

SMS LIFESCIENCES INDIA LIMITED

[Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information]

INTRODUCTION

SMS Lifesciences India Limited ("**Company**") is engaged in the business of manufacturing API / Bulk Drugs and its Intermediates, wherein the fair disclosure of the information is paramount for the Company and as part of Company's commitment to transparency and good governance, this Code of practices and procedures for fair disclosure of unpublished price sensitive information has been framed under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 with an objective to preserve the confidentiality of unpublished price sensitive information and to ensure fairness in dealing with all stakeholders (the "**Code**").

This code shall be available at the website of the Company at <https://www.smslife.in/policies.php>

MEANING OF UNPUBLISHED PRICE-SENSITIVE INFORMATION

SEBI has defined the term "Unpublished Price Sensitive Information" means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which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:

- ✚ financial results;
- ✚ dividends;
- ✚ change in capital structure;
- ✚ amalgamation, mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions; and
- ✚ changes in key managerial personnel;

Note:

The provision of this disclosure code shall to the extent relevant, be applicable to communications made through any medium, including social media platforms.

Words and expressions used and not defined in this code but defined in the Code of Conduct for Prevention of Insider Trading and/or SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time shall have the same meaning.

PRACTICES AND PROCEDURES

The following principles of fair disclosure for the purposes of "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" shall be strictly followed by the Company with immediate effect:-

- ✚ The Company shall promptly disclose to the public "Unpublished Price Sensitive Information" (UPSI) that would impact price discovery, no sooner than such credible & concrete information comes into being in order to make such information generally available.
- ✚ The Company shall ensure that information shared with analysts and research personnel is not UPSI.
- ✚ The Company shall uniformly & universally disseminate UPSI to avoid selective disclosure.
- ✚ The Company shall render an appropriate and fair response to queries on news reports or verification of market rumors by regulatory authorities, if any.
- ✚ The Company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on its official website, in order to ensure official confirmation and documentation of disclosures made.
- ✚ Improvements in investor access to public announcements in addition to the release of information to Stock Exchanges.
- ✚ The Company has designated the Compliance Officer to oversee corporate disclosure.
- ✚ The Compliance Officer will ensure that the Company complies with continuous disclosure requirements. S/He would co-ordinate disclosure of price-sensitive information to Stock Exchanges, Analysts, Shareholders and media which will be approved by him in advance.
- ✚ The Compliance Officer, after discussing with the respective department head / designated person, shall be responsible for deciding whether a public announcement is necessary for verifying or denying any news for effectively responding to market gossips.
- ✚ The Company shall ensure prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- ✚ The Company shall handle all UPSI on a need-to-know basis.

LEGITIMATE PURPOSE

The UPSI can be shared as an exception for Legitimate Purposes (as per its **"Policy for determination of Legitimate Purposes" (Annexure I)**), provided it is not shared to evade or circumvent the prohibition under the SEBI (Prohibition of Insider Trading) Regulations, 2015. Information can be shared only for the performance of duties, or discharge of legal obligations.

CODE OF CONDUCT

In addition to this code, the Company shall adhere to the prescribed standards under Code of Conduct for prevention of Insider Trading under Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Board of Directors shall require the parties to execute agreements to ensure confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, and shall not otherwise trade in securities of the Company when in possession of UPSI.

STRUCTURED DIGITAL DATABASE

The Board of Directors shall ensure that a Structured Digital Database (SDD) is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared under Regulation 3 along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. SDD shall be maintained internally with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

RESPONDING TO MARKET RUMOURS

Any query or request for verification of market rumors received from stock exchanges, the Compliance Officer shall upon consultation with the relevant designated person, respond to the same. Only if deemed necessary, the Compliance Officer shall make a public announcement for verifying or denying the rumors and thereafter make appropriate disclosure.

All queries for verifications of market rumors shall be documented as far as practical. In this regard, the Compliance Officer shall request for all queries and requests be made in writing.

PENALTY FOR CONTRAVENTION OF THE CODE

- ✚ Any employee, officer, director, or any other person associated with the Company who comes to know of a violation of this Code should immediately report the violation to the Compliance Officer.
- ✚ The Company may take legal and/ or disciplinary action against any employee or officer or director of the Company who holds or shares UPSI in contravention to this Code. The Company may levy at its discretion, a penalty of up to ₹25,000 (which excludes fines that may be imposed by SEBI for violation of any laws/ regulations thereof), for each violation of the Code.
- ✚ The actions by the Company shall not preclude the SEBI from taking any action in case of any such violation against such employee, officer or Director. the provisions of this Code shall apply to former employees or directors or officers until 6 (six) months post the termination of employment.

AMENDMENT

The Board of Directors of the Company, subject to 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 this Code differs from any law, rule, regulation, etc. for the time being in force, the law, rule, regulation, etc. shall take precedence over this Code.

This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment(s) or re-enactment thereto.

This Code was originally adopted on 25th May, 2017 and
Subsequently, reviewed and modified in the Board meeting held on 29th May, 2023.

SMS LIFESCIENCES INDIA LIMITED

[Policy for Determination of Legitimate Purposes]

INTRODUCTION

This Policy, as a part of "Code of Fair Disclosure" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy".

This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and shall form part of the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

OBJECTIVE

The objective of this Policy is to identify Legitimate Purposes' which will be considered as exceptions for the purpose of sharing / procuring unpublished price-sensitive information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any.

LEGITIMATE PURPOSES

"Legitimate Purposes" shall mean sharing of UPSI in the ordinary course of business by an Insider with the following, provided that such sharing has not been canned out to evade or circumvent to the SEBI (Prohibition of Insider Trading) Regulations 2015:

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| ✚ Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable) | ✚ Staff Members of the Audit firm / team conducting the Audit |
| ✚ Collaborators | ✚ Lenders |
| ✚ Customers | ✚ Suppliers |
| ✚ Bankers | ✚ Legal Advisors |
| ✚ Insolvency Professionals | ✚ Consultants |
| ✚ Any other advisors/ consultants/ partners. | |

Note:

It is hereby clarified that any person in receipt of UPSI pursuant to a "legitimate purpose" shall also be considered as an "insider" and thus such persons shall maintain the confidentiality of such UPSI in compliance with this Policy, Code for fair disclosure of UPSI, Code of Conduct for prevention of insider trading and SEBI (Prohibition of Insider Trading) Regulations 2015.

AMENDMENT

The Board of Directors of the Company, subject to applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy. In any circumstance where the terms of this Policy differs from any law, rule, regulation, etc. for the time being in force, the law, rule, regulation, etc. shall take precedence over this Policy.

This Policy was originally adopted on 14th February, 2021 and
Subsequently, reviewed and modified in the Board meeting held on 29th May, 2023.

