

Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information

Introduction & objective

Ajanta Pharma Limited (the “Company”) ensures equitable treatment of all shareholders, particularly minority shareholders and has devised a framework to prevent insider trading. The Company is committed to preserve the confidentiality of Unpublished Price Sensitive Information (UPSI) and ensure timely and transparent public disclosure of UPSI so as to ensure fairness in dealing in securities.

In compliance of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended (Regulations), this Code has been formulated laying down practices, procedures and principles to be followed by the Company and its concerned officials for disclosure of UPSI.

I. Code:

- a. This Code shall be called “**Ajanta’s Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information**” (hereinafter referred to as the “Fair Disclosure Code”).
- b. The Code came into force from 15th May 2015 and is partially amended w.e.f. 1st April 2019 in accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

II. Definitions

- a. “**Insider**” means insider as defined under the Company’s “Code of Conduct to regulate, monitor and report trading in Company’s securities by Insiders”.
- b. “**Legitimate Purpose**” shall mean and include sharing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.
- c. “**Regulations**” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations) Regulations, 2015 and any amendment thereto.
- d. “**Unpublished Price Sensitive Information**” (UPSI) means any information relating to a Company or its securities that is not generally available, which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following:

1. Financial results of the Company;
2. Dividends;

3. Change in capital structure;
4. Any major expansion plans or execution of new projects;
5. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
6. Changes in Key Managerial Personnel;
7. Any other event or information as considered appropriate by the management or as may be prescribed under applicable laws.

Other Words and expressions used and not defined in this Code but defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015; Securities and Exchange Board of India Act, 1992; Securities Contracts (Regulation) Act, 1956; Depositories Act, 1996 (22 of 1996) or Companies Act, 2013 and the Rules and Regulations made thereunder and Ajanta Pharma Limited's Code for Insider Trading, shall have the meanings respectively assigned to them in those legislations, rules, regulations and the code.

III. Chief Investor Relation officer (CIRO)

The Company appoints incumbent Compliance Officer as the Chief Investor Relation Officer who shall deal with and be responsible for disclosure of UPSI and ensuring compliance with the practices, procedures and principles laid down under this Code.

IV. Practices, Procedures and principles to be followed for disclosure of UPSI

- a. The Company will endeavor to make prompt public disclosure of UPSI that would impact price discovery of the securities, no sooner than credible and concrete information comes into being, in order to make such information generally available in public domain.
- b. The company shall endeavor to make uniform and universal dissemination of UPSI and avoid selective disclosure.
- c. The company shall promptly disseminate and make generally available UPSI that gets disclosed selectively, inadvertently or otherwise.
- d. The company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- e. The Company shall ensure that information shared with analysts and research personnel is not UPSI.
- f. All the UPSI shall be handled and shared strictly on "Need-to-know basis".
- g. Following guidelines shall be followed while dealing or disclosing/disseminating of information with analysts and institutional investors:-
 - (i) Only public information to be provided;
 - (ii) Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding;
 - (iii) Simultaneous release of any UPSI after every such meet.

- h. Whenever Company organize meetings or calls with analysts, it will post relevant information on its web site after every such meet. It will also develop best practices to make transcripts or records of proceedings of meetings or calls with analysts available on its website promptly.
- i. No information shall be passed by Designated Persons by way of making a recommendation for the purchase or sale of securities of the Company.

V. Policy for disclosures for legitimate purposes

a. Sharing of UPSI for Legitimate Purposes

The UPSI shall be shared by any person(s) authorized by the Managing Director of the Company in this behalf, only in furtherance of legitimate purpose(s) which are included hereunder and should not be carried out to evade or circumvent the provisions of the Regulations:

- (i) Sharing of UPSI in the ordinary course of business with existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors, consultants, attorneys, etc.
- (ii) Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the Company;
- (iii) Sharing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

However, other provisions/restrictions as prescribed under the Regulations or any other law for the time being in force in this behalf, as may be amended from time to time, shall be observed.

- b. The Insiders have to examine whether the UPSI was required to be shared to the recipient for Legitimate Purposes and the reasons for such disclosures shall be well recorded by the Insider and shall be communicated to the Compliance Officer promptly.
- c. Before sharing the UPSI to the recipient the Designated person shall :
 - (i) make aware such other person that the information shared is or would be confidential.
 - (ii) instruct such other person to maintain confidentiality of such UPSI in compliance with the Regulations.
 - (iii) make aware such other person the duties and responsibilities attached to the receipt of such information and the liability attached to misuse or unwarranted use of such information.
 - (iv) Enter into Non-Disclosure Agreements/Memorandum of Understanding.
- d. Any person in receipt of UPSI pursuant to a Legitimate Purpose shall be considered an Insider for purposes of this Code and due notice shall be given to such persons by the Compliance Officer.

e. Digital Database of recipient of UPSI

CIRO shall be responsible to maintain a structured digital database of such persons or entities as the case may be with whom information is shared under this Code, which shall contain the following information;

- a. Name of such recipient of UPSI;
- b. Name of the Organization or entity to whom the recipient represent;
- c. Postal Address and E-mail ID of such recipient;
- d. Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

The CIRO shall also be responsible to ensure that such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of such database.

VI. Amendment

The Board of Directors of the Company, in sync with applicable laws, rules & regulations, may amend/substitute any provision(s) with a new provision(s) or replace this entire Code with a new Code.

In any circumstance where the terms of the Code differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over the Code.

This Code has been amended, approved and adopted by the Board of Directors at their meeting held on 30th January 2019.
