



Pharmaceuticals Limited

Registered & Corporate Office :

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Date: 12th February, 2025

To,
The Manager,
Corporate Filings Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

The Manager,
Listing Compliance Department,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.

Security Code: 532815

Symbol: SMSPHARMA

Dear Sir/Madam,

Subject: Submission of updated code for Regulation and Prohibition of Insider Trading

Ref: Intimation under Securities and Exchange Board of India ("SEBI") (Prohibition of Insider Trading) Regulations, 2015

With reference to the cited subject matter, we would like to inform you that the Board of Directors of the Company at their meeting held today i.e., 12th February, 2025, has approved the Code for "Regulation and Prohibition of Insider Trading".

A copy of the amended code is attached herewith and the same would be made available on the website of the Company.

Please take the above intimation on your records.

Thanking you
Yours faithfully

For SMS Pharmaceuticals Limited

**Thirumalesh Tumma
Company Secretary**



CODE FOR “REGULATION AND PROHIBITION OF INSIDER TRADING” (Internal Procedures and conduct for Regulation, Monitoring, Reporting of Trading by Insiders)

Originally adopted by the Board of Directors on 28th March, 2007
Amended by the Board of Directors on 30th May, 2015, 7th November, 2015, 11th February, 2016
30th May, 2017, 14th February, 2019, 13th August, 2022 and on 12th February, 2025

1. INTRODUCTION

SMS Pharmaceuticals Limited (“Company”) is a public Company whose equity shares are listed on National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”) and subject to the rules and regulations issued by the Securities and Exchange Board of India (“SEBI”).

The Board (as defined below) of the Company has adopted this code of conduct to regulate, monitor and report trading by all Insiders (as defined below) including the Designated Persons and Immediate Relatives of Designated Persons as defined in this Code (“Code”) to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) (“SEBI Regulations”).

This Code shall be applicable to all Insiders of the Company including Designated Persons and Immediate Relatives of Designated Persons as defined in this Code.

The SEBI Regulations prohibit an Insider from Trading (as defined below) in the Securities of a Company listed on any stock exchange when in possession of any UPSI (as defined below).

2. OUR COMMITMENT

Your Company SMS Pharmaceuticals Limited’s (“the Company”) is liable to adhere with the said regulations in pursuance of Listing Agreement entered with Stock Exchanges i.e. BSE & NSE. So as to ensure timely and adequate disclosure of the Unpublished Price Sensitive Information with respect corporate events, which is likely to affect price of the securities and prohibit any manipulative, fraudulent and unfair trade practices.

Every Director, Officer, Designated Person and connected person of the Company has a duty to safeguard the confidentiality of all such unpublished price sensitive information obtained in the course of his/her work at the Company. No Director, Officer, Designated Officer and connected persons may use his /her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. To achieve these objectives and in compliance with the Regulations, the Board of Directors of the Company has formulated the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” on their Board Meeting dated 30.05.2015. Subsequently as per SEBI amendments in Disclosure formats your Board had approved modification in old Code and renamed it as CODE FOR “REGULATION AND PROHIBITION OF INSIDER TRADING (Internal Procedures and conduct for Regulation, Monitoring, Reporting of Trading by Insiders)” (hereinafter referred to as “the Code”). This code amended from time to time and shall be effective from 12th February, 2025.

3. TERMS AND REFERENCES

- 3.1. **“Act”** means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- 3.2. **“Audit Committee”** shall mean committee of the Board of the Company constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (**“SEBI LODR”**)
- 3.3. **“Board”** shall mean the Board of Directors of the Company.
- 3.4. **“Company/the Company”** means SMS Pharmaceuticals Limited.
- 3.5. **“the Code”** means this Code for “Regulation and Prohibition of Insider Trading (Internal Procedures and conduct for Regulation, Monitoring, Reporting of Trading by Insiders)”.
- 3.6. **“Compliance Officer”** means any senior officer, designated so and reporting to the Board of Directors or head of the organization in case Board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the listed Company or the head of an organization, as the case may be.

“financially literate” shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows];

- 3.7. **“Connected Person”** means,-
- i. any person who is or has been, during the six months prior to the concerned act, associated with a Company, in any capacity, directly or indirectly, 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, whether temporary or permanent, with the Company, that allows such a person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
 - ii. **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, -**
 - (a) a **relative** of connected persons specified in clause (i); or
 - (b) a holding Company or **associate Company** or subsidiary Company; or
 - (c) an intermediary as specified in section 12 of the Act or an employee or Director thereof; or
 - (d) an investment Company, trustee Company, asset management Company or an employee or Director thereof; or
 - (e) an official of a stock exchange or of clearing house or corporation; or
 - (f) 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
 - (g) 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
 - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - (i) a banker of the Company; or
 - (j) a concern, firm, trust, Hindu Undivided Family, Company or Association of Persons wherein a Director of a Company or his relative or Banker of the Company, has more than ten percent of the holding or interest; or
 - (k) a firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (d) is also a partner; or

- (l) a person sharing household or residence with a connected person specified in sub-clause (i) of clause (d);

NOTE: *It is intended that a connected person is one who has a connection with the Company that is expected to put him in possession of unpublished price sensitive information. Relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may seemingly not occupy any position in a Company but are in regular touch with the Company and its officers and are involved in the know of the Company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any Company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.*

3.8. **"Contra trade"** means a Trade or transaction which involves buying or selling Securities of the Company and within six months trading or transacting in an opposite transaction involving sell or buy following the prior transaction.

3.9. **"Designated Person" shall include:**

- i. Promoters and member of Promoter Group of the Company;
- ii. All the Director and Key Managerial Personnel of the Company and its material subsidiaries if any.
- iii. Employees in the Finance and Accounts, Corporate Planning, Legal, Corporate Secretarial, IT Staff and any other departments of the Company and its material subsidiaries, if any, on the basis of their functional role or that have access to UPSI. The Managing Director, Executive Director, Chief Financial Officer and Company Secretary may suggest the name of such employees, either on permanent basis to be designated from time to time.
- iv. Chief Executive Officer ("CEO") and employees up to two levels below CEO of the Company and material subsidiaries if any.
- v. Employees of the material subsidiary, present or future, as may be decided by the Board of the respective material subsidiary if any, who could be reasonably expected to have access to UPSI.
- vi. Any other person designated by the Company on the basis of their functional role and such function would provide access to UPSI.

3.10. **"Employee"** means every employee of the Company including the Directors in the Employment of the Company.

3.11. **"Key Managerial Person"** means a person as defined in Section 2(51) of the Companies Act, 2013.

3.12. **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media;

NOTE: *It is intended to define what constitutes generally available information so that it is easier to crystallize and appreciate what constitutes unpublished price sensitive information. Information published on the website of a stock exchange, would ordinarily be considered generally available.*

3.13. **"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;

- 3.14. **"Insider"** means any person who is:
- i. a connected person; or
 - ii. in possession of or having access to unpublished price sensitive information;

***NOTE:** Since "generally available information" is defined, it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered as an "insider" regardless of the manner in which one came into possession of or had access to such information. Various circumstances are provided to enable such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who has traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or that he has not traded or he could not access or that his trading when in possession of such information was squarely covered by the exonerating circumstances."*

- 3.15. **"Leak of UPSI"** shall refer to such act / circumstance(s) by virtue of which an UPSI is made available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before its official publication or announcement or formal circulation in public domain and which shall also include any purported attempt thereof.

Explanation: It covers the instances where the UPSI has been shared by a person to any person, association, body, firm, agency, society, entity or to a group thereof except in compliance with applicable law.

- 3.16. **"Legitimate Purposes"** 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 these regulations.
- 3.17. **"Need to Know Basis"** means that Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
- 3.18. **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- 3.19. **"Promoter group"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- 3.20. **"relative"** shall mean the following:
- (i) spouse of the person;
 - (ii) parent of the person and parent of its spouse;
 - (iii) sibling of the person and sibling of its spouse;
 - (iv) child of the person and child of its spouse;
 - (v) spouse of the person listed at sub-clause (iii); and
 - (vi) spouse of the person listed at sub-clause (iv)

***NOTE:** It is intended that the relatives of a "connected person" too become connected persons for the purpose of these regulations. It is a rebuttable presumption that a connected person had UPSI.*

3.21. **"Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

3.22. **"Trading"** means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

***NOTE:** Under the parliamentary mandate, since the Section 12A (e) and Section 15G of the Act employs the term 'dealing in securities', it is intended to widely define the term "trading" to include dealing. Such a construction is intended to curb the activities based on unpublished price sensitive information which are strictly not buying, selling or subscribing, such as pledging etc when in possession of unpublished price sensitive information.*

3.23. **"Trading Day"** means a day on which the recognized stock exchanges are open for trading;

3.24. **"Trading Window"** means trading period for trading in the Company's Securities. All days shall be the trading periods except when trading window is closed.

3.25. **"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: –**

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel;

***NOTE:** It is intended that information relating to a Company or securities, that is not generally available would be unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information.*

4. GUIDING PRINCIPLES OF THE CODE

As decided by Board, the guiding principles for adhering this code are as under mentioned:

- 4.1. The Company will make 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.
- 4.2. The Company will make, uniform and universal dissemination of UPSI to avoid selective disclosure.
- 4.3. The Company Secretary/Compliance Officer of the Company will be the chief investor relations officer to deal with dissemination of information and disclosure of UPSI.
- 4.4. The Company will make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- 4.5. The Company will provide, appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- 4.6. The Company will ensure that, information if any shared with analysts and research personnel is not UPSI.

- 4.7. The Company will make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the website of the Company to ensure official confirmation and documentation of disclosures made.
- 4.8. The Company and every official of it will handle all UPSI on a need-to-know basis.

5. APPLICABILITY

This policy shall apply to all Insiders and any other persons as assigned by law from time to time.

6. COMPLIANCE OFFICER (CO)

The Company has appointed **Company Secretary as Compliance Officer (CO) who shall report to the Board of Directors** and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors/ Audit Committee, but not less than once in a financial year.

