

**BIOCON LIMITED**  
**CODE OF CONDUCT**  
**FOR**  
**PREVENTION OF INSIDER TRADING**  
  
**AND**  
  
**CODE OF PRACTICES AND PROCEDURES FOR FAIR**  
**DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

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## 1. PREAMBLE

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Securities and Exchange Board of India (hereinafter referred to as “SEBI” has promulgated the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the “**Regulations**”), amended from time to time.

The objective of the Regulations is to prevent Insider Trading by prohibiting trading, communicating, counseling or procuring Unpublished Price Sensitive Information. Insider Trading is an unethical practice resorted to by those in power and privy to certain Unpublished Price Sensitive Information relating to a Company to profit at the expense of the general investors who do not have access to such information.

Biocon Limited (hereinafter referred to as the “**Company**”) has framed "The Code of Conduct for Prevention of Insider Trading" which is binding on all the insiders during the course of performance of their duties. This Code is in line with the policy of the Company to implement and practice the principles of Corporate Governance based on fairness, transparency, integrity, honesty and accountability, consistently being followed by the Company in all its business practices and dealings. The Company recognises that strict observance of the Code is a basic pre-requisite for ensuring full confidentiality of all "Unpublished Price Sensitive Information" and to build general investor confidence and stakeholder credibility. Unless otherwise stated, this policy applies to the employees/ designated persons of all the subsidiaries, joint ventures and associates (whether in or outside of India) of the Company (collectively or individually hereinafter referred to as the “Group”).

Further, the Company has adopted the "Code for Corporate Disclosure Practices for Prevention of Insider Trading" to ensure timely and adequate disclosure of Price Sensitive Information with special reference to analysts, institutional investors, etc.

"The Code of Conduct for Prevention of Insider Trading" and the “Code for Corporate Disclosure Practices” are hereinafter referred to as the “**Code of Conduct**”.

The Code of Conduct shall come in to force with effective date as approved.

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## **2. DEFINITIONS**

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The following terms and phrases as used anywhere in this Code of Conduct shall be interpreted to convey the meaning ascribed to them hereunder:

**1. Act:**

“Act” means the Securities and Exchange Board of India Act, 1992 (15 of 1992).

**2. Applicability:**

The Code is applicable to the Designated Persons/Insiders of the group as defined in the code from time to time.

**3. Audit Committee**

Audit Committee means Audit Committee of the Board constituted under the Companies Act, 2013.

**4. Board of Directors:**

“Board” or “Board of Directors” means the Board of Directors of the Company including any committee of the Board.

**5. Company:**

“Company” means Biocon Limited.

**6. Compliance Officer**

“Compliance Officer” means the Company Secretary of Biocon Limited or in his/her absence, Chief Financial Officer or any other person designated by the Board. The Compliance Officer shall report to the Board and 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 Company.

**7. Connected Person**

“Connected Person” includes any person who is or has been, during the 6 (six) months prior to the concerned act, associated with the 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.

The persons enumerated below shall be **deemed to be Connected Persons**, if such person has access to UPSI or is reasonably expected to have access to UPSI:

- a. Relative of Connected Persons;
- b. A holding company or associate company or subsidiary company;
- c. An intermediary as specified in section 12 of the SEBI Act or an employee or director thereof;
- d. An investment company, trustee company, asset management company or an employee or director thereof;
- e. An official of a stock exchange or of clearing house or corporation;
- 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;
- 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;
- h. An official or an employee of a self-regulatory organization recognised or authorized by the SEBI;
- i. A banker of the Company;
- j. A concern, firm, trust, Hindu Undivided Family, Company or association of persons wherein a director of the Company or his relative or banker of the Company, has more than 10% percent of the holding or interest;
- k. A firm or its partner or its employee in which a connected person is also a partner;
- l. A person sharing household or residence with a connected person.

## **8. Contra Trade**

“Contra Trade” means a trade or transaction which involves buying or selling any number of Securities of the Company and within 6 (six) months of trading or transacting in an opposite transaction involving such sell or buy following the prior transaction.”

## **9. Designated Person**

Any person classified as a “**Designated Person**” defined as below:

- a. Promoters of Biocon Limited and Syngene International Limited;

- b. All Directors/ Key Managerial Personnel(s) (“KMP”)/ Observers of Biocon Limited, Biocon Biologics Limited and Syngene International Limited;
- c. Chief of Staff of Biocon Biologics Limited;
- d. All employees of the Group except Syngene International Limited who are in the cadre of two level below Chief Executive Officer (“CEO”) i.e. Vice-President and above / employees in Band A and B;
- e. All employees in the Finance and Accounts / Corporate Secretarial/ Corporate Communications/ Investor Relations departments across the Group except Syngene International Limited;
- f. Support staff of the Company and Biocon Biologics Limited in the office of Chairperson, Vice-Chairperson, Executive Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Commercial Officer, Company Secretary and other key management team of the Company as defined from time to time;
- g. Any other Person designated by either Board members/ Chief Executive Officer /Chief Financial Officer/ Compliance Officer on the basis of their functional role in the organisation and such role and function would provide access to UPSI in addition to seniority and professional designation;
- h. Immediate relative(s) of a person as described in ‘a’ to ‘g’ above.

#### **10. Director**

“Director” means a director appointed to the Board of a Company.

#### **11. Group**

Group means Biocon Limited, its subsidiaries and associates Companies.

#### **12. Immediate Relative**

“Immediate Relative” in relation to a Person means spouse, dependent or not, and includes parent, sibling and child of that person or his/her spouse, if they are either dependent financially on such person or consult such person in taking decisions relating to trading in securities.

#### **13. Insider**

An insider means any person who is:

- (i) a Connected Person or
- (ii) in possession of or having access to Unpublished Price Sensitive Information

#### **14. Key Managerial Personnel**

“Key Managerial Personnel” in relation to a company, means-

- i. Chief Executive Officer or Managing Director or Manager;
- ii. Whole Time Director;
- iii. Chief Financial Officer;
- iv. Company Secretary; and
- v. such other Officer as may be prescribed under the Companies Act 2013.

#### **15. Legitimate Purpose**

"Legitimate Purpose" shall include sharing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, investors, 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 of conduct.

#### **16. Material Subsidiary**

The term “Material Subsidiary” shall have the same meaning as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

#### **17. Officer**

“Officer” includes any Director, Manager or Key Managerial Personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act;

#### **18. Promoter**

"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;

#### **19. Promoter Group**

"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;

#### **20. Relative**

“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).

## **21. Support Staff**

“Support staff” means those staff who operate from the offices as defined in para 9 (f), and who by virtue of their location, may have access to UPSI. This may include identified secretarial staff or IT staff.

## **22. Securities**

“Securities” shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund, which is as follows:

“Securities” include—

- (i) shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body Corporate;
  - a) Derivatives;
  - b) Security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
  - c) Units or any other such instrument issued to the investors under any mutual fund scheme;
- (ii) Government securities;  
Such other instruments as may be declared by the Central Government to be securities;
- (iii) Rights or Interest in securities;

## **23. Trading**

“Trading” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly.

## **24. Unpublished Price Sensitive Information**

Unpublished Price Sensitive Information (“UPSI”) means any information, which relates directly or indirectly, to the Company or its securities, that is not generally available which upon becoming generally available, is likely to materially affect the price of securities of the Company.

“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.

UPSI includes, without limitation, information relating to the following:

- i. Consolidated or standalone quarterly/ half yearly/ annual audited or unaudited financial results, financial condition, projections or forecasts of the Group;
- ii. Dividends (both interim and final);
- iii. Change in capital structure not limited to following:
  - a) Issue of any class of securities;
  - b) Acquisition, merger, de-merger, amalgamation, restructuring, scheme of arrangement, spin-off or setting divisions of the Company, etc.;
  - c) Change in market lot of the Company's shares, sub-division of equity shares of the Company;
  - d) Voluntary delisting by the Company from the stock exchange(s);
  - e) Forfeiture of shares;
  - f) Any action which will result in alteration in the terms regarding redemption/cancellation/retirement in whole or in part of any securities issued by the Company;
  - g) Information regarding opening, closing of status of ADR, GDR or any other class of securities to be issued abroad;
  - h) Cancellation of dividend/rights/bonus, etc.
- iv. Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- v. Changes in the Key Managerial Personnel;
- vi. Any other material information/transaction identified either by the Board or by Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer or Compliance Officer of the Company.

