

BONFIGLIOLI TRANSMISSIONS LIMITED	Version No.	01
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Registered Office: Plot No. AC7-AC11, SIDCO Industrial Estate, Thirumudivakkam, Kancheepuram, Tamil Nadu, India, 600 132	Effective date	February 5, 2026
	Last Amendment on	-

CODE OF CONDUCT FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

1. Introduction:

The directors of Bonfiglioli Transmissions Limited (“**Company**”) adopt this code of conduct (the “**Directors Code**”) to assist directors, key managerial personnel, and Senior Management (i.e. all members of management, one level below the chief executive officer or managing director or whole time director or manager (including chief executive officer or manager, in case they are not part of the Board and shall specifically include the compliance officer and chief financial officer, as applicable (“**Senior Management**”) in fulfilling their duties to the Company. The directors are entrusted with responsibility to oversee management of the business and affairs of the Company. As the Company’s policymakers, the directors set the standard of conduct for all directors, officers and employees. The Company has a long-standing commitment to compliance with applicable laws and regulations and to operating in accordance with the highest standards of business conduct. In many instances, the Directors’ Code’s guidelines and standards go beyond the requirements of applicable law.

2. Guidelines for Conduct

Each director should seek to use due care in the performance of his/her duties, be loyal to the Company, and act in good faith and in a manner the director reasonably believes to be in or not opposed to the best interests of the Company. All members of the board of directors of our Company, key managerial personnel and Senior Management personnel shall affirm compliance with this code of conduct of board of directors and Senior Management on an annual basis.

A director should:

- a) use reasonable efforts to attend the board and committee meetings regularly.
- b) dedicate sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, including preparing for meetings and decision-making by reviewing in advance any materials distributed and making reasonable inquiries.
- c) be aware of and seek to fulfill his or her duties and responsibilities as set forth in the Company’s
- d) be familiarized with the memorandum of association, articles of association and corporate governance guidelines; and
- e) seek to comply with all applicable laws, regulations, confidentiality obligations and corporate policies.

An independent director should:

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

- b) 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;
- c) strive to attend all meetings of the board of directors and of the board committees of which he is a member;
- d) participate constructively and actively in the committees of the board in which they are chairpersons or members
- e) strive to attend the general meetings of the company;
- f) 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;
- g) keep themselves well informed about the company and the external environment in which it operates;
- h) not to unfairly obstruct the functioning of an otherwise proper board or committee of the board;
- i) 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;
- j) 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;
- k) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- l) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- m) 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

3. Corporate Business Opportunities

Except as described elsewhere herein, a director, key managerial personnel and Senior Management may engage in business so long as he/she does not pre-empt or seize a corporate business opportunity. A corporate business opportunity is;

- i. an opportunity in the Company's line of business or proposed expansion or diversification,
- ii. which the Company is financially able to undertake and
- iii. which may be of interest to the Company.

A director who learns of such a corporate business opportunity and who wishes to participate in it should disclose the opportunity to the board of directors. If the board of directors determine that the Company does not have an actual or expected interest in the opportunity, then, and only then, may the director participate in it, provided that the director has not wrongfully utilized the Company's resources in order to acquire the opportunity.

4. Conflicts of Interest

Directors, key managerial personnel and Senior Management teams are expected to dedicate their best efforts to advancing the Company's interests and to make decisions that affect the Company based on the Company's best interests and independent of outside influences.

A conflict of interest occurs when one's private interests interfere in any way, or even appear to

interfere, with the interests of the Company. A conflict situation can arise when a director takes actions or has interests that make it difficult to perform his/her duties for the Company objectively and effectively. A director's obligation to conduct the Company's business in an honest and ethical manner includes the ethical handling of actual or apparent conflicts of interest between personal and business relationships. Following are some common examples that illustrate actual or potential conflicts of interest:

1. Owning an interest in a company that competes with or does business with the Company;
2. Participating in a joint venture, partnership or other business arrangement with the Company; and
3. Employment with or serving as a director of a competitor, customer or supplier of the Company.

A director, key managerial personnel or Senior Management who has an actual or potential conflict of interest, including any of the situations described above, must disclose to the Board

- i. the existence and nature of the actual or potential conflict of interest and
- ii. all facts known to him/her regarding the transaction that may be material to a judgment about whether to proceed with the transaction. The director or senior manager may proceed with the transaction only after receiving approval from the Board.

5. Loans

A director may not obtain any loan from the Company.

