

SHARON BIO-MEDICINE LIMITED

ADD : W-34, W-34/1, MIDC, TALOJA, MAHARASHTRA - 410208

CIN: L24110MH1989PLC052251

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INSIDER TRADING POLICY

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 came in to force on 15th January 2015 (hereinafter referred to as the “Regulations”) in terms of which the Company is required, inter alia, to frame code of conduct for prevention of insider trading (hereinafter referred to as “Sharon Bio-medicine Limited Insider Code”) by employees of the Company, including the Directors, in relation to the securities of the Company.

In line with the said Regulations, the following “Insider Code” has been adopted by the Board of Directors of the Company at it’s meeting held on 27/05/2015, in substitution of “the Code” framed under Securities and Exchange Board of India (Insider Trading) Regulations, 1992.

(I) INTRODUCTION

The Insider Code is applicable to all designated employees, their dependent family members, connected persons, promoter and promoter group of the Company.

(II) DEFINITIONS

- (a) “Act” means the Securities and Exchange Board of India Act, 1992
- (b) “Company” means Sharon Bio-medicine Limited
- (c) “Compliance Officer” means the General Counsel and Chief Compliance Officer of the Company or the Company Secretary for the purpose of administration of the Insider Trading Policy.
- (d) “Connected Person” Connected Person,” includes –
 - i. A director of the Company;
 - ii. A Key Managerial Personnel of the Company;
 - iii. An Officer of the Company;
 - iv. Any person who is or has been in a contractual or fiduciary or employment relationship at any time in the six month period prior to the date of determining whether that person, as a result of such relationship, was, directly or indirectly, (x) allowed access to Unpublished Price sensitive information or (y) reasonably expected to be allowed access to Unpublished Price sensitive information;
 - v. Any person who is or has been in frequent communication with an Officer of the Company at any time in the six month period prior to the date of determining whether that person, as a result of such frequent communication, was, directly or indirectly, (x) allowed access to Unpublished Price sensitive information or (y) reasonably expected to be allowed access to Unpublished Price sensitive information;
 - vi. An employee of the Company who has access to UPSI or is reasonably expected to have access to Unpublished Price sensitive information;
 - vii. Any person who has a professional or business relationship and that relationship that, directly or indirectly, (x) allows access to Unpublished Price sensitive information or (y) is reasonably expected to allow access to Unpublished Price sensitive information;

(e) "Dependent family members" for the purpose of the Insider Code means dependent parents, dependent children, dependent spouse, and any other relative(s) dependent of the designated employee.

(f) "Designated employees" shall cover the following:

- i. All directors whether executive, non-executive or independent
- ii. Chief Executive Officer (CEO), Chief Financial Officer (CFO) Chief Internal Auditor (CIA)
- iii. Chief Operating Officer (COO) and Company Secretary or any such equivalent position
- iv. Heads, Senior Vice Presidents, Vice Presidents and Associate Vice Presidents and
- v. Employee who may be able to have access to any price sensitive information
- vi. Such other employees as may be determined by the Company from time to time

(g) "Promoter" shall have the same meaning as assigned to them in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof

(h) "Regulation" means SEBI (prohibition of Insider Trading) Regulations 2015 or any modification thereof.

(i) "Securities" shall mean and include equity shares and derivatives on shares of the Company, securities within the meaning of Securities Contracts (Regulation) Act, 1956 to be issued from time to time and listed on the stock exchanges

(j) "Trading Window" means a trading period for trading in Company's securities.

(k) Working day shall mean the working day when the regular trading is permitted on the concerned stock exchange where securities of the Company are listed.

All other terms used in the Insider Code shall have the same meaning as assigned to them under the Regulations.

(III) COMPLIANCE OFFICER – AUTHORITY TO DELEGATE

In case the Compliance Officer is not available either on account of his being on leave or on his being away from the Head Quarters of the Company for a period of 7 (Seven days) or more, he shall delegate his authority to any executive as he may deem fit and appropriate who shall act as Compliance Officer during the period of his absence.

(IV) PROHIBITION ON COMMUNICATING OR PROCURING UNPUBLISHED PRICE SENSITIVE INFORMATION.

An Insider shall not:

- (i) Communicate, provide or allow access to any unpublished price sensitive information, relating to the company or its securities, to any person including other insiders except to the extent allowed by these Regulations.
- (j) Procure from or cause the communication by an insider of unpublished price sensitive information relating to the Company or its securities.

Provided that nothing contained above shall be applicable when an unpublished price sensitive information is communicated, provided allowed access to or procure.