6.1. DUTIES OF COMPLIANCE OFFICER

- i. The CO of the Company has to ensure compliance with and for effective implementation of the Regulations, as well as this Code, across the Company;
- ii. The CO may in consultation with the Chairman/Managing Director/Board and shall as directed by the Board, specifies Trading Window Closure Period from time to time and immediately make an announcement thereof.
- iii. The CO shall maintain a record of Trading Window Closure Period specified from time to time.
- iv. The CO shall maintain records of all the declarations submitted in the appropriate form given by the Directors, Officers and Designated Persons for a minimum period of **eight years**. The declarations may be taken and preserved either in physical form or in electronic form.
- v. The CO shall report on insider trading to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors but not less than once in a year.
- vi. The CO shall assist all Employees in addressing any clarifications regarding the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the Company's Code of Conduct.

7. COMMUNICATION OR PROCUREMENT OF UPSI

- 7.1. **No insider shall communicate, provide, or allow access** to any UPSI, relating to a Company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 7.2. **No person shall procure from or cause the communication by any insider** of UPSI, relating to a Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 7.3. **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 due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations
- 7.4. **Notwithstanding anything contained in the Code**, an UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:–
 - i. **entail an obligation to make an open offer under the takeover regulations** where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company;

NOTE: It is intended to acknowledge the necessity of communicating, providing, allowing access to or procuring UPSI for substantial transactions such as takeovers, mergers and acquisitions involving trading in securities and change of control to assess a potential investment. In an open offer under the takeover regulations, not only would the same price be made available to all shareholders of the Company but also all information necessary to enable an informed divestment or retention decision by the public shareholders is required to be made available to all shareholders in the letter of offer under those regulations.

- ii. **not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company and the information that constitute UPSI is disseminated to be made generally available at least 2 (two) trading days prior to the proposed transaction being effected in “Form-E” as the Board of Directors may determine.**

NOTE: The Board of Directors, however, would cause public disclosures of such UPSI well before the proposed transaction to rule out any information asymmetry in the market.

- 7.5. For the purpose of the above clause, **the parties shall be required to execute agreements to contract confidentiality and non-disclosure obligations** on the part of such parties and such parties shall keep information so received confidential, except for the purpose of Clause 7.4(i) and shall not otherwise trade in securities of the Company when in possession of UPSI.

8. HANDLING OF UNPUBLISHED PRICE SENSITIVE INFORMATION

- i. Considering the importance of sensitive information, it is strictly prohibited for Designated Person to disclose, convey, or acquire any UPSI to / from any person, whether directly or indirectly, except on a need-to-know basis or for the Legitimate Purpose, for the performance of their duties, or for fulfillment of legal obligations with permission of Compliance Officer.
- ii. In case of sharing of UPSI for Legitimate Purpose, the Company shall maintain Structured Digital Database (“SDD”) containing the nature of UPSI and the names of such persons who have shared the information and the person who have received the information along with the Permanent Account Number or any other identifier as per the requirements under the PIT Regulations.
- iii. Upon providing the UPSI for Legitimate Purpose to any person, the system generated email shall be sent to the receiver of UPSI, advising him/ her to maintain confidentiality of such UPSI in compliance with the PIT Regulations and the Code.
- iv. The requirement of maintaining SDD ensures authorized dissemination of information and its recording. It is critical aspect as once UPSI is shared for Legitimate Purpose, the Company relinquishes control over its subsequent use by recipients. If the recipient utilizes this information for trading activities, they may be subject to legal action for violation of PIT Regulations.

9. TRADING WINDOW CLOSURE

I. Trading Window Closure

- 9.1. Trading Window Closure means the period when the Designated Persons and their Immediate Relatives are not allowed to trade in securities of the Company. The Company has the following Trading Window Closure periods:

9.2. Standard Trading Window Closure

For the declaration of financial results, the trading window shall be closed from the end of every calendar quarter. The trading window shall re-open 48 (forty-eight) hours after the declaration of the financial results.

9.3. Event Specific Trading Window Closure

Additionally, the trading window may be closed for other UPSIs, as identified by the Compliance Officer. The trading in securities can be closed for all or select Designated Persons and their Immediate Relatives, who are expected to be in possession of UPSI, for such period(s) as may be determined by the Compliance Officer.

9.4. The trading window shall be reopened, not earlier than 48 (forty-eight) hours after the relevant UPSI becomes generally available or becomes irrelevant.

9.5. The **restrictions** under trading window closure **will not be applicable** for: (i) exercise of stock options/ stock appreciation rights under Company's Share Based Employee Benefit Schemes; or (ii) in respect of any other transactions as specified in the SEBI Regulations from time to time, as exceptions to restrictions on trading when in possession of UPSI.

9.6. The restrictions under trading window closure apply to trades done by the Designated Persons directly, or indirectly through Immediate Relatives or portfolio manager / wealth manager or under any similar arrangement. It will be the responsibility of the Designated Persons to communicate the trading window closure period to their Immediate Relatives, portfolio manager, wealth manager, etc. to avoid non-compliance. In the event, a trade is undertaken by a portfolio manager on behalf of a Designated Person, the Designated Person will be held responsible for any non-compliance under the provisions of the Code and/or the SEBI Regulations.

