

CODE OF CONDUCT
FOR
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

1. INTRODUCTION

- 1.1 This Code of Conduct (hereinafter referred to as the “Code of Conduct”) shall be called “The Code of Conduct for Board Members and Senior Management Personnel” of BGIL FILMS & TECHNOLOGIES LIMITED (hereinafter referred to as “the Company”).
- 1.2 The Code of Conduct has been framed specifically in compliance with the provisions of the Listing Agreement with the Stock Exchanges.
- 1.3 This Code recognizes and is complementary to all rules, regulations, manuals and procedures that may be laid down by the Company from time to time.
- 1.4 The prime purpose of the Code of Conduct is to maintain a corporate climate in which the integrity and dignity of each individual is valued and promoted.

2. DEFINITIONS & INTERPRETATIONS:

- 2.1 The term “Company” shall mean BGIL Films & Technologies Limited.
- 2.2 The term “Board Members” shall mean ~~mean~~ Whole-time & Part-time Directors in the Board of Directors of the Company.
- 2.3 The term “Senior Management Personnel” shall mean employees of the Company holding positions as Executive Director / Chief Executive Officer / General Manager of the Company.
- 2.4 The term “Whole-time Director” shall mean the Directors on the Board of Directors of the Company who are in the whole-time employment of the Company.
- 2.5 The term “Board” shall mean Board of Directors of BGIL Films & Technologies Limited.

3. APPLICABILITY:

3.1 This Code shall be applicable to the following persons:

- a) All Board Members of the Company.
- b) All Senior Management Personnel as defined in Clause 2.3 of this Code.
- c) All executives of the Company who are directly reporting to the Chairman cum Managing Director/Chief Executive of the Company.

3.2 The whole-time Directors, Senior Management Personnel and all other executives to whom this code applies should continue to comply with other applicable/ to be applicable policies, rules and procedures of the Company.

3.3 Every Board member and Senior Management Personnel of the Company to which the code applies shall receive and read the code for proper and complete compliance.

4. DISPLAY OF THE CODE IN WEBSITE OF THE COMPANY

As required under the provisions of Clause- 49-“Corporate Governance” of the listing agreement, this code and any amendments thereto shall be posted on the website of the Company.

5. COMPLIANCE OF CODE OF CONDUCT/AFFIRMATION

5.1 Company Secretary shall be the Compliance Officer for implementation of this code.

5.2 Each Board Member and Senior Management Personnel shall be accountable for compliance of this code fully.

5.3 Compliance Officer shall report breach of this code, if any, which comes to his notice to the:

Board in case of all Board members and

Chairman-cum-Managing Director in case of Senior Management Personnel

5.4 All Board Members and Senior Management Personnel shall be subject to any internal or external investigation of possible violations of this code.

6. DECLARATION:

- 6.1 As required under Clause 49(D) of the Listing Agreement, every Board member and Senior Management Personnel shall sign and submit the first declaration (as per Annexure – I) indicating that they have received, read, understood and agreed to comply with the Code.
- 6.2 Additionally, every Board member and Senior Management Personnel shall sign and submit the declaration (as per Annexure – II) on an annual basis, within 30 days of the close of every financial year, affirming compliance with the provisions of this Code.

7. MAINTENANCE OF ACCOUNTS AND RECORDS

- 7.1 Senior Management shall prepare and maintain true and fair accounts and records of affairs of the Company.
- 7.2 The accounts and records shall be maintained in accordance with the applicable accounting and financial reporting standards, GAAP, laws and regulations of the country in which the Company operates its business affairs.
- 7.3 Internal accounting and audit procedures shall fairly and accurately reflect all the business transactions and disposition of assets of the Company.
- 7.4 There shall be no willful omissions of any Company's transactions from the books and records.
- 7.5 Any willful material misrepresentation of and / or misinformation on the financial accounts and reports shall be regarded as a violation of this Code and apart from inviting appropriate civil or criminal action under the relevant laws as applicable.

8. WAIVER AND AMENDMENTS OF THE CODE

- 8.1 No waiver of any of the provisions of this Code shall be valid unless, the Board of Directors of the Company approves such waiver in case of Board members and by Chairman in case of Senior Management Personnel.
- 8.2 The provisions of this Code can be amended by the Board of Directors of the Company from time to time.

9. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Any transaction undertaken in the name of the Company that would violate the laws of the land is prohibited. Particular attention is directed to the laws, rules and regulations relating to discrimination, securities, anti-trust, civil rights, safety and the environment. If any uncertainty arises as to whether a course of action is within the letter and spirit of the law, advice should be obtained from the concerned Director / Chairman-cum-Managing Director of the Company.

10. RIGHTFUL USE OF COMPANY ASSETS

The Company's assets should be used only for the legitimate business purposes of the Company. The Board Members and Senior Executives of the Company are prohibited from using Company assets, confidential or proprietary information or position for personal gain.

11. OBSERVANCE AND VIOLATION OF THE CODE

Every Board member and Senior Management Personnel shall affirm compliance by the code on an annual basis each year. The violation will result in to penalty by:

11.1 Senior Management Personnel shall be determined by the Chairman-cum-Managing Director;

11.2 The Whole-time Directors and/or Part-time Directors, the same shall be examined by the Board of Directors of the Company;

11.3 Penalty may include serious disciplinary action, removal from office and dismissal as well as other remedies, including recommendations for any of the above penalty, to the extent permitted by law and as considered appropriate under the circumstances.

12. EQUAL OPPORTUNITY EMPLOYER

All Directors and Senior Management Personnel shall:

- provide equal opportunities in employment to all irrespective of race, caste, religion, color, ancestry, marital status, sex, age, nationality, disability and veteran status;
- treat all employees with dignity and maintain work environment free of sexual harassment – physical, verbal or psychological; and
- make policies and practices to ensure that equal opportunity is given to those eligible and decisions are merit based.

13. HEALTH, SAFETY AND ENVIRONMENT:

13.1 Management shall strive to provide a safe working environment and comply, in the conduct of the business affairs of the Company, with all regulations regarding the maintenance of the environment of the territory in which it operates.

13.2 Management will be committed to prevent wasteful use of natural resources and minimize any hazardous impact of the development, use and disposal of any of its products and services on the ecological environment.

14. PROFESSIONAL INTEGRITY, HONESTY AND ETHICAL CONDUCT

14.1 Senior management is expected to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working on the Company's premises, at offsite locations where the Company's business is being conducted or at any other place where they are representing Company.

14.2 Senior management shall promptly report to the management any actual or possible violation of this code, or an event he or she becomes aware of that could affect the business or reputation of his/her or any other Group company.

15. TRANSPARENCY

Every Director and Senior Management Personnel shall ensure that their actions in the conduct of business are totally transparent except where the need of business activity dictates otherwise. Such transparency shall be brought about through appropriate policies, systems and processes.

16. NON ALIGNMENT WITH POLITICAL PARTIES

16.1 The Company and its Officers shall be committed to and support a functioning democratic constitution and system with a transparent and fair electoral system in India.

16.2 The Company and its Officers shall not support, directly or indirectly, any specific political party or candidate for political purposes. The Company may contribute any amount or amounts, directly or indirectly, to any political party or for any political purpose to any other person as per the limit prescribed under the Companies Act, 1956.

17. REPRESENTATION TO THE PUBLIC AND STAKEHOLDERS

- 17.1 The Management honors the information requirements of the public and the Stakeholders of the Company.
- 17.2 In all its public appearance with respect to disclosing Company and business information to public constituencies such as the media, the financial community, employees and shareholders, only specifically authorized directors and/or officer shall represent the Company.
- 17.3 It will be the sole responsibility of these authorized representatives to disclose information of the Company.

18. CONFLICT OF INTEREST

A conflict of interest arises when personal interest interferes in any way with the interest of the Company.

- 18.1 Management shall not engage in any business relationship or activity, which might detrimentally conflict with the interest of the Company or the group.
- 18.2 Notwithstanding that conflict of interest exist due to any historical reasons, adequate and full disclosure by the interested employees should be made to the Company's management.
- 18.3 It is also incumbent upon every Employee to make a full disclosure of any interest which the Employee or the Employee's immediate family, which would include parents, spouse and children, may have in a company or firm which is a supplier, customer, distributor or has other business dealings with the Company.
- 18.4 Every Employee who is required to make a disclosure as mentioned above shall do so, in writing, to his or her immediate superior, who shall forward the information along with comments to the person designated for this purpose by the Managing Director, who in turn will place it before the Board of Directors/executive committee appointed by the board and, upon a decision being taken in the matter, the Employee concerned will be required to take necessary action as advised to resolve / avoid the conflict.
- 18.5 If an Employee fails to make a disclosure as required herein, and the management of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the Employee, the management would take a serious view of the matter and consider suitable disciplinary action against the Employee concerned.

19. GIFTS

Directors shall not offer, give or receive gifts from persons or entities dealing with the Company, where any such gift is perceived as intended directly or indirectly, to influence any business decision. The gift shall include free boarding, transport, lodging or other service or any other material pecuniary advantage. Directors should also avoid acceptance of lavish or frequent hospitality from any individual or firm having official dealings with the Company.

20. INSIDER TRADING

The Directors, Senior Management or relatives of any of the Directors or Senior Management Personnel shall not derive any undue benefits or advantage from the unpublished price sensitive information, which is in possession of such director or senior management personnel and that, which is not available in public domain. The Board members and the Senior Management Personnel shall ensure compliance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time.

21. CONFIDENTIALITY

The Directors and Senior Management shall ensure that no sensitive information relating to the affairs of the Company which comes to his knowledge by virtue of his position and in discharging his functions shall be disclosed and they shall be maintained under the highest degree of confidentiality save for disclosure under any law. No Director or Senior Management Personnel shall disclose any information relating to the affairs of the Company in any press or media unless they are specifically authorized to do the same.

22. BUSINESS OPPORTUNITIES

Directors should not exploit for their own benefit, opportunities that are discovered through the use of Company's property, information and position unless the opportunity is disclosed to the Board of Directors and the Board has also authorized such Director to peruse such opportunity. The Directors shall not use property or any information of the Company for obtaining any personal gain or advantage.

Declaration

The Board of Directors
BGIL Films & Technologies Limited

Dear Sir/ Madam,

I, Mr./ Mrs./ Ms. _____, _____ [designation] do hereby acknowledge and confirm that I have received, read, understood and agreed to comply with the provisions of the Code of Conduct for Directors and Senior Management Personnel or any of the policies or legal/ regulatory requirements of the Company, as may be applicable to my responsibility.

Signature:

Name:

Designation:

Place:

Date:

Note: Kindly sign and submit this declaration in case of a fresh appointment.

Annexure II

Declaration

The Board of Directors
BGIL Films & Technologies Limited

Dear Sir/ Madam,

I, Mr./ Mrs./ Ms. _____, _____ [designation] do hereby acknowledge and confirm that during the financial year _____, to the best of my knowledge and belief, I have not violated any of the provisions of the Code of Conduct for Directors and Senior Management Personnel or any of the policies or legal/regulatory requirements of the Company, as may be applicable to my responsibility.

Signature:
Name:
Designation:

Place:
Date:

Note: Please sign and submit this declaration within 30 days of the close of every financial year.