

BEW ENGINEERING LIMITED

**CODE OF CONDUCT FOR DIRECTORS
AND
SENIOR MANAGEMENT PERSONNEL**

BEW ENGINEERING LIMITED
CODE OF CONDUCT
FOR
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

Introduction

Good corporate governance practice calls for implementation and maintenance of sound standards of business conduct of affairs of a company. Thus fair and transparent manner of carrying out business by adopting highest standards of professionalism, honesty, integrity and ethical behaviour together with complete compliance of laws are the prime necessities.

Statutory framework:

The Code complies with the requirements as envisaged by various laws and regulations, as below, to administer good governance practices.

- a. Regulation 17(5) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) stipulates that the Board of Directors of every listed company shall lay down Code of Conduct for all Board members and Senior Management personnel of the Company
- b. Companies Act, 2013 and Rules thereunder, as amended.
- c. Others, as applicable.

Applicability:

The Code is to be applicable to all the members of the Board of Directors and its Committee/s and the Senior Management Personnels of the Company.

This code shall become effective from 7th May, 2021.

Definitions:

“Board” means Board of Directors of the Company.

“Code” means this Code of Conduct for Board Members and Senior Management Personnel.

“Company” means BEW Engineering Limited.

“Directors” means all members of Board of Directors of the Company.

“Senior Management Personnel” mean 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 executive directors, including all functional heads.

The Board of directors and Senior Management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

THE CODE

Diligence: The Directors and the Senior Management {in short, “they”} are to exercise due diligence in attending to their respective duties and obligations in the best interest of the Company.

Conflicts of Interest: They are to be scrupulous in avoiding ‘conflicts of interest’ with the Company. The guiding norm is that any activity or situation involving conflict or potential conflict of interest must be disclosed to the Audit Committee and the Board for appropriate action.

Transparency: They are to ensure that their action/s in the conduct of business is/are transparent, except where the confidentiality of the business requires otherwise. Such transparency shall be brought through appropriate policies, procedures, and maintaining supporting and proper records.

Honest and Ethical standards: They are to take action/s in accordance with the accepted standards of personal and professional integrity, honesty, probity, ethics, in good faith and in the best interest of the Company.

Business Integrity: They are to ensure that the Company carries out its business as per accepted practices of business integrity, ethical standards, fair play and conduct, honestly, legitimately and as a fair competitor.

Work place: They are to ensure that there is gender friendly work place, equal opportunities are given to men and women, and there exists good employment practices.

Quality of products/services: They are to endeavour that the products / services of the Company meet the accepted standards of quality and also the specifications of the legal authorities/ laws so that customer satisfaction is ensured. Moreover costs are kept reasonable.

Protection and proper use of the Company’s assets: They are to ensure to protect Company’s assets and property and the same should be used only for legitimate business purposes.

Confidentiality: They are to ensure that they and/or the concerned employees do not disclose any confidential information gained in the course of their employment / holding the position in the Company, for personal profits or future advantage of any other person/s.

Relationship with customers and suppliers: They are to endeavour that their dealings with the customers are given due importance, value is created and relationship of trust is built. In dealing with suppliers it should be the endeavour that supplies are based on need, quality, service, price, and appropriate terms and conditions.

Shareholders/Fixed Depositors: They are to ensure that the rights of shareholders and fixed depositors are met as per law and good corporate practices, and all efforts are made to provide best services to them.

Securities of the Company:

They are to ensure not to enter into forward dealing/ insider trading in respect of the securities of the Company as prohibited under applicable law/s.

Information Technology:

They are to ensure to use the information technology resources of the Company and social media responsibly without detriment to the interest of the Company.

Community Activities: They are to endeavour that the Company be a trusted corporate citizen and, as an integral part of the Society, fulfils its responsibilities and duties to the societies and communities in which it operates.

Compliance with laws, rules, and regulations: The Directors and the Senior Management shall ensure compliance with all the applicable laws, rules, regulations etc. as amended from time to time.

STATUTORY DUTIES OF INDEPENDENT DIRECTORS OF THE COMPANY

Schedule IV of the Companies Act, 2013 i.e. CODE FOR INDEPENDENT DIRECTORS 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) 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.

COMPLIANCE WITH THE CODE OF CONDUCT

The Directors and the Senior Management are to ensure to comply with the Code and also that it is communicated to and understood and observed by all concerned in the Company. They shall acknowledge the receipt of Code of Conduct as per the format provided in **ACKNOWLEDGEMENT FORM** and shall affirm compliance with the Code, on an annual basis and shall be submitted by all Directors and senior managers of the Company within 30 days of the close of every financial year as per the format of **ANNUAL COMPLIANCE REPORT**.

The Annual Report of the Company shall contain a declaration to this effect signed by the Managing Director of the Company. The Code shall be posted on the web site of the Company i.e. www.bewltd.com.

Amendment:

Any change in the Code shall be approved by the Board. The Board shall have the right to withdraw and/or amend any part of this Code or the entire Code, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Act or the rules framed thereunder or the SEBI Listing Regulations and/or any other laws in this regard shall automatically apply to this Code.

Interpretation:

In any circumstance where the terms of this Code are inconsistent with any existing or newly enacted law, rule, regulation, or standard governing the Company, the said law, rule, regulation or standard will take precedence over this Code.

Version History:

Version	Approval Date	Revision date	Description
Version 1	7 th May, 2021		Original Code

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ACKNOWLEDGEMENT FORM

I _____, Director/CS/CFO/any other Senior Management Personnel, have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ("this Code"). I have understood the provisions and policies contained in this Code and I agree to comply with this code.

Signature:

Name:

Designation:

Date:

Place:

BEW ENGINEERING LIMITED
CODE OF CONDUCT
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ANNUAL COMPLIANCE REPORT*

I, _____, do hereby solemnly affirm to the best of my knowledge and belief that I have, in letter and in spirit, 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:

* To be submitted by 30th April each year to Company Secretary.