

**KERALA AYURVEDA LIMITED**

**CODE OF CONDUCT FOR REGULATING, MONITORING, PREVENTING AND  
REPORTING OF TRADING IN SECURITIES BY INSIDERS AND DESIGNATED  
PERSONS AND IMMEDIATE RELATIVES OF DESIGNATED PERSONS CODE OF  
PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED  
PRICE SENSITIVE INFORMATION**

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1. This code may be called as “KAL code of conduct for prevention of Insider Trading”
2. The code shall come into force with effect from 01<sup>st</sup> April, 2019.
3. This policy is only an internal code of conduct and one of the measures to avoid Insider Trading. It will be the responsibility of each person covered under the SEBI Insider Trading Regulation to ensure compliance of the SEBI Act, Guidelines and other related statutes

## **INSTRUCTIONS FOR INSIDERS AND DESIGNATED PERSONS**

Do not engage in insider dealing;

- Trading in KAL' s Securities when you have inside information or sharing it with others is illegal and can result in severe penalties. Never indulge in forward dealings in securities of the Company. Both these are prohibited activities.
- Never buy or sell any KAL' s or any companies' Securities if you have inside information.
- Never spread false information to manipulate the price of KAL' s any other listed securities.
- Trading indirectly when in possession of inside information of KAL' s and/or its Securities, for example through family members or others, or providing 'tips' is also prohibited.
- Follow the same principles in relation to inside information of KAL' s holding, subsidiary(s) or Associate Companies.
- Remember these rules continue to apply even when you are no longer a KAL' s employee.

Note: In case has/have any doubt(s), check with Legal & Secretarial Department

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## **I. BACKGROUND**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Regulations) seek to govern the conduct of insiders, connected persons and persons who are deemed to be connected persons on matters relating to Insider Trading.

Insider Trading involves trading in the securities of a company listed or proposed to be listed, by connected or any persons in possession of or with access to unpublished price sensitive information not available to the general public, who can take advantage of or benefit from such unpublished price sensitive information. Trading in securities by an ‘insider’ is regarded unfair when it is predicated upon utilization of ‘inside’ information to profit at the expense of other investors who do not have access to the same information.

The Code of Conduct incorporates the amendments so as to align it with the new regulation i.e. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”). Accordingly, in supersession of the previous Code, a Code of Conduct to Regulate, Monitor and Report Trading by Insiders (the “Code”) for Kerala Ayurveda Limited (the “Company”) is hereby framed as under.

## **II. OBJECTIVES OF THE CODE**

This Code of Conduct has been prepared by adopting the standards set out in Schedule B of the Regulations in order to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the Regulations.

In order to fully understand the scope of restrictions on insider trading, it is useful to understand the following terms/definitions.

### III. DEFINITIONS

- (a) **“Act”** means the Securities and Exchange Board of India Act, 1992
- (b) **“Board”**- means Board of Directors of the Company.
- (c) **“Chinese Wall”** means all information shall be handled within the organization on a need to know basis and no UPSI shall be communicated to any person except in furtherance of the insider’s legitimate purposes, performance of duties or discharge of his legal obligations
- (d) **“Code”** means this Code of Conduct for regulating, monitoring & reporting of trading by Insiders of KAL, including modifications/ amendments made thereto from time-to-time.
- (e) **“Company”** means “Kerala Ayurveda Limited”(KAL)
- (f) **“Compliance Officer”** means any senior officer, designated so and reporting to the board of directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Regulations and who 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 listed company or the head of an organization, as the case maybe;

Explanation – For the purpose of this code, “financially literate” shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.”

(g) **“Connected Person”** shall have the meaning given to it under Regulation 2(d) of the Regulations and shall also include the promoters and their directors and key managerial personnel.

Note : It is intended that a connected person is one who has a connection with the Company that is expected to put him in possession of unpublished price sensitive information.