9.7. Any leak or suspected leak of UPSI shall be dealt in accordance with the Policy on Inquiry in case of Leak / Suspected Leak of UPSI and the Whistle Blower Policy. These policies entail the process and enable employees to report leak of UPSI.

II. Structured Digital Database

9.8. In the event of UPSI, the Company shall maintain a structured digital database providing the nature of UPSI, the names of Designated Persons who are in receipt of UPSI, the names of such persons who have shared such information and names of such persons with whom such information is shared, along with permanent account number (PAN) or any other identifier where PAN is not available and such other details as are necessary to be maintained in the database.

9.9. The Compliance Officer will maintain and preserve the records in the structured digital database as per the SEBI Regulation.

10. TRADING PLANS FORMULATION & IMPLEMENTATION:

10.1. An **Insider shall be entitled to formulate a trading plan** and present it to the Compliance Officer **for approval and public disclosure** pursuant to which trades may be carried out on his behalf in accordance with such plan.

NOTE: This provision intends to give an option to persons who may be perpetually in possession of UPSI and enabling them to trade in securities in a compliant manner. This provision would enable the formulation of a trading plan by an insider to enable him to plan for trades to be executed in future. By doing so, the possession of UPSI when a trade under a trading plan is actually executed would not prohibit the execution of such trades that he had pre-decided even before the UPSI came into being.

10.2. SUCH TRADING PLAN SHALL:-

- i. **NOT ENTAIL COMMENCEMENT OF TRADING ON BEHALF OF THE INSIDER EARLIER THAN 120 CALENDAR DAYS FROM THE PUBLIC DISCLOSURE OF THE PLAN;**

✓ **NOTE:** *It is intended that to get the benefit of a trading plan, a cool-off period of one hundred and twenty calendar days is necessary. Companies declare their results quarterly and there exists a trading restriction, in terms of these Regulations, from quarter end to two days after declaration of quarterly result, which, it is seen, is generally a period of around one month for most companies. Thus, one hundred and twenty calendar days period is considered reasonably long for unpublished price sensitive information that is in possession of the insider when formulating the trading plan, to become generally available. It is also considered to be a reasonable period for a time lag in which new unpublished price sensitive information may come into being without adversely affecting the trading plan formulated earlier. In any case, it should be remembered that this is only a statutory cool-off period and would not grant immunity from action if the insider were to be in possession of the same unpublished price sensitive information both at the time of formulation of the plan and implementation of the same.*

- ii. **NOT ENTAIL OVERLAP OF ANY PERIOD FOR WHICH ANOTHER TRADING PLAN IS ALREADY IN EXISTENCE;**

NOTE: *It is intended that it would be undesirable to have multiple trading plans operating during the same time period. Since it would be possible for an insider to time the publication of the unpublished price sensitive information to make it generally available instead of timing the trades, it is important not to have the ability to initiate more than one plan covering the same time period.*

- iii. **SET OUT FOLLOWING PARAMETERS FOR EACH TRADE TO BE EXECUTED**

- ✓ EITHER THE VALUE OF TRADE TO BE EFFECTED OR THE NUMBER OF SECURITIES TO BE TRADED;
- ✓ NATURE OF THE TRADE;
- ✓ EITHER SPECIFIC DATE OR TIME PERIOD NOT EXCEEDING FIVE CONSECUTIVE TRADING DAYS;
- ✓ PRICE LIMIT, THAT IS AN UPPER PRICE LIMIT FOR A BUY TRADE AND A LOWER PRICE LIMIT FOR A SELL TRADE, SUBJECT TO THE RANGE AS SPECIFIED BELOW :

- a. **for a buy trade:** the upper price limit shall be between the closing price on the day before submission of the trading plan and upto twenty per cent higher than such closing price;
- b. **for a sell trade:** the lower price limit shall be between the closing price on the day before submission of the trading plan and upto twenty per cent lower than such closing price.

NOTE: *It is intended that while regulations should not be too prescriptive and rigid about what a trading plan should entail, they should stipulate certain basic parameters that a trading plan should conform to and within which, the plan may be formulated with full flexibility. The nature of the trades entailed in the trading plan i.e. acquisition or disposal should be set out. The trading plan may set out the value of securities or the number of securities to be invested or divested. Specific dates or specific time period may be set out in the plan. However, there should be an outer limit on the duration of the time period, so that while it allows the insider to split their trades across different dates, duration should not be so long that it is prone to misuse.*

Further, to protect the insider from unexpected price movements, he may, at the time of formulation of trading plan, provide price limits within the range specified in these Regulations.

- iv. **NOT ENTAIL TRADING IN SECURITIES FOR MARKET ABUSE.**

NOTE: *Trading on the basis of such a trading plan would not grant absolute immunity from bringing proceedings for market abuse. For instance, in the event of manipulative timing of the release of unpublished price sensitive information to ensure that trading under a trading plan becomes lucrative*

in circumvention of regulation 4 being detected, it would be open to initiate proceedings for alleged breach of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003.

