



BMW Industries Ltd.

CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

OVERVIEW

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 BMW Industries Limited (hereinafter referred to as “the Company” or “BMWIL”) in compliance with the provisions of Clause 49 of the Listing Agreement.

This Code is intended to provide guidance to the Board of Directors and Senior Management Personnel to manage the affairs of the Company in an ethical manner. The purpose of this Code is to recognize and emphasize upon the ethical behaviour and to develop a culture of honesty and accountability. This Code of Conduct attempts to set forth the guiding principles on which the Company and its Board and Senior Management Personnel shall operate and conduct themselves with its stakeholders and anyone else with whom it is connected.

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 BMW Industries Limited (BMWIL)

“**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**” means the Chairman and Managing Directors and Directors who are in whole time employment with the Company.

“**Independent Directors**” shall mean an Independent Director as per the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

“**Non-Executive Directors**” are 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 the Key Managerial Personnel and all the members of management one level below the Board.

“Compliance Officer” The Company Secretary shall act as a Compliance Officer and shall monitor compliances with the Chairman and Managing Director of the Company.

APPLICABILITY

This Code shall be applicable and binding to the Board of Directors and the Senior Management Personnel of the Company. The Directors and Senior Management Personnel should continue to comply with other applicable policies, rules and procedures of the Company.

PURPOSE AND SCOPE

This Code is intended to provide guidance and help in recognizing and dealing with ethical issues and to help foster a culture of honesty and accountability. Every employee is expected to comply with this Code in letter and spirit. One must not only comply with applicable laws, rules and regulations but should also promote honest and ethical conduct of the business. They must abide by the policies and procedures that govern the conduct of the Company's business. Their responsibilities include helping to create and maintain a culture of high ethical standards and commitment to compliance, and to maintain a work environment that encourages the stakeholders to raise concerns to the attention of the Management.

PRINCIPLES OF THE CODE

The Board of Directors and the Senior Management Personnel of the Company shall act within the authority conferred upon them, in the best interests of the Company and observe the following:

Conduct

The Board of Directors and the Senior Management Personnel shall act in good faith and in the best interest of the Company. The Board shall ensure that it is executed in terms of the authorisations granted and within the limits prescribed under the relevant policies, codes, guidelines and other directives issued by the Board of Directors or Committees of the Company, from time to time. The Board of Directors and the 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 except accepting a gift or entertainment if warranted by the accepted ethical customs and practices.

The Board of Directors and the Senior Management Personnel shall refrain from indulging in any discriminatory practice or behaviour based on race, colour, sex, age, religion, ethnic or national origin, disability or any other unlawful basis. The ethical conduct, performance and skills shall be the qualifying indicatives for an employee's performance. The Board of Directors and the Senior Management Personnel shall conduct themselves in a professional, courteous and respectful manner and shall not take any improper advantage of their position. The Board and the employees of the Company shall use the Company's assets, property, proprietary information and intellectual rights for business purposes and not for any personal benefits or gains. They shall also maintain confidentiality of the information that is entrusted upon them for carrying on their respective responsibilities and duties and shall not use the same for personal benefits or gains.

Compliance

Employees are responsible for the implementation of this Code ensuring compliance under all applicable laws, regulations and corporate policies since such non-compliance is unethical and burdens the Company with unwanted fine or penalties. Therefore, such negligence or willful default would call for disciplinary action including reprimand, suspension or termination depending upon the seriousness of the offence and/or the employee's overall record. To ensure necessary compliance with various statutes and laws applicable to the company, the Board has assigned such responsibility on Departmental Heads that they will provide such consolidated compliance reports to the Board.

Conflict of Interests

The Board of Directors and the Senior Management Personnel shall not enter into any transaction which is or may likely to have a conflict with the interest of the Company and shall not engage any of its relative(s), or any other person or entity, for the purposes of circumventing



the personal interest involved. Position or engagement that may be prejudicial to the interest of the Company also should not be taken by the Board.

DUTIES OF INDEPENDENT DIRECTORS

Duties of Independent Directors will inter-alia include those more fully stated in the CODE applicable to them and forming part thereof, which is substantially similar to Schedule IV of the Companies Act, 2013. Independent directors shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with their knowledge, attributable through Board processes, and with their consent or connivance or where they had not acted diligently with respect of the provisions applicable.

AFFIRMATION OF THE COMPLIANCE WITH THE CODE

All the Board Members and the Senior Management Personnel shall affirm compliance with this Code within 30 days from the close of every financial year. Report shall be forwarded to the Compliance Officer of the Company. In the absence of Compliance Officer in the Company, the Report shall be forwarded to the Managing Director of the Company.

VIOLATION OF THIS CODE

In case it is found that any of the employees does not follow this Code by engaging misconduct, the matter would be reviewed by the Board whose decision shall be final and the Company reserves the right to take appropriate action against the guilty employee.

COMMUNICATION AND AMENDMENT

Disclosure of this Code shall be made on the Company's website. Amendment/ modification by the Board as per the Companies Act, 2013 or as per the Listing Agreement will be made from time to time as and when required and all such amendments/modifications shall take effect from the date stated therein.

