

## **CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT**

### **1.0 Introduction:-**

- 1.1 This Code shall be called "The Code of Business Conduct & Ethics for Board Members and Senior Management" of Goa Antibiotics and Pharmaceuticals Limited (hereinafter referred to as "GAPL" or "the Company")
- 1.2 The purpose of this Code is to enhance ethical and transparent process in managing the affairs of GAPL.
- 1.3 This Code for Board Members and Senior Management has been framed as indicated by the Guidelines of Department of Public Enterprises.
- 1.4 It shall come into force with effect from 01<sup>st</sup> January, 2016.

### **2.0 Definitions and Interpretations:**

- 2.1 The term "Board Members" shall mean Directors on the Board of Directors of GAPL.
- 2.2 The term "Whole-time Directors" or "Functional Directors" shall be the Directors on the Board of Directors of GAPL who are in whole-time employment of GAPL.
- 2.3 The term "Part-time Directors" shall mean Directors on the Board of Directors of GAPL who are not in whole time employment of GAPL.
- 2.4 The term "Relative" shall have the same meaning as defined in Section 2 (77) of the Companies Act, 2013.
- 2.5 The term "Senior Management" shall mean personnel of GAPL who are members of its core management team excluding Board of Directors and would comprise all members of management one level below the Whole time Directors, including all functional heads.

**Note:** In this Code, words importing the masculine gender shall include feminine gender and words importing singular shall include the plural or vice-versa.

**3.0 Applicability:-**

3.1 This code shall be applicable to the following personnel:

- a) All Whole-time Directors including the Chairman & Managing Director of GAPL.
- b) All Part-time Directors including Independent Directors under the provisions of law.
- c) Senior Management

3.2 The Whole-time Directors and Senior Management should continue to comply with other applicable / to be applicable policies, rules and procedures of GAPL.

**4.0 Contents of Code:-**

Part I General Moral Imperatives

Part II Specific Professional Responsibilities

Part III Specific Additional Provisions for Board Members and Senior Management.

This code is intended to serve as a basis for ethical decision-making in the conduct of professional work.

It is understood that some words and phrases in the code of ethics and conduct document are subject to varying interpretations. In case of any conflict, the decision of the Board shall be final.

## **PART – I**

### **5.0 General Moral Imperatives:-**

#### **5.1 Contribute to society and human well being:-**

5.1.1 This principle concerning the quality of life of all people, affirms an obligation to protect fundamental human rights and to respect the diversity of all cultures. We must attempt to ensure that the products of our efforts will be used in socially responsible ways, will meet social needs and will avoid harmful effects to health and welfare of others. In addition to a safe social environment, human well being includes a safe natural environment.

5.1.2 Therefore, all Board Members and Senior Management who are accountable for the design, development, manufacture and promotion of GAPL's products, must be alert to, and make others aware of, both a legal and a moral responsibility for the safety and the protection of human life and environment.

#### **5.2 Be honest and trustworthy & practice integrity:-**

5.2.1 Integrity and honesty are essential components of trust. Without trust an organization cannot function effectively.

5.2.2 All Board Members and Senior Management are expected to act in accordance with highest standards of personal and professional integrity, honesty and ethical conduct, while conducting business of the Public Enterprise.

#### **5.3 Be fair and take action not to discriminate:-**

5.3.1 The value of equality, tolerance, respect for others, and the principles of equal justice govern this imperative. Discrimination, on the basis of race, sex, religion, caste, age, disability, national origins or other such factors, is an explicit violation of this Code.

#### **5.4 Honour confidentiality:-**

5.4.1 The principle of honesty extends to issues of confidentiality of information. The ethical concern is to respect all obligations of confidentiality to all stakeholders unless discharged from such obligations by requirements of the law or other principles of this Code.

5.4.2 All Board Members and Senior Management, therefore, shall maintain the confidentiality of all confidential unpublished information about business and affairs of GAPL .

## **5.5 Pledge & Practice:-**

5.5.1 To strive continuously to bring about integrity and transparency in all spheres of the activities.

5.5.2 Work unstintingly for eradication of corruption in all spheres of life.

5.5.3 Remain vigilant and work towards growth and reputation of GAPL.

5.5.4 Bring pride to the Company and provide value-based services to GAPL's stakeholders.

5.5.5 Do duty conscientiously and without fear or favour.

## **PART II**

### **6.0 Specific Professional Responsibilities:-**

#### **6.1 Live the Vision, Mission and Values of GAPL - each day:-**

Live the Vision, Mission and Values of the Parent Company of GAPL- HLL Lifecare Limited each day.

#### **6.2 Strive to achieve the highest quality, effectiveness and dignity in both the processes and products of professional work: -**

Excellence is perhaps the most important obligation of a professional. Everyone, therefore, should strive to achieve the highest quality, effectiveness and dignity in their professional work.

#### **6.3 Acquire and maintain professional competence:-**

Excellence depends on individuals who take responsibility for acquiring and maintaining professional competence. All are, therefore, expected to participate in setting standards for appropriate levels of competence, and strive to achieve those standards.

#### **6.4 Compliance with Laws:-**

The Board Members and Senior Management of GAPL shall comply with all the applicable provisions of existing local, state, national, and international laws. They should also follow and obey the policies, procedures, rules and regulations relating to business of GAPL.

### **6.5 Accept and provide appropriate professional review:-**

Quality professional work depends on professional review and comments. Whenever appropriate, individual members should seek and utilize peer review as well as provide critical review of the work of theirs.

### **6.6 Manage personnel and resources to enhance the quality of working life:-**

Organizational leaders are responsible for ensuring that a conducive working and business environment is created for fellow employees to enable them delivering their best. The Board Members and Senior Management would be responsible for ensuring human dignity of all employees, would encourage and support the professional development of the employees of GAPL by providing them all necessary assistance and cooperation, thus enhancing the quality of working.

### **6.7 Be upright and avoid any inducements:-**

The Board Members and Senior Management shall not, directly or indirectly through their family and other connections, solicit any personal fee, commission or other form of remuneration arising out of transactions involving GAPL.

This includes gifts or other benefits of significant value, which might be extended at times, to influence business for the Company or awarding a contract to an agency, etc.

### **6.8 Observe Corporate Discipline:-**

The flow of communication within GAPL is not rigid and people are free to express themselves at all levels. Though there is a free exchange of opinions in the process of arriving at a decision, but after the debate is over and a policy consensus has been established, all are expected to adhere and abide by it, even when in certain instances one may not agree with it individually. In some cases policies act as a guide to action, in others they are designed to put a constraint on action. All must learn to recognize the difference and appreciate why they need to observe them.

### **6.9 Conduct in a manner that reflects credit to GAPL: -**

All are expected to conduct themselves, both on and off duty, in a manner that reflects credit to GAPL. The sum total of their personal attitude and behaviour has a bearing on the standing of GAPL and the way in which it is perceived within the Company and by the public at large.

#### **6.10 Be accountable to GAPL'S stakeholders:-**

All of those whom we serve, be it our Customers, without whom GAPL will not be in business, the Government of India, Government of Goa who have an important stake in its business, the Employees, who have a vested interest in making it all happen, the Vendors, who support GAPL to deliver in time and Society to which GAPL is responsible for its actions – are stakeholders of GAPL. All, therefore, must keep in mind at all times that they are accountable to GAPL'S stakeholders.

#### **6.11 Prevention of Insider Trading:-**

The Board Members and Senior Management shall comply with the SEBI model code of Internal Procedures and conduct for prevention of Insider Trading in dealing with Securities of GAPL, as and when the securities of GAPL are listed on stock exchange(s).

#### **6.12 Identify, mitigate and manage business risks:-**

It is everybody's responsibility to follow the Risk Management Framework of GAPL to identify the business risks that surround function or area of operation of GAPL and to assist in Company-wide process of managing such risks, so that GAPL may achieve its wider business objectives.

#### **6.13 Protect properties of GAPL:-**

The Board Members and Senior Management shall protect the assets including physical assets, information and intellectual rights of GAPL and shall not use the same for personal gains.

### **PART – III**

#### **7.0 Specific Additional Provisions for Board Members and Senior Management**

##### **7.1 As Board Members and Senior Management:**

They shall undertake to actively participate in the meetings of the Board and Committees on which they serve.

##### **7.2 As Board Members:-**

- 7.2.1 Undertake to inform the Chairman/Managing Director/Company Secretary of GAPL of any changes in their other Board positions, relationship with other business and other events / circumstances / conditions that may interfere with their ability to perform Board/ Board Committee duties or may impact the judgement of the Board as to whether they meet the independence requirements of the Guidelines of DPE.

- 7.2.2 Undertake apparently conflict of interest transaction(s) with prior approval of the disinterested members of the Board. Conflict of interest may exist when they have personal interest that may have a potential conflict with the interest of GAPL.

Illustrative cases can be:

**- Related Party Transactions:**

Entering into any transactions or relationship with GAPL , its joint ventures or its subsidiaries in which they have a financial or other personal interest (either directly or indirectly such as through a family member or relation or other person or other organization with which they are associated).

**- Outside Directorship:**

Accepting Directorship on the Board of any other Company that competes with the business of GAPL.

**- Consultancy/Business/Employment:**

Engaging in any activity (be it in the nature of providing consultancy service, carrying on business, accepting employment) which is likely to interfere or conflict with their duties/ responsibilities towards GAPL. They should not invest or associate themselves in any other manner with any supplier, service provider or customer of GAPL.

**- Use of Official position for personal gains:**

Should not use their official position for personal gains.

**7.3 Compliance with the Code of Business Conduct and Ethics:-**

**7.3.1 All Members of the Board and Senior Management of GAPL shall uphold and promote the principles of this code:-**

The future of the Company depends on both technical and ethical excellence. Not only it is important for Board Members and Senior Management to adhere to the principles expressed in this Code, each of them should also encourage and support adherence by others.

**7.3.2 Treat violations of this code as inconsistent association with the Company:-**

Adherence of professionals to a code of ethics is largely and generally a voluntary matter. However, if any of Board Members and Senior Management does not follow this Code, the matter would be reviewed by the Board and its decision shall be final. GAPL reserves the right to take appropriate action against the defaulter.

## **7.4 Miscellaneous Points:-**

### **7.4.1 Continual updation of Code:-**

This Code is subject to continuous review and updation in line with any changes in law, changes in GAPL's philosophy, vision, business plans or otherwise as may be deemed necessary by the Board and all such amendments / modifications shall take effect prospectively from the date stated therein.

### **7.4.2 Where to seek clarifications:-**

Any member of Board or Senior Management requiring any clarification regarding this code of conduct may contact Company Secretary or any officer specifically designated by the Board of Directors.

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