**(h) “Dealing in securities”** means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities by any person either as principal or agent

**(i) “ Designated Persons”** means:

- (i) Members of the Board of Directors of the Company;
- (ii) CEO, Company Secretary, CFO;
- (iii) All employees of the Accounts Finance, Legal & Secretarial Department of the Company at Head office;
- (iv) CFO & CEO and CS of the Holding Company, subsidiary Company and Associate Company\* and Joint Venture,
- (v) Head of Internal Audit Department, Legal Department, Secretaries/Executive Assistants reporting to the Chairman or the Managing Director/Whole Time Director/CFO/CS
- (vi) All Departmental Heads of the Company (For e.g. Finance Head, Purchase Head, Sales Head etc.);
- (vii) Employees of other Departments/Divisions on a case-to-case basis, who could be reasonably expected to have access to unpublished price sensitive information(s) relating to the Company, to be decided by the Chairman/Managing Director Compliance Officer/Chief Financial Officer, on a case-to-case basis; and
- (viii) Employees of material subsidiaries of the Company designated on the basis of their functional role or access to unpublished price sensitive information in the organization by their board of directors;
- (ix) All promoters of the Company;
- (x) Any support staff of the Company, such as IT staff or secretarial staff Legal Staff, Finance Staff, Strategy Staff who have access to unpublished price sensitive information;
- (xi) Such other persons as may be identified by the Compliance Officer.

\*Associate Company means a company in which KAL has a significant influence, but which is not a subsidiary company of the KAL having such influence and includes a joint venture company.

Explanation.—For the purpose of this clause;

- (a) the expression "significant influence" means control of at least twenty per cent. of total voting power, or control of or participation in business decisions under an agreement;
- (b) the expression "joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

(j) **“Director”** means a member of the Board of Directors of the Company.

(k) **“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis, such as information published on websites of stock exchanges.

(l) **“Legitimate Purpose”** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

(m) **“Immediate Relative”** means the spouse of the Designated Person, and includes parent, sibling and child of such Designated Person or of the spouse, who are either financially dependent on the Designated Person or consults the Designated Person in taking decisions relating to trading in securities.

Note : If spouse is financially independent and doesn't consult an insider while taking trading decisions, the spouse won't be exempted from the definition of immediate relative. A spouse is presumed to be an “immediate relative”, unless rebutted so. It is intended that the immediate relatives of a “connected person” too become connected persons for purposes of this Code. However, this is a rebuttable presumption.

(n) **“Insider”** means any person who is,

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

(o) **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.

(p) **"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;]

(q) **"Proposed to be listed"** shall include securities of an unlisted company:

- a) if such unlisted company has filed offer documents or other documents, as the case may be, with the Board, stock exchange(s) or registrar of companies in connection with the listing; or
- b) if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act, 2013;”

(r) **"Regulations"** shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto

(s) **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.

(t) **"Trading Day"** means a day on which the recognized stock exchanges are open for trading.

(u) **"Trading in Securities"** means and includes an act of subscribing to, buying, selling, dealing or agreeing to subscribe to, buy, sell or deal in any Securities of the Company and —trade shall be construed accordingly.

(v) **"Unpublished Price Sensitive Information(‘UPSI’)"** means any information, relating to a Company or its Securities, directly or indirectly, that is not generally available which upon



becoming generally available, is likely to materially affect the price of Securities of the Company and shall, ordinarily include but not be restricted to, information relating to the following:

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel; and

All terms used in this Code but not defined hereinabove shall have the meanings ascribed to them under the Regulations.

Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

#### **IV. ROLE OF COMPLIANCE OFFICER**

Mr. Ramesh Vangal, Director of the Company shall act as the Compliance officer for the purpose of these Regulations and are responsible to comply with the provisions as contained herein. The Compliance officer under the overall supervision of the Board of Directors shall report to Board of directors of the Company.

The Compliance officer shall be responsible for

- (i) Setting forth policies in consultation with the audit committee
- (ii) Prescribing procedures for various activities referred to in the code
- (iii) To administer the code of conduct and other requirements under the Regulations

- (iv) Monitoring adherence to the Rules for preservation of Unpublished Price Sensitive information
- (v) Implementation of the code under the general supervision of the audit committee
- (vi) Review and approve the Trading Plan formulated by the insider and monitor the implementation of the same.
- (vii) Upon approval of the Trading Plan, notifying the Stock exchanges on which the securities are listed.
- (viii) Closing of the trading window when the Compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information.
- (ix) Grant of pre-dealing approvals to the designated persons for dealings in the Company's Securities by them/their dependents and monitoring of such dealings.
- (x) Maintaining a record (in electronic form) of the Designated Persons and changes thereto from time-to-time.
- (xi) Assisting all the Employees in addressing any clarifications regarding the Regulations and this Code.
- (xii) Placing of status reports before the Board and audit committee, detailing dealings in the Securities by the Designated Persons along with the documents that such persons had executed in accordance with the pre-dealing procedure prescribed under the Code on a quarterly basis

**V. RESTRICTION ON COMMUNICATION AND TRADING BY INSIDERS**

- 1) No insider shall communicate, provide or allow access to any unpublished price sensitive information, relating to the company. No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. The information will be

shared in accordance with the code for sharing of UPSI with Insiders as provided in **Annexure-C**.

- 2) Any inducement and procurement of unpublished price sensitive information not in furtherance of one's legitimate duties and discharge of obligations would be illegal under this code. The policy on leak of UPSI is provided as Annexure D.
- 3) Notwithstanding anything contained herein, UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
  - i. entail an obligation to make an open offer under the takeover regulations where the Board of Directors of the Company is of informed opinion that the sharing of such information is in the best interests of the Company;
  - ii. not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interest of the Company and the information that constitutes UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being affected in such form as the Company's Board of Directors may determine.
  - iii. For purposes of point (4) above, the Company shall require the parties to execute agreements/memorandum of understanding to ensure confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of the above point (4) and shall not otherwise trade in securities of the Company when in possession of UPSI.
- 4) The Board of Directors of the Company shall ensure that a structural digital Database is maintained containing the names of such persons or entities as the case may be 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 databases shall be maintained

with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database

## **VI. CONNECTED PERSONS & DESIGNATED PERSONS IN POSSESSION OF UPSI**

- 1) Connected persons & designated persons within the organization shall handle all information on a need-to-know basis and no UPSI shall be communicated to any person except in furtherance of the insiders legitimate purposes, performance of duties or discharge of his legal obligations.
- 2) Any breach of the above said obligation will attract disciplinary action as per Clause XII of this code.

## **VII. EXEMPTIONS**

Certain Trades may be exempted even when in possession of UPSI, if it is demonstrated by the persons who undertook the trade that there is no violation of all the provisions of the Code some examples are :

- a) Off-market inter-se transfer between insiders who are in possession of the same UPSI without being in breach of Regulation 3 and both the parties had made a conscious and informed trade decision.
- b) In the case of non-individual insiders:-
  - the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
  - appropriate and adequate arrangements were in place to ensure that these regulations are not violated, and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals

taking trading decisions and there is no evidence of such arrangements having been breached

- The trades were pursuant to a trading plan submitted by the insider to the Compliance officer

#### **VIII. PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

- a. All information shall be handled within the organization on a need-to-know basis.
- b. No Connected person or anyone who is in possession of or has access to unpublished price sensitive information relating to the Company shall communicate it to any other person except in furtherance of legitimate purposes, performance of his duties or discharge of his legal obligations.
- c. The Designated Employees and Connected persons shall maintain the confidentiality of all Unpublished Price Sensitive Information and shall not disclose or communicate or counsel or procure directly or indirectly the Unpublished Price Sensitive Information to any person (except in furtherance of legitimate purposes, performance of his duties or discharge of his legal obligations) until the same is made available to the general public.
- d. The Promoters, Directors, KMPs, Designated Employees and Connected persons, when in possession of UPSI shall not trade in securities of the Company either on their own behalf or on behalf of any other person. However, trades pursuant to a “Trading Plan” set up in accordance with Regulation 5 of the 2015 Regulations may be permitted subject to the approval of Trading Plan by the Compliance Officer and public disclosure of it on the Stock Exchanges.
- e. The Company shall adopt a Chinese wall policy to prevent the misuse of confidential information, which separates those areas of the Company which routinely have access to confidential information.

#### **IX. NOTIONAL TRADING WINDOW**

The Promoters, Directors, KMPs, Designated Persons and their immediate relatives shall not trade in securities when the (notional) trading window is closed. The trading window shall be closed when the Compliance Officer determines that these persons can reasonably be expected to have possession of UPSI.

The Trading Window shall be closed from end of every quarter till 48 hours after declaration of financial results ie. after the UPSI is made generally available.

The restriction on trading window shall not be applicable (i) Pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance by the Compliance Officer under clause 8 and compliance with the respective regulations.(ii)Transactions undertaken in accordance to respective regulations made by SEBI, such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer and (iii) transactions specified in clauses (i) to (iv) and (vi) of the proviso to sub-regulation (1) of regulation 4 of SEBI (Prohibition of Insider Trading) Regulations, 2015

When the Trading Window is open, there is no restriction for trading of securities if the value of securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value up to eight lakh rupees.

Beyond these stipulated thresholds, trading by these persons shall be subject to pre-clearance by Compliance Officer, if the value of proposed trades is above the aforesaid thresholds.

However, no person shall be entitled to apply for pre-clearance of any proposed trade if such person is in possession of UPSI even if trading window is open.