*Words and expressions used and not defined in the Code of Conduct but defined in the Securities and Exchange Board of India Act, 1992, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislations.*

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### **3. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

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#### **1. Duties of the Compliance Officer:**

The Compliance Officer shall be responsible for:

- i. Setting forth policies in relation to the implementation of the Code of Conduct and the Regulations in consultation with the Board/Audit Committee;
- ii. Prescribing procedures for various activities referred to in the Code of Conduct and the Regulations;
- iii. Compliance with the policies and procedures referred hereinabove;
- iv. Monitoring adherence to the regulations for the preservation of UPSI;
- v. Grant of pre-clearance approvals to the Designated Persons for trading in the Company's Securities by them/ their Immediate Relatives and monitoring of such trading;
- vi. Implementation of Code of Conduct under the general supervision of the Audit Committee and the overall supervision of the Board of the Company;
- vii. The Compliance Officer shall assist all the Designated Persons in addressing any clarifications regarding the Regulations and this Code of Conduct;
- viii. Educate individuals and make them aware of the duties and responsibilities attached to the receipt of UPSI, and the liability in case of misuse or unwarranted use of such information or communication;
- ix. The Compliance Officer shall close the trading window for such periods as he/she may deem fit in compliance with the provisions of this code;
- x. Maintenance of records as required under this Code of Conduct;
- xi. Report all details of trading in securities by the Designated Persons including any violations of the Code of Conduct to the Audit Committee and the Board on quarterly basis.

#### **2. Prohibition on communicating or procuring UPSI:**

- i. An Insider shall not communicate, provide, or allow access to any UPSI, relating to the Company or its securities, to any person including other Insiders.
- ii. No person shall procure from or cause the communication by an Insider of UPSI, relating to the Company or its securities.

Provided that nothing contained above shall be applicable when an UPSI is communicated, provided, allowed access to or procured:

- i. for furtherance of legitimate purposes, performance of duties or discharge of legal obligations pursuant to appropriate confidentiality and non-disclosure agreements being executed, as applicable; or
- ii. in the event the Board of Directors direct or cause the public disclosure of UPSI in the best interest of the Company pursuant to appropriate confidentiality and non-disclosure agreements being executed, as applicable; or
- iii. within a group of persons if such persons have been identified and secluded within a “Chinese wall” or information barrier by the Compliance Officer from the rest of the Company for a particular purpose and/or for a specified period of time in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, and are subjected to, among other conditions, additional confidentiality obligations, information barriers designed to prevent exchanges of UPSI outside the “Chinese wall”.

The Board of Directors have formulated the policy for determination of legitimate purposes in Para 4.1 of this Code of Conduct.

Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered as an “Insider” for the purpose and provision of this Code of Conduct shall be applicable to such Insider. The Compliance officer shall give due notice to an Insider to maintain confidentiality of UPSI obtained.

The board of directors of the Company, shall ensure that a structured digital database is maintained containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

The board of directors of the Company shall ensure that the structured digital database is preserved for a period of not less than 8 (eight) years after completion of the relevant transactions and in the event of receipt of any information from the SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

### **3. Prohibition on Insider Trading:**

An Insider shall not, directly or indirectly, –

- i. Trade in securities that are listed or proposed to be listed when in possession of UPSI;

- ii. Trade in securities of the Company except when the Trading Window is open and the Insider is not in possession of UPSI.

Provided that the restriction in 3 (i) above shall not apply to:

- i. a transaction that is an off-market *inter-se* transfer between Insiders who were in possession of the same UPSI without being in breach of this Code of Conduct and both parties had made a conscious and informed trade decision;
- ii. a transaction carried out through the block deal window mechanism between persons who were in possession of the UPSI without being in breach of regulation 3 of SEBI (Prohibition of Insider Trading) Regulations, 2018 and both parties had made a conscious and informed trade decision;
- iii. a transaction is carried out in pursuant to a statutory or regulatory obligation to carry out a bona fide transaction;
- iv. the transaction undertaken is pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations; and
- v. Trades pursuant to a Trading Plan set up in accordance with this Code of Conduct.

The UPSI obtained for transactions undertaken in (1) and (2) above shall not be obtained under Regulation 3(3) of SEBI PIT regulations and such transactions shall be reportable by the Insiders to the Company within 2 (two) working days.

Trade by any person in Company's securities in possession of UPSI, would be presumed to have been motivated by the knowledge and awareness of such information.

#### **4. Procedure to bring any other person in sensitive transactions**

The Company shall follow the below procedure to include any other person as an Insider while dealing in sensitive transactions or sharing of UPSI:

- i. The Managing Director, Joint Managing Director, Whole-time Director, Chief Executive Officer or KMPs of the Company, may involve any other person, based on the requirement, in sensitive transaction pursuant to a legitimate purpose;
- ii. Such person(s) shall be considered as an Insider and give an undertaking to the Company for maintaining confidentiality and non-disclosure of UPSI obtained;
- iii. The Compliance Officer shall make Insider aware of their duties and responsibilities attached to the receipt of UPSI and the liability in case of misuse or unwarranted use of UPSI;
- iv. The provision of this Code of Conduct shall be applicable to such other person during their involvement in sensitive transaction.

## 5. Trading Window:

- i. The Compliance Officer shall notify a 'trading window' during which the Designated Persons may trade in the Company's securities after securing pre-clearance from the Compliance Officer in accordance with this Code of Conduct;
- ii. Designated Persons and their immediate relatives shall not trade in the Company's securities when the trading window is closed. However, eligible employees of the company may exercise employee stock options when the trading window is closed;
- iii. The trading window shall be closed for all Designated Persons from the 1st day immediately following the relevant calendar quarter till the conclusion of 48 hours after disclosure of such quarterly/ annual financial results of the company to stock exchanges;
- iv. Additionally, the trading window shall be closed in particular for a Designated Person or class of Designated Persons when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer;
- v. The trading window may be re-opened after closure, not earlier than 48 hours after the UPSI in question becomes generally available.
- vi. The trading window restrictions will not be applicable (i) for exercise of stock options 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.

## 6. Pre-clearance of trading:

- i. **Designated Persons** may trade in securities of the Company when the trading window is open, after obtaining pre-approval of trades by submitting an application as per **Annexure 1** and an undertaking as per **Annexure 2**;
- ii. Designated Persons shall not trade in Securities of the Company and shall not apply for pre-clearance if such Designated Person is in possession of UPSI even if the trading window is open;
- iii. The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve trading by a Designated Person, on the condition that the trade so approved shall be executed within seven trading days following the date of approval. "Trading day" here means those days when Stock Exchanges are open;

- iv. 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;
- v. Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan;
- vi. In case of trade by the Compliance Officer, the Compliance Officer shall obtain pre-clearance of trade from the Managing Director/Executive Director of the Company;
- vii. The Designated Persons shall, within two trading days of the execution of the trade, submit the details of trade to the Compliance Officer as per format prescribed in **Annexure 5**, if the cumulative trading whether in one transaction or a series of transactions in any calendar quarter exceeds Rs. 10 lakhs (Ten lakhs) market value. "Calendar quarter" here means a period of three month starting from January and so on;
- viii. The Designated Person shall, within two days of the execution of the trade, submit the details of such trade to the Compliance Officer **as per Annexure 3**. In case the transaction is not undertaken, a report to that effect shall be filed in the said form;
- ix. If the pre-cleared trade is not executed within **seven trading days** after the approval is given, the Designated Person must secure pre-clearance of the transaction again;
- x. A Designated Person who trades in securities without complying with the pre-clearance procedure as described in these Code of Conduct or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the pre-clearance procedure shall be subjected to the penal actions as mentioned in this Code of Conduct;
- xi. Nothing in this rule shall apply, if the cumulative trading whether in one transaction or a series of transactions **in any financial year does not exceed Rs. 10 lakh (Ten lakhs in market value)** or such other amount as may be specified by the Board of Directors from time to time provided the Designated Person is not in possession of UPSI while executing the trade.

