

## Bengal Tea & Fabrics Limited

CIN: L51909WB1983PLC036542

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### CODE OF CONDUCT FOR BOARD MEMBERS & SENIOR MANAGEMENT PERSONNELS

*{Pursuant to Regulation 17 (5) (a) of SEBI (Listing Obligation and Disclosure Requirements), 2015}*

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#### I. APPLICABILITY

This Code of Conduct is applicable to all Board Members and Senior Management Personnel of the Company.

#### II. DEFINITIONS

- (a) **"Board Member"** means a Director of the Company.
- (b) **"Company"** means Bengal Tea & Fabrics Limited.
- (c) **"Senior Management"** shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the "chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer and shall include all functional heads.
- (d) **"Dependants"** means spouse, unmarried daughter, dependent children and parents, who are financially dependent on the Specified Persons and such other family members of the Specified Persons as may be notified by them.
- (e) **"Specified Persons"** -the Directors and Senior Management Personnel are collectively referred to as Specified Persons.
- (f) **"Unpublished Price Sensitive Information"** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:
  - (i) financial results;
  - (ii) dividends;
  - (iii) change in capital structure;
  - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
  - (v) changes in key managerial personnel.

### **III. PURPOSE**

The prime purpose of this Code is to create an environment where all Board Members and Senior Management Personnel maintain and comply with professional and ethical standards. This Code broadly, but not exhaustively, provides certain standards to be followed by the Board Members and Senior Management Personnel of the Company.

### **IV. CORPORATE GOVERNANCE POLICY**

The Corporate Governance Policy is the apex level instrument guiding conduct of the affairs of the Company and clearly delineates the roles, responsibilities and authorities of the key entities in the governance structure of the Company. This Code forms an integral part of the Company's Governance Policy. The directors, senior management personnel must adhere to the Corporate Governance Policy of the Company.

### **V. BASIC PRINCIPLES OF CODE OF CONDUCT**

The Board Members and Senior Management Personnel shall:

- (a) Conduct the Company's business in an efficient and transparent manner to the best interests of the Company for enhancement of the value of all stakeholders.
- (b) Safeguard the assets of the Company and use the same only for the legitimate business purposes of the Company.
- (c) Uphold professionalism, competence, fairness, discipline, moral, integrity, ethics, honesty etc. while diligently discharging the duties and dealing with others.
- (d) Assure compliance with applicable Acts, Laws, Rules, and Regulations etc.
- (e) Ensure to provide the workplace free of discrimination and harassment of any kind, based on race, colour, religion, age, gender, nationality or any other biases.
- (f) Maintain the confidentiality of information, whether technical, operational, commercial or otherwise, accessed while discharging the duties and responsibilities for the Company, except where such information is required to be disclosed under any statutory obligation.
- (g) Ensure that the information disclosed or disseminated is accurate, complete, true and timely.
- (h) Maintain a corporate climate in which integrity and dignity of each individual is valued and promoted.
- (i) Avoid soliciting, accepting or retaining, directly or indirectly, any gift, entertainment, trip, service or other benefit from other organization or person having business relationships with the Company, save and except moderate gifts which are customary in nature or associated with festivals.

## **VI. DUTIES OF DIRECTORS**

The independent directors shall abide with the duties of directors and duties of Independent Directors as laid down by the Companies Act, 2013, the Schedules and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force). The duties as per Section 166 and the duties of Independent Directors in accordance with Schedule IV of the Companies Act, 2013 are as follows:

### **A. Duties of Directors under Section 166 of the Companies Act, 2013:**

- (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.

### **B. Duties of Independent Directors under Schedule IV of the Companies Act, 2013:**

- (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.

## **VII. CONFLICT OF INTEREST**

The Board Members and the Senior Management Personnel shall not engage themselves in such transactions or activities, directly or indirectly, which are prejudicial, detrimental or which may have potential conflict with the interests of Nation, Society at large or the Company.

## **VIII. SECURITY TRANSACTIONS**

The Board Members and Senior Management Personnel shall maintain the confidentiality of all unpublished price sensitive information and shall not act upon it for personal gain. Such information must not be passed, directly or indirectly, for recommending purchase/sale of the shares of the Company.

The Board Members, Senior Management Personnel and their dependants are not allowed to deal with in the shares of the Company when the Trading Window is closed.

The trading window shall be closed from the end of every quarter for declaration of financial results/ 7 days prior to and during the time the other unpublished price sensitive information (UPSI) is published till 48 hours after the declaration of UPSI provided that the Trading Window shall be reopened 48 hours after information referred above is made public.

The Board Members and Senior Management Personnel shall observe the Code of Conduct for Prevention of Insider Trading framed by the Company pursuant to Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

## **IX. AGREEMENT INVOLVING COMPENSATION OR PROFIT SHARING IN CONNECTION WITH DEALINGS IN SECURITIES OF THE COMPANY**

No Director(s)/employee(s) 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 of the Company as well as public shareholders by way of an ordinary resolution. Director(s)/Employee(s) shall forthrightly disclose any subsisting or expired agreement entered into by himself or on behalf of any other person to the Company Secretary/Compliance Officer.

## **IX. COMPLIANCE & DISCLOSURES**

The Company shall maintain a record of the Board Members and the Senior Management Personnel and changes thereto from time-to-time.

As per Regulation 26 (3) of SEBI (Listing Obligation and Disclosure Requirements), 2015 (including any statutory modification(s) and/or re-enactments thereof for the time being in force), every Board Members and the Senior Management Personnel must comply this Code both in letter and spirit and affirm such compliance on an annual basis, within 15 calendar days from the end of the financial year in format as prescribed under “ANNEXURE –I”. The Annual Report of the company shall contain a declaration to this effect signed by the Managing Director (MD).

The Directors must disclose their Directorship, Committee membership on the Board of other companies and substantial shareholding in other companies to the Board on an annual basis and changes thereof within 30 days from such changes coming into effect.

The Board Members and the Senior Management Personnel shall also disclose to the Board all material financial and commercial transactions, where they have personal interest that may have potential conflict with the interest of the Company at large.

## **X. MISCELLANEOUS**

In case of any clarification on any matter, including interpretation, of this Code, the Managing Director/ Chief Financial Officer/ Company Secretary of the Company shall be contacted. The Board of Directors shall have the right to waive any provision of this Code of Conduct upon specific written request by the concerned person and decision of the Board of Directors on all matters, relating to this Code, shall be final and binding upon all concerned.

Where any aspect of this Code is covered under any Act or Law, the more stringent of respective provisions shall apply, unless otherwise stated.

This Code adopted by the Board on 10<sup>th</sup> May, 2014 had been revised on 25<sup>th</sup> May, 2019 which substitutes the earlier one and is subject to continuous review as may be required from time to time.

This Code is available on the Website of the Company at [www.bengaltea.com](http://www.bengaltea.com).

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**ANNEXURE -I**

The Board of Directors  
M/S Bengal Tea & Fabrics Limited  
45, Shakespeare Sarani  
4<sup>th</sup> Floor  
Century Towers  
Kolkata 700 017

Dear Sirs,

**Affirmation of Compliance of Code of Conduct**

I, ....., son of Mr. ....  
resident of .....  
being a Director/Senior Management Personnel of the Company, hereby affirm that I have  
complied with the Code of Conduct of the Company, as applicable from time to time, during  
the financial year ..... both in letter and in spirit.

I, hereby also confirm that I did not have any personal interest in any material financial  
and commercial transactions entered into by the Company, which may have potential  
conflict with the interest of the Company at large.

Signature :

Date:

Name:

Place:

Designation: