



**CODE OF CONDUCT FOR BOARD OF DIRECTORS
&
SENIOR MANAGEMENT**

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1. INTRODUCTION

This Code is framed in terms of Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as '**Listing Regulations**') which stipulates that the board of directors shall lay down a code of conduct for all members of board of directors and senior management of the listed entity.

Also, the code of conduct shall suitably incorporate the duties of independent directors as laid down in the Companies Act, 2013.

Further, in terms of Regulation 26(3) of the Listing Regulations, all members of the board of directors and senior management personnel shall affirm compliance with the code of conduct of board of directors and senior management on an annual basis (*format annexed as Annexure-II*).

The Board of Directors (the "**Board**") of Shukra Pharmaceuticals Limited (the "**Company**" or "**Shukra**"), has adopted the following revised **Code of Conduct for Board of Directors & Senior Management** (the "**Code**"), effective from April 01, 2022.

This Code envisages to ensure maintenance of standard of Business Conduct and Ethics of Shukra and due compliance with statutory requirements.

2. PURPOSE / OBJECTIVE OF THE CODE

This Code of Conduct highlights the standards of conduct expected from the Company's Directors and Senior Management so as to align these with the Company's Vision, Promise and Values.

This Code is to act as a deterrent from wrong and unethical doings and act as a catalyst to promote ethical values.

This Code is the manifestation of the Company's commitment to lawful and ethical business conduct which is critical to the successful operation of the Company and is of utmost important to the Company's Shareholders, Creditors and other Business Associates.

The objectives of the Code are:

- ✓ To conduct the business of the Company with integrity, fairness and transparency.
- ✓ To meet the expectations of statutory and regulatory authorities, and progressively enhance the scope of this Code to align the conduct with the expectations of shareholders, other stakeholders and the society at large.

3. SCOPE/APPLICABILITY:

This Code shall apply to all the Directors and Senior Management of Shukra. The Directors and Senior Management Personnel are expected to familiarize themselves with this Code and to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.

4. **DEFINITIONS:**

“**Act**” means the Companies Act, 2013 read with rules made thereunder as amended from time to time.

“**Board**” means board of directors as defined under the Act, as constituted from time to time.

“**Code**” means this Code of Conduct for Board of Directors & Senior Management, as may be amended by the Board, from time to time.

“**Company**” shall mean Shukra Pharmaceuticals

Limited. “**Directors**” means directors of the Company.

“**Independent Director**” means a Director referred to in Section 149(6) Act read with rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time.

“**Listing Regulations**” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

“**Senior Management**” means officers/ personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/ managing director director/ whole-time director/ manager (*including chief executive officer/ manager, in case they are not part of the board*) and specifically includes company secretary and chief financial officer.

The core management team includes Chief Executive Officer, Managing Director, Whole-time Director, Presidents, Head-HRD, Chief Financial Officer and Company Secretary.

5. **INTERPRETATION:**

Words and expressions used in this Code shall have the same meanings respectively assigned to them in the following Acts, Rules and Regulations:

- i. The Companies Act, 2013 or the Rules framed thereunder;
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. **GUIDING PRINCIPLES**

The following are the guiding principles enshrined in this Code: -

- a. Act diligently, transparently, honestly and in good faith upholding the highest ethical standard of integrity, confidential, accountability and independence.
- b. Provide leadership in advancing the Company’s Vision, Values and Guiding Principles.
- c. Discharge duties in the best interests of the Company, its Shareholders and Stakeholders.

- d. Become and remain familiar with Company's business and the economic and competitive environment in which the Company operates and understand the Company's business plans, strategies and objectives, operation results, financial condition and relative market place position.
- e. Commit the time necessary to hold attend and actively participate in regular and special meetings of the Board and of the Board Committee Meetings; Meeting of Shareholders and the Management Committee Meetings and other office functions, from time to time.
- f. Not enter into, without the prior approval of the Board, any transaction or relationship with the Company which the Directors/Executives will have a financial or personal interest (either directly or indirectly, such as through a family member or other person or organization with which they are associated), or any transaction or situation which otherwise involves a conflict of interest.
- g. Maintain the confidentiality of all material non-public information about the Company, its business affairs.
- h. Scrupulous adherence to all applicable laws and regulations and the Company's Code for Prevention of Insider Trading in Securities of the Company.

7. FIDUCIARY RELATIONSHIP

Directors stand in fiduciary relationship to the Company. They act in dual Capacity – as Trustees and Agents of the Company which call for exercise of utmost care, skill and diligence while dealing with the Company. They are trustees of the Company's funds and properties; they are agents in their transactions on behalf of the Company.

Their fiduciary relationship prohibits them from making any secret profits, from entering into any contract for personal gain and demands complete disclosure of information regarding the Company's affairs to the Shareholders.

8. RESPONSIBILITY TO THE COMPANY AND ITS SHAREHOLDERS

All Executives being employees of the Company have got a great responsibility towards the Company and its Shareholders. The Executives are expected to exercise good judgment to ensure the safety and welfare of all the employees, agents and the Shareholders of the Company. They should strive to create a harmonies and productive work environment in the Company.

These standards shall be upheld while working not only in the Company premises but also at off-site locations where the Company's business is being conducted or at any other place where the Executives represent the Company.

This Code expects the Executives to work for the value creation for the Shareholders.

9. ATTENDANCE IN MEETINGS

This Code of Conduct expects the Directors of the Company to strive to attend all the Meetings of the Board/Committees. Absence from the Meetings should be with the approval of the Chairman.

Absence from attending the meetings shall be communicated to the Chairman / Managing Director / Company Secretary; the communication can be either written or oral over the phone.

Continuance absence from the Meetings for a long period without concrete and convincing reason shall be treated as a breach of this Code.

The office of the director shall become vacant in case he/she absent himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence, as stipulated under the provisions of the Companies Act, 2013.

10. ACTIVE PARTICIPATION IN THE COMPANY'S BUSINESS

The Directors are expected to participate actively in the day-to-day business of the Company.

They should make positive contributions with their exemplary leadership qualities and unflinching devotion to the duties. On all occasions, the Company's interest as well as the interest of the Shareholders shall be uppermost in their mind.

11. HONEST AND ETHICAL CONDUCT

This Code expects all Directors to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working on the Company's premises, or at any other place where they represent the Company.

Honest conduct should be conduct that is free from fraud or deception. Ethical conduct should be conduct conforming to the accepted professional standards of conduct. Ethical conduct includes personal and professional relationships.

12. AVOIDANCE OF CONFLICTS OF INTEREST

All actions of the Directors should be free from the conflicts of interest. The Directors should ensure to avoid any situation where a conflict of interest may arise or appear to arise. Even if there exists any such conflict, the same should be fully disclosed to the Board.

Conflict of Interest arises in the case of: -

a) Employment/Outside Employment

Whole-time Directors are expected to devote their full attention to the business of the Company. They are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company, or is otherwise in conflict with or prejudicial to the Company.

Whole-time Directors shall not accept simultaneous employment with suppliers, customers, competitors of the Company, or take part in any activity that enhances or supports a competitor's position. Directors must disclose to the Company's Audit Committee/ Board of Directors, any interest that they have which may conflict with the business of the Company.

b) Outside Directorships

This Code prohibits Directors of the Company to accept any assignment with any Company or Agency that competes with the Company. Directors must first obtain approval from the Company's Audit Committee before accepting such assignment.

c) Business Interests

If a Director contemplates to enter into any business relation with any customer, supplier or competitor of the Company, he must ensure that the proposed business relation shall not compromise with his responsibilities to the Company.

This Code requires that the Directors shall obtain approval from the Company's Audit Committee before entering in to such business relations.

d) Related Party Transactions

As far as possible, the Directors should avoid conducting Company's business with a relative, or with a business in which a relative is associated in any significant role.

The term "relatives" denotes the same relationships given in Section 2(77) of the Act or any amendments made thereto.

In any unavoidable circumstances, if a Director has to enter into any such related party transactions, he should comply with the provisions of Section 177 & 188 of the Act and applicable Listing Regulations, wherever required.

The related party transactions should be reported under applicable accounting rules, Indian Companies Act and rules and regulation of the regulatory authorities.

It shall be a good Board practice if the Directors disclose, at every meeting, their interest, if any, in any of the agenda items listed for discussion.

e) Payments or Gifts from Others

Under no circumstances any Directors accept any offer, payment, promise to pay, or authorization to pay any money, costly gift, or anything of great value from customers, vendors, consultants, etc., that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment or fraud, or opportunity for the commitment of any fraud except inexpensive gifts, infrequent business meals, celebratory events and entertainment, provided that they are not excessive or create an appearance of impropriety, do not violate this code.

f) Corporate Opportunities

Directors shall not exploit for their own personal gain, opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board accord its approval to pursue such opportunity.

The above list of situations which bring about conflict within is not exhaustive, but only indicative.

13. COMPLIANCE WITH GOVERNMENTAL LAWS, RULES AND REGULATIONS

Directors must comply with all applicable Governmental Laws, Rules and Regulations.

They must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice from the finance/legal department. Violations of applicable Governmental Laws, Rules and Regulations may subject the Directors to individual criminal or civil liability.

Such individual violations may also subject the Company to civil or criminal liability or the loss of business. Scrupulous adherence to the Code for prevention of "Insider Trading" in the Company's Shares is strongly recommended.

14. SAFEGUARDING CONFIDENTIAL INFORMATION

During the course of the service, Executives may be provided with or may have access to the Company's confidential information to facilitate their work. This information includes trade related information, business secrets, confidential matters, customer information, business strategies, administration policies and the like.

The confidential information is the property of the Company and as such every Executive is duty bound to safeguard the same.

All confidential information must be used exclusively for the business of the Company only. In case the confidential information is to be disclosed to any business partner or associate such disclosure should invariably be made after careful consideration of its potential benefits and risk and that too with the prior approval of the management.

Even while co-operating with the Government Agencies and Regulatory Authorities during any investigation, confidentiality of the information shall be maintained and no information or document shall be passed on to the Investigating Authorities without the approval of the Management.

All communication with the Public as well as the Press shall be made only by the authorized spoke person of the Company who is authorized to communicate with outsiders on behalf of the Company.

15. GIFTS, DONATIONS & ENTERTAINMENT

The Directors and Senior Management Personnel shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favors for the conduct of its business.

However, the Directors and Senior Management Personnel may accept and offer nominal gifts, which are customarily given and are of a commemorative nature, for special events.

Gift, donations, hospitality and/ or entertainment carried out for the Company exceeding the value of Rs.5,000/- should be accepted and/ or offered by the Directors and/or the Senior Management Personnel, only with the approval of the Managing Director of the Company.

16. STATUTORY DISCLOSURES

The Statutory duties of the Directors include making certain disclosures to the Board at periodical intervals; this includes: -

- a. Disclosures of Directorship/Change in Directorships in other Companies.
- b. Disclosure of Committee Positions/Change in Committee Positions in other Companies
- c. Disclosure of Partnerships in any Partnership firms.
- d. Disclosure of Shareholdings in the Company and in other Companies.
- e. Disclosure of contracts/arrangements with parties/Companies/firms in which the Directors were interested.
- f. Disclosure of details and violations committed by the Company in which the Director is a director.
- g. Disclosure as required under the Code for prevention of Insider Trading in Shares.

17. NON-COMPETE

The Directors and the Senior Management Personnel shall not take up directly or indirectly any activities competing with the business of the Company.

18. 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 is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the Company;
- 6) 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;
- 7) keep themselves well informed about the Company and the external environment in which it operates;
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- 9) 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;
- 10) 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;
- 11) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy;

- 12) acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- 13) 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.

19. VIOLATION OF THE CODE

This is the ethical responsibility of all Directors and Senior Management to help enforce this Code. They should be alert to possible violations and report this to the Management.

Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation or a suspected violation of law, this code or other Company policies, or against any person who is assisting any investigation or process with respect to such a violation, is prohibited.

20. DISCIPLINARY ACTION

The Company expects all of its Senior Management Personnel to strictly adhere to the provision of this Code in carrying out their duties. Suitable Action shall be taken against any Executive who violates any of the provisions of this Code.

Disciplinary action includes termination of employment at the Company's sole discretion.

In case of any loss suffered by the Company as a result of the violation of any of the provisions of this Code by any Senior Management Personnel, the Company reserves the right to proceed against the individual to recover the loss.

21. AMENDMENTS

This Code shall be reviewed by the Board of Directors, as and when considered necessary as per statutory and business requirements of the Company. The Company reserves its rights to alter, modify, add, delete or amend any of the provisions of this Code.

22. DISCLOSURES

- ✓ A copy of the Code including amendments thereto shall be hosted on the website of the Company at www.shukrapharmaceuticals.com and its weblink shall be provided in the annual report.
- ✓ This Code will be communicated to HR Head, all members of the Board and Senior Management of the Company for its acknowledgement (*format annexed as Annexure-I*).

Disclaimer: Provisions of this Code would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Code shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

Annexure-I

SHUKRA PHARMACEUTICALS LIMITED

ACKNOWLEDGEMENT OF RECEIPT OF CODE OF CONDUCT

I have received, read and accepted the Company's Code of Conduct for Board of Directors and Senior Management.

I understand the standards and policies contained in this Code and also understand that there may be additional policies or laws specific to my position of Director/ Senior Managerial Personnel.

If I have questions concerning the meaning or application of the Company's Code of Conduct or the legal and regulatory requirements applicable to my position of Director/ Senior Managerial Personnel, I know I can consult the management knowing that my questions or reports to these sources will be maintained in confidence.

Signature

Name of Director / Senior Management Personnel

Date:

Place:

Note: Directors may sign and return this Form to the Secretarial Department.

Annexure-II

SHUKRA PHARMACEUTICALS LIMITED

AFFIRMATION OF COMPLIANCE OF THE CODE OF CONDUCT

I, Mr./Mrs./Ms. _____, _____(designation) do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the financial year ended 31st March, _____.

Signature:

Name:

Designation:

Place:

Date:

1. Kindly sign and return this declaration on or before April 15, _____.
2. This declaration shall be valid for the financial year _____.