## **X. PROCEDURE FOR PRE-CLEARANCE**

a) Designated Persons may Trade in the securities of the Company when the trading window is open, after obtaining approval of the Compliance Officer by submitting an application as per **Annexure A** and an undertaking as per **Annexure B**.

- b) An Undertaking (refer **Annexure B**) shall be executed by these Person(s) stating that:
- he/ she does not have access to or received UPSI up to the time of signing the undertaking
  - that in case he/ she has access to or receives UPSI after signing the undertaking but before execution of transaction, he/ she shall inform the Compliance Officer forthwith and refrain from trading in securities till the PSI becomes generally available
  - he/ she has not contravened the provisions of the Code on PIT.
  - he/ she has made full disclosure in the matter
- c) 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.
- d) 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.
- e) 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 C**. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.
- f) 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.
- g) A Designated Person who Trades in securities without complying with the preclearance procedure as envisaged in these Rules 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 penalties as envisaged in these Rules.
- h) No Director or Key Managerial Personnel shall enter into derivative transactions in respect of the securities of the Company.
- i) All Designated Persons who Trade in the securities of the company shall not enter into an opposite transaction during the next six months following the prior transaction.
- j) In case of any contra trade be 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.

## **XI. TRADINGPLAN**

- a) Subject to Clause 5 and restriction under Regulations, an insider shall be entitled to formulate a Trading Plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.
- b) The Compliance Officer shall assure that the following features are complied with for review and approval of a Trading Plan. Trading under Trading Plan shall:
- i. not commence earlier than six months from the public disclosure of the plan;
  - ii. Prohibited from the end of every quarter till 48 hours after declaration of financial results ie. after the UPSI is made generally available.
  - iii. not entail trading for a period of less than twelvemonths;
  - iv. not entail overlap of any period for which another trading plan is already in existence;
  - v. set out either by the value of trades or to be effected or the number of securities, to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
  - vi. not entail trading in securities for market abuse.
- c) The Compliance Officer shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.
- d) The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.
- e) The implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any unpublished price sensitive information and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information.
- f) Further, the Designated Persons shall also not be allowed to trade in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.



g) Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities are listed.

## **XI. OPPOSITE TRANSACTIONS**

- 1) Connected persons and designated persons who buy or sell any number of shares of the company shall not execute a contra trade i.e. sell or buy any number of shares during the next six months following the prior transaction.
- 2) In the case of sale of securities necessitated by a personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his reasons in this regard.

## **XII. DISCLOSURES**

### **INITIAL DISCLOSURES OF SHAREHOLDING TO THE COMPANY**

**(1)** Every Promoter, KMP and Director of the Company, shall, disclose his/ her holding of securities of the Company as on the date of these Regulations take effect i.e. as on 15<sup>th</sup>May, 2015, to the Company. **(refer Annexure D)**

Timeline for disclosure – 30 days

**(2)** Upon becoming a Promoter or appointment as a KMP or Director of the Company, such person, shall, disclose his/ her holding of securities of the Company as on the date of becoming a promoter or appointment as a KMP or Director, to the Company. **(refer Annexure E)**

Timeline for disclosure – 7 days

## **CONTINUAL DISCLOSURES OF TRADING IN SHARES TO THE COMPANY**

Every Promoter, Employee and Director of the Company, shall, disclose the no. of securities acquired or disposed, if the value of securities traded, whether in 1 transaction or a series of

transactions, over any calendar quarter, aggregates to a traded value exceeding Rs. 10 lakhs (refer **Annexure F**)

Timeline for disclosure – 2 trading days

All Designated Persons shall disclose the name, Permanent Account Number and mobile number used by the following persons:

- a. their Immediate relatives;
- b. Persons with whom such Designated Person(s) share a material financial relationship, where ‘material financial relationship’ refers to 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.

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis

## **NOTIFICATION OF CONTINUAL DISCLOSURES BY THE COMPANY TO STOCK EXCHANGES**

The Company shall notify the Stock Exchanges on receipt of continual disclosure (as above) or becoming aware of such information. Timeline for disclosure – 2 trading days

## **ANNUAL DISCLOSURE OF SHAREHOLDING**

Every Promoter, Director, KMP and Designated Employee of the Company, shall, disclose his/ her holding of securities of the Company as on date of every financial year ending 31st

March, to the Company. (refer **Annexure G**)

Timeline for disclosure – 30 days

*For the purpose of all the above prescribed disclosures, whether initial, continual or annual, the disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account accordingly.*

### **XIII. PENALTY FOR CONTRAVENTION**

Every person, to whom the Code is applicable, shall be individually responsible for complying with the provisions of this Code (including to the extent the provisions hereof are applicable to his/ her immediate relatives).