(V) PROHIBITION TO TRADE IN SECURITIES OF THE COMPANY BY DESIGNATED EMPLOYEES

Designated employees of the Company when in possession of any unpublished price sensitive information, as defined in the Regulations, pertaining to the Company shall not;

- (a) Trade in securities of the Company, either on their own behalf or on behalf of any other person, except provided otherwise.
- (b) Communicate, counsel, procure, or allow access to any unpublished price sensitive information to/from any person, except in furtherance of a legitimate object or performance of duties.
- (c) Designated employees shall maintain the confidentiality of all price sensitive information. Designated employees shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.

All information shall be handled within the organization on a need to know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

(VI) TRADING WINDOW AND TRADING RESTRICTIONS

Designated employees and their dependents shall not buy/sell securities of the Company during the closure of the "Trading Window" i. e. the period during which trading in the securities of the Company is prohibited.

Trading window shall be closed during the following periods:

- (a) Two days prior to the Board meeting in which quarterly/half yearly/annual financial results will be considered and shall remain closed till 48 hours after the announcement of the financial results for the relevant period to the stock exchanges.
- (b) From the date of circulation of the agenda for the meeting of the Board of Directors, in which any material price sensitive and unpublished event, including the following are proposed.
 - i. Financial results
 - ii. Dividends
 - iii. Change in capital structure
 - iv. Merger, demerger, acquisition, delisting, disposal of expansion of business of such other transactions,
 - v. Change in key managerial personnel
 - vi. Change in general character or nature of business
 - vii. Disruption of operations due to natural calamities
 - viii. Commencement of commercial production/ commercial operations
 - ix. Developments with respect to pricing/realization arising out of change in regulation frame work.
 - x. Litigation/ dispute with a material impact.
 - xi. Revision of ratings

The trading window shall open 48 hours after close of the Board meeting at which decisions in respect of the above events is public, whichever is later.

(VII) PROCEDURE OF PRE-CLEARANCE

Designated employees and their dependents shall require prior clearance from the compliance officer in respect of purchase/sale of securities of the Company, where the quantity exceeds 10,000 (Ten thousand) share in a month either in one transaction or series of transactions in Form P1. Such purchase/sale of securities by the compliance officer shall require prior clearance from the Managing Director, in his absence by any Executive Director. Pre-clearance shall be in Form P2

Purchase/sale transactions, for which prior clearance has been obtained, shall be executed within seven days after the approval pre-clearance is given, failing which a fresh pre-clearance shall be required.

Persons covered under the pre-clearance requirement shall file the details of the transactions in the format prescribed under Form P3 with the compliance officer within 30 (thirty) days of the exercise of the trade. Even in cases where the transaction has not been undertaken, the same should be reported in the above format.

Designated employees in possession of unpublished price sensitive information shall not apply for any pre-clearance even if the trading window is not closed.

(VII) MINIMUM HOLDING PERIOD

Designated employees who buy or sell any number of equity shares of the Company shall not enter in to an opposite transaction i.e. sell or buy any number of equity shares during next six months following prior transaction (contra trade).

The Compliance Officer may grant relaxation from strict application of contra trade for reasons to be recorded in writing. Application for relaxation shall be made in Form P4.

Where contra trade is executed inadvertently or otherwise in violation of this restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

(IX) THRESHOLD LIMITS AND DISCLOSURES

Initial Disclosures.

(a). Every promoter, key managerial personnel and director of every company whose securities are listed on any recognised stock exchange shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company within thirty days of these regulations taking effect;

(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 of securities of the company as on the date of appointment or becoming a promoter, to the company within seven days of such appointment or becoming a promoter.

Continual Disclosures.

(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 the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified;

(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 from becoming aware of such information.

Explanation. — It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this sub-regulation, shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause (a) of sub-regulation (2).

Disclosures by other connected persons.

Any company whose securities are listed on a stock exchange may, at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company in such form and at such frequency as may be determined by the company in order to monitor compliance with these regulations.

RECORDS

The Compliance Officer shall maintain records of all the declarations made in the appropriate form for a minimum period of five years.

The Compliance Officer shall also maintain a record of the designated employees and the changes made in the designated employees

PENALTIES FOR CONTRAVENTION

Persons governed by this Code who trade in securities or communicate any information for trading in securities in contravention of the provisions of this Code shall be penalized and appropriate action may be taken by the Company.

Persons governed by this Code who violate the provisions of this Code shall be subject to disciplinary action by the Company which may include wage freeze, suspension, and ineligibility for future participation in employee's stock option scheme etc.

Any material contravention of the Insider Code shall be placed before the stakeholder's relationship Committee (SRC) and actions shall be initiated with due consultation with the Chairman and Managing Director in his absence Whole Time Director and stakeholder's relationship committee of the Company.

AUTHORITY TO MAKE ALTERATIONS

The Board of Directors are authorised to make such alterations to this Code as considered appropriate, subject however, to the condition that such alterations shall not be inconsistent with the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015.

GENERAL`

A copy of the Regulations is enclosed. Designated employees are advised to peruse the Regulations carefully and acquaint themselves with all the provisions contained therein. The Compliance Officer will be available for clarification/assistance that may be necessary.

Form P1
Application for pre-clearance of trade

The Compliance Officer
Sharon Bio-medicine Limited
Add

Dear Sir,

Ref: Pre-clearance of trade

DP's name:
DP ID:
CLIENTID:
Name of insider: Address:

Your approval is solicited for purchase/sale of _____ securities of the Company in physical /demats form.

I state on solemn affirmation:

1. That I am Director/Employee/Designated Employee of the Company Sharon Bio-medicine Limited who may reasonably be expected to have an access to unpublished price sensitive information in relation to the Company;
2. That I intend to purchase/sale (state No. of securities) securities of the Company in physical/demat form immediately on receipt of clearance for trade;
3. That I am aware of the code of conduct for Prohibition of Insider Trading (Insider Code) and that the provisions are applicable to me.
4. That at this point of time trading window is open and I am permitted to trade in securities;
5. That I do not have access to the unpublished price sensitive information and also have not received unpublished price sensitive information till today;
6. That in case I have access to the price sensitive information or receives it after signing this undertaking, I shall inform the change and refrain from dealing in securities till the information becomes public;
7. That I have not contravened the code of conduct for prevention of insider trading as notified by the Company;
8. That whatever is stated above is true and correct to the best of knowledge and nothing has been concealed.

Yours truly

Name

Signature

Designation

(You are requested to use the above format for pre-clearance of trade of your dependents i.e. dependent parents, dependent spouse, dependent children)

Form P2
PRE-CLEARANCE OF TRADE

To,

Name of employee etc.

Dear sir/Madam,

This has reference to your application dated _____ for approval to purchase/sale of securities.

Your application is considered and based on the undertaking given by you, the proposed trade is approved.

This approval is valid for one week, or till you access to un published price sensitive information, whichever is earlier.

Thanking you

Yours faithfully,

For Sharon Bio-medicine Limited

Compliance Officer

UNDERTAKING

With reference to the inter office memo received from the Compliance Officer in connection with Prohibition of Insider Trading, I hereby undertake that while I have access to the price sensitive information(PSI)and/or while the PSI remains unpublished

:

- i. I shall not deal in Company's securities on my own behalf or on behalf of any other person;
- ii. I shall not communicate counsel or procure directly or indirectly any unpublished price sensitive information to any person who while in possession of such unpublished price sensitive information shall not deal in Company's securities.
- iii. I am aware that whatever is contained in (ii)above shall not be applicable to any communication required in the ordinary course of business or under any law.
- iv. I shall keep the confidential information which is in my possession secured. Computer files containing the PSI shall have security of log in or password.

Signature: _____

Date:

Name : _____

Emp. No. : _____

Form P 3

Completion of Trade

To

The Compliance Officer
Sharon Bio-medicine Limited
W-34, W-34/1, MIDC, Taloja
Maharashtra - 410 208

Date:

Dear Sir/Madam,

Folio No. _____ / D.P.ID. No. _____ Client I.D. No. _____

Sub: Preclearance of trade dated_____

This is to inform you that the trade for purchase/sale of Company's shares cleared by you vide No. dated has been completed. Is my D.P. My D.P. I.D. No. is, myclientI.D.No.is /my folio No. is (state if the shares are purchased for the first time.)

I will hold the shares purchased for a period of six months from the date of completion of deal.

Thanking you,

Yours truly

Signature

Name

Designation

Form P4
Application for waiver of minimum holding period

To

The Compliance Officer
Sharon Bio-medicine Limited
W-34, W-34/1, MIDC, Taloja
Maharashtra - 410 208

Date:

Dear Sir/Madam,

Folio No. _____ / D.P.ID. No. _____ Client I.D. No. _____

Sub: Waiver of minimum holding period

I/my dependent family member (state name & relation) had purchased Company's shares vide preclearance dated ,on (date of completion of deal).

On account of (state reason for selling)I wish to sell these shares within the minimum holding period.

Your approval is solicited.

Thanking you,
Yours truly

Signature Name
Designation