

## Code of Conduct

### 1.0 INTRODUCTION

1.1 This Code of Ethic (“Code”) shall be called "The Code of Conduct for Board Members and Key Managerial Personnel” of Bharat Oman Refineries Limited (“the Company”).

1.2 The purpose of the ‘Code’ is to reflect business practices and principles of behaviour of the Board Members and Key Managerial Personnel in affirming their commitment to Good Governance in line with the Company’s Philosophy on Corporate Governance.

1.3 This ‘Code’ has been framed specifically in compliance with the provisions of Companies Act, 2013. Employees of the Company are governed by Staff Conduct, Discipline & Appeal Rules. However, the Employees of the Company who are on deputation from Bharat Petroleum Corporation Limited will continue to be governed by the Bharat Petroleum Corporation Management Staff Conduct, Discipline & Appeal Rules, 1976 (“CDA Rules”) which govern the conduct of all employees of the BPCL.

### 2. DEFINITIONS & INTERPRETATIONS:

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them as under :-

2.1 "**Board Members**" shall mean the members on the Board of Directors of the Company.

2.2 "**Whole-time Director**" shall mean the Board members who are in Whole-time employment of the Company.

2.3 "**Part-time Director**" shall mean the Board members who are not Whole-time Directors and include Independent Directors and Nominee Directors of BPCL and OOC of the Company.

2.4 "**Relative**" shall mean a ‘relative’ as defined under Companies Act, 2013 and rules made thereunder.

2.5 "**Key Managerial Personnel**" shall have the same meaning as defined in the Companies Act, 2013. In this ‘Code’ words importing masculine shall include feminine and words importing singular shall include the plural and vice versa.

2.6 "**Duties of Directors / Independent Directors**" shall mean and include duties as laid down in the Companies Act, 2013 and enumerated in Appendix II.

### 3. APPLICABILITY:

This ‘Code’ shall be applicable to the following persons:

- a) Whole-time Directors
- b) Part-time Directors
- c) Key Managerial Personnel

#### **4.0 KEY REQUIREMENTS**

The Board Members and Key Managerial Personnel shall function within the authority conferred upon them by the Company, keeping the best interest of the Company in view and they

- shall act with utmost care, skill, diligence and integrity
- shall act in utmost good faith and fulfill the fiduciary obligations without allowing their independence of judgment to be compromised
- shall not be involved in taking any decision on a subject matter in which conflict of personal interest arises or which in their opinion is likely to arise
  
- shall avoid any dealing with a contractor, supplier or service provider that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made on behalf of the Company
  
- shall 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 of Directors and the Board declines to pursue such opportunity.

#### **5. COMPLIANCES**

The Board Members and Key Managerial Personnel shall comply with all applicable laws, rules and regulations.

#### **6. CONFIDENTIALITY OF INFORMATION**

Any information concerning the Company's business, its customers, suppliers, etc, and to which the Board Members and Senior Management Personnel have access or possesses such information, must be considered confidential and held in confidence. No Board Members or Key Managerial Personnel shall provide any information either formally or informally, to the press or any other public media, except as required in the performance of the regular corporate duties. However, Board Members or Key Managerial Personnel shall be free to disclose such information which is

- a) Part of the public domain at the time of disclosure.
- b) Authorized or required to be disclosed pursuant to a decision of the Board.
- c) Required to be disclosed in accordance with applicable laws, rules, regulations or guidelines.

#### **7. PROTECTION OF ASSETS**

The Board Members and Key Managerial Personnel shall protect the Company's assets including physical assets, information and intellectual rights and shall not use the same for personal gain.

## **8. ENFORCEMENT OF 'CODE'**

Each Board Member and Key Managerial Personnel shall be accountable for full compliance of this Code.

## **9. AMENDMENTS TO THE CODE**

The provisions of this Code can be amended/ modified by the Board of Directors of the Company from time to time and all such amendments/ modifications shall take effect from such date as the Board may decide. The Board may delegate the authority to make amendment to the Code to the Chairman & Managing Director or any other Director as Board may deem fit.

## **10. CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE**

In case of breach of this Code by the Directors and Key Managerial personnel's, the same shall be considered by the Board of Directors for initiating appropriate action, as deemed necessary.

## **11. ACKNOWLEDGEMENT OF RECEIPT OF THE CODE**

All Board Members and Key Managerial Personnel shall acknowledge receipt of this Code or any modification(s) thereto, in the acknowledgement form annexed to this Code vide Appendix-II and forward the same to the Company Secretary.

**ACKNOWLEDGEMENT FORM**

I -----, Director, have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND Key Managerial 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 : .....

**Duties of Directors:**

As laid down in the Companies Act, 2013 under Section 166, the duties of directors are:

(1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.

(2) 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.

(3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

(4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

(5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.

(6) A director of a company shall not assign his office and any assignment so made shall be void.

**Duties of Independent Directors:**

As laid down in the Companies Act, 2013 under Schedule IV [section 149(8)], 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) Acting within his 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.