- 10.3. The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of the Regulations or Code and shall be entitled to seek such express undertakings as may be necessary as specified in “Form-E” to enable such assessment and to approve and monitor the implementation of the plan.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms shall not be applicable for trades carried out in accordance with an approved trading plan.

- 10.4. **THE TRADING PLAN ONCE APPROVED SHALL BE IRREVOCABLE AND THE INSIDER SHALL MANDATORILY HAVE TO IMPLEMENT THE PLAN, WITHOUT BEING ENTITLED TO EITHER EXECUTE ANY TRADE IN THE SECURITIES OUTSIDE THE SCOPE OF THE TRADING PLAN OR TO DEVIATE FROM IT EXCEPT DUE TO PERMANENT INCAPACITY OR BANKRUPTCY OR OPERATION OF LAW.**

PROVIDED THAT, the implementation of the trading plan shall not be commenced if any UPSI in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation.

PROVIDED FURTHER THAT if the insider has set a price limit for a trade under 10.2 (iii), the insider shall execute the trade only if the execution price of the security is within such limit. If price of the security is outside the price limit set by the insider, the trade shall not be executed.

- 10.5. The Compliance Officer shall approve or reject the trading plan within two trading days of receipt of the trading plan and notify the approved plan to the Stock Exchanges on which the securities are listed, on the day of approval.

11. PRE-CLEARANCE OF TRADES

- 11.1. When the trading window is open and Relevant Person is not in a possession of any UPSI proposes to trade in SMS Securities amounting to Rs. 10,00,000 (Rupees Ten Lakh only) in value per calendar quarter, pre-clearance for the transaction from the Compliance Officer shall be obtained.

- 11.2. An application shall be made in “Form-E ” to the Compliance Officer indicating **either the value of trades to be effected or the number of securities to be traded along with the nature of the trade** that any Insider or Designated Persons or their immediate relatives intends to trade in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the Company in this behalf.

- 11.3. The Compliance Officer shall not approve any proposed Trade by Designated Person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.

- 11.4. All Insiders or Designated Persons and their immediate relatives **shall execute their order** in respect of securities of the Company **within 7 (seven) Trading days after** the approval of pre-clearance is given for specified period. **If the order is not executed within the aforementioned specified period, the concerned Persons must pre-clear the transaction again.**

- 11.5. **Intimation of the trade executed by them must be furnished to Company in “Form-F” within 2 days of transaction.**
- 11.6. Prior to approving any trades, the Compliance Officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. The declaration shall be executed in specified format to the Company as specified in “**Undertaking**”. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- 11.7. It shall be the responsibility of Insider and Designated Persons & their immediate relatives also to ensure compliance of Rules and this Code.
- 11.8. Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan and trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

12. ADDITIONAL RESTRICTIONS

- 12.1. All Designated Persons who buy or sell any number of shares of the Company **shall not execute a contra trade i.e., sell or buy any number of shares during the next 6 (six) months following the prior transaction.**
- 12.2. In the case of **subscription under ESOP Scheme(s) of the Company**, the above mentioned entities shall hold their investments **for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.** However, in case the sale of securities is necessitated by personal emergency, the holding period may be waived by Compliance Officer after recording in writing reasons in this regard. The application for this approval should be made to the Compliance Officer in **Form 'E' (as attached to this code).**
- 12.3. The aforesaid restrictions on entering into opposite transaction shall not apply to acquisition of securities in the primary market or pursuant to exercise of options vested under any ESOP Scheme(s) of the Company.
- 12.4. **Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.**
- 12.5. **The Compliance Officer may grant relaxation from strict application of such restriction (as applied under this code) for reasons to be recorded in writing provided that such relaxation does not violate the regulations. However, no such sale will be permitted when the Trading window is closed.**

13. REPORTING AND DISCLOSURE REQUIREMENTS

13.1. Initial Disclosures.

*Every person on appointment as a key managerial personnel or a Director of the Company or upon becoming a promoter or member of the promoter group shall disclose his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within **seven days** of such appointment or becoming a promoter.*

The above disclosures shall be made in Form B and in such manner as may be specified by the Board from time to time.

13.2. Continual Disclosures.

- i. *Every promoter, member of the promoter group, designated person and Director of every Company shall disclose to the Company, the number of such securities acquired or disposed off within **two trading days** of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over **any calendar quarter**, aggregates to a traded value in excess of **ten lakh rupees** or such other value as may be specified;*
- ii. *Every **Company** shall notify the particulars of such trading to the stock exchange on which the securities are listed within **two trading days** of receipt of the disclosure or from becoming aware of such information.*

The above disclosures shall be made in Form C and in such manner as may be specified by the Board from time to time.

13.3. Disclosures by other connected persons.

*The Compliance Officer may, require any other Connected Person to disclose the holdings and Trading in securities of the Company as per **Form D** at such frequency as he may determine.*

13.4. Updated Forms with regard to the Code shall be available on Investor Relation Section of SMS Pharmaceuticals Limited Website.

14. LEAK/SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Board has formulated written policy for initiating appropriate inquiries on becoming aware of leak/suspected leak of unpublished price sensitive information (**Annexure-1**).

