



BUNDELKHAND SAUR URJA LIMITED
CODE OF BUSINESS CONDUCT AND ETHICS
(For Senior Management Personnel)

1. INTRODUCTION

- 1.1 This Code of Conduct (hereinafter referred to as the “**Code**”) shall be called “The Code of Business Conduct and Ethics for “Senior Management Personnel” of Bundelkhand Saur Urja Limited (hereinafter referred to as the “**Company**”).
- 1.2 The purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company, and thus to sustain the trust and confidence reposed in the Senior Management Personnel by the shareholders of the Company. Senior Management Personnel are expected to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.
- 1.3 This Code envisages that the Senior Management Personnel must act within the bounds of the authority conferred upon them and with a duty to comply with the requirements of applicable law.
- 1.4 This Code shall come into force with effect from 18th December, 2017.
- 1.5 All Senior Management Personnel should sign the acknowledgment form annexed as **Appendix IV** hereto and return the form to the Company Secretary indicating that they have received, read, understood and agree to comply with the Code. All Senior Management Personnel shall be required to affirm compliance with this Code on an annual basis, within 30 days of close of every financial year to the Company Secretary, in the form annexed hereto as **Appendix III**.
- 1.6 This code shall be read mutatis-mutandis with any notification, regulation, order, circular, guidelines etc. issued by Ministry of Corporate Affairs (MCA), Department of Public Enterprises (DPE), and any other regulatory authority from time to time.

2. DEFINITIONS & INTERPRETATION

2.1 In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:

- i. **"Board"** shall mean the Board of Directors of the Company.
- ii. **"Board Members"** shall mean the Directors on the Board of Directors of the Company.
- iii. **"Company"** shall mean Bundelkhand Saur Urja Limited.
- iv. **"Government"** shall mean Govt. of India.
- v. **"Senior Management Personnel"** shall mean personnel of the Company who are members of its core management team, excluding the Board of Directors. Normally, this would comprise all members of management one level below the Functional Directors, including all functional heads.
- vi. **"Relative"** shall have the same meaning assigned to the term in Section 2(77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014, and as more specifically detailed in **Appendix I**.
- vii. **"Conflict of Interest"** shall mean where the interest or benefits of one person or entity conflict with the interests or benefits of the company.

2.2 In this Code words importing masculine shall include feminine and words importing singular shall include plural or vice versa.

3. APPLICABILITY

This Code shall be applicable to the Senior Management Personnel as defined in clause 2.1(v).

4. ETHICAL CONDUCT

Every Senior Management Personnel shall act within the authority conferred upon him by the Company and under applicable law, keeping the best interests of the Company in view and shall:

- i. **Be honest and trustworthy & practice integrity, professionalism, utmost care, skill, diligence, good faith and integrity:** Integrity and honesty are essential components of trust. Without trust an organization cannot function effectively. He should act with high moral and ethical standards.
- ii. Fulfill their fiduciary obligations without allowing their independence of judgment to be compromised;
- iii. Act fairly and transparently and not participate in any decision-making process on a subject matter in which a conflict of interest exists or is likely to exist such that an independent judgment of the Company's best interest cannot be exercised;
- iv. Avoid conducting business with (a) a relative or (b) a private limited company in which he or his relative is a member or a director (c) a public limited company in which he and holds along with his relative holds more than 2% of its paid-up shares or voting right and (d) with a firm in which the relative is a partner, except with the prior approval of the Board;
- v. Avoid having any personal and/or financial interest in any business dealings concerning the Company;
- vi. Not engage in any business, relationship or activity with anyone who is a party to a transaction with the Company;
- vii. Avoid any dealings with a contractor or supplier that compromises the ability to transact business on a professional, impartial and competitive basis or influences decisions to be made by the Company;
- viii. Not hold any positions or jobs or engage in other businesses or interests that are prejudicial to the interests of the Company;
- ix. Not exploit for his own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Board and the Board declines to pursue such opportunity;
- x. Not seek, accept, or offer or make, directly or indirectly, any gifts, illegal payments, remuneration, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favors for the conduct of business.
- xi. Not commit any offence involving moral turpitude or any act contrary to law or opposed to public policy.
- xii. uphold the values of equality, tolerance, respect for others, and the principles of equity & justice;
- xiii. not discriminate on the basis of race, sex, religion, caste, age, disability, national origins or other such factors;
- xiv. Keep the Board informed in an appropriate and timely manner any information in the knowledge of the Senior Management

Personnel which is related to the decision making or is otherwise critical for the company;

- xv. Treat the other members of the Senior Management and other persons connected with the company with respect, dignity, fairness and courtesy;
- xvi. Act in a manner to enhance and maintain the reputation of the Company;
- xvii. not make any statement which has the effect of adverse criticism of any policy or action of the Government or of the company or which is capable of embarrassing the relations between the company and the public including all the stakeholders.
Provided that nothing in this clause shall apply to any statement made or views expressed by a Senior Management Personnel which are purely factual in nature and are not considered as confidential, in his official capacity or in due performance of the duties assigned to him.
- xviii. undertake to actively participate in the meetings of the Committees on which they serve.

