

KERALA AYURVEDA LIMITED

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

This Code of Conduct For Board Members and Senior Management Personnel (hereinafter referred to as "the Code") has been framed and adopted by Kerala Ayurveda Ltd (hereinafter referred to as "the Company") in compliance with the provisions of Chapter IV, Reg 17(5) (a) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015.

This Code is intended to provide guidance to the Board of Directors and Senior Management Personnel to manage the affairs of the company in an ethical manner. The purpose of this code is to recognize and deal with ethical issues and to provide mechanisms to report unethical conduct of Employees, Board of Directors and Senior Management Personnel and to develop a culture of honesty and accountability.

This Code of Conduct should be read in conjunction with applicable regulations & existing policies & procedures of the Company. You can also contact the Secretarial Department if you have any questions or clarifications.

The provisions of this Code can be amended/ modified by the Board of Directors of the Company from time to time and all such amendments/ modifications shall take effect from the date stated therein.

1. DEFINITIONS & INTERPRETATION

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them below:

"Board Members" shall mean the Directors on the Board of Directors of the Company.

"Whole-time Directors" shall mean the Board Members who are in whole-time employment of the Company.

"Part time Directors" shall mean the Board Members who are not in whole time employment of the Company.

"Relative" shall mean 'relative' as defined in Clause 77 of Section 2 and read with Rule 4 of Chapter I Companies (Specification of Definitions Details) Rules, 2014 of the Companies Act, 2013.

"Senior Management Personnel" shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would comprise of all members of management one level below the executive directors, including viz. Company Secretary, Manager, CEO, CFO, all Functional Heads, all Unit Heads and all other executives having similar or equivalent rank in the Company.

"The Company" shall mean Kerala Ayurveda Limited.

2. APPLICABILITY

The Code applies to the following personnel:

Board Members (whether Whole Time Directors or Part Time Directors including Independent and Nominee Directors) and Senior Management Personnel of the Company.

3. CODE OF CONDUCT

The Board Members and Senior Management Personnel shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment.

The Board Members and the Senior Management Personnel of the Company:

- a) Shall comply with all applicable laws, rules and regulations
- b) Shall maintain and help the Company in maintaining highest degree of Corporate Governance practices.
- c) Shall act in utmost good faith and exercise due care, diligence and integrity in performing their office duties.
- d) Shall not involve in taking any decision on a subject matter in which a conflict of interest arises or which, in his/her opinion, is likely to arise.
- e) Shall not utilize bribery or corruption in conducting the Company's business. No Director or employee will offer or provide either directly or indirectly any undue pecuniary or other advantages for the purpose of obtaining, retaining, directing or securing any improper business advantage.
- f) Shall not indulge themselves in Insider Trading and shall comply with the Insider Trading Code and Insider Trading Regulations as laid down by SEBI and the Company.
- g) Shall ensure that they shall protect the Company's assets and properties including physical assets, information and intellectual rights and not use the same for their personal gain.
- h) Shall not seek or accept any compensation (in any form), directly or indirectly, for services performed for the Company from any source other than the Company.
- i) Shall not, without the prior approval of the Board or Senior Management, as the case may be, accept employment or a position of responsibility with any other organization for remuneration or otherwise that are prejudicial to the interests of the Company and shall not allow personal interest to conflict with the interest of the Company.
- j) Shall not receive any gift, payments or favor in whatsoever form from Company's business associates, which can be perceived as being given to gain favor or dealing with the Company and shall ensure that the Company's interests are never compromised.
- k) Shall maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and shall not use it for personal gain or advantage. No Board Members and Senior Management Personnel shall provide any information either formally or informally, to the press or any other publicity media, unless specifically authorized. However, that Board Members and Senior Management Personnel shall be free to disclose such information as is part of the public domain at the time of disclosure/ authorized or required to be disclosed pursuant to a decision of the Board/ required to be disclosed in accordance with applicable laws, rules, regulations or guidelines or to any authority.
- l) Shall not commit any offences involving moral turpitude or any act contrary to law or opposed to the public policy resulting in a conviction.

4. DUTIES OF DIRECTORS

As laid down in the Companies Act, 2013 under Section 166, the duties of directors are:

- a) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
- b) A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- c) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- d) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with The interest of the company.
- e) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- f) A director of a company shall not assign his office and any assignment so made shall be void.

5. DUTIES OF INDEPENDENT DIRECTORS

The independent directors:

- a) Shall undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- b) Shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- c) Shall strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- d) Shall participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- e) Shall strive to attend the general meetings of the company;
- f) Shall where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- g) Shall keep themselves well informed about the company and the external environment in which it operates;
- h) Shall not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i) Shall pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- j) Shall ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- k) Shall report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- l) Shall acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

- m) Shall not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

6. DISCLOSURE OF INFORMATION

Members of the Board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the company.

7. COMMUNICATION OF VIOLATIONS

Directors shall communicate any suspected violations of this Code promptly to the Chairman of the Audit Committee. Senior Management should communicate any suspected violation of this code to the Executive Director who in turn shall communicate it to the Chairman of the Audit Committee. Violations will be investigated by the Board or by persons designated by the Board, and appropriate action will be taken in the event of any violations of the Code.

8. CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE

In case of breach of this Code, the same shall be considered by the Board of Directors for initiating appropriate action, as deemed necessary. Any waiver of this Code may be made only by the Board of Directors and must be promptly disclosed to the Company's shareholders.

An independent director shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently with respect of the provisions contained in the SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015 and as per Section 149 (12) of the Companies Act, 2013.

9. PLACEMENT OF THE CODE ON WEBSITE

Pursuant to the SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015, this Code and any amendments thereto shall be posted on the website of the Company.

10. ANNUAL COMPLIANCE REPORTING

In terms of SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015, all Board Members and Senior Management Personnel shall affirm compliance of this Code within 30 days of close of every financial year in the proforma enclosed as "Annexure I" to this Code.

The Annual Report of the company shall contain a declaration to this effect signed by the Executive Director/Whole time Director.

11. ACKNOWLEDGEMENT OF RECEIPT OF THIS CODE

All Board Members and Senior Management Personnel shall acknowledge the receipt of this Code or any modification(s) thereto, in the acknowledgement form in the proforma enclosed as “Annexure II” to this Code and forward the same to the Company Secretary.

ANNEXURE I

KERALA AYURVEDA LIMITED

Compliance of the Code of Conduct by all Board Members and Senior Management Personnel of the Company

ANNUAL COMPLIANCE REPORT

I, -----do hereby solemnly affirm to the best of my knowledge and belief that I have, in letter and in spirit, complied with the provisions of the CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31st March _____.

Signature:

Name:

Designation:

Date:

Place:

* To be submitted by 30th April each year

ANNEXURE II

KERALA AYURVEDA LIMITED

Acknowledgment of receipt of Code of Conduct by all Board Members and Senior Management Personnel of the Company

ACKNOWLEDGEMENT FORM

I, _____ have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ("this Code"). I have understood the provisions and policies contained in this Code and I agree to comply with this code.

Signature:.....

Name:

Designation:

Date:

Place:

(Please sign and return this form to the HR Department for filing in their respective personal files. All members of the Board to sign and return this form to the Company Secretary.)