15. MISCELLANEOUS

- 15.1. The Board of Directors shall be empowered to amend, modify, interpret these Rules and such Rules shall be effective from such date that the Board may notify in this behalf.
- 15.2. The Compliance Officer shall provide the Audit Committee of the Board, on a quarterly basis, all the details of Trading in securities by the Designated Persons including any violations of the Rules.

16. PENALTY FOR CONTRAVENTION OF THE CODE

- 16.1. All the Directors, Designated Persons, officers and connected persons of the Company are advised to carefully go through and familiarize themselves with and adhere to the Regulations and the Code.
- 16.2. All Designated Persons and Connected Persons who trades in securities or communicates any information for trading in securities in contravention of the code of conduct may be penalized and appropriate action may be taken by the Company.
- 16.3. All Designated Persons who violate this Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage, salary freeze, suspension, withholding of promotions etc.
- 16.4. The action by the Company shall not preclude SEBI from taking any action in case of violation of the Regulations.

17. LIMITATION, REVIEW AND AMENDMENT

In the event of any conflict between the provisions of this Code and of the SEBI Regulations or any other legal requirement (“Applicable Law”), the provisions of Applicable Law shall prevail over this Code. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Code.

The Board may review and amend this Code from time to time, as may be deemed necessary.

THIS POLICY SERVES AS AN INTERNAL CODE OF CONDUCT AND IS ONE OF THE MEASURES TO PREVENT INSIDER TRADING. EMPLOYEES AND DESIGNATED PERSONS ARE REQUESTED TO UNDERSTAND AND ADHERE TO THE SPIRIT AND INTENT OF THIS DOCUMENT. IT IS THE RESPONSIBILITY OF EACH EMPLOYEE AND DESIGNATED PERSON TO ENSURE FULL COMPLIANCE WITH SEBI GUIDELINES AND OTHER RELATED STATUTES, AS AMENDED FROM TIME TO TIME.

FORM B**SEBI (Prohibition of Insider Trading) Regulations, 2015**

[Regulation 7 (1) (b) read with Regulation 6 (2) – Disclosure on becoming a Director/ KMP/ Promoter/ Member of Promoter group]

Name of the Company: **SMS Pharmaceuticals limited**

ISIN of the Company: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or Member of Promoter group of a listed Company and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (Promoters/ Member of Promoter group/ KMP/ Directors/immediate relative to/others etc)	Date of appointment of Director /KMP OR Date of becoming Promoter/ Member of Promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or Member of Promoter group		% of Shareholding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No.	
1	2	3	4	5	6

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of Open Interest (OI) in derivatives on the securities of the Company held on appointment of KMP or Director or upon becoming a Promoter or member of the promoter group of a listed Company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Open Interest of the Future contracts held at the time of appointment of Director/KMP or becoming Promoter/ member of the promoter group			Open Interest of the Option contracts held at the time of appointment of Director/KMP or becoming Promoter/ member of the promoter group		
Contract Specifications	Number of units (contracts* lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts* lot size)	Notional value in Rupee terms
6	7	8	9	10	11

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options

Name & Signature:

Designation:

Date:

Place:

FORM C**SEBI (Prohibition of Insider Trading) Regulations, 2015***[Regulation 7 (2) read with Regulation 6(2) – Continual disclosure]*Name of the Company: **SMS Pharmaceuticals limited**

ISIN of the Company: _____

Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed Company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/Member of the Promoter Group/Designated Person/KMP/Directors/immediate relative to/others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimation to Company	Mode of acquisition/disposal (on market/public/rights/preferential offer/off market/Inter-se transfer, ESOPs etc.)	Exchange on which the trade was executed
		Type of security (For eg.– Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No. and % of share holding	Type of security (For eg.–Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No.	Value	Transaction Type (Purchase/Sale/Pledge/Revocation/Invocation others please specify)	Type of security (For eg.–Shares, Warrants, Convertible Debentures Rights entitlements etc.)	No. and % of share holding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note: (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

Details of trading in derivatives on the securities of the Company by Promoter, member of the promoter group, designated person or Director of a listed Company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of Contract	Contract Specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

Note: *n case of Options, notional value shall be calculated based on Premium plus strike price of options.*

Name & Signature:

Designation:

Date:

Place:

FORM D (Indicative format)
SEBI (Prohibition of Insider Trading) Regulations, 2015
Regulation 7(3) – Transactions by Other connected persons as identified by the Company

Name of the Company: **SMS Pharmaceuticals limited**

ISIN of the Company: _____

Details of trading in securities by other connected persons as identified by the Company

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the Company	Connection with Company	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimation to Company	Mode of acquisition/disposal (on market/public/rights/preferential offer/off market/Inter-se transfer, ESOPs etc.)	Exchange on which the trade was executed
		Type of security (For eg.– Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No. and % of share holding	Type of security (For eg.–Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No.	Value	Transaction Type (Purchase/Sale/Pledge/Revocation/Invocation others please specify)	Type of security (For eg.–Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No. and % of share holding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note: i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

Details of trading in derivatives by other connected persons as identified by the Company

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of Contract	Contract Specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:

FORM E (Application for Pre-clearance)
SEBI (Prohibition of Insider Trading) Regulations, 2015

