

## **SUN PHARMA ADVANCED RESEARCH COMPANY LIMITED**

### **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

*(As envisaged under Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.)*

#### **1. Introduction & Scope:**

- a. Pursuant to Regulation 8 of the Securities and Exchange Board of India (“SEBI”) notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”) as amended by ‘SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018’ notified by SEBI on 31<sup>st</sup> December 2018, Sun Pharma Advanced Research Company Limited (SPARC) is required to formulate a code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Fair Disclosure Code”).
- b. SPARC endeavours to preserve the confidentiality of unpublished price sensitive information (UPSI) and to prevent its misuse. To achieve these objectives, and in compliance with the aforesaid Regulations, SPARC has adopted this Fair Disclosure Code.
- c. This Code ensures timely and adequate disclosure of UPSI which would impact the price of its securities and to maintain uniformity, transparency and fairness in dealing with all its stakeholders.

#### **2. Principles of Fair Disclosure:**

To adhere to the principles as mentioned in Schedule A to the Regulations, SPARC shall ensure the following:

- a. The Company shall endeavor to make prompt public disclosure of all unpublished price sensitive information(s) that may impact price discovery, as soon as credible and concrete information comes into being, in order to make such information generally available.
- b. The Company shall endeavor to make uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
- c. The Company shall designate a senior officer to act as the Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

- d. The Company shall endeavor to make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- e. The Company shall make appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- f. The Company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
- g. No communication shall be made by the Company to any analyst or investor of any Unpublished Price Sensitive Information or a part thereof at any such meetings with analysts or investor conferences. All information communicated at such meetings will be only such information that is available in public domain or otherwise disclosed on the website of the Company or in transcripts or recordings of quarterly results call disclosed on the website of the Company.
- h. The Company shall endeavor to put in place a system to ensure handling of all unpublished price sensitive information on a need-to-know basis.
- i. The Company prohibits all Directors, Employees and other Insiders from communicating, providing, or allowing access to any unpublished price sensitive information relating to the Company ('USPI') to any person including other insiders except where such communication is in furtherance of Legitimate Purposes (as determined under the Company's Policy on Determination of 'Legitimate Purpose'), performance of duties or discharge of legal obligations.
- j. The Company prohibits all Directors, Employees and other Insiders from procuring from or causes the communication of UPSI, except in furtherance of Legitimate Purposes (as determined under the Company's Policy on Determination of 'Legitimate Purpose'), performance of duties or discharge of legal obligations.

For the purpose of clauses i & j above, the Legitimacy of the requirement for any proposed disclosure by any Insider shall be determined as per the 'Policy on Legitimate Purpose' (*Annexure A*)

### 3. **Review:**

The Fair Disclosure Code is subject to review by the Board of Directors as and when deemed necessary.

## **POLICY ON DETERMINATION OF LEGITIMATE PURPOSE**

1. The Term 'Legitimate Purpose' shall include sharing of unpublished price sensitive information 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 this Code and the applicable SEBI Regulations."
2. Any person in receipt of unpublished price sensitive information pursuant to a "Legitimate Purpose" shall be considered an "Insider" for purposes of these Regulations and the Company's Code of Conduct for prevention of Insider Trading and such persons shall be liable to maintain confidentiality of such UPSI in compliance with the Regulations.
3. In the event of any doubt, the concerned Insider shall seek the approval of the Managing Director or the CEO or the CFO or the Company Secretary of the Company or such other analogous person of the Company ('Authorised Persons') along with the full & complete details of the background, purpose and effect on the Company in the event of non-disclosure, to enable the concerned Authorised Person to make an informed judgment on the matter.
4. On receipt of the application, the concerned Authorised Person may in his/her absolute individual discretion determine whether a proposed disclosure of UPSI by an Insider may be deemed to fall under the category of 'Legitimate Purpose' and shall inform the same to the concerned Insider from whom such Application was received.
5. Any such determination of legitimacy by one of the Authorized Person shall not be called into question by any other Authorised Person, and shall be deemed to be final.
6. Copy of all such letters/ emails confirming determination of legitimacy given by the Authorised person(s) shall be maintained by the concerned insider for at least a period of 8 financial years following the year in which such approval was obtained.