

Aptus Pharma Limited

Connecting.....Life

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

Contents

1. Preamble 3
2. Definition.....3
3. Code of conduct and ethics applicable to all directors and senior management 4
4. Code of Conduct for Directors (Section 166 of the Companies Act, 2013) and SEBI (LODR) Regulations, 2015.....6
5. Code of Conduct for Non-Executive Directors 4
6. Code for Independent Directors (As per the Companies Act, 2013) 7
7. Compliance.....12
8. Violation of the Code 12
9. Interprtation.....12
10. Disclosure.....12
11. Amendment, Modification and Waiver.....12
12. Annexture I.....13
13. Annexture II.....14

1. PREAMBLE

This Code of Conduct for the Board of Directors and the Senior Management Personnel (hereinafter referred to as "the Code") has been framed and adopted by Aptus Pharma Limited (hereinafter referred to as "the Company" or 'APL') as per requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
This Code sets forth guidance and principals to the Board of Directors and Senior Management Personnel to manage the affairs in a fair manner and conduct themselves with stakeholders, government and regulatory agencies, media and etc.

This Code shall be applicable and binding to the Board of Directors and the Senior Management Personnel of the Company.

2. DEFINITIONS

In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning as defined below:

- "Board/Directors" shall mean the Board of Directors of the Company.
- "Company" shall mean Aptus Pharma Limited
- "Conflict of Interest" means where the interests or benefits of one person or entity conflicts with the interests or benefits of the Company.
- "Executive Directors/Whole time Directors" shall mean and include Company's Managing Director and Directors who are in whole time employment of the Company.
- "Independent Directors" shall mean an Independent Director as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015(as revised from time to time).
- "Non - Executive Directors" shall mean the Directors who are not in whole time employment of the Company.
- "Senior Management Personnel" shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this shall comprise all members of management one level below the Executive Directors, including all functional heads and all employees at Vice President Position and above.
- "Independent Directors" shall mean the Director other than a managing director or a whole-time director or a nominee director as more specifically set out under Section 149(6) of the Act, and shall also have the meaning ascribed to the term "Independent Director" under Regulation 16(1)(b) of the Listing Regulations;
- "Related Party" means a related party as defined under sub-section (76) of section 2 of the Act or under the applicable accounting standards;

Provided that any person or entity belonging to the promoter or promoter group of the Company and holding 20% or more of shareholding in the Company shall be deemed to be a related party;

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s);

- "Related Party Transaction" means a transfer of resources, services or obligations between a Company and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract;

  Provided that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s); and

- "Relative" means relatives as defined under Section 2(77) of the Act read with the Companies (Specification of definitions details) Rules, 2015.

  In this Code, words and expression are done with no differentiation on Gender and words importing singular shall include plural or vice versa.

  Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Act and the rules framed thereunder as may be amended from time to time shall have the meaning respectively assigned to them therein.

3. CODE OF CONDUCT AND ETHICS APPLICABLE TO ALL DIRECTORS AND SENIOR MANAGEMENT:

There is nothing of more value to APL than our reputation: with our customers; with our employees; with our suppliers; with our owners (employer) and with our Doctor & Medicine communities and Social communities.
As our company grows, our associates grow in their careers, and of necessity new people join us from outside our company, it is imperative that we have a common understanding of our expectations of behaviour, not just policies and manuals.

The following stated elements of expected conduct and ethics couldn't be all encompassing. However, we expect our leadership to conduct themselves in the spirit as well as the letter of these codes. Failure to comply with APL's Code of Conduct and Ethics may result in disciplinary action, which could include termination.

Underlying our expectations is the principle of integrity, in all of our behaviours, in all of our relationships. We must personally and professionally always be seen to be of high integrity.

A. With respect to our customers:

- We will give them fair value in the market in which we serve.
- If we do not meet their expectations we will not expect them to pay for the Product Purchase, rather we will endeavour to motivate them to give us the opportunity to redeem their confidence in APL.
- We will not falsify records such that individuals may make misrepresentation to their employers.
- We will look at each customer as a potential long-term relationship for our group and endeavour to earn their loyalty through quality service and experiences.

B. With respect to our employees:

- We will respect them as individuals in the belief that all employees want to do a good job, and it is our responsibility as leaders to provide the environment, processes and motivation to enable them to fulfill their potential.
- We will provide staff facilities that are pleasing and have high quality, as deserving for our "internal customers". We should have "heart of the house" facilities/services for our employees that are the envy of our industry.
- To the degree practical we will sincerely care for the total well being of our employees and their families in our health and welfare programs.
- Honesty and candour will be practiced as we counsel our employees in their performance and job/career expectations.
- We will offer career opportunities to qualified internal candidates and employees of other departments in preference to external candidates.
- We will conduct ourselves as an equal opportunity employer and will not discriminate on the basis of race, religion or sex.

C. With respect to our suppliers:

- We will treat them with respect as business partners who play a vital role in our mission of serving our guests.
- We will award business based upon quality and price without personal favouritism.
- We will not solicit gifts under any circumstances nor personally accept them of a value exceeding Rs.100/-. Any gift that cannot be refused or returned must be donated to a charitable cause and the transaction documented to the unit General Managers.
- We will endeavour to create long-term "win-win" relationships with quality suppliers that allow us to enjoy excellent quality, price, and supplier involvement in continuously

improving our product, services and profitability.

- Our immediate family or we will not own, or have a vested interest in, or be a HOD of, any supplier of goods or services to APL, except by way of shares in a public company. Any such relationship that exists or may exist must have the express written approval of Board of Directors of Aptus Pharma Limited

D. With respect to our communities:

- We will be good "corporate citizens" through leadership and our involvement in civic and charitable organizations.
- We will take a leadership role in every community with respect to environmental issues and programs.
- We will respect the cultural and religious traditions of the country in which we operate and make every effort to educate ourselves in the ways of its people.

4. CODE OF CONDUCT FOR DIRECTORS (SECTION 166 OF THE COMPANIES ACT, 2013) AND SEBI (LODR) REGULATIONS, 2015.

All Directors, Executive, Non-Executive and Independent Directors of the Company shall –

I. act in accordance with the Articles of the Company.
II. 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.
III. exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
IV. 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.
V. 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.
VI. not assign his office and any assignment so made shall be void.
VII. act in accordance with the as per the requirements under the Companies Act, 2013 , as amended or re-stated for the time being in force and Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under the Listing Agreement as amended from time to time.
VIII. monitor and manage potential conflicts of interests of the Management:
IX. oversee and ensure the integrity of financial information and legal compliance:

X. set the Company's values and standards, ensures that its obligations to its shareholders and others are understood and met by the Company.

XI. accountable under the Director's Responsibility Statement.

5. CODE OF CONDUCT FOR NON-EXECUTIVE DIRECTORS:

Non-Executive Directors of the Company shall –

I. always act in the interest of the Company and ensure that any other business or personal association, which they may have, does not involve any conflict of interest with the operations of the Company and their role therein.

II. comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to them in their individual capacities.

III. safeguard the confidentiality of all information received by them by virtue of their position.

6. CODE FOR INDEPENDENT DIRECTORS (AS PER THE COMPANIES ACT, 2013)

This Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

(1) uphold ethical standards of integrity and probity;

(2) act objectively and constructively while exercising his/her duties;

(3) exercise his/her responsibilities in a bona fide manner in the interest of the Company;

(4) devote sufficient time and attention to his/her professional obligations for informed and balanced decision making;

(5) not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;

(6) not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person; refrain from any action that would lead to loss of his independence;

(7) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;

(8) assist the Company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

(1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
(2) bring an objective view in the evaluation of the performance of board and management;
(3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
(4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
(5) safeguard the interests of all stakeholders, particularly the minority shareholders;
(6) balance the conflicting interest of the stakeholders;
(7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
(8) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties of Independent Directors:

The independent directors shall —

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
2. 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;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which he/she is a member;

4. participate constructively and actively in the committees of the Board in which they are chairpersons or members; strive to attend the general meetings of the Company; where they have concerns about the running of the Company or a proposed action, ensure
5. 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;
6. keep themselves well informed about the Company and the external environment in which it operates;
7. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board 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;
   - 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;
   - report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
   - acting within his authority, assist in protecting the legitimate interests of the Company,
8. shareholders and its employees;
   - 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.
   - they shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to Section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including but not limited to Section 166) and in Clause 49 of the Listing Agreement in principle and spirit.

IV. Manner of appointment:

a) Appointment process of the Independent Directors shall be independent of the company's management, and in compliance with the relevant provisions of the Act and the Listing Regulation;

b) The appointment of the Independent Director(s) of the company shall be approved at the meeting of the shareholders at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

c) The Independent Director shall also be appointed as member and/or chairman, as maybe be applicable, of committees of the Board of Directors, in compliance with the provisions of the Act and the Listing Regulation.

d) While selecting the Independent Directors the Board shall ensure that there is

appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

e) The explanatory statement attached to the notice of the meeting for approving the appointment of the Independent Director shall include a statement that in the opinion of the Board, the Independent Director proposed to be appointed fulfils the conditions specified in the Act and the Listing Regulations, along with a confirmation that the proposed director is independent of the management and possesses the required skills and capabilities for the role of an independent director.

f) The appointment of Independent Directors shall be formalised through a letter of appointment, which shall set out:

(i) the term of appointment;

(ii) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve;

(iii) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(iv) provision for directors and officers (D and O) insurance, if any;

(v) the code that the company expects its directors and employees to follow;

(vi) the list of actions that a director should not do while functioning as such in the Company; and

(vii) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

g) The terms and conditions of appointment of Independent Directors shall be open for inspection at the registered office of the company by any member during normal business hours.

h) The terms and conditions of appointment of Independent Directors shall also be posted on the Company's website.

V. Re-appointment

The re-appointment of Independent Director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

a) The resignation or removal of an Independent Director shall be in the same manner

as is provided in sections 168 and 169 of the Act.

b) The Company shall disclose to the Stock Exchange, within seven days from the date of resignation of the Independent Director:
   (i) the letter of resignation along with detailed reasons for the resignation as given by the Independent Director;
   (ii) names of listed entities in which the resigning Independent Director holds directorships, indicating the category of directorship and membership of board committees, if any;
   (iii) the confirmation received from the Independent Director shall, along with the disclosures, also provide a confirmation that there are no other material reasons other than those provided;
   (iv) The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the detailed reasons as specified in sub-clause (i) and (ii) above.

c) Where the company fulfils the requirement of Independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new Independent Director shall not apply.

d) The Company shall fill any vacancy, caused by an Independent Director resigning or being removed, within a period of three months from the date of such vacancy, if such vacancy causes the composition of the Board to fall short of the minimum requirement of independent directors.

VII. Separate meetings

a) The Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;

b) All the Independent Directors of the Company shall strive to be present at such meeting;

c) The meeting shall:

   (i) review the performance of non-independent directors and the Board as a whole;

   (ii) review the performance of the chairperson of the Board, taking into account the views of executive directors and non-executive directors;

   (iii) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism

a) The performance evaluation of Independent Directors shall be done by the entire Board, excluding the director being evaluated.

b) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

7. COMPLIANCE

The Board and the Senior Management shall affirm compliance with this Code on an annual basis, within 30 days of close of every financial year to the Compliance Officer, in the form annexed hereto as **Annexure I**. The annual report of the Company shall contain a declaration to this effect signed by the Managing Director of the Company.

8. VIOLATION OF THE CODE

1. The Board has the power to take appropriate action against anyone or more found violating the provisions of this Code.

2. In case of violation of this Code by the Senior Management, the same shall be dealt by managing Director in accordance with the violation of the Code.

3. Where the Company has suffered a loss due to such violation, it may pursue remedies against the individual.

9. DISCLOSURE

In compliance with Regulation 46 (2)(d) of the Listing Regulations, this Code and any amendments thereto shall be posted on the website of the Company.

10. INTERPRETATION

In any circumstance where the provisions of this Policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the relevant law, rule, regulation or standard will take precedence over this Policy until such time as this Policy is changed to conform to the said law, rule, regulation or standard.

11. AMENDMENT, MODIFICATION AND WAIVER

The Board is committed to continuously review and update the policies and procedures. Therefore, this Code may be amended, modified or waived as the Board may think appropriate from time to time. As a general policy, the Board will not grant waivers to the Code. This Code may, from time to time be extended to other senior officers of the Company, as the Board may think fit.

ANNEXURE I

ACKNOWLEDGEMENT FORM

Code of Conduct for the Directors and the Senior Management

To,
The Board of Directors
Aptus Pharma Limited
Ashutosh Buildcon, Opp. Slok - 2,
Nr. Harikrupa Logistic Park,
Aslali, Ahmedabad, Daskroi,
Gujarat, India, 382427.

I .....do hereby solemnly affirm that I have received and read the Company's Code of Conduct for the Directors and the Senior Management. I have understood all the provisions and policies contained in the Code and I agree to strictly adhere with the Code.

Signature : _____

Name : _____

Designation : _____

Date : _____

Place : _____

ANNEXURE II

ANNUAL COMPLIANCE REPORT*
Code of Conduct for the Directors and the Senior Management

To,
The Board of Directors
Aptus Pharma Limited
Ashutosh Buildcon, Opp. Slok - 2,
Nr. Harikrupa Logistic Park,
Aslali, Ahmedabad, Daskroi,
Gujarat, India, 382427.

I .....do hereby solemnly affirm that to the best of my knowledge and belief I have complied with the provisions of the Code of Conduct for Directors and Senior Management of [●] during the financial year ended on March 31, _____.

Signature : _____

Name : _____

Designation : _____

Date : _____

Place : _____

* To be submitted by 30th April each year.

****