Any person who violates the Code, shall, in addition to any other penal action that may be taken against him under any law, may also be penalized and appropriate action may be taken by the Company.

Any Designated Person who violates any of the provisions of the Code is liable for the disciplinary action / penal consequences such as wage freeze, suspension, recovery, claw back, ineligibility for future participation in the Company's ESOP Scheme,

Intimation to SEBI: In case of observation, that a Designated Person has traded in the Securities of the Company and has handled the UPSI in violation of the provisions of the SEBI Regulations, we shall report such contravention and action taken with the stock exchange(s) where the concerned securities are traded, in such form and such manner as may be specified by the Board from time to time

### **XIV. AMENDMENTS / REVISIONS**

The board shall have the power to amend/replace the code as and when applicable and revised from Regulators.

The Company Secretary & Compliance officer is being authorized to make necessary changes in the disclosure required, format & other information to make a fair and transparent disclosure in aforesaid Code of Conduct.

**XV. INFORMATION TO SEBI IN CASE OF VIOLATION OF THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015.**

Any violation of the Code of Conduct and the Regulations shall be immediately intimated to the Compliance Officer or the Board of the Company.

In case it is observed by the Board of Directors that there has been a violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015 in relation to securities of the Company, the same shall be immediately intimated to SEBI.

**XVI. WHISTLE BLOWER POLICY - TO INQUIRE LEAK OF UPSI**

- The company shall have Whistle-Blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.
- If an inquiry has been initiated by the company in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information the relevant intermediaries shall co-operate with the company in connection with such inquiry conducted by listed company.
- **Protection of Whistle-blowers**

Any employee who files with SEBI a Voluntary Information Disclosure Form with regard to an Insider Trading transaction will not be at a risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. The Company's employee will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of

promotion, or the like including any direct or indirect use of authority to obstruct the Whistle blowers' right to continue to perform his/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy. The protection is available provided that:

- a. The communication/ disclosure is made in good faith
- b. He /She reasonably believes that information and any allegations contained in it, are substantially true; and
- c. He/she is not acting for personal gain

However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.

The Company will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed and disciplinary action taken against any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.

Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistle blower.

## **XVII. POWER TO MAKE CHANGES**

The Compliance Officer of the Company may from time to time be severally empowered to:

1. amend the list of Designated Persons, Connected Persons;
2. formulate such procedure for implementation of pre-clearance and trade plan and prescribe forms for initial and continual disclosures until the same is notified by SEBI and
3. make necessary changes to this code of conduct including forms for pre-clearance and under

**ANNEXURE A**

**APPLICATION FOR PRE-CLEARANCE OF TRADES**

To

The Compliance Officer

**Kerala Ayurveda Limited**

1134, 1st Floor, 100 Feet Road

HAL 2nd Stage, Indiranagar

Bengaluru-560 008, India

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	<b>Name of the applicant</b>	
2	<b>Designation</b>	
3	<b>Number of securities held as on date</b>	
4	<b>Folio No. / DP ID / Client ID No.</b>	
5	<b>The proposal is for</b>	(a) Purchase of securities (b) Subscription to securities (c) Sale of securities

6	<b>Proposed date of trading in securities</b>	
7	<b>Estimated number of securities proposed to be purchased/subscribed/sold</b>	
8	<b>Current market price (as on date of application)</b>	
9	<b>Whether the proposed transaction will be through stock exchange or off-market trade</b>	
10	<b>Folio No. / DP ID / Client ID No. where the securities will be credited / debited</b>	

I hereby enclose the form of undertaking signed by me.

Name:

Address:

Signature:

Date:

Footnotes:

1.No application for pre-clearance can be made during closure of trading window; neither any pre-cleared transaction can be carried out during closure of trading window.

2.Pre-clearance required whenever Director(s)/ KMP/ Promoter or Person who is part of Promoter Group/ Designated Employee(s) intend dealing in its securities of the of value Rs.

3.Pre-cleared order must necessarily be executed within 7 days of approval.

4.A statement of holdings to be furnished in **Annexure C** after dealing in pre-cleared transaction.

