

# Orchid Pharma limited

## Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

### 1. Preface

The Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information (“the Code”) has been formulated pursuant to Regulation 8(1) of the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015.

The Resolution Professional of Orchid Pharma Limited (“the Company”) has approved the amendment of the Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (the Company is under Corporate Insolvency Resolution Process (“CIRP”) with effect from August 17, 2017 and the powers of the Board of Directors stands suspended)

### 2. Objective

This Code intends to formulate a standard framework for fair disclosure of Unpublished Price Sensitive Information (UPSI), preserve the confidentiality of UPSI and to prevent trading based on UPSI.

### 3. Terms and Definitions

Words and expressions used but not defined in this Code shall have the same meaning assigned to them in the SEBI (Prohibition of Insider Trading) Regulations, 2015 or the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the rules and regulations made thereunder, as the case may be including amendments(s)/ modification(s) thereto.

### 4. Code of fair disclosure of the Company

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following Principles of Fair Disclosure for the purposes of “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” shall be strictly followed by the Company with immediate effect:-

1. The Company shall ensure prompt public disclosure of Unpublished Price Sensitive Information (“UPSI”) that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. The Company shall follow uniform and universal dissemination of UPSI to avoid selective disclosure.

3. The Resolution Professional designated the Company Secretary to deal with dissemination and disclosure of UPSI.
4. In case of any UPSI getting disclosed selectively, inadvertently or otherwise, Company Secretary shall ensure prompt dissemination of UPSI as generally available, to the Stock Exchanges and also the website of the Company.
5. The Company shall ensure appropriate and fair response to queries on new reports and requests for verification of market rumours by regulatory authorities.
6. The Company shall ensure that information shared with analysts and Research Personnel is not UPSI.
7. The Company shall develop best practices to make transcripts or record of proceedings of meetings with analyst and conference call with investors/analysts are promptly published on the official website of the Company to ensure official confirmation and documentation of disclosures made.
8. The Company shall handle all UPSI on a need to know basis.

#### **5. Policy for determination of legitimate purposes for sharing of unpublished price sensitive information**

The Unpublished Price Sensitive Information can be shared as an exception by an Insider for Legitimate purposes as per its "Policy for determination of Legitimate Purposes for sharing of unpublished price sensitive information" (**Annexure I**), provided it is not shared to evade or circumvent the prohibition under this Regulation.

#### **6. Amendment**

Any Amendment of the Code, upon approval of the Board of Directors/Resolution Professional of the Company shall be intimated to the Stock Exchanges and shall also be updated in the Company's website.

## Annexure-I

### Policy for determination of legitimate purposes for sharing of Unpublished Price Sensitive Information

#### 1. Introduction

This Policy is formulated as per requirement of Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading (Amendment) Regulations, 2018 which mandates the Board of Directors of a listed entity to formulate policy for determination of "legitimate purposes" as a part of "Codes of Fair Disclosure and Conduct" formulated under regulation 8.

#### 2. Preface

This Policy, as a part of "Codes of Fair Disclosure and Conduct" 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".

#### 3. Objective

The policy has been formulated for determination of legitimate purposes for the purpose of sharing of Unpublished Price Sensitive Information.

The objective of this policy is to identify 'Legitimate Purposes' for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring Unpublished Price Sensitive Information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any.

#### 4. Definitions

**"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 these regulations.

Any person in receipt of Unpublished Price Sensitive Information pursuant to a "legitimate purpose" shall be considered as an "insider" for purpose of these regulations and due notice shall be given to such persons (Insiders) to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with these regulations.

**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, delistings, disposals and expansion of business and such other transactions;

(v) changes in Key Managerial Personnel;

Unpublished Price Sensitive Information shall be handled within the Company on a need-to-know basis, and the same should be disclosed only to those who need such information to discharge their duties or legal obligations by virtue of their respective role and function, whose possession of such information will not give rise to a conflict of interest or appearance of misuse of such information.

#### **5. Structured digital database**

The Board of Directors/Resolution Professional shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared for legitimate purpose along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

#### **6. Restrictions on communication and trading by Insiders**

The Board of Directors/Resolution Professional shall require the parties 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, and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.

#### **7. Amendment**

The Board of Directors/Resolution Professional of the Company are authorised to review and amend the policy in line with applicable laws, rules & regulations.

#### **8. Enforcement**

The Policy will come into force effective April 01, 2019.

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