

BANCO PRODUCTS (INDIA) LIMITED

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

INTRODUCTION:

- This Code of Conduct ("the Code") shall be called "The Code of Conduct for Board Members and Senior Management" of Banco Products (India) Limited ("the Company").
- This code has been framed specifically in compliance with the provisions of Clause 49 of the Listing Agreement entered into with Stock Exchanges.
- The purpose of this code is to promote ethical conduct by setting tone at the top and deter wrong doing. The matters covered in this code are of utmost importance to the Company and all its stakeholders.
- We are committed to continuously reviewing and updating our policies and procedures and therefore, this Code of Conduct is subject to modification.

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code of Conduct is subject to modification. The Board may update the code from time to time. Please sign the acknowledgment form at the end of this Code of Conduct and return the form to the Company Secretary (CS) of the Company confirming that you have received, read, understood and agreed to comply with the Code of Conduct.

APPLICABILITY:

This code shall be applicable to the following persons:

- All Members of the Board of Directors; and
- All Senior Management team consisting of all unit / department chief and corporate level HODs.

HONEST AND ETHICAL CONDUCT AND FAIR DEALING:

Directors and employees should endeavor to deal honestly, ethically and fairly with the Company's suppliers, customers, competitors, employees and shareholders. Statements regarding the Company's products and services must not be untrue, misleading, deceptive or fraudulent. All of our Directors and employees must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair practice.

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited.

To maintain the Company's reputation, compliance with our quality processes and safety requirements is essential. In the context of ethics, quality requires that our products and services reflect our ethical obligations. All operations must be conducted in accordance with all applicable regulations.

CONFLICTS OF INTEREST:

There is a responsibility to the Company and its stakeholders to conduct the business with fair policies and to avoid situations where a conflict of interest might occur or appear to occur. The Board Members and Senior Management should be prompt in avoiding such 'conflicts of interest' with the Company. This is an area in which it is difficult to provide comprehensive guidance, but the guiding principle is that any event, activity or situation involving conflict or potential conflict of interest must be disclosed to the top management for review and appropriate action, if any.

Business Interests. If you or any of your associates enter into any sort of business arrangement/ investments in a Company, customer, supplier, developer or competitor, you must ensure that the arrangement/ investment does not conflict/ compete with your duties and responsibilities towards the Company. In such circumstances, you should obtain prior approval of the Board of Directors of the Company. Many factors should be considered in determining whether a conflict exists, including the size and nature of the arrangement/ investment; your ability to influence the Company's decisions; your access to confidential information of the Company or of the other company; and the nature of the relationship between the Company and the other company.

Related Parties. All related party transactions should be done after statutory compliances.

The Company's Audit Committee must review and approve related party transactions. The Company must report all such material related party transactions under applicable accounting standards, Securities Exchange Board of India (SEBI), Companies Act, 2013. Any dealings with a related party must be conducted in such a way that the interest of the Company is not jeopardized.

PROTECTING THE COMPANY'S ASSETS AND MAINTAINING CONFIDENTIALITY:

The Board Members and Senior Management should protect the Company's assets and property. The Company's assets should be used only for legitimate business purposes.

The Company's confidential information is a valuable asset. It includes but not limited to Research & Development Information, Lists of customers, Dealers, Employees, any undisclosed financial information, process flow charts and recipes of its products, working plans of the Company, etc. This responsibility includes the safeguarding, securing and proper disposal of confidential information in accordance with the Company's policy on maintaining and managing records set forth in Policy and other Procedure Manual. The use of confidential information for his/ her own advantage or profit is also prohibited.

Banco strongly emphasizes that its Directors, Senior Management team members and other employees shall maintain the strict confidentiality in respect of its confidential information or that of any customer, supplier or any other business associate of the Company to which the Company has a duty to maintain confidentiality, except when such disclosure is legally mandated or is authorized. Similarly, the use of any confidential information for one's own advantage/profit is strictly prohibited.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS:

The Board Members and Senior Management shall endeavor to ensure compliance with all applicable laws, rules, and regulations applicable to the Company. The Company has in place a Code of Conduct

for prohibiting the insider trading. All persons who are in possession of any price sensitive information are required to maintain stricter discipline while dealing with such information.

For more details, please read the Company's Insider Trading Rules. You should comply with the Company's Insider Trading Rules.

REGULATORY COMPLIANCE:

All Company directors, employees, agents and contractors must comply with all applicable laws, regulations, rules and regulatory orders. Each employee, agent and contractor must acquire appropriate knowledge of the requirements relating to his or her duties sufficient to enable him or her to recognize potential dangers. Noncompliance of laws, regulations, rules and orders may subject the employee, agent or contractor to individual criminal or civil liability, as well as to discipline by the Company.

Further to this, all the Board Members and Senior Management Employees of the Company are supposed to give the quarterly compliance report of all laws applicable and coming under their purview. In case there is any noncompliance of the laws coming under their purview, the respective person should report along with the steps taken to rectify the instances of the non-compliances. The said report should be submitted to the Company Secretary of the Company for record and it should be placed before the Audit Committee / Board Meeting for adoption and record.

FINANCIAL REPORTING AND RECORDS PRACTICES:

The Company's responsibilities to its stockholders and the investing public require that all transactions be fully and accurately recorded in the Company's books and records in compliance with all applicable laws. All required information shall be accessible to the company's auditors and other authorized persons and government agencies. False or misleading entries, unrecorded funds or assets, or payments without appropriate supporting documentation or approval are strictly prohibited and violate Company policy and the law. No willful omission/ commission of any transactions from the books and records should be done. Any willful material misrepresentation of and/or misinformation of the financial accounts and reports shall be regarded as a violation of the Code apart from inviting appropriate civil or criminal action under the relevant laws. The Chief Financial Officer shall produce a Certificate about financial reporting pursuant to Clause 49 of the Listing Agreement.

DEALING WITH PEOPLE IN ORGANISATION:

The Company expects that the basic values of trust, teamwork, mutuality, objectivity, self respect and human dignity should be honored and adhered to. These values form the basis of Human Resource Management system of the Company.

CORPORATE OPPORTUNITIES:

All Directors and employees shall not exploit for their own personal gain, opportunities that are discovered through their position with the Company, use for themselves corporate information or property unless the same is disclosed prior to use in writing to the Chairman in case of employee and to the Board of Directors in case of any director.

OTHER DIRECTORSHIPS:

Serving on the Board of Director of other companies may raise substantial concerns about conflict of interest. Therefore, all Directors and employees must report / disclose such relationships to the Board, when such relationships are formalized and thereafter, on an annual basis. It is felt that service on the Board of a direct competitor is not in the interest of the Company. In view of this, the prior written consent of the Chairman, in case of employee, must be obtained before joining the Board of Directors of any Company. No Director of the Company, shall join the Board of any Company which is not competing with the Company, without informing the Board of Directors.

FREE AND FAIR COMPETITION:

The Company shall fully strive for the establishment of a fair and competitive market play. The Company shall market its products and services on its own merits and shall not make unfair and misleading statements which may induce any stakeholder or customer to trade with/in the company's shares, products or other services.

WORKPLACE FREE OF HARASSMENT:

The Company believes in maintaining dignity of human being irrespective of the race, religion, creed, color or designation. The Company is committed to provide a work environment free of harassment. The Company policy prohibits sexual harassment and harassment based on race, religious creed, colour, national origin or ancestry, physical or mental disability, medical condition, marital status, age, or any other basis protected by, state, or local law or ordinance or regulation from time to time.

HEALTH AND SAFETY:

The great importance is attached to health and safe working environment. The Company seeks to ensure good physical working conditions, high standard of hygiene and housekeeping. With a view to develop/increase safety awareness, due attention is paid to training of employees.

ENVIRONMENT POLICIES:

The Company is committed to best practices in environmental matters and expects each one who is associated with the activities, to demonstrate this commitment. Thus, besides complying with applicable laws and regulations, it is expected that it would strive for establishing best practices and procedures on environmental related matters.

PAYMENTS OR GIFTS FROM OTHERS:

Any employees, agents or contractors should not accept any offer, payment, promise to pay or authorization to pay any money, gift or anything of value from customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commission of any fraud. No gift or other favors should ever be offered, given, provided or accepted by any Director and employees, or close relative of Director and employee unless it

- a) is not a cash gift
- b) is consistent with customary business practices

- c) cannot be construed as a bribe or payoff and
- d) does not violate any laws or regulations.

Inexpensive gifts, infrequent business meals, celebratory events or entertainment, provided that they are not excessive or create an appearance of impropriety, do not violate this policy. Gifts given by the Company to suppliers or customers or received from the suppliers or customers should always be appropriate to the circumstances / occasion and should never be of kind that can create an appearance of impropriety. The Complimentary Gifts given / taken on the occasions like New Year, etc. do not violate the policy provided that they are not excessive or create an appearance of impropriety.

INSIDER TRADING:

The Company has formulated a Code of Conduct for Prevention of Insider Trading. The Directors and the Management personnel covered under the said Insider Trading code shall comply with the requirements of the said code.

If a person possesses material non-public information concerning the Company that issues publicly traded securities, it is generally illegal for the person to trade in securities of that company or to “tip” others who might trade in such securities.

Directors and employees covered by the said Insider Trading code, all other employees covered under this Code and third parties who are in a confidential relationship with BPIL (as well as such individuals' household members and close relatives) (“covered persons”), shall not trade in or recommend the purchase or sale of BPIL's common shares (or any other equity or debt securities of BPIL) while they are in possession of material information regarding the operations or prospects of BPIL that have not been publicly disclosed and disseminated.

Covered persons shall also similarly abstain from trading in, or recommending the purchase or sale of the securities of any other company that issues publicly traded securities of which they have obtained material nonpublic information as a result of their employment by or affiliation with BPIL.

Covered persons shall not disclose any such material non-public information to third parties except when done for valid business purposes (and covered by an appropriate confidential disclosure agreement). In such cases the covered persons must have no reason to believe the information will be misused or the disclosures might otherwise violate securities laws.

PUBLIC DISCLOSURES / MEDIA DISCLOSURES:

As required, in the course of its business, on a periodical basis, to arrange filings of various information/data, with SEBI, Stock Exchange/s (where its securities are listed) and other concerned government agencies. It is expected that such filing would be made in the prescribed time limit laid down under concerned laws, rules and regulations and the data should be accurate. Similarly, when any information which might be given to any media channel, it is expected that due care should be taken while making such disclosures and only true and fair information relating to the Company be passed on after seeking requisite approval or guidance from the top management.

TRANSPARENCY AND AUDITABILITY:

The Company strongly believes that all the actions in conduct of business should be transparent except

where the needs of business secrecy require otherwise such transparency would be continued to be developed through appropriate system mechanism, involving more than one manager in key decisions making and maintaining supporting records. Similarly, it is expected that each one should ensure that the operational areas are open to audit systems and procedures and conduct of activities auditable.

PERSONAL CONDUCT:

All the Board Members and Senior Management have the obligations to conduct themselves in an honest and ethical manner and also to act in the best interest of the Company. It is expected that each of them have to demonstrate good personal conduct through the adherence by following the Code of Conduct.

DUTIES OF INDEPENDENT DIRECTORS:

The duties of independent directors shall be as provided in the Companies Act, 2013 and rules and regulations made thereunder and as applicable from time to time, and interalia includes the following:

- Subject to the provisions of the Companies Act, 2013, a director of a company shall act in accordance with the Articles of the Company.
- A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgement.
- A director of a company shall strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member.
- A director of a company shall participate constructively and actively in the committees of the Board in which they are chairpersons or members.

DISCIPLINARY ACTIONS:

The matters covered in this Code of Conduct are of the utmost importance to the Company and its stockholders and are essential to the Company's ability to conduct its business in accordance with its high standards of inherited rich values. We expect all of our directors, top management team, employees, agents, contractors and consultants to adhere to these rules in carrying out their duties for the Company. The Company will take appropriate disciplinary action against the person whose actions are found to violate this code.

WAIVER:

Any waiver of the provisions of this code to any Board Members or Senior Management must be placed before the Directors of the Company for appropriate guidance.

DISSEMINATION, ANNUAL REVIEW AND AMENDMENT:

This Code shall be distributed to Directors and employees of the Company upon commencement of his or her employment or other relationship with the Company and shall also be distributed whenever any

change is effected to the Code, and each Director and employee shall certify that he or she has received, read and understood the Code and has complied with its terms every year. The Company reserves the right to amend, alter or terminate this Code at any time without giving any reason. The Company will make public disclosure as and to the extent required by applicable laws, rules and regulations, of amendments of this Code.

This document is not an employment contract between the Company and any of its Director and employee and does not alter BPIL's employment at will policy.

For Banco Products (India) Limited

Sd/-
Chairman & Managing Director