## **7. Additional trading restrictions on Designated Persons:**

- i. No Director, Key Managerial Personnel or Designated Persons shall enter into derivative transactions in respect of the securities of the Company;
- ii. No Designated Person shall do intra-day trading in the securities of the Company;

- iii. All Designated Persons who trade in the securities of the company shall not enter into an opposite transaction/contra trade (buy and sell any number of securities and vice versa) during the next 6 (six) months following the prior transaction. In case of any contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to the Investor Protection and Education Fund administered by SEBI. However, the compliance officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing;
- iv. The above restriction on opposite transaction/contra trade shall not apply in case of exercise / sale of ESOP shares provided the Designated Persons do not possess UPSI and the sale is executed when the trading window is open;
- v. No Designated Person shall trade in securities of the Company, whether through portfolio managers/agents/securities brokers or otherwise, except in accordance with the Code of Conduct and after obtaining prior approval from the Compliance Officer of the Company, wherever required. It shall be the responsibility of the Designated Persons to instruct in writing to their respective portfolio managers/agents/securities brokers or others to obtain prior approval from the Designated Person before executing any trades for and on behalf of the Designated Person or their immediate relatives. In case of any trading in securities by such portfolio managers/agents/securities brokers or others, the sole responsibility for such trading in securities of the Company rests solely on the concerned Designated Person including consequences for violation, if any, of the Code of Conduct and the Designated Person's trades would be presumed to have been carried out with his/her knowledge and permission for such trading. The Designated Persons are required to inform their portfolio managers about trading window closure periods with a clear instruction of not to execute any trade on behalf of the Designated Persons during the any trading window closure.

#### **8. Trading Plan:**

- i. An Insider shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations ("Trading Plan") and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his/her behalf in accordance with such plan, **as per Annexure 9**;
- ii. The Compliance Officer shall review and seek additional clarifications or undertakings, if required, to approve the Trading Plan, if it complies with the SEBI Regulations.
- iii. The compliance officer shall approve or reject the trading plan within 2 (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.

Trading Plan shall:

- i. Not entail starting of trading on behalf of the Insider earlier than 120 (one hundred and twenty) calendar days from the public disclosure of the plan;
- ii. Not entail overlap of any period for which another trading plan is already in place;
- iii. Set out following parameters for each trade to be executed: (i) either the value of trade to be effected or the number of securities to be traded; (ii) nature of the trade; (iii) either specific date or time period not exceeding 5 (five) consecutive trading days; (iv) 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.

Explanation: (i) While the parameters in sub-clauses (i), (ii) and (iii) shall be mandatorily mentioned for each trade, the parameter in sub-clause (iv) shall be optional. (ii) The price limit in sub-clause (iv) shall be rounded off to the nearest numeral. (iii) Insider may make adjustments, with the approval of the compliance officer, in the number of securities and price limit in the event of corporate actions related to bonus issue and stock split occurring after the approval of trading plan and the same shall be notified on the stock exchanges on which securities are listed;

If the Insider has set a price limit for a trade under sub-clause (iv) of clause (iii) above, 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.

Explanation: In case of non-implementation (full/partial) of trading plan due to either reasons enumerated in point vi below or failure of execution of trade due to inadequate liquidity in the scrip, the following procedure shall be adopted: (i) The insider shall intimate non-implementation (full/partial) of trading plan to the compliance officer within two trading days of end of tenure of the trading plan with reasons thereof and supporting documents, if any. (ii) Upon receipt of information from the insider, the compliance officer, shall place such information along with his recommendation to accept or reject the submissions of the insider, before the Audit Committee in the immediate next meeting. The Audit Committee shall decide whether such non-implementation (full/partial) was bona fide or not. (iii) The decision of the Audit Committee shall be notified by the compliance officer on the same day to the stock exchanges on which the securities are listed. (iv) In case the Audit Committee does not accept the submissions made by the insider, then the compliance officer shall take action as per the Code of Conduct.

- iv. Not entail trading in securities for market abuse;

- v. Implementation of the trading plan shall not be commenced if any UPSI in possession of Insider at the time of formulating the plan has not become generally available at the time of implementation of the plan.
- vi. 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 plan or to deviate from it except due to permanent incapacity or bankruptcy or operation of law;
- vii. Trading window norms shall not be applicable for trades carried out in accordance with an approved trading plan;
- viii. Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

**9. Establishment and review mechanism for prevention of Insider Trading:**

- i. The Chief Executive Officer, Managing Director or KMPs of the Company, shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in this Code of Conduct to prevent Insider Trading.

“Internal Controls” shall include the following:

- all employees who have access to UPSI are identified as designated employee;
  - all the UPSI shall be identified, and its confidentiality shall be maintained;
  - adequate restrictions shall be placed on communication or procurement of UPSI;
  - 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;
  - all other relevant requirements specified under these regulations shall be complied;
  - periodic process review to evaluate effectiveness of such internal controls.
- ii. The Audit Committee shall review the compliance with the provisions of this Code of Conduct on a quarterly basis and shall annually verify that the systems for internal control are adequate and are operating effectively.
  - iii. The policies and procedures to initiate appropriate inquiry in case of leak of UPSI or suspected leak of UPSI forms part of this Code of Conduct in Para 4.2.
  - iv. The SEBI or any other appropriate regulatory authority would be informed promptly for leak of UPSI or suspected leak of UPSI including inquiry (ies) conducted and results thereof.

- v. The Company shall make aware its employees about the policy for leak of UPSI or suspected leak of UPSI, to enable them to report instances of leak of UPSI.

## 10. Disclosure Requirements:

The disclosures of trading in securities including derivatives to be made by any person under this Code of Conduct shall also include those relating to trading by such person's immediate relatives/ relatives, and by any other person for whom such person takes trading decisions.

All designated persons shall be required to disclose name and PAN (Permanent account number) or any other identifier authorized by law of the following persons to the Company on an annual basis and as and when the information changes:

- Immediate relatives;
- Persons with whom such designated person(s) shares a material financial relationship;
- Phone, mobile, and cell numbers which are used by them;
- Name of educational institutions from which designated persons have graduated (one-time disclosure);
- Names of the past employers (one-time disclosure).

The term "material financial relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding 12 (twelve) months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.

TYPE OF DISCLOSURE	WHAT	BY	TO	DURATION	FORM
INITIAL DISCLOSURES	Holding of securities of the company as on date of appointment	Upon becoming KMP, Director, Promoter, and member of the promoter group	Company	Within 7 days of such appointment	FORM B set out in Annexure 4

<b>CONTINUAL DISCLOSURES</b>	Value of securities traded, in aggregate, in a calendar quarter, exceeds traded value of Rs. 10 Lakhs	Designated persons, Promoters, Directors and member of the promoter group	Company	Within 2 trading days of such transaction	<sup>1</sup> FORM C set out in Annexure 5
		Company	Stock Exchange	Within 2 trading days of receipt of disclosure or on becoming aware of such information	<sup>1</sup> FORM C set out in Annexure 5
<b>DISCLOSURE BY OTHER CONNECTED PERSON</b>	As required by the company – <i>(to disclose the holding and trading's at such frequency)</i>	Connected Person	Company	As specified by the Company	FORM D set out in Annexure 6
<b>ANNUAL DISCLOSURE</b>	Holding of securities of the Company	Designated Persons	Company	As at Financial year beginning	FORM E set out in Annexure 7

## 11. Penal Provisions

- i. Any Director, Officer, KMP or Designated Person of the Company who violates this Code of Conduct may be subject to disciplinary action by the Compliance Officer/Management/Audit Committee of the Company which may include the following:

- First violation - 100% monetary penalty of profit earned;
- Second violation - 150% monetary penalty of profit earned;

<sup>1</sup> SEBI vide its Circular No. SEBI/HO/ISD/ISD/CIR/P/2021/617 dated August 13, 2021, has clarified that for the listed companies which have complied with requirements of the circular dated September 09, 2020, the manual filing of disclosures (Form C) as required under Regulation 7(2) (a) & (b) of SEBI (PIT) Regulations is no longer mandatory.

- Subsequent violations - 200% monetary penalty of profit earned.

Profit for this purpose shall mean the difference between the selling price of the shares less exercise price / purchase price, perquisite tax and other incidental expenses, as the case may be.

- ii. Wherein the Company is not able to determine quantitative benefit or benefit determined is negligible, in such cases a warning letter shall be issued and / or a monetary penalty may be levied, as may be decided by the Compliance Officer/Management of the Company on the basis of seriousness of the violation.
- iii. In addition to above monetary penalty, such disciplinary action may be taken, not limited to reducing annual rating, holding up promotion for that year, non-eligibility for variable pay/bonus for that year, ineligibility for future participation in the Company's stock option, wage/salary freeze, suspension, recovery or dismissal as per the Company policy.
- iv. However, the Audit Committee is permitted to take any additional disciplinary action including levying extra monetary penalty depending upon seriousness of the violation even though it is a first instance of violation.
- v. Any penalty collected for violation of this code shall be remitted to Investor Protection and Education Fund (IPEF) administered by the SEBI in accordance with the regulatory requirements through the online mode or by way of a demand draft (DD) in favour of the Board (i.e. SEBI – IPEF) payable at Mumbai.
- vi. The stock exchange(s) where the securities of the Company are traded or any other appropriate regulatory authority as may be specified, would also be informed promptly of the violation of this Code of Conduct committed by any Designated Person and / or his immediate relatives, in such form and manner as specified by the SEBI, as per **Annexure 8**. The action by the Company shall not prevent the stock exchanges or regulators from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 2015.

#### **11A. Protection to employees <sup>(1)</sup>**

Any employee who voluntarily submits information to the SEBI under Regulation 7B or acts in the manner as specified under Regulation 7I of the SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019, relating to an alleged violation of Insider Trading laws that has occurred, is occurring or has a reasonable belief that it is about to occur, shall be protected against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination by the Company.

For the above purpose, “employee” means any individual who during employment may become privy to information relating to violation of Insider Trading laws and files a Voluntary Information Disclosure Form under these regulations and is a director, regular or contractual employee, and any other persons as stated in Regulation 7I.

<sup>(1)</sup> Effective from November 15, 2019. Refer appendix for details pertaining to Regulation 7B and 7I.

## **12. Miscellaneous**

- i. The Board of Directors, the Compliance Officer and any other person authorised by the Board of Directors shall be empowered to do necessary modification in the Code of Conduct to meet the legal requirements notified by the regulator and such change shall be effective from such date that the regulator may notify in this behalf.

Further, the Board of Directors may adopt such change in Code of Conduct at the subsequent Board Meeting.

- ii. The Compliance Officer shall provide to the Chairman of the Audit Committee or to the Chairperson of the Board, on a quarterly basis, the details of options exercised under ESOP and trading in securities by the Designated Persons including any violations of the Code of Conduct and SEBI (Prohibition of Insider trading) regulations, 2015.
- iii. The Compliance Officer shall maintain (a) updated list of Designated Persons, (b) records of disclosures and pre-clearance applications and undertakings for a period of five years.
- iv. The Company has adopted the amended ‘Code of practice and procedures for fair disclosure of UPSI’ available at [www.biocon.com](http://www.biocon.com) to regulate the Company’s practices and procedures for fair disclosure of UPSI.
- v. It is the responsibility of the Designated Persons, Connected Persons and all Insiders to ensure compliance with the Code of Conduct. In case of any doubt a written correspondence should be done with the Compliance Officer and no action should be taken till the doubt is clarified in writing.
- vi. In any circumstance, where the terms of this Code of Conduct differ from any existing laws, rules and regulations in force, the laws, rules, and regulations shall take precedence over this Code of Conduct.

**13. Contact details of Compliance Officer:****Company Secretary and Compliance Officer****Biocon Limited**

20<sup>th</sup> KM Hosur Road, Electronics City,

Bengaluru 560 100, Karnataka, India

Phone: +91 80 2808 2038

Email: [co.secretary@biocon.com](mailto:co.secretary@biocon.com)

**14. Version History**

The latest modification to the Code has been approved and adopted by the Board at its meeting held on January 30, 2025 and are effective with immediate effect.

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

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##### **1. Policy**

The SEBI (Prohibition of Insider Trading) Regulations, 2015 requires the Company shall formulate a code of practices and procedures for fair disclosure of unpublished price sensitive information (“UPSI”) that it would follow in order to adhere to each of the principles set out in Schedule A to the SEBI Regulations.

As per the Regulations, the Company is required to promptly disclose UPSI as soon as credible and concrete information about it comes into being in order to make such information generally available.

##### **2. Overseeing and co-ordinating disclosure:**

The Board of the Company shall designate a senior officer as a Chief Investor Relations Officer (“CIRO”) who would be responsible to ensure timely, adequate, uniform and universal dissemination of information and disclosure of UPSI to Analysts, Shareholders and Media pursuant to this Code of Conduct so as to avoid selective disclosure.

The CIRO means Head of Investor Relations or in his absence Chief Executive Officer/ Chief Financial Officer shall coordinate with the Compliance Officer for dissemination of UPSI.

The CIRO shall ensure that information shared with analysts and research personnel is not UPSI. The CIRO who shall be responsible for overseeing and coordinating disclosure of UPSI to analysts, shareholders and media, and educating employees on disclosure policies and procedures in consultation with Compliance Officer.

##### **3. Disclosure Policy**

To ensure timely and adequate disclosure of price sensitive information and to effectively prevent Insider Trading in securities of the Company, the following norms shall be observed by the Company:

- i. The Company shall disseminate all credible and concrete UPSI on a continuous and in a timely manner to stock exchanges where its securities are listed in accordance with the requirements of applicable law and thereafter/ simultaneously to the press or other modes of public disclosures;

- ii. As a good corporate governance practice, the UPSI disclosed to the Stock Exchanges and to the Press may also be supplemented by prompt updates on the Company's web-site and/or other modes of public disclosure so as to improve investor access to the same;
- iii. The CISO, shall mark a copy of the Communication/ press release to Head – Corporate Communication team, Biocon Limited, simultaneously for updating on the Company's website;
- iv. Use of social media platforms to disclose material non-public information is considered selective disclosure and would violate provisions of this policy;
- v. The Company will also promptly intimate any amendment to this Code of Corporate Disclosure Practices to the Stock Exchanges, as required under the Regulations.

#### **4. Responding to Market Rumours**

The Company's general policy is not to comment on any market rumours.

In case there is any query or request for verification/ clarification of market rumours by the stock exchanges, the Company Secretary/Compliance Officer shall carry out preliminary enquiry/investigation on the rumour, actual/potential effect on movement of prices of the securities and other related factors.

An internal report will be prepared on the basis of the above and if required, forward the same to the Chairperson, Managing Director, CEO, CFO and CISO for deciding the response in the form of clarification, denial or rebuttal to be given to the stock exchange. If necessary, appropriate press release may also be given for information of the general investors.

Further, the Company shall respond to market rumours in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In accordance with the provisions of SEBI Listing Regulations, as amended, and related circulars, industry standards and notifications issued in this regard from time to time, the Company shall confirm, deny or clarify, upon the material price movement in the shares of the Company, as specified by the stock exchanges, any reported event or information in the mainstream media which is not general in nature and which indicates that rumour of an impending specific event or information is circulating amongst the investing public, as soon as reasonably possible, but not later than 24 (twenty four) hours from the trigger of material price movement. In case the Company confirms the reported event or information, it shall also provide the current stage of such event or information.

The promoter, director, key managerial personnel or senior management personnel of the Company shall provide adequate, accurate and timely response to queries raised or explanation sought by the Company, if any, in order to ensure compliance with the

requirements under Regulation 30(11) of SEBI Listing Regulations and the Company shall disseminate the response received from such individual(s) promptly to the stock exchanges.

## **5. Disclosure/ Dissemination of Price Sensitive Information with special reference to Analysts, Institutional Investors.**

The Company should follow the guidelines given hereunder while dealing with analysts and institutional investors:-

- i. **Only public information to be provided:** The Company shall provide only public information to the analyst/ research persons/ large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest.
- ii. **Recording of discussion:** In order to avoid misquoting or misrepresentation, it is desirable that at least two Company representatives including the Chief Investor Relations Officer be present at meetings with analysts, brokers or Institutional Investors and discussion should preferably be recorded.
- iii. **Handling of unanticipated questions:** The Company shall be careful when dealing with analysts and responding to questions that raise issues outside the intended scope of discussion. The CISO, should tackle the unanticipated questions carefully. The unanticipated questions may be noted and a considered response be given later in consultation with the Managing Director/ Chief Executive Officer/ Chief Financial Officer. If the response includes price sensitive information, a public announcement should be made before responding.
- iv. **Simultaneous release of information:** When the Company organises meetings with analysts, the Company shall make a press release or post relevant information on its website after every such meeting. The Company may also consider live webcasting of analyst meets.

## **6. Legitimate Purpose**

The UPSI can be shared as an exception by an Insider for Legitimate purposes as per its "Policy for Determination of Legitimate Purposes" (Para 4.1), provided it is not shared to evade or circumvent the prohibition under this Regulation.

## **7. Leak/Suspected Leak of UPSI**

The Board has formulated written policy for initiating appropriate inquiries upon becoming aware of a leak/suspected leak of UPSI (Para 4.2).

## **8. Violation of this policy**

Any violation of this policy by an employee, officer, or director of the Group shall be brought to the attention of the Chief Executive Officer, Chief Financial Officer, Compliance Officer and the



Board of Directors and may constitute grounds for punitive action including termination of service.

The latest modification to the Code has been approved and adopted by the Board at its meeting held on January 30, 2025 and are effective with immediate effect.

#### **4.1. POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES**

##### **1. Preface**

This Policy is an integral part of "Codes of Practices and Procedures for Fair Disclosure of UPSI" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, and will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy". This Policy is being prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

##### **2. Objective**

The objective of this policy is to identify legitimate purposes, for performance of duties or discharge of legal obligations that can be considered as an exception for procuring or communicating UPSI, which is likely to materially affect the price of the securities of the Company.

##### **3. Legitimate Purposes**

**"Legitimate Purposes"** shall mean sharing of UPSI in the ordinary course of business by an Insider with the following persons mentioned below, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations:

- a. Auditors (Statutory, Internal, Secretarial, and any other auditors as applicable)
- b. Staff members of the audit firm/team conducting the audit
- c. Collaborators
- d. Lenders
- e. Customers
- f. Suppliers
- g. Bankers/Merchant Bankers
- h. Legal Advisors
- i. Investors
- j. Insolvency Professionals
- k. Consultants
- l. Any other advisors/consultants/partners
- m. Any other person with whom UPSI is shared

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

The Board of Directors shall require the parties to execute confidentiality and non-disclosure agreements 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.

Any person in receipt of UPSI 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 UPSI.

The provision of this Code of Conduct shall be applicable to the above said Insider, who has obtained UPSI in pursuance of performance of his duties or discharging legal obligation.

UPSI as defined in this Code of Conduct 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.

## **5. Maintenance of Digital Database**

The board of directors of the Company, shall ensure that a structured digital database is maintained containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

The board of directors of the Company shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

## **6. Amendment**

The Board of Directors or any person authorised by the Board shall be empowered to do necessary modifications in the policy to meet the legal requirements notified by the regulator from time to time and such changes shall be effective from the date that the Board may notify in this regard.

In any circumstance where the terms of this policy differ from any existing laws, rules, regulations, etc. for the period it is in force, the law, rule, regulation, etc. shall take precedence over this Policy.

This Policy 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/or any amendment thereto.

## **7. VERSION HISTORY**

This Policy has been approved and adopted by the Board and made effective from April 1, 2019, later modifications approved on July 23, 2020.

## **4.2. POLICY AND PROCEDURE OF INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UPSI**

### **1. Preface**

The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 has mandated every listed company to formulate written policies and procedures for conducting in case of leak of UPSI or suspected leak of UPSI and accordingly initiate appropriate inquiries on becoming aware of leak of UPSI or suspected leak of UPSI and inform the Board i.e. Securities and Exchange Board of India (“SEBI”) promptly of such leaks, inquiries and results of such inquiries.

### **2. Purpose**

- a) To strengthen the internal control systems to prevent leak of UPSI;
- b) To prohibit the sharing UPSI, with any un-authorized persons, which can affect the market price of the securities of the Company, and/ or causes loss of reputation and investors’ / financiers’ confidence in the Company;
- c) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same promptly to SEBI;
- d) To penalize Insider, who is found guilty of violation of this policy.

### **3. Applicability**

The Code is applicable to an Insider as defined in the Code of Conduct.

### **4. Constitution of Compliance Committee**

The Compliance Committee will comprise of Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), Company Secretary and Compliance Officer, Head of Legal Department and Risk & Compliance Manager of the Company. The Compliance Committee shall appoint one of its member as the Chairperson who shall preside over the meetings.

### **5. Duties of the Compliance Committee**

The Committee shall be responsible:

- a. To conduct a preliminary investigation to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any;

- b. To authorize any person including any external agency to collect necessary support material;
- c. To decide and recommend disciplinary action.

## **6. Process of inquiry in case of Leak or Suspected Leak of UPSI**

On becoming aware of suo-moto or otherwise, of actual or suspected leak of UPSI of the Company by any Insider or any other known or un-known person, the Compliance Officer shall refer the matter to the Compliance Committee who shall follow the below mentioned procedure in order to investigate the matter.

### **a. Preliminary inquiry**

Preliminary inquiry is a fact-finding exercise. The object of preliminary inquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark on any disciplinary action. The Compliance Committee shall appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an Inquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

### **b. Report of preliminary inquiry**

The Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI must submit his/her report to the Compliance Committee within reasonable timeframe from the date of appointment. The Compliance Committee shall promptly review the final report and take necessary actions including levy of penalties.

### **c. Disciplinary action:**

Any Insider or any other known or un-known person of the Company who violates this policy may be subject to disciplinary action by the Compliance Committee of the Company.

The disciplinary action(s) may include wage freeze, suspension, recovery, claw back, termination of employment, contract, agreement, etc.

## **7. Reporting**

- i. The Compliance Committee shall report on quarterly basis of any violation under this policy to the Audit Committee or Board of the Company and actions taken thereon;

- ii. The Audit Committee or Board on reporting of the violation under the policy may levy additional disciplinary action as it deem fit;
- iii. The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015;
- iv. The SEBI or any other appropriate regulatory authority would also be informed promptly so that appropriate action may be taken by them.

## **8. Amendment**

The Board of Directors or any person authorised by the Board shall be empowered to do necessary modifications in the policy to meet the legal requirements notified by the regulator from time to time and such change shall be effective from such date that the Board may notify in this regard.

In any circumstance where the terms of this Policy differ 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 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/or any amendment thereto.

## **9. Version History**

This Policy has been approved and adopted by the Board and made **effective from April 1, 2019.**

## 5. Appendix A

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### AN EXTRACT OF SECTIONS 15G AND 24 of THE SEBI ACT 1992 AND CHAPTER 3A

#### i. Penalty for Insider Trading

If any insider who-

- 1) either on his own behalf or on behalf of any other person, deals in securities of a body corporate listed on any stock exchange on the basis of any unpublished price-sensitive information; or
- 2) communicates any unpublished price-sensitive information to any person, except as required in the ordinary course of business or under any law; or
- 3) counsels, or procures for any other person to deal in any securities of any body corporate on the basis of unpublished price-sensitive information,

shall be liable to a penalty which shall not be less than **Rs. 10 lakh but which may extend to Rs. 25 crores or 3 times the amount** of profits made out of insider trading, whichever is higher.

#### ii. Offences

- 1) Without prejudice to any award of penalty by the adjudicating officer under this Act, if any person contravenes or attempts to contravene or abets the contravention of the provisions of this Act or of any rules or regulations made thereunder, he shall be punishable with imprisonment for a term which may extend to ten years, or with fine, which may extend to Rs. 25 Crores or with both.
- 2) If any person fails to pay the penalty imposed by the adjudicating officer or fails to comply with any of his directions or orders, he shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to ten years, or with fine, which may extend to Rs. 25 crores or with both.

#### iii. Submission of Original Information to the Board

**7B.** (1) An Informant shall submit Original Information by furnishing the Voluntary Information Disclosure Form to the Office of Informant Protection 5 of the Board in the format and manner set out in Schedule D. The Voluntary Information Disclosure Form may be submitted through informant's legal representative:

Provided that where the Informant does not submit the Voluntary Information Disclosure Form through a legal representative, the Board may require such Informant to appear in person to ascertain his/her identity and the veracity of the information so provided.

*Explanation.* – Where any information pertaining to any violation of the Securities Laws is received in a manner not in accordance with the manner provided under these regulations, the Board may require such information to be filed with it in accordance with these regulations or reject the same.

(2) The legal representative shall-

- i. Verify the identity and contact details of the Informant;
- ii. Unless otherwise required by the Board, maintain confidentiality of the identity and existence of the Informant, including the original Voluntary Information Disclosure Form;
- iii. Undertake and certify that he/she,-
  - (a) Has reviewed the completed and signed Voluntary Information Disclosure Form for completeness and accuracy and that the information contained therein is true, correct and complete to the best of his/her knowledge;
  - (b) Has obtained an irrevocable consent from the Informant to provide to the Board with original Voluntary Information Disclosure Form whenever required by the Board; and
  - (c) Agrees to be legally obligated to provide the original Voluntary Information Disclosure Form within seven (7) calendar days of receiving such requests from the Board.
- iv. Submits to the Board, the copy of the Voluntary Information Disclosure Form in the manner provided in Schedule D of these regulations along with a signed certificate as required under clause (iii) of this sub-regulation (2).

(3) An Informant shall while submitting the Voluntary Information Disclosure Form shall expunge such information from the content of the information which could reasonably be expected to reveal his or her identity and in case where such information cannot be expunged, the Informant may identify such part of information or any document that the Informant believes could reasonably be expected to reveal his or her identity.

## **Protection against retaliation and victimisation**

**7I.** (1) Every person required to have a Code of Conduct under these regulations shall ensure that such a Code of Conduct provides for suitable protection against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against any employee who files a Voluntary Information Disclosure Form, irrespective of whether the information is considered or rejected by the Board or he or she is eligible for a Reward under these regulations, by reason of:

- (i) filing a Voluntary Information Disclosure Form under these regulations;
- (ii) testifying in, participating in, or otherwise assisting or aiding the Board in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by the Board; or
- (iii) breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with the Board in any manner.

*Explanation 1.* - For the purpose of this Chapter, “employee” means any individual who during employment may become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under these regulations and is a director, partner, regular or contractual employee, but does not include an advocate.

*Explanation 2.* - Nothing in this regulation shall require the employee to establish that,-

- (i) the Board has taken up any enforcement action in furtherance of information provided by such person; or
- (ii) the information provided fulfils the criteria of being considered as an Original Information under these regulations.

(2) Nothing in these regulations shall prohibit any Informant who believes that he or she has been subject to retaliation or victimisation by his or her employer, from approaching the competent court or tribunal for appropriate relief. 12

(3) Notwithstanding anything contained in sub-regulation (2), any employer who violates this Chapter may be liable for penalty, debarment, suspension, and/or criminal prosecution by the Board, as the case may be:

Provided that nothing in these regulations will require the Board to direct re-instatement or compensation by an employer.

(4) Nothing in these regulations shall diminish the rights and privileges of or remedies available to any Informant under any other law in force.

## Annexures

The Designated Person shall make disclosures in below format(s), as applicable.

### Annexure 1 APPLICATION FOR PRE-TRADING APPROVAL

To,  
The Compliance Officer,  
Biocon Limited

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Insider Trading Policy, I seek approval to purchase / sell / subscribe \_\_\_\_\_ equity shares of the Company as per details given below:

1.	Name of the applicant & Name of the relative (If applicable)	
2.	Employee Code/ID	
3.	Designation	
4.	Number of securities held as on date	
5.	Folio No. / DP ID / Client ID No.	
6.	The proposal is for	(a) Purchase of securities (b) Subscription to securities (c) Sale of securities
7.	Proposed date of trading in securities	
8.	Estimated number of securities proposed to be purchased/subscribed/sold	
9.	Current market price (as on date of application)	
10.	Whether the proposed transaction will be through stock exchange or off-market trade	
11.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

I enclose herewith the Undertaking signed by me.

Signature: \_\_\_\_\_

Name:

Designation:

Date:

Place:

**Annexure 2****UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE**

To,  
The Compliance Officer,  
Biocon Limited

I, \_\_\_\_\_, (Name) \_\_\_\_\_ (designation) of the Company residing at \_\_\_\_\_, am desirous of trading in \_\_\_\_\_ (numbers) 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 any unpublished price sensitive information up to the time of signing this Undertaking.

In the event that I have access to or receive any unpublished price sensitive information 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 of Conduct as notified by the Company from time to time.

In the event of this transaction being in violation of the Code of Conduct or the applicable laws, (a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons, (b) I will compensate the indemnified persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

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 trade within seven trading days of the receipt of approval failing which I shall seek pre-clearance afresh.

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

Signature: \_\_\_\_\_

Name:

Designation:

Date:

Place:

### Annexure 3

#### DISCLOSURE OF TRANSACTIONS WITH REFERENCE TO PRE-CLEARANCE APPROVAL OBTAINED (To be submitted within 2 trading days of transaction / trading in securities of the Company)

To,  
The Compliance Officer,  
Biocon Limited.

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to \_\_\_\_\_ securities as mentioned below on \_\_\_\_ (date)  
(Strike out whichever is not applicable)

Name of holder	No. of securities traded	Bought / sold / subscribed	DP ID/Client ID/Folio No.	Price (Rs.)

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

Signature: \_\_\_\_\_

Name:

Designation:

Date:

Place:

## Annexure 4

### Form B

#### Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel/Director/Promoter/Member of the promoter group]

To,  
The Compliance Officer,  
Biocon Limited (ISIN: INE376G01013)

**Details of Securities held on appointment of Key Managerial Personnel (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).**

Name, PAN, CIN/ DIN & Address with contact nos.	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to/others, etc.)	Date of appointment of KMP/ Director/ OR Date of becoming Promoter/ member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of shareholding
			Type of securities (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 upon becoming Promoter/member of the promoter group			Open Interest of the Option Contracts held at the time of appointment of Director/KMP or upon 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
7	8	9	10	11	12

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

Name & Signature:

Designation:

Date:

Place:

**Annexure 5  
FORM C**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015  
[Regulation 7(2) read with Regulation 6(2) – Continual Disclosure]**

To,  
The Compliance Officer,  
Biocon Limited (ISIN: INE376G01013)

**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 No., CIN/DIN, & address with contact nos.	Category of Person (Promoter/ member of the Promoter Group/ Designated Person/Director immediate relatives/ others Etc.)	Securities held prior to acquisition/ disposal		Securities acquired/Disposed				Securities held post acquisition/ disposal		Date of allotment advice/ acquisition of shares/ disposal 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 securities (For e.g. – Shares, Warrants, Convertible Debentures, Rights Entitlements etc.)	No. and % of shareholding	Type of securities (For e.g. – Shares, Warrants, Convertible Debentures, Rights entitlement etc.)	No.	Value	Transaction Type (Purchase/ Sale/Pledge/ Revocation/ Invocation/ Others – please specify)	Type of securities (For e.g. – Shares, Warrants, Convertible Debentures, Rights Entitlements etc.)	No. and % of shareholding	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 Specification	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:

**Annexure 6  
FORM D**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015  
Regulation 7(3) – Transactions by other connected persons as identified by the company**

To,  
The Compliance Officer,  
Biocon Limited (ISIN: INE376G01013)

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

Name, PAN, CIN/DIN, & address of connected person, as identified by the company	Connection with the company	Securities held prior to acquisition/disposal		Securities acquired/ Disposed				Securities held post acquisition/ disposal		Date of allotment advice/ acquisition of shares/ disposal 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 e.g. – Shares, Warrants, Convertible Debentures, Rights entitlement etc.)	No. and % of shareholding	Type of Security (For e.g. – Shares, Warrants, Convertible Debentures, Rights entitlement etc.)	No.	Value	Transaction Type (Purchase/ Sale/ Pledge / Revocation /Invocation, Others – Please specify)	Type of security (For e.g. – Shares, Warrants, Convertible Debentures, Rights entitlement etc.)	No. and % of Shareholding	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 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 Specification	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:

**Annexure 7**  
**FORM E**  
**ANNUAL DISCLOSURE**

**PART-A**

To,  
**The Compliance Officer**  
**Biocon Limited**  
Secretarial Department,  
20<sup>th</sup> KM, Hosur Road, Electronic City,  
Bengaluru – 560 100, Karnataka, India.

**Ref: Annual Disclosure of shareholding in terms of the Code of Conduct for Prevention of Insider Trading by Designated Person.**

I, \_\_\_\_\_ (Name) \_\_\_\_\_ (Designation and Department, if applicable), \_\_\_\_\_ (Mobile Number-self) along with my immediate relatives\* and persons with whom I have material financial relationship# (as defined in the Code) hold shares in the company as under:

Name	Relationship	PAN	No. of Shares held in the Company	Details such as Folio No. /DP ID/Client ID
	Self			
<b>Immediate Relatives:</b>				
1.				
2.				
3.				
4.				
<b>Person(s) with whom you share a material financial relationship, if any.</b>				
1.				

\_\_\_\_\_  
Signature  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_

Date: \_\_\_\_\_  
Place: \_\_\_\_\_

\* "Immediate Relative" of a person means a spouse, dependent or independent, and includes parent, sibling and child of that person or his/her spouse, if they are either dependent financially on such person or consult such person in taking decisions relating to trading insecurities.

#. "material financial relationship" means a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.

**Part-B****One-time Disclosure by Designated Person**

Particulars	Details
Name of educational institutions from which I graduated	1.  2.  3.
Name(s) of the past employer(s), if any	1.  2.  3.

\_\_\_\_\_  
Signature  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_

Date: \_\_\_\_\_  
Place: \_\_\_\_\_

## Annexure 8

### Report format by Biocon Limited for violations related to Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Sr. No.	Particulars	Details
1	Name of the listed company/ Intermediary/ Fiduciary	
2	Please tick appropriate checkbox  Reporting in capacity of:  <input type="checkbox"/> Listed Company  <input type="checkbox"/> Intermediary  <input type="checkbox"/> Fiduciary	
3	<b>A. Name of the Designated Person (DP)</b>  a. Name of the DP ii. PAN of the DP iii. Designation of DP iv. Functional Role of DP v. Whether DP is Promoter or belongs to Promoter Group  <b>B. If Reporting is for immediate relative of DP</b>  i. Name of the immediate relative of DP ii. PAN of the immediate relative of DP  <b>C. Details of transaction(s)</b>  i. Name of the scrip ii. No of shares traded and value (Rs.) (Date-wise)  <b>D. In case value of trade(s) is more than Rs.10 lacs in a calendar quarter</b>  i. Date of intimation of trade(s) by concerned DP/ director/ promoter/promoter group to Company under regulation 7 of SEBI (PIT) Regulations, 2015 ii. Date of intimation of trade(s) by Company to stock exchanges under regulation 7 of SEBI (PIT) Regulations, 2015	

4	Details of violations observed under Code of Conduct																							
5	Action taken by Listed Company/-Intermediary/ Fiduciary																							
6	Reasons recorded in writing for taking action stated above																							
7	Details of the previous instances of violations, if any, since last financial year																							
8	<p>If any amount collected for Code of Conduct violation(s)</p> <p>i. Mode of transfer to SEBI - IPEF (Online/ Demand Draft)</p> <p>ii. Details of transfer/payment</p> <p>In case of Online:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>Name of the transferor</td> <td></td> </tr> <tr> <td>Bank Name, branch and Account number</td> <td></td> </tr> <tr> <td>UTR/Transaction reference Number</td> <td></td> </tr> <tr> <td>Transaction date</td> <td></td> </tr> <tr> <td>Transaction Amount (in Rs.)</td> <td></td> </tr> </tbody> </table> <p>In case of Demand Draft (DD):</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>Bank Name and branch</td> <td></td> </tr> <tr> <td>DD Number</td> <td></td> </tr> <tr> <td>DD date</td> <td></td> </tr> <tr> <td>DD amount (in Rs.)</td> <td></td> </tr> </tbody> </table>	Particulars	Details	Name of the transferor		Bank Name, branch and Account number		UTR/Transaction reference Number		Transaction date		Transaction Amount (in Rs.)		Particulars	Details	Bank Name and branch		DD Number		DD date		DD amount (in Rs.)		
Particulars	Details																							
Name of the transferor																								
Bank Name, branch and Account number																								
UTR/Transaction reference Number																								
Transaction date																								
Transaction Amount (in Rs.)																								
Particulars	Details																							
Bank Name and branch																								
DD Number																								
DD date																								
DD amount (in Rs.)																								
8	Any other relevant information																							

Yours faithfully,

**For Biocon Limited**

**Name and Signature of Compliance Officer**

**PAN:**

**Email Id:**

**Date:**

**Place:**

### Annexure 9

Application for approval of Trading Plan  
[Pursuant to Clause 8 of Biocon Insider Trading Code]

To,

The Compliance Officer,  
BIOCON Limited (ISIN: INE376G01013 )

Dear Sir/ Madam,

I hereby submit the Trading Plan for carrying out trades in Securities of the Company by me and / or my Immediate Relative(s) as per the following details for your consideration and approval:

#### I. General Information:

Name	PAN	Address	Contact No.	Category of Person (Promoters/KMP/Director/immediate relative to/Insider/others etc.)	Details of Previous Trading Plan (Approval, Date, Duration and completion), if any

#### II. Details of Proposed Trade(s):

Specific Date of Trade(s)#	Time period of Trade(s) (not exceeding 5 consecutive trading days)#		Nature of Trade(s) (Buy / Sale)	Value of Trade(s) (Rs.) or Number of securities to be traded	Price Limit* (Optional)		Remarks, if any
	From	To			For buy trade – Specify upper price limit (Refer Note 1)	For sale trade – Specify lower price limit (Refer Note 2)	

\*To be Rounded off to nearest numeral.

#Any one can be provided.

Note 1: For a buy trade: the upper price limit shall be between the closing price of the day before the date of submission of the trading plan and upto 20% higher than such closing price.

Note 2: For a sell trade: the lower price limit shall be between the closing price of the day before the date of submission of the trading plan and upto 20% lower than such closing price.

### III. Details of implementation (full/partial) of trading plan:

Number of Trades	Number of securities traded	Value of securities traded	Nature of Trade(s) (Buy/ Sale)	Date of Trade(s)		Supporting Documents (Contract Note)	Remarks, if any
				From	To		

### IV. Details of non-implementation (full/partial) of trading plan:

End date of the trading plan	Reason for non-implementation	Supporting Documents	Remarks, if any

### Declaration:

I hereby confirm / undertake that\*:

1. I am / my immediate relatives are not in possession of any Unpublished Price Sensitive Information (UPSI) on the date of this application.
2. I am / my immediate relatives are in possession of UPSI (**Mention details of UPSI – Name and Nature**). However, the implementation of the trading plan shall not be commenced if the said UPSI has not become generally available at the time of the commencement of implementation.
3. Trading pursuant to the trading plan shall not be commenced earlier than 120 calendar days from the public disclosure of the Trading Plan.
4. The trade shall be executed only if the execution price of the security is within price limit, if any, provided above. If price of the security is outside the price limit, the trade shall not be executed.