To,
The Compliance Officer,
SMS Pharmaceuticals Limited,
Hyderabad

Dear Sir,

SUB: Application for Pre-clearance of proposed trade in securities of the Company

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders, I seek approval to acquire / purchase / sale / subscription/ Pledge of..... shares of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
3.	Number of securities held as on date	
4.	Folio No. / DP ID / Client ID No.)	
5.	The proposal is for	(a) Acquisition/Purchase of securities (b) Subscription to securities (c) Sale of securities (d) Pledge of Securities
6.	Proposed date of trading in securities	
7.	Estimated number of securities proposed to be acquired /subscribed/sold/Pledged released	
8.	Price at which the transaction is proposed	
9.	Current market price (as on date of application)	
10.	Whether the proposed transaction will be through stock exchange or off-market deal	
11.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

Name:
Date:

UNDERTAKING

To,
SMS PHARMACEUTICALS LIMITED,
Hyderabad

I,, Designated Person (employee) of the Company Resident of, am desirous of trading of shares of the Company as mentioned in my application dated for pre-clearance of the transaction.

I, further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders (the Code) relating to the Company up to the time of signing this Undertaking.

In the event that I have access to or received any information relating to the Company that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code as notified by the Company from time to time.

I undertake to submit the necessary report within two days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the deal within 7 days from the date of approval failing which I shall seek pre-clearance for future trade of such securities.

I declare that I have made full and true disclosure in the matter.

Place:
Date:

Name
(Designation)

FORM F (Disclosure of Pre Cleared Transactions)

SEBI (Prohibition of Insider Trading) Regulations, 2015

(To be submitted within 2 days of transaction / trading in securities of the Company)

To,
The Compliance Officer,
SMS Pharmaceuticals Limited,
Hyderabad

Dear Sir,

I hereby inform that I

- i) have not bought / sold/ subscribed any securities of the Company
- ii) have bought/sold/subscribed to securities as mentioned below on (date)

*(strike out whichever is not applicable)

Name of holder	No. and type of securities dealt with	Acquisition / Bought / sold / subscribed / Pledge release	DP ID/Client ID/Folio No.	Price (Rs.)

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 3 years and produce to the Compliance officer / SEBI any of the following documents:

1. Broker's contract note.
2. Proof of payment to/from brokers.
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction).

I agree to hold the above securities for a minimum period of 120 calendar days. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. (applicable in case of purchase / subscription).

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature: _____

Name:

Date:

Place:

POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)

[Under Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015 and further amendments thereto]

1. Introduction

The SEBI (Prohibition of Insider Trading) Regulations, 2015 and further amendments has mandated every listed Company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of SMS PHARMACEUTICALS LIMITED have laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information (‘the policy’), for adoption.

2. Objectives

- (i) To strengthen the internal control system to prevent leak of UPSI.
- (ii) To restrict and prohibit the practice of sharing of UPSI, with the un-authorized person, which originates from within the Company and which affects the market price of the Company as well as loss of reputation and investors’ / financiers’ confidence in the Company.
- (iii) To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee(s) & Designated Persons with any person, firm, Company or Body Corporate.
- (iv) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the Securities and Exchange Board of India (“SEBI”) if required.
- (v) To penalize any Insider, Employee & Designated Persons who appears to have found guilty of violating this policy.

3. Scope

The Company endeavors to preserve the confidentiality of un-published price sensitive information (UPSI) and to prevent misuse of such information. The Company shall strive to restrict and prohibit the practice of sharing of UPSI which originates from within the Company by any promoter, Director, key managerial person, Insider, employee, designated person, support staff or any other known or un-know person(s) with any un-authorized person which affects the market price of the Company as well as causes loss of reputation and investors’ / financiers’ confidence in the Company.

4. Definitions

(i) Chief Investor Relations Officer (“CIO”) shall mean the Compliance of the Company appointed by the Board of Director under Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(ii) Leak of UPSI (“Suspected Leak” shall be construed accordingly) means the communication of information which is, or is deemed to be UPSI, by any person, who is in possession of such UPSI, to any other person, directly or indirectly, overtly or covertly or in any manner whatsoever, except for legitimate purposes for performance of duties or discharge of legal obligations.

(iii) Support Staff shall include IT staff or secretarial staff who have access to unpublished price sensitive information.

(iv) Un-published Price Sensitive Information ("UPSI") shall mean 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: –

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel;

5. Mechanism for prevention of insider trading.

The Board of Director of the Company have put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading.

The internal controls shall include the following:

- a) all employees who have access to UPSI are identified as designated employee;
- b) all the UPSI shall be identified and its confidentiality shall be maintained as per the requirements of these regulations;
- c) adequate restrictions shall be placed on communication or procurement of UPSI as required by these regulations;
- d) lists of all employees and other persons with whom UPSI is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
- e) all other relevant requirements specified under these regulations shall be complied with;
- f) periodic process review to evaluate effectiveness of such internal controls.

The Audit Committee of Company review the compliances with the provisions of these regulations at least once in a financial year and will verify that the systems for internal control are adequate and are operating effectively.

