

SHIVA PHARMACHEM LIMITED
CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI

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*[PURSUANT TO REGULATION 8 OF SEBI (PROHIBITION OF INSIDER TRADING)
REGULATIONS, 2015]*

SHIVA PHARMACHEM LIMITED
CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.

The Company believes in timely, uniform and adequate disclosure of unpublished price sensitive information as per the statutory framework and the Company's communication policies.

2. Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.

The Chief Investor Relations Officer shall furnish Unpublished Price Sensitive Information to the Stock Exchanges. The Unpublished Price Sensitive Information shall be hosted in the website of the Company after the information is furnished to the Stock Exchanges.

3. Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

The Company shall have designated a Compliance officer (or in his absence any senior officer) as a Chief Investor Relations Officer.

4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.

If information is accidentally disclosed without prior approval, the person making such disclosure shall immediately inform the Chief Investor Relations Officer who shall take all necessary steps to make the information generally available and accessible.

5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.

The Company shall make all efforts to clarify rumours and queries, while ensuring comments are restricted to clear facts.

6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.

All Directors, Officers and Employees of the Company shall comply with the following guidelines while dealing with analysts, institutional investors and media.

- i. Only the Managing Director, Chief Financial Officer, Company Secretary and Head – Communication will deal with the analysts, institutional investors and media.
- ii. All other directors, officer and employees of the Company shall not deal with analyst and media except with the prior approval of the Managing Director.
- iii. Only public information shall be provided to the analyst/research persons/large investors, institutional institutions and media.

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- iv. In order to avoid misquoting or misrepresentation, the Chief Investor Relations Officer and/or one other representative of the Company shall be present at meetings with Analysts, brokers, Institutional Investors and media. The discussions shall be recorded.
- v. Unanticipated questions shall be taken on notice and a considered response given later. If the answer includes unpublished price sensitive information, a public announcement shall be made before responding.
- vi. When any meeting is organized with analysts, the presentation and a press release shall be hosted on the website after every such meet.

7. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.

- i. Disclosure/dissemination of information shall be made through various media so as to achieve good reach and quick dissemination.
- ii. Disclosures shall also be made through the Company's official website.
- iii. The Investor Relations section of the Company's website shall be used to give investors a direct access to analyst briefing material, significant background information, questions and answers, etc.

8. Handling of all unpublished price sensitive information on a need-to-know basis.

All unpublished price sensitive information shall be handled only on a need-to-know basis. Employees shall handle all UPSI on a need-to-know basis and in furtherance of their role, tasks and duties owed to the organization.

9. Policy for determination of "Legitimate Purposes"

- i. Any information which is in the nature of UPSI shared with third parties such as lenders, customers, suppliers, merchant bankers, legal advisors, auditors, or any other counterparty is ought to be done only when the employee is satisfied that such sharing is necessary for 'legitimate purposes' and to carry out their legitimate duties and in proper discharge of their responsibility owed to the organization.
- ii. The assessment of whether sharing of UPSI for a particular instance would tantamount to 'legitimate purpose' would entirely depend on the specific facts and circumstances of each case. Accordingly, this Policy only sets out the principles that should be considered while assessing if the purpose for which UPSI is proposed to be shared is "legitimate";

The following factors shall be considered in determining the legitimate purpose:

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- whether sharing of such information is in the ordinary course of business of the Company and is in the best interests of the Company or in furtherance of a genuine commercial purpose;
 - whether information is sought to be shared to evade or circumvent the prohibitions of the Regulations;
 - whether the information is required to be shared to discharge any statutory, regulatory or legal obligations;
 - whether the nature of information being shared is commensurate to the purpose for which access is sought to be provided to the recipient.
- iii. As an organization, the Company will engage with such counterparties where such communication would be necessary for legitimate purposes bearing in mind the same principle of sharing information on a 'need-to-know basis'. The Company will require any recipient of any information to execute Non-Disclosure Agreements in accordance with extant policy.

10. Structured Digital Database:

A structured digital database shall be maintained containing the names of such persons or entities, as the case may be, with whom information is shared for legitimate purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal controls will also be laid out to secure such database. Documents containing confidential information shall be kept secured. Computer files shall have adequate security login and password, etc.

11. Amendments

The Board of Directors is authorized to amend or modify this Fair Disclosure Code in whole or in part as and when deemed necessary, to stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information.

12. Scope and Limitation

In case there are any regulatory changes requiring modifications to this policy, the same shall be reviewed and amended with the approval of the Board of Directors. However, the amendment in the regulatory requirements shall be binding on the Company and prevail over this Policy even if not incorporated in this Policy.

13. Disclosure of the Code on Public Domain

This Code and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed and also published on the official website of the Company.