

AVT NATURAL PRODUCTS LIMITED, CHENNAI

Code of Conduct

This Code of Conduct is applicable to the Directors and Senior Management Personnel / Key Managerial Personnel which includes executives who are in the grade of General Manager and above; all executives directly reporting to the Chief Executive Officer and Company Secretary.

The Company appoints the Company Secretary as Compliance Officer for the purposes of this Code, who will be available to directors and senior management to clarify issues, if any, relating to compliance with the code.

In performing their functions, the directors and senior management of the Company shall;

- Act honestly, diligently and in good faith and with integrity in all their dealings with and for the Company.
- Not use any confidential information obtained by them in the course of their official duty, whether from the Company or otherwise, for personal gain, or use/ allow the use of such information for the financial benefit for any other person.
- Not engage in any business, relationship or activity, which might detrimentally conflict with the interest of the Company.
- Maintain the principle of need to know and also confidentiality of all material non-public information about the Company, its business and affairs.
- Abide by all applicable laws and regulations including the Company's Prohibition of Insider Trading code.
- Not use their status to seek or accept any personal gains or favours from those doing or seeking to do business with the Company or from other employees of the company.
- Not accept gifts in cash or kind, either by themselves or by their close family members, particularly if this is likely to lead to a business relationship with the company. (However, an exception to this may be



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made for non cash gifts upto a value of Rs. 2000/-, and for items that can be reciprocated such as ticket to events, business meals etc. If refusing a gift beyond this value, would affect a relationship with the company, the gift may be accepted and handed over to the company.)

- Not share any information regarding the Company, its business and/or affairs with media without the prior approval of the Compliance Officer.
- Not employ any of their relatives or deal with them on Company's behalf without proper authorization, obtained after disclosing their relationship.
- Treat all employees with dignity, respect and concern and treat them on parity at all times.

In addition, in performing their Board and Board Committee functions, the directors shall:

- Not hold position of Director/Advisor with a Competitor Company
- Inform the Chairman of changes in their interests that may interfere with their ability to perform their duties, and in the case of 'independent directors', Impact their independence as a Board Member.

This Code embodies the belief that acting always with the Company's legitimate interest in mind and being aware of the Company's responsibility towards its stakeholders is an essential element of the Company's long term excellence.

Independent Directors shall have the following duties:

The independent directors shall -

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;



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- 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;
- strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 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 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;
- keep themselves well informed about the Company and the external environment in which it operates;
- 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, shareholders and its employees;
- not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished



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price sensitive information, unless such disclosure is expressly approved by the Board of Directors or required by law.

In addition to the above duties an independent director shall be subject to following professional conduct:

An independent director shall:

- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising his duties;
- exercise his responsibilities in a bona fide manner in the interest of the Company;
- devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 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;
- refrain from any action that would lead to loss of his independence;
- where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
- assist the Company in implementing the best corporate governance practices.

An Independent Director shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently with respect of the provisions contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

All Directors and Senior Management Personnel / Key Managerial Personnel shall affirm compliance with this code on an annual basis.