4 (a) Pledge & Practice

The Senior Management Personnel shall:

- i. strive continuously to bring about integrity and transparency in all spheres of the activities.
- ii. work unstintingly for eradication of corruption in all spheres of life.
- iii. remain vigilant and work towards growth and reputation of the company.
- iv. bring pride to the organization and provide value based services to the company's stakeholders.
- v. do duty conscientiously without fear or favour.

4 (b) SPECIFIC PROFESSIONAL RESPONSIBILITIES

4 (b) (i) Strive to achieve the highest quality, effectiveness and dignity in both the processes and products of professional work:

Excellence is perhaps the most important obligation of a professional. Everyone, therefore, should strive to achieve the highest quality, effectiveness and dignity in their professional work.

4 (b) (ii) Acquire and maintain professional competence

Excellence depends on individuals who take responsibility for acquiring and maintaining professional competence. All are, therefore, expected to participate in setting standards for appropriate levels of competence, and strive to achieve those standards.

4 (b) (iii) Accept and provide appropriate professional review

Quality professional work depends on professional review and comments. Whenever appropriate, individual members should seek and utilize peer review as well as provide critical review of the work of theirs.

4 (b) (iv) Manage personnel and resources to enhance the quality of working life

Organizational leaders are responsible for ensuring that a conducive working and business environment is created for fellow employees to enable them delivering their best. The Senior Management Personnel would be responsible for ensuring human dignity of all employees, would encourage and support the professional development of the employees of the Company by providing them all necessary assistance and cooperation, thus enhancing the quality of working.

4 (b) (v) Be upright and avoid any inducements

The Senior Management Personnel shall not, directly or indirectly through their family and other connections, solicit any personal fee, commission or other form of remuneration arising out of transactions involving Company. This includes gifts or other benefits of significant value, which might be extended at times, to influence business for the organization or awarding a contract to an agency, etc.

4 (b) (vi) Observe Corporate Discipline

The flow of communication within the Company is not rigid and people are free to express themselves at all levels. Though there is a free exchange of opinions in the process of arriving at a decision, but after the debate is over and a policy consensus has been established, all are expected to adhere and abide by it, even when in certain instances one may not agree with it individually. In some cases policies act as a guide to action, in others they are designed to put a constraint on action. All must learn to recognize the difference and appreciate why they need to observe them.

4 (b) (vii) Conduct in a manner that reflects credit to the Company

All are expected to conduct themselves, both on and off duty, in a manner that reflects credit to the Company. The sum total of their personal attitude and behavior has a bearing on the standing of Company and the way in which it is perceived within the organization and by the public at large.

4 (b) (viii) Identify, mitigate and manage business risks

It is everybody's responsibility to follow the Risk Management Framework of the Company to identify the business risks that surround function or area of operation of the Company and to assist in the company-wide process of managing such risks, so that Company may achieve its wider business objectives.

4 (b) (ix) Be accountable to Company's stakeholders

All of those whom we serve, be it our Customers, without whom the Company will not be in business, the Shareholders, who have an important stake in its business, the Employees, who have a vested interest in making it all happen, the Vendors, who support the Company to deliver in time and Society to which Company is responsible for its actions – are stakeholders of the Company. All, therefore, must keep in mind at all times that they are accountable to Company's stakeholders.

5. DISCLOSURES

5.1 Notwithstanding that any instances of conflict of interest exist due to any historical reasons, adequate and full disclosure by the interested Senior Management Personnel should be made to the Company. It is also incumbent upon every Senior Management Personnel to make a full disclosure of any interest which the Senior Management Personnel or the Senior Management Personnel's immediate family, which would include parents, spouse and children, may have in a company or firm which is a supplier, customer, distributor of or has other business dealings with the Company.

5.2 With respect to related party disclosures, Senior Management Personnel shall make disclosure to the Chairman under the

provisions of Ind AS 24/ Accounting Standard 18 annexed hereto as **Appendix II** issued by the Institute of Chartered Accountants of India (ICAI) and / or any modification or re-codification thereof.

- 5.3 If a Senior Management Personnel fails to make a disclosure as required herein, and the Company of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the Senior Management Personnel, the Company would take a serious view of the matter and consider suitable disciplinary action against the Senior Management Personnel.

6. OTHER DIRECTORSHIPS

- 6.1 Unless specifically permitted by the Chairman of the Board, Senior Management Personnel shall not serve as Director of any other company or as partner of a firm that is engaged in a competing business with the Company or with which the company has business relations.
- 6.2 The Senior Management Personnel shall not accept any appointment or post, whether advisory or administrative, in any firm or company, whether Indian or foreign, having competing interests with the Company or with which the company has or had business relations, within two years from the date of cessation of Directorship of the Company unless approved by the Government.

