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CIN : L51504WB1978PLC031813
Web : www.magma.co.in



9th May, 2015

The Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra- Kurla Complex, Bandra (E).
Mumbai-400051

Symbol : MAGMA

BSE Limited
Corporate Relationship Department
25th floor, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

Company Code: 524000

Dear Sir,

Sub: Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information

Dear Sir,

The Board at its meeting held on 8th May, 2015 had approved the Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information framed under Regulation 8 (1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code has also been published on the official website of the Company.

This is for your information and record.

Thanking You,

Yours Faithfully,
Magma Fincorp Limited

Kailash Baheti
Company Secretary
ACS No. 5612
Address:
26, Prince Anwar Shah Road,
Flat - 5C, Block Tudor,
Kolkata – 700 033

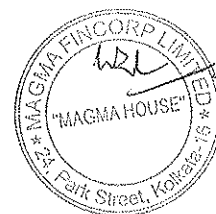
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Magma Fincorp Limited

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION FRAMED UNDER REGULATION 8 (1) OF SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

Contents

1. Introduction.....	1
2. Applicability.....	1
3. Definitions	1
4. Functions Of The Chief Investor Relations Officer:	3
5. Principal of Fair Disclosure adopted by Magma.....	3
6. Third Party Dealings.....	4
7. Rumours: Verification of Market Rumours and response to queries	5
8. Need to know handling of UPSI:.....	5
9. Authority to make alterations/amendment.....	5
10. General	5



1. INTRODUCTION

This document forms the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code") adopted by Magma Fincorp Limited (Magma/Company). This Code is consistent with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. As per Regulation 8 read with Schedule A of the new Regulations every listed company has to frame a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as the 'Code'). The Regulation intends to require companies to disseminate 'Unpublished Price Sensitive Information' (hereinafter referred to as 'UPSI') universally and not selectively. This Policy is intended to lay down principles and practices to be followed by the Company pertaining to universal disclosure of UPSI.

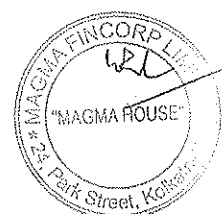
The Company intends to follow best practices, duly compliant with Applicable Law, in the matter of disclosure of UPSI. Accordingly the following Code was adopted by the Board of Directors of Magma Fincorp Limited (hereinafter referred to as 'Company'), at its meeting held on 8th May, 2015. This Code shall be effective from 15th May 2015.

2. APPLICABILITY

This Code shall apply in relation to disclosure by the Company of UPSI. The scope-exceptions as given in Applicable Law shall be applicable for the purpose of this Code as well.

3. DEFINITIONS

- i. **"Applicable Law"** means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/or mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider.
- ii. **'Company'** means Magma Fincorp Limited;
- iii. **'Connected Persons'** means any person who:
 - a. is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access; or



b. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be Connected Persons unless the contrary is established, -

- an immediate relative of Connected Persons specified in clause (i); or
- a holding company or associate company or subsidiary company; or
- an intermediary as specified in section 12 of the Securities Exchange Board of India Act, 1992 or an employee or director thereof; or
- an investment company, trustee company, asset management company or an employee or director thereof; or
- an official of a stock exchange or of clearing house or corporation; or
- a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- a banker of the company; or
- a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;

- iv. **'Chief Investor Relations Officer'** means such senior officer of the Company appointed by the board of directors to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner.
- v. **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis.
- vi. **"Immediate Relative"** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
- vii. **"Insider"** means any person who is:
- a. a connected person; or
 - b. in possession of or having access to unpublished price sensitive information;
- viii. **"Selected Group of Persons"** means securities analysts or selected institutional investors, brokers and dealers or their associated persons, investment advisers and institutional managers, investment companies, hedge funds or any other person.
- ix. **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;



- x. **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
- xi. **"Trading day"** means a day on which BSE Limited and/or National Stock Exchange of India Limited are open for trading.
- xii. **"Unpublished Price Sensitive Information" (UPSI)** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: –
- a) financial results;
 - b) dividends;
 - c) change in capital structure;
 - d) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
 - e) changes in key managerial personnel; and
 - f) material events in accordance with the listing agreement.

All the other terms used in this Code shall have the same meaning as assigned to them under the Regulations.

4. FUNCTIONS OF THE CHIEF INVESTOR RELATIONS OFFICER:

- Dealing with universal dissemination and disclosure of UPSI.
- Determination of questions as to whether any particular information amounts to UPSI.
- Determination of response, if any, of the Company to any market rumour in accordance with this Code.
- Dealing with any query received by any Insider about any UPSI.
- Providing advice to any Insider as to whether any particular information may be treated as UPSI.

If an Insider receives a query about any UPSI related to the company, he shall not comment on the same and shall forward such query to the Chief Investor Relations Officer. The Chief Investor Relation Officer shall deal with such query in accordance with Applicable Law and this Code.

5. PRINCIPAL OF FAIR DISCLOSURE ADOPTED BY MAGMA

The company shall ensure:

- Prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- Uniform and universal dissemination of UPSI to avoid selective disclosure.



- If an Insider 'selectively' discloses any UPSI to any person including the Selected Group then prompt disclosure of such information shall have to be made by the Chief Investor Relations Officer to the public. Such disclosure must be made not later than 48 hours after the Chief Investor Relations Officer learns that communication of such UPSI has taken place.

UPSI about the Company may be disclosed to:

- persons for legitimate business purposes (e.g., attorneys, investment bankers or accountants).
- persons who have expressly agreed in writing to keep the information confidential, such as potential customers, other developers, joint venture partners and vendors, and not to transact in the company's Securities on the basis of such information
- broad-based electronic, print, television and other media.

Subject to Applicable Law methods of public disclosure of information to ensure uniform distribution shall include either of the following-:

- Distributing through Press Releases in newspapers or media including electronic media.
- Filing with the Stock Exchanges.
- Any other method that ensures wide distribution of the news such as webcasts and webinars.
- Uploading the information on the website of the company.

6. THIRD PARTY DEALINGS

The Chief Investor Relations Officer shall ensure that best practices of making transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made are developed by the Company.

The best practices shall include uploading the following information on the website of the company-

- Any Power Point Presentation or similar material used by the analyst in such meeting on the website of the Company.
- Any earnings guidance or any other similar material distributed during press conference.
- Any material information about business plans of the company provided in response to analyst queries or during discussions in a meeting or any other information which may lead to price discovery has been shared.

In addition the following guidelines will be adopted by the company while dealing with Analysts/Institutional investors:-



- The Company will provide only public information to analysts/Research persons/large investors/Institutions.
- Atleast two officers of the Company will be present at the meetings with Analysts, Brokers, Institutional Investors and the discussions with them will be recorded to avoid misquoting or misrepresenting.
- Questions outside the intended scope of discussions by the Analysts will not be answered normally but the same may be taken on notice and a considerable response given later.
- Whenever the Company will organise meetings with analysts it will normally be followed by a press release and the same information will also be posted on the website of the Company. This will be simultaneously sent to the Stock Exchanges.
- The information filed by the Company with the Stock Exchanges will also be made available on the website of the Company.

7. RUMOURS: VERIFICATION OF MARKET RUMOURS AND RESPONSE TO QUERIES

The Chief Investor Relations Officer shall provide appropriate and fair responses to queries in relation to UPSI including any news reports. A 'No Comment' policy must be maintained by the Company and the Chief Investor Relations Officer shall not comment on market rumours except when requested by regulatory authorities to verify such rumours.

8. NEED TO KNOW HANDLING OF UPSI:

Company shall handle UPSI only on a need to know basis. UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations. All insiders shall adhere to conditions of strict confidentiality and shall not share any UPSI except for the aforesaid purposes.

9. AUTHORITY TO MAKE ALTERATIONS/AMENDMENT

The Board of Directors are authorized to make such alterations to this Code as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, every amendment to this code shall be promptly intimated to stock exchanges where the securities are listed.

10. GENERAL

- Words or phrases not defined here will have their respective meanings as per the SEBI Act and these Regulations.
- The Chief Financial Officer shall act as Chief Investor Relations Officer for the purpose of this Code.
- This code shall be posted on the website of the Company.