**ANNEXURE B**

**UNDERTAKING TO BE EXECUTED AT THE TIME OF APPLYING FOR PRE-CLEARANCE**

To

The Compliance Officer

**Kerala Ayurveda Limited**

1134, 1st Floor, 100 Feet Road

HAL 2nd Stage, Indiranagar

Bengaluru-560 008, India

I, \_\_\_\_\_, \_\_\_\_\_ of the Company residing at \_\_\_\_\_, am desirous of trading in \_\_\_\_\_ 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 Rules as notified by the Company from time to time.

In the event of this transaction being in violation of the Rules 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 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

Name:

Address:

Signature:

Date:

**ANNEXURE C**

**DISCLOSURE OF TRANSACTIONS**

**(To be submitted within 2 days of transaction / trading in securities of the Company)**

To

The Compliance Officer

**Kerala Ayurveda Limited**

1134, 1st Floor, 100 Feet Road

HAL 2nd Stage, Indiranagar

Bengaluru-560 008, India

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 Rules and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Name:

Address:

Signature:

Date:

## ANNEXURE D

### Form A

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,  
2015 [Regulation 7 (1) (a) read with Regulation 6 (2)]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relatives/oth	Securities held as on the date of regulation coming into force		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation		Open Interest of the Option Contracts held as on the date of regulation	
		Type of security (For eg. – Shares,	No.		Number of units (contracts	Notional value in Rupee terms	Number of units (contracts*1 ot size)	Notional value in Rupee terms
1	2	3	4	5	6	7		

*Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

Signature:

Designation:

Date:

Place:

**ANNEXURE E**

**Form B**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,  
2015 [Regulation 7 (1) (b) read with Regulation 6 (2)]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN No., CIN/DIN & Address with	Category of Person (Promoters/ KMP / Directors/immediate relatives/others)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of		Open Interest of the Option	
			Type of security (Foreg. – Shares,	No.		Number of units (contract in	Notional value in	Notional value	Notional value
1	2	3	4	5	5	6		7	

*Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

Signature:

Designation:

Date:

Place

**ANNEXURE F**

**FORM C**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7 (2) read with Regulation 6(2)]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN No., CIN/DIN, & address of Promoter/Employee	Category of Person (Promoters/KMPs/Directors/Immediate)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of allotment advice/acquisition of shares/sale of		Date of intimating to company	Mode of acquisition (market purchase/public rights/preferential offer/off market/)	Trading derivatives (Specify type of contract, Futures or Options etc)		Exchange	
		Type of security (Foreg. – Shares, Warrants)	No.	Type of security (Foreg. – Shares,	No.	Pre transaction	Post transaction	From	To			Buy	Sell		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

*Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

Signature:

Designation:

Date:

Place:

**ANNEXURE G**

**ANNUAL DISCLOSURE**

**STATEMENT OF HOLDINGS OF SECURITIES / DERIVATIVES OF PROMOTER,  
DIRECTOR, KMP AND DESIGNATED EMPLOYEE AND HIS/ HER IMMEDIATE  
RELATIVES**

To

The Compliance Officer

**Kerala Ayurveda Limited**

1134, 1st Floor, 100 Feet Road

HAL 2nd Stage, Indiranagar

Bengaluru-560 008, India

**I. Statement of Holdings of Promoters, KMPs and Directors**

<b>Name</b>	<b>Designation</b>	<b>Department</b>	<b>No. of shares held as on 1st April,</b>	<b>No. of shares bought / (sold) during the</b>	<b>Date of purchase / (sale) during</b>	<b>No. of shares/ derivatives held as on 31st March,</b>	<b>Folio No./ DP ID/ Client ID</b>
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			20....	financial year	the financial year	20....	

**II. Statement of Holdings of Immediate Relatives of Promoters, KMPs and Directors**

<b>Name</b>	<b>Relationship</b>	<b>No. of shares held as on 1st April, 20....</b>	<b>No. of shares bought / (sold) during the financial year</b>	<b>Date of purchase / (sale) during the financial year</b>	<b>No. of shares/ derivatives held as on 31st March, 20....</b>	<b>Folio No./ DP ID/ Client ID</b>

Signature:

Designation:

Date:

Place



**ANNEXURE H**

**Form D (Indicative format)**

**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**

Name, PAN No., CIN/DIN & address of connected persons, as identified by the company with contact nos.	Connection with company)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimate to company	Mode of acquisition (market purchase/public rights/preferential offer / off market/ Inter-se transfer etc.)	Trading derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trades were executed	
		Type of security (Foreg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (Foreg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy		Sell			
												Value	Number of units (contracts *lot size)	Value	Number of units (contracts *lot size)		

1	2	3	4	5	6	7	8	9	10	11	12	1	1	15	16	17
												3	4			

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place: