



CLAROID PHARMACEUTICALS LIMITED
(Formerly Known As: Claroid Pharmaceuticals Private Limited)
CIN: U24304GJ2018PLC103796

Registered Office:

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CLAROID PHARMACEUTICALS LIMITED
CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR
MANAGEMENT PERSONNEL

(Pursuant to the Schedule IV of Companies Act, 2013 and the Regulation 17(5) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)



1. **PREAMBLE**

This Code of Conduct is a written document that outlines company values, principles and guidelines in a variety of areas and enables the company to publicly state to its external stakeholders viz. suppliers, customers, consumers and shareholders, the way in which they intend to do business. All Directors and senior members of management of Claroid Pharmaceuticals Limited

- (i) shall endeavor to act in good faith, responsibility, with due care, competence and diligence without misrepresenting material facts while dealing with the third parties and promote ethical and honest behavior within the company;
- (ii) are committed for conducting the business of the company in accordance with the applicable laws, rules & regulations and with highest standards of business ethics.

2. **APPLICABILITY**

This Code of Conduct and Ethics is applicable to all the Board of Directors and Senior Management. The Senior Management shall include all Executives in Top Management Cadre of the Company (hereinafter referred as "Management").

3. **REGULATORY FRAMEWORK**

The Code is formulated in accordance with Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Schedule IV of the Companies Act, 2013, which pertains to the Code for Independent Directors.

All members of the Board of Directors and Senior Management are committed to complying with relevant acts, rules, and regulations governing the Company's conduct

4. **DEFINITION**

- **Act:** The Companies Act 2013 and its associated rules, including any modifications, amendments, or re-enactments.
- **Applicable Laws:** The Companies Act, 2013 and its rules, along with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- **Board or Board of Directors:** All members of the Company's Board of Directors.
- **Code:** This Code of Conduct for the Board of Directors and Senior Management Personnel of the Company, as may be amended.
- **Company:** Claroid Pharmaceuticals Limited
- **SEBI Regulations:** The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and related circulars, including any statutory modifications or re-enactments.
- **Senior Management:** Officers/personnel of the listed entity who are part of its core management team, excluding the Board of Directors. This typically includes management one level below the CEO/MD/Whole-time Director/Manager (and the CEO/Manager if not on the board), specifically including the Company Secretary and Chief Financial Officer.

5. **Guidelines for Conduct**



The Code mandates that all members of the Board of Directors and Senior Management act with the highest standards of personal and professional integrity, honesty, and ethical conduct. They should act with competence and diligence, without allowing their independent judgement to be subordinated. Every member of the Board of Directors and Senior Management of the Company has an obligation, at all times, to comply with the Spirit, as well as the letter, of the Applicable Laws and of the principles of this Code.

Every member of the Board of Directors and Senior Management should:

- Act in accordance with the Company's Articles of Association
- Act in good faith to promote the Company's objectives for the benefit of its members as a whole, and in the best interests of the Company, its employees, shareholders, the community, and for the protection of environment.
- Exercise his / her duties with due and reasonable care, skill and diligence and shall exercise independent judgement.
- Not involve in a situation in which he / she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- 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 / she shall be liable to pay an amount equal to that gain to the Company.
- Not assign his / her office and any assignment so made shall be void.
- Dedicate sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, including preparing for meetings and decision-making by reviewing in advance any materials distributed and making reasonable inquiries.
- Where a decision is not unanimous, a dissenting Director may disclose the fact that he/she dissented.

Every member of Board of Directors of the Company and Senior Management of the Company should –

- Seek to comply with all Corporate Policies.
- Conduct themselves in a professional, courteous and respectful manner.
- Act in a manner to enhance and maintain the reputation of the Company.
- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service except when authorized or legally required to disclose such information.
- Not use confidential information acquired in the course of their service for their personal advantage.

6. CONFLICT OF INTEREST

All the members of the Board of Directors and Senior Management of the Company are expected to dedicate their best efforts to advance the Company's interests and to make decisions that affect the Company based on the Company's best interests and independent of outside influences.

A conflict of interest occurs when a director's/ member's of Senior Management private interest interferes in any way, or even appears to interfere, with the interest of the Company as a whole.

Directors and members of Senior Management of the Company should avoid conflicts of interests with the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company shall be disclosed promptly to the Company Secretary of the Company.



7. NON-COMPLIANCE OF THE CODE

Suspected violations of this Code must be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations would be appropriately investigated.

8. CERTIFICATION OF COMPLIANCE OF CODE OF CONDUCT

The members of the Board and the Senior Management shall affirm the compliance with the code on annual basis. The Annual Compliance Report shall be forwarded to the Company Secretary of the Company, in the form annexed hereto as **Annexure - 1**. The Annual Report of the Company shall carry a declaration to this effect duly signed by the Managing Director or CEO of the company.

9. AMENDMENT AND WAIVER OF THE CODE

Any amendment or waiver of any provision of this Code must be approved in writing by the Company's Board of Directors and promptly disclosed on the Company's web site.

To the extent any change/amendment is required in the Code in terms of any Applicable Laws or otherwise, the Board of Directors of the Company shall be authorised to review and amend the Code, to give effect to any such changes/amendments. Such amended Code shall be placed before the Board for noting and necessary ratification at its subsequent meeting.

10. DUTIES OF INDEPENDENT DIRECTORS

The 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 duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his 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;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) 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

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 behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;



(12) acting within his authority act within their 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.



ANNEXURE-I

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

Annual Compliance Report

(To be submitted within 30 days of close of every financial year)

I _____(name), _____ (designation) do hereby solemnly affirm to the best of my knowledge and belief that I have fully 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: