsidiary Company.

The Policy for determining Material Subsidiaries as approved by the Board may be referred to, at the website of the Company at its weblink i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/download-secretarial-documents/>.

9. CODE FOR PREVENTION OF INSIDER-TRADING PRACTICES

As per the SEBI (Prohibition of Insider Trading) Regulations 2015, the Company Secretary is the Compliance Officer and is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of price-sensitive

information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct for trading in Company's securities under the overall supervision of the Board.

The Company has in place Board approved Code of Conduct for Prevention of Insider Trading as well as a Code of Corporate Disclosure Practices in accordance with aforesaid Regulations. All the Directors on the Board, Senior Management at all locations and other employees who could be privy to unpublished price-sensitive information of the Company are governed by this Code.

The said Code may be referred to, at the website of the Company at its weblink i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/download-secretarial-documents/>.

10. MEANS OF COMMUNICATION WITH SHAREHOLDERS

Quarterly results

The quarterly/half yearly/unaudited/audited financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors. These results are simultaneously posted on the web address of the Company at www.magma.co.in pursuant to Regulation 47 of Listing Regulations.

The results of the Company were published in the following local and national dailies:

1. The Financial Express (English language)
2. Aajkaal (Vernacular language)

Website

The Company's web address is www.magma.co.in. The website contains a complete overview of the Company. The Company's Annual Report, financial results, details of its business, shareholding pattern, investors' presentation, compliance with Corporate Governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, the distribution schedule, credit ratings and Code of Conduct are uploaded on the website.

Presentations to institutional investors / analysts:

During the financial year 2020-21, Analyst Conference Calls were conducted on 18 June 2020, 10 August 2020, 9 November 2020 and 8 February 2021. Presentations to Institutional Investor/Analysts are uploaded on the Company's website www.magma.co.in under 'Investors' section.

Press releases

Press reports are given on important occasions. They are sent to Stock Exchanges and also placed on the Company's website www.magma.co.in.

NSE Electronic Application Processing System (NEAPS)

NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding

pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the Listing Centre)

BSE's Listing Centre is a web-based application designed by BSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

eXtensible Business Reporting Language (XBRL)

XBRL is a standardized and structured way of communicating business and financial data in an electronic form. XBRL provides a language containing various definitions (tags) which uniquely represent the contents of each piece of financial statements or other kinds of compliance and business reports. BSE and NSE provide XBRL based compliance reporting featuring identical

and homogeneous compliance data structures between Stock Exchanges and Ministry of Corporate Affairs. The XBRL filings are done on the NEAPS portal as well as the BSE online portal.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

11. MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

The MDA section is carried in detail and forms part of the Board's Report.

12. GENERAL BODY MEETINGS

a) Location and time of the last three Annual General Meetings:

Year	Venue	Day and date	Time	Particulars of Special Resolutions passed
2019-20	Meeting was conducted through through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") and deemed venue was Registered Office of the Company at "Development House", 24, Park Street, Kolkata-700016	Monday, 31 August 2020	02:00 P.M.	2 special resolution mentioned below was proposed at the meeting, however it was not passed with requisite majority: 1. Payment of existing remuneration to Mr. Sanjay Chamria (DIN: 00009894), Vice Chairman and Managing Director of the Company for the period from 01 April 2019 to 31 March 2021 2. Payment of existing remuneration to Mr. Mayank Poddar (DIN: 00009409), Chairman Emeritus and Wholetime Director in accordance with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
2018-19	Kala Kunj Auditorium, 48, Shakespeare Sarani, Kolkata – 700 017	Thursday, 01 August 2019	03:00 P.M.	1. Re-appointment of Mr. Narayan K Seshadri as Independent Director of the Company 2. Place of keeping Registers and Index of Members, Debenture holders and copies of Annual Returns u/s 94 of Companies Act, 2013, at a place other than registered office of the Company
2017-18	Kala Kunj Auditorium, 48, Shakespeare Sarani, Kolkata – 700 017	Thursday, 02 August 2018	03:00 P.M.	Alteration of Articles of Association of the Company

b) Location and time of the Extra Ordinary General Meetings

Year	Venue	Day and date	Time	Particulars of Special Resolutions passed
2020-21	Meeting was conducted through through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") and deemed venue was Registered Office of the Company at "Development House", 24, Park Street, Kolkata-700016	Tuesday, 9 March 2021	02:00 P.M.	Preferential Allotment of Equity Shares of the Company

c) Postal Ballot

No Postal ballot was conducted during FY2020-21

d) Special Resolution proposed to be conducted through Postal Ballot

No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

13. GENERAL SHAREHOLDERS' INFORMATION

The Shareholders are kept informed by way of mailing of Annual Reports, notices of Annual General Meetings, Extra Ordinary General Meetings, Postal Ballots and other compliances under the Act and Listing Regulations. The Company also issues press releases and publishes quarterly results.

a) AGM details

Date	As per the Notice calling the 41st Annual General Meeting
Venue	
Time	

b) Financial Year

The Financial Year covers the period from 1st April to 31st March

c) Dividend payment date and rate

The Board has not recommended dividend for FY20.

The details pertaining to unclaimed dividend is provided in the Notice of the 41st Annual General Meeting.

d) Listing of shares

The Equity Shares of the Company are listed on -

Name of Stock Exchanges	Stock code
National Stock Exchange of India Limited (NSE) 5, Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai – 400 051.	MAGMA
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001.	524000

e) Payment of Listing Fees

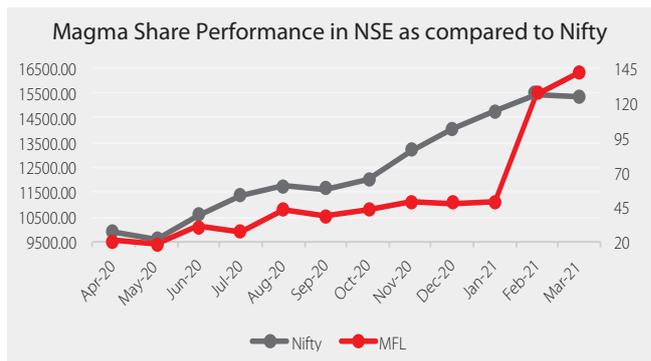
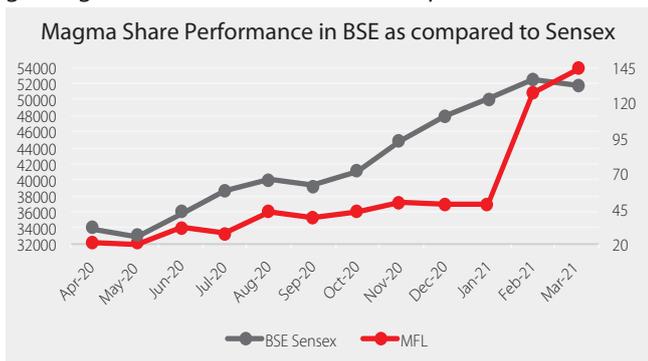
Annual listing fees has been paid by the Company to BSE and NSE.

f) Market price data

Monthly high and low quotation during 1 April 2020 to 31 March 2021 is given in the table below:

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
April, 2020	21.50	16.25	940820	21.60	16.25	12924690
May, 2020	19.70	12.70	1458034	18.50	12.90	24324851
June, 2020	31.77	13.70	15558561	31.30	13.45	59796899
July, 2020	27.65	21.70	7907663	27.65	21.70	33983285
August, 2020	43.05	25.15	6186651	43.00	25.30	37484960
September, 2020	39.20	31.85	1624229	39.25	32.10	11464324
October, 2020	43.40	31.80	4877195	43.30	31.65	33913353
November, 2020	49.00	35.55	2055439	49.20	36.25	19252439
December, 2020	48.00	35.65	2424331	48.00	35.75	16412000
January, 2021	48.80	40.00	2402440	48.75	39.90	19951354
February, 2021	127.25	44.25	6222899	125.25	44.20	69605749
March, 2021	142.50	101.25	8522593	142.15	101.55	39207914

g) Magma Share Performance in comparison to broad based indices



h) None of the Company's securities have been suspended from trading.

i) Registrar and Share Transfer Agents

- i) **Physical and Demat Mode (Shares and Debentures through private placement)** Niche Technologies Private Limited
3A, Auckland Place, 7th Floor,
Room No. 7A & 7B, Kolkata - 700 017.
Tel No.: +91 33 2280 6616/6617/6618
Fax No.: +91 33 2280-6619
Email Id : nichetechpl@nichetechpl.com
- ii) **Demat Mode (Retail Debentures only)** KFin Technologies Private Limited
"Selenium Tower - B", Plot No. 31-32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad - 500032
Telangana | India
Tel: +91 40 6716 2222
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

j) Share Transfer System

The Company's shares being in the compulsory demat list, are transferable through the depository system.

Compliance of Share Transfer formalities

As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained the half yearly certificates from the Company Secretary in practice for due compliance of share transfer formalities.

Mandatory Dematerialisation

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, and notification thereto, SEBI has mandated that, with effect from 1st April 2019, shareholders holding share in physical mode shall not be able to transfer their shares unless such shares are converted into dematerialised form. Accordingly, the shareholders holding shares in physical form, in their own interest, are hereby requested to take necessary steps to dematerialise their shares as soon as possible. The amendment does not impact the shareholders requests for transmission or transposition of securities held in physical mode. Process for dematerialisation of shares is available at the website of the Company at weblink i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/download-secretarial-documents/>.

k) Distribution of shareholding as on 31 March 2021

Particulars	Number of shareholders	Number of shares held	Percentage of shareholding (%)
Up to 500	33668	36,94,533	1.37
501 – 1,000	2667	22,18,473	0.82
1,001 – 5,000	2747	65,69,001	2.44
5,001 – 10,000	452	34,82,148	1.29
10,001 – 50,000	437	1,01,15,548	3.75
50,001 – 1,00,000	80	54,95,880	2.04
1,00,001 – and above	109	23,80,41,129	88.29
Total	40160	26,96,16,712	100.00

l) Pattern of shareholding as on 31 March 2021

Category	Number of shares	Percentage (%)
Promoter and Promoter Group	6,57,52,083	24.39
Resident individuals	3,99,92,503	14.83
Foreign holdings	8,04,32,478	29.83
Public financial institutions and banks	1,22,04,597	4.53
Other Companies / Mutual Funds	7,08,17,217	26.27
IEPF	4,17,834	0.15
Total	26,96,16,712	100.00

m) Dematerialization of shares and liquidity

The Company's shares enjoy demat facility with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) having the following ISIN Nos. for Equity Shares:-

INE511C01022 for 26,96,16,712 Equity Shares of ₹2/- each available since 16 January 2001;

As on 31 March 2021, 26,88,97,427 Equity Shares constituting 99.73% of the total holding were held in demat mode.

Members still holding physical share certificates are requested to dematerialize their shares by approaching any of the Depository Participants registered with the Securities and Exchange Board of India (SEBI). From June 26, 2000 the shares of the Company are mandated by SEBI for trading in dematerialized form.

n) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

As on 31 March 2021, there are no Outstanding GDRs/ADRs/Warrants or any Convertible instruments.

o) Plant locations

In view of the nature of business activities carried on by the Company, the Company operates from various offices in India and does not have any manufacturing plant.

p) Address for correspondence for Shares/ Debentures and related matters

Ms. Shabnum Zaman
Secretarial Department
Magma Fincorp Limited
Ecospace Business Park, Premises No. 501 Block 4A,
5th Floor, New Town, Rajarhat, Kolkata - 700160
Tel No. +91 33 4401 7431
Email Id: shabnum.zaman@magma.co.in/
secretary@magma.co.in
For debentures: mflncdpublicissue@magma.co.in

- q) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

Instrument	Rating	Rating Agency
Rating Under Basel Guidelines		
Fund Based & Non Fund Based from Banks	AA-	CARE
	AA-	ICRA
	AA-	India Ratings
Short Term Debt (Commercial Paper)	A1+	CARE/CRISIL
Secured Redeemable Long Term Bond/Note	AA-	CARE/Brickwork
	AA	ACUITE
	AA-	CARE/Brickwork
Unsecured Subordinate Tier II Bonds	AA-	CARE/Brickwork
	AA	ACUITE
Perpetual Debt Instruments	A+	CARE/Brickwork

- r) **Company's registered office**

"Development House", 24, Park Street, Kolkata – 700 016.

- s) **Book Closure date**

As mentioned in the AGM Notice

- t) **Financial calendar (tentative)**

Financial reporting for the quarter ending

1st quarter ending 30 June 2021	First week of August 2021
2nd quarter ending 30 September 2021	First week of November 2021
3rd quarter ending 31 December 2021	First week of February 2022
4th quarter ending 31 March 2022	First week of May 2022
Annual General Meeting for the year ending 31 March 2021	First week of August 2021

- u) **Contact person for clarification on Financial Statements**

For clarification on Financial Statements, kindly contact:

Mr. Rajesh Singhania,
Magma Fincorp Limited
Ecospace Business Park, Premises No. 501 Block 4A, 5th Floor,
New Town, Rajarhat, Kolkata - 700160
Ph: +91 33 4401 7438, Email: rsinghania@magma.co.in

- v) **Nomination facility**

Pursuant to the provisions of Section 72 of the Companies Act, 2013, and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, members may file Nomination in respect of their shareholdings. Members holding shares in

Physical Form willing to avail this facility may submit to the Company the prescribed Form SH-13 and any change or variation in the nomination in prescribed Form SH-14. Form SH-13 and SH-14 can be downloaded from the Company's website www.magma.co.in under the 'Investors' section. Members holding shares in electronic form are requested to give the nomination to their respective Depository Participants directly.

- w) **Requirement of PAN**

Members who hold shares in the physical form are advised that in terms of the Listing Regulations, for transmissions of shares etc., a copy of the PAN card along with other necessary documents shall be submitted to the Company/RTA.

- x) **Rights of Members**

The following are some of the important rights of the members:

1. Receive notices of General Meetings, Annual Report, etc.
2. Attend and vote at the General Meetings and appoint proxy in their stead.
3. Request an Extraordinary General Meeting along with other members who collectively hold not less than 1/10th of the total paid up share capital of the Company carrying voting rights.
4. Receive dividends and other corporate benefits like rights, bonus shares etc., when declared /announced.
5. Transfer the shares.
6. Inspect minutes book of General Meetings.
7. Inspect Register of Members.
8. Nominate a person to whom his/her shares shall vest in the event of death.
9. Seek relief in case of oppression and mismanagement in the manner given under Section 241 of the Companies Act, 2013.
10. Seek relief in case the affairs of the Company are managed in a manner prejudicial to the interest of the Company or its members by virtue of a Class Action Suit under Section 245 of the Companies Act, 2013.

- y) **Debt Securities Listing**

The Wholesale Debt Market (WDM) Segment of BSE and NSE.

- z) **Debenture Trustees**

Pursuant to Regulation 53 of the Listing Regulations the name and contact details of the Debenture Trustee for the privately placed NCDs and public NCDs are given below:

- (i) **IDBI Trusteeship Services Limited**

Asian Building, Ground Floor, 17, R. Karmani Marg,
Ballard Estate, Mumbai – 400 001, Maharashtra,
Tel: +91 22 4080 7050 ; Fax: +91 22 6631 1776
E-mail: itsl@idbitrustee.co.in

Investor Grievance Email: response@idbitrustee.com

(ii) **Catalyst Trusteeship Limited (Formerly GDA Trusteeship Limited)**

'GDA House', Plot No. 85,
Bhusari Colony (Right), Kothrud, Pune 411 038
Maharashtra, India
Tel: +91 22 4922 0555
Fax: + 91 22 4922 0505
E-mail: ComplianceCTLMumbai@ctltrustee.com
Investor Grievance Email: grievance@ctltrustee.com

14. OTHER DISCLOSURES

(a) Disclosures on materially significant related party transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were usually in the ordinary course of business. There have been no material significant related party transactions between the Company and its directors, their relatives or associates. All Related Party Transactions are placed before the Audit Committee. Disclosure of transactions with related parties is provided in notes to the financial statements, forming part of the Annual Report.

(b) Details of non-compliance, penalties, strictures imposed by Stock Exchange, if any

The Company complied with the statutory rules and regulations including those of the SEBI and the Stock Exchanges. No penalties or strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during last three years.

(c) Vigil mechanism / Whistle Blower

The Company has in place Board approved Policy on Breach of Integrity and Whistle Blower (Vigil mechanism). The Policy was framed with an objective to deal with issues pertaining to integrity, encouraging the employees and Directors of the Company to raise any concern about Company's operations and working environment, including possible breaches of Company's policies and standards, without fear of adverse managerial action being taken against such employees.

It provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of any code of conduct or policy in force. Instances of such suspected or confirmed incident of fraud/misconduct may be reported on the designated email id i.e. fraudcontrol@magma.co.in which is managed by the fraud risk management team.

A Disciplinary Committee as constituted under the vigil mechanism looks into the complaints raised and their redressal. The Committee reports to the Audit Committee.

The mechanism also provides for adequate safeguards against victimization of employees to avail of the mechanism and in exceptional cases direct access to the Chairman of the Audit

Committee to report instances of fraud/misconduct. During the year under review, no employee was denied access to the Audit Committee.

The said Policy may be referred to, at the website of the Company at its weblink i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/download-secretarial-documents/>.

(d) Adoption of mandatory and non-mandatory requirements of Regulation 27(1) of Listing Regulations and Schedule V

The Company has adopted all the non-mandatory requirements as stated under Part E of Schedule II to the Listing Regulations and reproduced herein below:

A. The Board

Presently the elected Chairperson of every Board Meeting is an Independent Director

B. Shareholder rights

Since the quarterly, half yearly and annual financial results of the Company are published in newspapers on an all India basis and are also posted on the Company's website, these are not sent individually to the shareholders of the Company. Further, significant events are informed to the Stock Exchanges from time to time and then the same is also posted on the website of the Company under the 'Investors' section. The complete Annual Report is sent to every Shareholder of the Company.

C. Modified opinion(s) in audit report

It is always the Company's endeavour to present unmodified Financial Statements. There is no audit qualification in the Company's Financial Statements for the financial year ended 31 March 2021.

D. Separate posts of Chairman and MD

Mr. Sanjay Chamria is the Vice Chairman and Managing Director of the Company and he is not the Chairman of the Company.

E. Reporting of Internal Auditor

The Chief Internal Auditor reports functionally to the Audit Committee and administratively to the Vice Chairman and Managing Director.

(e) Policy for determining 'Material' Subsidiaries

The Policy for determining Material Subsidiaries as approved by the Board may be referred to, at the website of the Company at its weblink i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/download-secretarial-documents/>.

(f) Policy on dealing with Related Party Transactions

The Policy on Related Party Transactions as approved by the Board is available on the Company's website at its weblink i.e. <https://magma.co.in/about-us/investor-relations/secretarial-documents/download-secretarial-documents/>.

(g) Commodity Price Risk or Foreign Exchange Risk and Hedging activities

Your Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. Accordingly, the disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018 is not required to be furnished by the Company.

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations

During the year under review, your Company has not raised funds through any Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A) of the Listing Regulations. However, the shareholders of the Company on 9 March 2021 had approved Preferential issue of 493714286 Equity shares aggregating to ₹3456 crore.

(i) Certificate from Practicing Company Secretary

A certificate from a Company Secretary in practice pursuant to Regulation 34(3) read with Clause 10 (i) of Paragraph C of Schedule V of the Listing Regulations certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, or any such Statutory Authority is provided as Annexure C to this report.

(j) All the recommendations of the various committees were accepted by the Board.

(k) Total fees for all services paid by the listed entity and its subsidiary, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

During the year, details of fees paid/payable to BSR & Co. LLP, Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, by the Company and its subsidiaries, are given below:

Particulars	₹ In lakh		
	By the Company	By the Subsidiary	Total Amount
Statutory Audit (including Limited review)	85.00		85.00
Other Services	12.63	0.39	13.01
Out-of-pocket expenses	5.73		5.73
Total	103.36	0.39	103.74

*The above fees are exclusive of applicable tax.

(l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a 'Policy for Prevention of

Sexual Harassment' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment, in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 and the rules thereunder.

The following is a summary of Sexual Harassment complaint(s) received and disposed off during the year 2020-21, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder:

- a. number of complaints filed during the financial year: Nil
- b. number of complaints disposed off during the financial year: Nil
- c. number of complaints pending as on end of the financial year: Nil

(m) The Company has complied with all the requirements of Corporate Governance Report as stated under sub paras (2) to (10) of section (C) of Schedule V to the Listing Regulations. The Company has complied with all the requirements of corporate governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(n) During the year under review 6 (six) death due to road accident on duty has been reported in the Company. The Company continuously sends communication to all the employees related to road safety measures including driving of two wheelers and four wheelers. All employees are covered under Group Term Life Insurance policy. Further statutory benefits were also extended as per relevant act as and where applicable. Periodical employee awareness session was conducted to minimize risk at work.

(o) The Company received sufficient disclosures from Promoters, Directors or the Senior Management wherever applicable.

(p) The Company follows Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs in the preparation of its financial statements.

15. RECONCILIATION OF SHARE CAPITAL

During the year under review, an audit was carried out at the end of every quarter by a qualified Practising Company Secretary for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares held with NSDL and CDSL. The report for every quarter upon reconciliation of capital was submitted to the stock exchanges.

16. OTHER SHAREHOLDERS INFORMATION

Transfer of unclaimed/unpaid amounts to Investor Education and Protection Fund

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") (including any statutory modification(s) or reenactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the IEPF, maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed in respect of dividends declared upto the financial year ended 31st March 2013 have been transferred to the IEPF. The details of the unclaimed dividends so transferred are available on the Company's website at www.magma.co.in and on the website of the Ministry of Corporate Affairs at www.mca.gov.in.

In accordance with Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat Account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended 31st March 2013 and remained unclaimed are transferred to the IEPF. The Company had sent notices to all such Members in this regard

and published a newspaper advertisement and, thereafter, transferred the shares to the IEPF during financial year 2020-21. The details of such shares transferred have been uploaded in the Company's website at www.magma.co.in.

The details of unclaimed dividends and Equity shares transferred to IEPF during the year 2020-21 are as follows:

Amount of unclaimed dividend transferred	Number of Equity shares transferred
₹4,64,324/-	15,031

The shareholders may claim the shares and dividend transferred to IEPF by making an online application to IEPF Authority in Form IEPF-5 available on the website www.iepf.gov.in along with the fee as may be prescribed by the Central Government, from time to time.

17. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As required under Regulation 34 of the Listing Regulations, the auditors' certificate on Corporate Governance is annexed as Annexure A to this Report.

18. CEO AND CFO CERTIFICATION

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the Vice-Chairman & Managing Director and CFO of the Company was placed before the Board. The same is provided as Annexure B to this report.

For and on behalf of the Board

Sunil Chandiramani
Independent Non Executive Director
DIN: 00524035

Mumbai
31 May 2021

Sanjay Chamria
Vice Chairman and Managing Director
DIN: 00009894

Kolkata
31 May 2021