7. PUBLIC REPRESENTATION AND CONFIDENTIALITY OF INFORMATION

- 7.1 The Company honors the information requirements of the public and its stakeholders. In all its public appearance with respect to disclosing information in relation to the Company's activities to public constituencies such as the media, the financial community, employees and shareholders, the Company shall be represented only by specifically authorized Senior Management Personnel.
- 7.2 Any information concerning the Company's business, its customers, suppliers, etc. to which the Senior Management Personnel have access or which is possessed by the Senior Management Personnel, must be considered privileged and

confidential and should be held in confidence at all times, and should not be disclosed to any person, unless (i) authorised by the Board; or (ii) the same is part of the public domain at the time of disclosure; or (iii) is required to be disclosed in accordance with applicable laws.

8. REGULATORY COMPLIANCE

Every Senior Management Personnel shall, in his business conduct, comply with all applicable laws, rules and regulations, both in letter and in spirit, in all the territories in which he operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

9. HEALTH, SAFETY AND ENVIRONMENT

- (i) This principle concerning the quality of life of all people, affirms an obligation to protect fundamental human rights and to respect the diversity of all cultures. We must attempt to ensure that the products of our efforts will be used in socially responsible ways, will meet social needs and will avoid harmful effects to health and welfare of others. In addition to a safe social environment, human well being includes a safe natural environment.
- (ii) Therefore, all Senior Management Personnel who are accountable for the design, development, manufacture and promotion of company's products, must be alert to, and make others aware of, both a legal and a moral responsibility for the safety and the protection of human life and environment.

10. PROTECTION OF ASSETS

The Senior Management Personnel shall not misuse, for personal gain or otherwise, the assets of the Company, including tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationships with customers and suppliers, etc., and shall employ them for the purpose of conducting the business for which they are duly authorized.

11. AMENDMENTS TO THE CODE

The provisions of this Code can be amended and modified by the Board of Directors of the Company from time to time and all such amendments and modifications shall take effect from the date stated therein. All Senior Management Personnel shall be duly informed of such amendments and modifications.

12. ENFORCEMENT OF CODE OF CONDUCT

Each Senior Management Personnel shall be accountable for fully complying with this Code.

13. CONSEQUENCES OF NON-COMPLIANCE OF THIS CODE

In case of breach of this Code by the Senior Management Personnel, the same shall be dealt by the Chairman/Board for initiating appropriate action, as deemed necessary.

14. WHERE TO SEEK CLARIFICATIONS

Any Senior Management Personnel requiring any clarification regarding this code of conduct may contact Chief Executive Officer/ Company Secretary/ any officer specifically designated by the Board of Directors.



Bundelkhand Saur Urja Limited

**CODE OF BUSINESS CONDUCT AND
ETHICS FOR
SENIOR MANAGEMENT PERSONNEL**

SECTION 2(77) OF THE COMPANIES ACT, 2013

“relative”, with reference to any person, means any one who is related to another, if-

- (a) they are members of a Hindu Undivided Family;
- (b) they are husband and wife; or
- (c) one person is related to the other in the manner indicated in Rule 4 of the Companies (Specification of definitions details) Rules, 2014;

**Rule 4 of the Companies (Specification of definitions details)
Rules, 2014**

LIST OF RELATIVES

1. Father (including step father)
2. Mother (including step-mother)
3. Son (including step-son)
4. Son’s wife
5. Daughter
6. Daughter’s husband
7. Brother (includes step brother)
8. Sister (includes step sister)



APPENDIX-II

Bundelkhand Saur Urja Limited

CODE OF BUSINESS CONDUCT AND ETHICS FOR SENIOR MANAGEMENT PERSONNEL

The Senior Management Personnel shall disclose the following, in respect of all transactions with related parties, as covered in Ind AS – 24/AS-18 issued by ICAI:

- (i) the name of the transacting related party;
- (ii) a description of the relationship between the parties;
- (iii) a description of the nature of transactions;
- (iv) volume of the transactions either as an amount or as an appropriate proportion ;
- (v) any other elements of the related party transactions necessary for an understanding of the financial statements.

Signature :

Name :

Designation :

Date :

Place :

Note: The following are illustrative and not exhaustive list of examples of the related party transactions in respect of which disclosures should be made by Senior Management Personnel:

- purchases or sales of goods (finished or unfinished);
- purchases or sales of fixed assets;
- rendering or receiving of services;
- agency arrangements;
- leasing or hire purchase arrangements;
- transfer of research and development;
- licence agreements;
- finance (including loans and equity contributions in cash or in kind);
- guarantees and collaterals; and
- management contracts including for deputation of employees.



APPENDIX-III

Bundelkhand Saur Uria Limited
CODE OF BUSINESS CONDUCT AND ETHICS
FOR
SENIOR MANAGEMENT PERSONNEL
ANNUAL COMPLIANCE REPORT*

Ido hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the CODE OF BUSINESS CONDUCT AND ETHICS FOR SENIOR MANAGEMENT PERSONNEL during the financial year ending 31st March 20__.

Signature :

Name :

Designation :

Date :

Place :

* To be submitted by 30th April each year.



APPENDIX-IV

Bundelkhand Saur Uria Limited
CODE OF BUSINESS CONDUCT AND ETHICS
FOR
SENIOR MANAGEMENT PERSONNEL

ACKNOWLEDGEMENT FORM

I, have received and read the Company's "CODE OF BUSINESS CONDUCT AND ETHICS FOR 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 :