

**CODE OF FAIR DISCLOSURE**  
**UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**  
**TITAN BIOTECH LIMITED**

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Company Secretary (Compliance Officer) shall be Chief Investor Relations Officer and Deal with dissemination of information and disclosure of unpublished price sensitive information.

**The Company shall**

- (1) promptly make public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible concrete information comes into being in order to make such information generally available.
- (2) uniformly and universally disseminate the unpublished price sensitive to avoid selective disclosure.
- (3) shall designate senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
- (4) promptly disseminate the unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise and shall make such information generally available,
- (5) appropriately and fairly respond to the queries on news report and shall request for verification of market rumours by regulatory authorities,
- (6) ensure that information shared with analysts and research personnel is not unpublished price sensitive information,
- (7) make transcripts or records of proceedings of meeting with analysts and other investor relations conferences and put it on its website, in order to ensure official confirmation and documentation of disclosure made and
- (8) handle all unpublished price sensitive information on the need to know basis.

**STANDARDS FOR CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS:**

- (1) The compliance officer shall report to the Board of Directors and in particular, shall provide reports to the Chairman of the Audit Committee, on quarterly basis. The Board shall be informed regarding compliances of the code on quarterly basis.
- (2) The Company will not communicate unpublished price sensitive information to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.
- (3) The company will follow Chinese Wall Policy to prevent the misuse of confidential information. A "Chinese Wall" policy separates people into two group, one, the Insiders (referred as the "Designated Person") possessing the unpublished price sensitive information and second, the

outsiders (i.e. the Public or a person below designated person). As per “Chinese Wall” policy, the designated person (termed as person of Insider Area) is not allowed to communicate the unpublished price sensitive information to other person in organization (termed as person of Public Area). In order to comply with the policy, the Compliance Officer shall take declaration in the form of an Undertaking from the designated person (**Form-E**) on the quarterly basis, to ensure that, they have not communicated any price sensitive information to any outsider. There will be a wall between all the departments of the company in sharing the price sensitive information.

- (4) If a designated person, having possession of the price sensitive information, intends to communicate the same in order to fulfill his legal obligations, then, he must ensure that any provisions of the applicable acts/laws/regulations or guidelines of the Government are not violated and the information is not used for trading purpose in securities of the Company. He shall make a disclosure in this regard to the compliance officer.
- (5) As presently, the Company is having only one kind of security (i.e. equity shares), the trading in the shares shall be covered under the code. The Compliance officer is entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information before approving any trade.

## **GENERAL PROVISION**

Regulation 6 provides that:

- (1) Every public disclosure shall be made in such form as may be specified.
- (2) The disclosures to be made by any person shall include those relating to trading by such person’s immediate relatives, and by any other person for whom such person takes trading decisions.
- (3) The disclosures for trading in securities shall also include trading in derivatives of securities and traded value of derivatives shall be taken into account.

Provided that trading in derivatives of securities is permitted by any law for the time being in force.

## **DISCLOSURE BY CERTAIN PERSONS**

**Regulation 7(1) provides for initial disclosure means one time only in the following cases:**

- (a) Every promoter, key managerial personnel and director of every company whose securities are listed on any recognized stock exchange shall disclose his holding of securities of the company as on **14<sup>th</sup> May, 2015** to the company within thirty days, means on or before 13<sup>th</sup> June, 2015. In the annexed Form A.
- (b) Every person on appointment as a key managerial personnel or a director of the company or upon becoming a promoter shall disclose his holding to securities of the Company as on the date of appointment or becoming a promoter in the Annexed Form B.

**Regulation 7(2) provides for Continual Disclosure; means on the event happened in the following cases.**

- (a) Every promoter, employee and director of every company shall disclose to the company, the number of such securities acquired or disposed of within two trading days of such transaction if the value of securities traded, whether in one transaction or a series of transactions over value as may be specified in the Annexed **Form C**.
- (b) Every company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or form becoming aware of such information.

Explanation: - It is clarified for the avoidance of doubt that disclosure of incremental transactions after any disclosure under this sub-regulations, shall be made when the transactions affected after the prior disclosure cross the threshold specified in the clause (a) of sub-regulations (2)

**Regulations 7(3) for Disclosures by other connected persons.**

The Company requires from any other connected person or class of connected persons to make disclosures for holding and trading in securities of the company in the Annexed **Form D** at such frequency as may be determined by the company in order to monitor compliance with these regulations.

## **TRADING WINDOW**

- (1) Designated persons may execute trade subject to compliances with the code and the regulations. The Company shall maintain a register giving details of trades. The register shall be termed as the notional trading window for the purpose of Monitoring trading by Designated Persons.
- (2) The trading window shall generally be closed after declaration of meeting of Board for consideration of financial results upto a period of 48 hours when financial results are made public. Compliance Officer may also determine other dates for closing window.
- (3) Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.
- (4) The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hour after the information becomes generally available.
- (5) The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company.
- (6) When the trading window is open, trading by designated person shall be subject to pre-clearance by the compliance officer, if the value of the proposed trades is above Rupees Five Lakh. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is open.

- (7) Trades that have been pre-cleared have to be executed by the designated person within 7 days of Pre-clearance, failing which fresh pre-clearance would be needed for the trades to be executed.
- (8) A designated person shall not execute a contra trade within 6 months. However, compliance officer may grant relaxation from strict application of such restriction for reason to be recorded in writing provided that such relaxation does not violate the regulations.
- (9) If a 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 Board for credit to the Investor Education Protection Fund administered by the Board under the Act.

In case, it is observed that there has been a violation of the code/ regulations, the Board shall be informed promptly.

### SUMMARY

#### CODE OF FAIR DISCLOSURE AND CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

- (1) It has to be ensured by insider/designated person/connected persons with the Company (Mainly directors / CFO / VP/ Company Secretary / Auditors) that price sensitive information related to the Company is not communicated to any outsider.
- (2) In case, the price sensitive information is to be communicated in order to fulfill some legal obligations, then, the designated person must ensure that any provisions of the applicable acts / laws / regulations or guidelines or the Government are not violated and the information is not used for trading purpose in shares of the Company.
- (3) Every promoter, key managerial personnel and director of the Company shall disclose **(Form A)** his shareholding of securities of the Company to the compliance officer within **30 days** after the code come into force **(i.e from 14.05.2015)**.
- (4) Designated persons are required to submit **Form-C** disclosing information related to holding, acquisitions and disposal off of the shares of the Company only when the aggregate of their traded value is in excess of **Ten Lakh Rupee** in any quarter during the year then such disclosure shall be made within two trading days of making such transaction.
- (5) **Trading Plan:** An insider, **if so desire**, may formulate a trading plan for trading in the securities of the Company and present it to the compliance officer for approval. Trade in shares of the Company can be started only after the completion of 6 months from the date of approval.
- (6) If any designated person wants to trade in shares of the Company and the value of the proposed trade above **five lakh**, he will have to take pre-clearance from Compliance Officer (i.e. Company Secretary)

**For Titan Biotech Limited**

**Charanjit Singh**  
**Compliance Officer & Company Secretary**

