

## CODE OF CONDUCT FOR ALL MEMBERS OF THE BOARD AND SENIOR MANAGEMENT OF THE COMPANY

Bharat FIH Limited ("**Company**") intends to formulate this code of conduct for all the members of the board of directors of the Company (whole-time/executive directors and non-executive directors (including independent directors)) ("**Board**" or "**Board of Directors**" and such directors, the "Director(s)") and the members of the senior management team ("**Senior Management**") pursuant to provisions of the Companies Act, 2013, as amended, and Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") (and such code of conduct, the "Code"). The Code is in alignment with the Company's objectives, and corporate governance policy and aims at enhancing an ethical transparent process in managing the affairs of the Company.

The 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 Director and Senior Management Personnel is expected to read and understand this Code and its application to the performance of his or her duties, functions and responsibilities

### APPLICABILITY

- a. The Board of Directors of the Company (including executive and non-executive directors, nominee directors and alternate directors) are governed by this Code of Conduct.
- b. The Code will also apply to the Senior Management of the Company with suitable adaptations. For this purpose, the term 'Senior Management' shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would comprise all members of management one level below the executive directors, including all functional heads, company secretary and chief financial officer of the Company.
- c. The rules and principles set forth in this Code are general in nature and the compliance with this Code shall be ensured read with other applicable policies and procedures of the Company. The directors and senior management personnel may contact the compliance officer for the purposes of this Code for assistance in interpreting the requirements of this Code. All Directors and senior management shall affirm compliance with the Code on an annual basis.

### EFFECTIVE DATE

The Board at its meeting held on December 14, 2021 has approved and adopted the Policy. The Policy shall become effective from December 14, 2021.

### GENERAL STANDARDS OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT:

- a. Act honestly, fairly, ethically and shall exercise utmost good faith, due care and integrity in performing their duties.
- b. Shall exercise independent judgement, reasonable care and diligence in performing his duties.
- c. Endeavour to attend all the meetings of the Board and its Committees of which they are members or invitees.
- d. Act in the best interests of, and fulfill their fiduciary obligations to the Company
- e. Will deal fairly with all stakeholders

- f. Actively participate in the Board discussions and share his expertise.
- g. Shall keep themselves updated on the recent trends in their areas of expertise and Companies business.
- h. Shall allocate sufficient time for the Company's business for the performance of his duties.
- i. Should not associate with any competing organisation (outside the FIH group) either as a director or in a managerial or advisory capacity without prior approval of the Board of the Company.
- j. Bring to the attention of the Board any information or development either within the Company or external, which could impact the Company's or groups operations and which in the normal course, may not have come to the knowledge of the Board.
- k. not use any confidential information obtained by in the course of 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 and in such a manner that would be detrimental to the Company's interests.
- l. Not use the Company's property or position for personal gain
- m. Maintain the confidentiality of information relating to the affairs of the Company acquired in the course of service, except when authorized or legally required to disclose such information or if information is already in public domain. The obligation of confidentiality shall continue even after such person ceases to be Director or Senior Management Executive of the Company. The term "confidential information" includes, but is not limited to, non-public information that might be of use to competitors of the Company or harmful to the Company or its customers, if disclosed. Whenever feasible, Directors and Senior Management Personnel should consult the Chairman of the Board or the Compliance Officer if they believe they have a legal obligation to disclose confidential information.
- n. not accept any gift or donation from the company or from anyone connected with the company unless there are of a reasonable value. It should for valid business purpose and not in the form of bribe to influence the recipient. Gifts in the form of money should not be given or accepted.
- o. not engage in any business, relationship or activity, which might detrimentally conflict with the interest of the Company.
- p. Should avoid conducting the business activity of the Company with any of the relatives (as defined in Companies Act, 2013) or in any of the entity where the relative holds significant roles.
- q. Disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing a decision on any matter in which the concerned Director has or may have such an interest;
- r. Comply with all applicable laws, rules and regulations including the policies and procedures of the Company, Companies Act, 2013 and the rules made thereunder, the SEBI Listing Regulation etc.
- s. Director and members of the Senior Management shall not derive benefit or assist others to derive benefit by giving investment advice based on unpublished price sensitive information (defined in SEBI (Prohibition of Insider Trading) Regulations, 2015) about the Company and therefore constituting insider information. All Directors and members of the Senior Management shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 and insider trading policy(ies) framed by the Company under said SEBI regulations
- t. Make proper disclosures to the Board including annual disclosure of his directorships and memberships under section 184 of the Companies Act, 2013 and connection with any person with whom Company is contemplating to undertake any business and abstain from any discussion of the business in Board and Committee meetings as the case may be.

- u. Directors should conduct in such a way that there is no disqualification attracted under section 164 of the Companies Act, 2013.

## **CODE OF INDEPENDENT DIRECTORS (As per Companies Act, 2013)**

### **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.

### **REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOUR**

Directors and Senior Management Personnel are encouraged to promptly contact the Chairman of the Board or the Chairman of Audit committee if the Director or Senior Management Personnel believes that he or she has observed illegal or unethical behaviour by any employee, officer, director and Senior Management Personnel, or by any one purporting to be acting on the Company's behalf or any violation or possible violation of this Code and the reporting Director and Senior Management Personnel have any doubt as to the best course of action in a particular situation. Confidentiality will be maintained, to the extent permitted by law.

### **BREACH OF DUTY OF CONFIDENTIALITY**

There may be situations in which a Director would be in breach of his duty of confidentiality to

another entity, where he to disclose a conflict of interest to the Board of the Company. In such a situation, it shall be sufficient for the Director concerned to abstain from any participation in the matter concerned, without disclosing the nature of the conflict

## **ACTION ON NON-COMPLIANCE**

Any failure by Directors or Senior Management Persons in complying with this Code will be referred to the Board for suitable remedial action. The decision of Board in this regard is final.

## **FUNCTIONS OF THE BOARD AND GOOD CORPORATE GOVERNANCE PRACTICES**

Each member of the Board of Directors and Senior Management of the Company should adhere to the following so as to ensure compliance with good Corporate Governance practices.

### **(i) Key Functions of the members of the Board**

1. Without limiting the generality of the duties stated in the Companies Act, 2013, SEBI Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct for Prevention of Insider Trading framed there under and other applicable laws, the duties of a director are as under:
2. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
3. Monitoring the effectiveness of the Company's governance practices and making changes as needed.
4. Monitoring and managing potential conflicts of interest of management, members of the Board and shareholders, including misuse of corporate assets and abuse in related party transactions.
5. Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
6. Overseeing the process of disclosure and communications.
7. Monitoring and reviewing Board's evaluation framework.

### **(ii) Do's**

1. Attend Board meetings regularly and participate in the deliberations and discussions effectively.
2. Study the Board papers thoroughly and enquire about follow up reports on definite time schedule.
3. Involve actively in the matter of formulation of general policies.
4. Be familiar with the broad objectives of the Company and the policies laid down by the government and the various laws and legislations.
5. Ensure confidentiality of the Company's agenda papers, notes and minutes.

**(iii) Don'ts**

1. Do not reveal any information relating to any constituent of the Company to anyone.
2. Do not display the logo / distinctive design of the Company on their personal visiting cards / letter heads. Do not sponsor any proposal relating to loans, investments, buildings or sites for Company's premises, enlistment or empanelment of contractors, architects, auditors, doctors, lawyers and other professionals etc.
3. Do not do anything, which will interfere with and / or be subversive of maintenance of discipline, good conduct and integrity of the staff.
4. Do not buy or sell or suggest to anyone else buy or sell the securities of any company, either directly or through family members or other persons or entities, while you are aware of inside information about the company.
5. No employee including Senior Management, key managerial personnel or Director of the Company shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution.
6. Do not take any personal opportunities directly or indirectly that belong to the Company or are discovered through the use of Company's property, information or position

**AMENDMENT, MODIFICATION AND WAIVER**

This Code may be amended, modified or waived only by the Company's Board of Directors and must be publicly disclosed if required by any applicable law or regulation. As a general policy, the Board will not grant waivers to the Code. All the Directors / Senior Management personnel shall affirm compliance with the code on annual basis.

**REPORTING**

While every Director and member of Senior Management has to himself ensure compliance with this code, any instance of violation or possible violation of this code by the concerned Director or member of Senior Management or by any other Director member of Senior Management person shall be immediately reported to the Board through the compliance officer.

**REVIEW OF CODE**

The Code shall be reviewed at such intervals, as is deemed necessary by the Board. Consequent upon any changes in regulatory guidelines, such change shall be deemed to be a part of the Code until the Code is reviewed and approved next time.