5. Any other previously approved trading plan is presently not in existence.
6. This trading plan shall not entail trading in securities for market abuse.
7. This trading plan will not have any potential for violation of the SEBI (Prohibition of Insider Trading Regulations), 2015.
8. No contra-trade (buy and sell any number of securities and vice versa) during the next 6 (six) months following the prior transaction, shall be undertaken during the trading plan.
9. Any trade in the securities shall be executed within the scope of the trading plan and no deviation shall be undertaken from it except due to permanent incapacity or bankruptcy or operation of law or any other reasons as specified in the Biocon Insider Trading Code.
10. Details of implementation / non-implementation of trading plan shall be submitted to the Compliance Officer within 2 trading days of end of tenure of the trading plan with reasons thereof and supporting documents, if any.

\*Strike off whichever is not applicable.

Signature:

Name:

Designation:

Date:

Place:

## PROHIBITION OF FRAUDULENT AND UNFAIR TRADE PRACTICES

### INTRODUCTION

Prohibition of Fraudulent and Unfair Trade Practices Policy is in compliance with Regulations 3 & 4 and other applicable provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

While preparing this policy, we aim at no employee, ESOP Trust or any other person shall indulge into fraudulent and unfair trade practice relating to Company's security.

### DEFINITIONS

- a) **"Dealing in securities"** includes an act of buying, selling or subscribing pursuant to any issue of any security or agreeing to buy, sell or subscribe to any issue of any security or otherwise transacting in any way in any security by any person as principal, agent or intermediary, either by themselves or through mule accounts.
- b) **"Fraud"** includes any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful gain or avoidance of any loss, and shall also include:
  - a. a knowing misrepresentation of the truth or concealment of material fact in order that another person may act to his detriment;
  - b. a suggestion as to a fact which is not true by one who does not believe it to be true;
  - c. an active concealment of a fact by a person having knowledge or belief of the fact;
  - d. a promise made without any intention of performing it;
  - e. a representation made in a reckless and careless manner whether it be true or false;
  - f. any such act or omission as any other law specifically declares to be fraudulent,
  - g. deceptive behaviour by a person depriving another of informed consent or full participation,
  - h. a false statement made without reasonable ground for believing it to be true;
  - i. the act of an issuer of securities giving out misinformation that affects the market price of the security, resulting in investors being effectively misled even though they did not rely on the statement itself or anything derived from it other than the market price.

And "fraudulent" shall be construed accordingly;

Nothing contained in this clause shall apply to any general comments made in good faith in regard to—

- a. The economic policy of the government;
- b. The economic situation of the country;
- c. Trends in the securities market;
- d. Any other matter of a like nature.

whether such comments are made in public or in private.

#### **PROHIBITION OF CERTAIN DEALINGS IN SECURITIES**

No person shall directly or indirectly—

- a) buy, sell or otherwise deal in securities in a fraudulent manner;
- b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;
- c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;
- d) engage in any act, practice, and course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

#### **PROHIBITION OF MANIPULATIVE, FRAUDULENT AND UNFAIR TRADE PRACTICES**

- 1) Without prejudice to the provisions of regulation 3, no person shall indulge in a manipulative, fraudulent or an unfair trade practice in securities markets.
- 2) Dealing in securities shall be deemed to be a manipulative, fraudulent or an unfair trade practice if it involves any of the following:
  - a) knowingly indulging in an act which creates false or misleading appearance of trading in the securities market;
  - b) dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss;
  - c) inducing any person to subscribe to an issue of the securities for fraudulently securing the minimum subscription to such issue of securities, by advancing or agreeing to advance any money to any other person or through any other means;
  - d) inducing any person for dealing in any securities for artificially inflating, depressing, maintaining or causing fluctuation in the price of securities through any means

- including by paying, offering or agreeing to pay or offer any money or money's worth, directly or indirectly, to any person;
- e) any act or omission amounting to manipulation of the price of a security including, influencing or manipulating the reference price or bench mark price of any securities;
  - f) knowingly publishing or causing to publish or reporting or causing to report by a person dealing in securities any information relating to securities, including financial results, financial statements, mergers and acquisitions, regulatory approvals, which is not true or which he does not believe to be true prior to or in the course of dealing in securities;
  - g) entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security;
  - h) selling, dealing or pledging of stolen, counterfeit or fraudulently issued securities whether in physical or dematerialized form. Provided that if:-(i) the person selling, dealing in or pledging stolen, counterfeit or fraudulently issued securities was a holder in due course; or (ii) the stolen, counterfeit or fraudulently issued securities were previously traded on the market through a bonafide transaction, (iii) such selling, dealing or pledging of stolen, counterfeit or fraudulently issued securities shall not be considered as a manipulative, fraudulent, or unfair trade practice;
  - i) disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading in a reckless or careless manner and which is designed to, or likely to influence the decision of investors dealing in securities;
  - j) a market participant entering into transactions on behalf of client without the knowledge of or instructions from client or misutilizing or diverting the funds or securities of the client held in fiduciary capacity;
  - k) circular transactions in respect of a security entered into between persons including intermediaries to artificially provide a false appearance of trading in such security or to inflate, depress or cause fluctuations in the price of such security;
  - l) fraudulent inducement of any person by a market participant to deal in securities with the objective of enhancing his brokerage or commission or income;
  - m) an intermediary predating or otherwise falsifying records including contract notes, client instructions, balance of securities statement, client account statements;
  - n) any order in securities placed by a person, while directly or indirectly in possession of information that is not publically available, regarding a substantial impending transaction in that securities, its underlying securities or its derivative;
  - o) knowingly planting false or misleading news which may induce sale or purchase of securities;
  - p) mis-selling of securities or services relating to securities market;
  - q) Illegal mobilization of funds by sponsoring or causing to be sponsored or carrying on or causing to be carried on any collective investment scheme by any person.

Further, the acts or omissions listed above are not exhaustive and that any act or omission is prohibited if it falls within the purview of regulation 3 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2013, notwithstanding that it is not included in this sub-regulation or is described as being committed only by a certain category of persons in this sub-regulation.

### **ACTION BY THE COMPANY**

Any employee, ESOP trust or any other person who violate this policy shall be subject to disciplinary action by the Company/Board.

The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2013.

### **ACTION BY THE SEBI**

Pursuant to section 11 (1), the SEBI may, without prejudice to the provisions contained in sub-sections (1), (2), (2A) and (3) of section 11 and section 11B of the Act, by an order, for reasons to be recorded in writing, in the interests of investors and securities market, issue or take any of the following actions or directions, either pending investigation or enquiry or on completion of such investigation or enquiry, namely:

- b. Suspend the trading of the security found to be or prima facie found to be involved in fraudulent and unfair trade practice in a recognized stock exchange;
- c. Restrain persons from accessing the securities market and prohibit any person associated with securities market to buy, sell or deal in securities;
- d. Suspend any office-bearer of any stock exchange or self-regulatory organization from holding such position;
- e. Impound and retain the proceeds or securities in respect of any transaction which is in violation or prima facie in violation of these regulations;
- f. Direct and intermediary or any person associated with the securities market in any manner not to dispose of or alienate an asset forming part of a fraudulent and unfair transaction;
- g. Require the person concerned to call upon any of its officers, other employees or representatives to refrain from dealing in securities in any particular manner;
- h. Prohibit the person concerned from disposing of any of the securities acquired in contravention of these regulations;
- i. Direct the person concerned to dispose of any such securities acquired in contravention of these regulations, in such manner as the Board may deem fit, for restoring the status quo ante;

Further, Pursuant to section 11 (2), any final order passed under sub-regulation (1) shall be put on the website of the Board.