

BLB LIMITED

CIN: L67120HR1981PLC051078

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

(Effective from 01st April, 2019)

[Approved by the Board of Directors in its meeting held on 30th March, 2019]



1. INTRODUCTION

- 1.1 This Code of Conduct ("this Code") shall be called "The Code of Conduct for BOARD MEMBERS AND SENIOR MANAGEMENT" of BLB LIMITED (BLB) hereinafter referred to as "the Company".
- 1.2 This code is in alignment with Company's Vision and Values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company.
- 1.3 This Code has been revised with effect from the 30th March, 2019 keeping in view the compliance of the provisions of Regulation 17 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.
- 1.4 It shall come into force with effect from the 01st April, 2019.

2. DEFINITIONS AND INTERPRETATION

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

- 2.1 The term "Board / Board of Directors" shall mean the Board of Directors of the Company.
- 2.2 The term "BOARD MEMBERS" shall mean the Members on the Board of Directors of the Company, whether it is executive director, non-executive director, promoter director, independent director etc.
- 2.3 The term "INDEPENDENT DIRECTOR" shall mean independent director as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (as revised from time to time) (Refer Appendix-I)
- 2.4 The term "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.
- 2.5 The term "Relative" shall mean 'relative' as defined in Section 2(77) of the Companies Act, 2013 read with Rule 4 of Companies (Specification of definitions details) Rules, 2014. (Refer Appendix-II)
- 2.6 The term "Conflict of Interest" means where the interests or benefits of one person or entity conflict with the interests or benefits of the company.

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 following persons:

- a) Board Members, and
- b) Senior Management



4. KEY REQUIREMENTS

Board Members and Senior Management shall act within the authority conferred upon them, keeping the best interests of the Company in view and observe the following:

- i) Shall act with utmost care, skill, diligence and integrity.
- ii) Shall act in utmost good faith and fulfill the fiduciary obligations without allowing their independence of judgment to be compromised.
- iii) Shall not involve in taking any decision on a subject matter in which a conflict of interest arises or which in his opinion is likely to arise.
- iv) Shall make disclosures to the Board relating to all material financial and commercial transactions, if any, where they have personal interest, which may have a potential conflict with the interest of the company at large.
- v) Shall avoid having any personal and/or financial interest in any business dealings concerning the Company.
- vi) Shall not exploit for their 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 of the Company and the Board declines to pursue such opportunity and allow him to avail such opportunity.
- vii) Shall not seek or accept, directly or indirectly any gift from anyone having business dealings with the Company.
- viii) Shall 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 Board Member and Senior Management, 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

- ix) Shall not commit any offence involving moral turpitude.

5. DUTIES OF INDEPENDENT DIRECTORS

Duties of Independent Directors shall be as per the provisions laid down in Schedule IV of the Companies Act, 2013 (Refer Appendix-III).

6. COMPLIANCE OF LAW

The Board Members and Senior Management shall comply with all laws, rules and regulations relating to the business of the Company.

7. PREVENTION OF INSIDER TRADING

The Board Members and Senior Management shall comply with the Code of Internal Procedures and conduct for prevention of Insider Trading in dealing with securities of the Company.



8. CORPORATE DISCLOSURE PRACTICES

The Code of Corporate Disclosure Practices regulates disclosure of "Unpublished Price Sensitive Information". The Company is responsible for overseeing and co-ordinating disclosure of "Unpublished Price Sensitive Information" to stock exchanges, analysts, shareholders and media including drafting of the press release or the text of the information to be posted on the Company's website/released to the press. No person except the Company or those authorized by the Company shall disclose any information relating to the Company's Securities to analysts/research persons and institutional investors. The Board Members and Senior Management shall comply with the Code of Corporate Disclosure Practices.

9. RELATED PARTY DISCLOSURES

The Board Members and Senior Management shall make disclosure of related party transactions to the Board of Directors in the format provided under Accounting Standard 18 (AS-18) (Appendix IV) issued by the Institute of Chartered Accountants of India (ICAI) and/or any modification or re-codification thereof and as may be provided under the Related Party Transactions Policy of the Company.

10. CONFIDENTIALITY OF INFORMATION

Subject to the Code of Corporate Disclosure Practices as may be prevalent in the Company from time to time any information concerning the Company's business, its customers, suppliers, etc. to which the Board Members and Senior Management have access or which are in their possession, must be considered confidential and held in confidence. No Board Member and Senior Management shall provide any information either formally or informally, to the press or any other media, unless specifically authorized. Provided that Board Members and Senior Management shall in consultation/under intimation to the Public Spokesperson of the Company be free to disclose such information which is:

- (a) part of the public domain at the time of disclosure; Or
- (b) authorised or required to be disclosed pursuant to a decision of the Board or any of its Sub-Committees; Or
- (c) required to be disclosed in accordance with applicable laws, rules, regulations, guidelines

11. PROTECTION OF ASSETS

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

12. 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 the date stated therein.

13. PLACEMENT OF THE CODE ON WEBSITE

Pursuant to Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, this Code and any amendment thereto shall be hosted on the website of the Company.



14. ANNUAL COMPLIANCE REPORTING

14.1 In terms of Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, all Board Members and Senior Management shall affirm compliance of this Code within 30 days of close of every financial year. The Annual Report of the company shall contain a declaration to this effect signed by the Chairman & Executive Director. A Performa of Annual Compliance Report is at Appendix-V. The Annual Compliance Report shall be forwarded to the Company Secretary. If any Director/ Senior Management Personnel leaves the Company any time during a financial year, he shall send a communication to Company Secretary affirming compliance of the Code till the date of his association with BLB.

14.2 The CEO or the Managing Director or manager or in their absence, a Whole Time Director appointed in terms of Companies Act and the CFO of the Company shall certify to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of this Code.

15. ENFORCEMENT OF CODE OF CONDUCT

Each Board Member and Senior Management shall be accountable for fully complying with this Code

16. ACKNOWLEDGEMENT OF RECEIPT OF THE CODE

All Board Members and Senior Management shall acknowledge receipt of this Code or any modification(s) thereto, in the acknowledgement form as at Appendix-VI and forward the same to the Company Secretary indicating that they have received, read, understood and agreed to comply with this code.

Date: 30.03.2019
Place: New Delhi

For M/s BLB Limited


BRIJ RATTAN BAGRI
CHAIRMAN
DIN: 00007441

EXTRACT OF REGULATION 16(1)(B)

Meaning of "Independent Director"

The expression "independent director" means a non-executive director, other than a nominee director of the listed entity:

- (i) who, in the opinion of the board of directors, is a person of integrity and possesses relevant expertise and experience;
- (ii) who is or was not a promoter of the listed entity or its holding, subsidiary or associate company or member of the promoter group of the listed entity;
- (iii) who is not related to promoters or directors in the listed entity, its holding, subsidiary or associate company;
- (iv) who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (v) none of whose relatives has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (vi) who, neither himself, nor whose relative(s) —
 - (A) holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (B) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
 - (1) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or
 - (2) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (C) holds together with his relatives two per cent or more of the total voting power of the listed entity; or
 - (D) is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;
 - (E) is a material supplier, service provider or customer or a lessor or lessee of the listed entity;



- (vii) who is not less than 21 years of age.
- (viii) who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director

EXPLANATION

For the purposes of the sub-clause (1):

"Associate" shall mean a company which is an "associate" as defined in Accounting Standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India.

"Key Managerial Personnel" shall mean "Key Managerial Personnel" as defined in section 2(51) of the Companies Act, 2013.

"Relative" shall mean "relative" as defined in section 2(77) of the Companies Act, 2013 and rules prescribed there under.



EXTRACT OF SECTION 2(77) OF THE COMPANIES ACT, 2013

Meaning of "relative"

- 2(77) "relative", with reference to any person, means any one who is related to another, if -
- (i) they are members of a Hindu undivided family; or
 - (ii) they are husband and wife; or
 - (iii) one person is related to the other in such manner as may be prescribed;

COMPANIES (SPECIFICATION OF DEFINITIONS DETAILS) RULES, 2014

LIST OF RELATIVES IN TERMS OF CLAUSE (77) OF SECTION 2

[Rule 4]

A person shall be deemed to be the relative of another, if he or she is related to another in the following manner namely:-

- (1) Father, provided that the term "Father" includes step-father,
- (2) Mother, provided that the term "Mother" includes the step-mother,
- (3) Son, provided that the term "Son" includes the step-son,
- (4) Son's wife,
- (5) Daughter,
- (6) Daughter's husband
- (7) Brother, provided that the term " Brother" includes the step-brother;
- (8) Sister, provided that the term "Sister" includes the step-sister.



DUTIES OF INDEPENDENT DIRECTORS

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.



APPENDIX - IV

The Board Members and Senior Management shall disclose the following, in respect of all transactions with related parties, as covered in 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:

- (i) The following are illustrative and not exhaustive list of examples of the related party transactions in respect of which disclosures should be made by Board Members and Senior Management:
 - 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.
- (ii) The disclosures shall also be guided by the provisions of the Related Party Transactions Policy of the Company.



ANNUAL COMPLIANCE REPORT

I,....., do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT during the financial year ending 31st March

Signature : _____
Name : _____
Designation : _____
Date : _____
Place : _____

to be submitted by 30th April each year.



ACKNOWLEDGEMENT FORM

I,, have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT ("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 : _____