The Company have a whistle-blower policy and make employees aware of such policy to enable employees to report instances of leak of UPSI.

6. PROCEDURE FOR INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UPSI

The chairman of the Audit Committee may: on becoming aware of any Leak or Suspected Leak of UPSI detected through the internal controls implemented by the Company: or on receipt of a written intimation of Leak or Suspected Leak of UPSI by a Suspect, an Insider, employee or Designated Person or on being made aware by the CIO or by a whistleblower in terms of the whistle blower policy of the Company or by an external source such as SEBI, the stock exchanges, the Registrar and Share Transfer Agent, Depository, Regional Director, Registrar of Companies or any other regulatory / statutory authority or any other department of Central or State Government, shall follow the below-mentioned procedure for inquiry and/ or investigation of the matter:

Preliminary Enquiry:

The object of a preliminary inquiry is (a) fact-finding, (b) to ascertain the veracity of the allegations, (c) to collect necessary material in support of the allegations, and (d) thereafter, to decide whether there is justification to initiate further investigation/ inquiry.

The chairman of the Audit Committee shall forthwith forward such intimation to the Chairman & Managing Director (“CMD”) and/ or Chief Financial Officer (“CFO”), to conduct a preliminary inquiry.

The said inquiry shall be completed within 5 working days from the date of receipt of such intimation, and report thereof shall be circulated to the Chairman of the Audit Committee.

Intimation of Leak or suspected Leak of UPSI

If, in the opinion of the chairman of the Audit Committee, the preliminary inquiry report warrants further investigation, the same shall be submitted to:

- the Board of Directors of the Company; and
- the Inquiry Committee for a detailed investigation.

The CIO shall simultaneously intimate the SEBI and/or the stock exchanges about such Leak or suspected Leak of UPSI.

7. Constitution of Enquiry Committee

The Board of Director of the Company and/or CIO is in the opinion that whenever there is any actual or suspected leak of UPSI, the Board of Directors or any person authorized by the Board in this behalf, shall constitute a committee to be called as “Enquiry Committee”. The Enquiry Committee shall consist of minimum 3 (three) Members which shall include any two Directors and Chief Investor Relation Officer and any other officer of the Company as may be mutually decided by the members of the Committee.

8. Investigation by Inquiry Committee

Upon receipt of the report of the preliminary inquiry and all other supporting documents, the Inquiry Committee is required to initiate a detailed investigation. The said investigation shall be completed within 15 working days from the date of receipt of report of the preliminary inquiry. The period can be extended by the members of the committee based on the extent and nature of the leak of the UPSI which may require elaborate information and examination of facts and data.

The Inquiry Committee’s investigation report, including its recommendation of any disciplinary or other actions as may be necessary, shall be submitted to the Audit Committee and a summary report shall be submitted to the Company’s Board and also to the SEBI.

9. Duties of Chief Investor Relations Officer

Oversee the compliance with the Policy.

- To co-ordinate with and disclose the relevant facts of the incident of actual or suspected Leak of UPSI to the Inquiry Committee.
- Report any incidents of Leak of UPSI to the SEBI, and/ or the stock exchanges.

10. Documentation and Reporting

The Inquiry Committee shall prepare a detailed written report of investigation of each instance of Leak or Suspected Leak of UPSI. The report shall include:

- Facts of the matter;
- Findings of the investigation;
- Disciplinary/other action(s) to be taken against any person; and
- Any corrective actions required to be taken.

The details of the inquiries made in these cases and results of such inquiries shall be informed to the Audit Committee and the Board of Directors of the Company. Further, the Company shall inform the SEBI promptly of such leaks, inquiries and results of such inquiries.

11. Report of actual or Suspected Leak of UPSI to SEBI

The Compliance Officer shall ensure that on becoming aware of an actual or Suspected Leak of UPSI of the Company, the report on such actual or Suspected Leak of UPSI, preliminary enquiry thereon and results thereof shall be promptly made to the SEBI in the format as set out in “**Annexure 1 A**” to this Policy.

12. Disciplinary Action:

The Disciplinary action(s) shall include, wage freeze, suspension, recovery, termination of employment contract/agreement etc., as may be decided by the Members of the Committee/Board. Any disciplinary action by the Company does not preclude the SEBI or any other regulatory authority if any.

13. Amendment:

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision and also replace this Policy entirely with a new Policy;

FORMAT FOR REPORTING ACTUAL OR SUSPECTED LEAK OF UPSI TO THE SEBI

To,
Securities and Exchange Board of India (SEBI)
Address:
xxxxxxxx

Dear Sir / Madam,

Sub: Report of actual or suspected leak of UPSI pursuant to regulation 9A (5) of (Prohibition of Insider Trading) (Amendment) Regulations, 2018

Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows:

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows:

Name of Offender, if known	
Name of Organization	
Designation (Employee, Insider, Designated Person or any other)	
Whether any action initiated by the Company. If yes, narration of the same	
Decision of the Inquiry Committee	
Any other relevant information	

Request you to kindly take the aforementioned on your records.

Thanking you,
Yours faithfully

For SMS Pharmaceuticals Limited

Compliance Officer/Authorized Signatory