6. Gifts and Entertainment

- i. When acting on behalf of the Company, directors or Senior Management should never request gifts, entertainment or any other business courtesies from people doing business with the Company (including suppliers, customers, competitors, contractors and consultants).
- ii. Unsolicited gifts are permissible if they are customary and commonly accepted business courtesies; not excessive in value; and given and accepted without an express or implied understanding that the director is in any way obligated by acceptance of the gift. Gifts with a value of over Rs. 10,000/- should only be accepted with the approval of the audit committee. Meals in the ordinary course of business and infrequent meals and entertainment, such as cultural or sporting events, that are attended by both the director and the donee are not considered gifts.
- iii. Gifts of cash or cash equivalents (including gift certificates, securities, below-market loans, etc.) in any amount are prohibited.

Company Property

Directors, key managerial personnel and Senior Management have a responsibility to safeguard and properly use Company assets and resources, as well as assets of other organizations that have been entrusted to the Company. Except as specifically authorized, Company assets, including Company equipment, materials, resources and proprietary information, must be used for Company business purposes only.

7. Confidential Information

- i. Directors, key managerial personnel and Senior Managements shall maintain the confidentiality of information entrusted to them by the Company. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of the director or anyone other than the Company.
- ii. The Company driven by technology, that may be indigenous or belonging to customers / authorities around the globe, places utmost importance on the preservation of confidentiality of information – both, corporate as well as information that is entrusted to it by its stakeholders especially customers and suppliers.
- iii. Upholding the confidentiality of information is fundamental to the Company's business. Every board member or Senior Management personnel has the duty to preserve and protect the confidentiality of information of the Company and stakeholders that they are privy to during the performance of their duties and responsibilities. Their responsibility towards maintaining confidentiality continues even after the expiry of their tenure on the Board or with the Company, as the case may be.
- iv. Any information entrusted to, disclosed or acquired by any director or Senior Management personnel of the Company must be treated as confidential, except when a disclosure is authorized by the Company or is deemed necessary by law, regulations or legal proceedings.
- v. Some examples of confidential information include:
 - a) Information not yet released to the public;
 - b) Unpublished company strategy;
 - c) Current or future R&D programs, technical breakthroughs and/or inventions;
 - d) Investments, planned mergers or acquisitions;
 - e) Information received from customers or partners;
 - f) Unpublished financial data either actual or forecasted;
 - g) Employee information.
- vi. The directors and Senior Management personnel are encouraged to consult the Chairman of the Board of Directors when faced with a legal obligation to disclose confidential information.

8. `Fair Dealing

Directors and Senior Managements should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees and should never take unfair advantage of others through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

9. Compliance with Laws and Regulations

The Company is committed to compliance with those acts, rules and regulations that govern the conduct of our business.

10. Securities Laws

It is Company policy to make full, fair, accurate, timely and understandable disclosure in compliance with all applicable laws and regulations in all reports and documents that the Company files with, or submits to, the Securities and Exchange Board of India, the stock exchange, Registrar of Companies and in all other public communications made by the Company. Directors must abide by applicable Company policies and procedures designed to promote compliance with this policy.

11. Declarations to the Board

A board member shall not take membership of more than such number of committees or act as Chairman of more than such number of committees across all companies as is prescribed under applicable law or provisions of Listing Agreement with stock exchanges. Every board member shall inform the Board of all such membership at the beginning of each financial year and also of every change as and when they take place. The board members and the Senior Management team shall inform their equity holding in the company and any changes that may take place and shall not indulge in any trading of the securities of the company which would come within the purview of the Company's insider trading regulations. In case of any agreement or contract which is or shall be entered into by and between two corporate entities, in which a director is interested, the director shall forthwith draw the attention of the board about the fact and shall not participate in the deliberations nor vote on the resolution relating to the same.

12. Insider Trading

Directors and Senior Management personnel are prohibited by Company policy and the law from buying or selling securities of the Company when in possession of material unpublished price sensitive information. Passing such information on to someone who may buy or sell securities (tipping) is also illegal. The prohibition applies to Companies securities and to securities of other companies if you learn material unpublished price sensitive information about other companies, such as the Company's customers or suppliers, in the course of duties for the Company. All directors and members of Senior Management shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015. Directors are subject to additional requirements relating to reporting and effecting transactions in Company securities.

13. Competition Laws

The Directors and members of Senior Management are obligated to deal fairly and honestly with each other and with the Company's customers, suppliers, competitors and other third parties. Directors and members of Senior Management shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice. The Company is committed to free and open competition in the marketplace. Directors and members of Senior Management shall avoid actions that could reasonably be construed as being anti-competitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including antitrust laws. Such actions include misappropriation and/or misuse of a competitor's confidential information or making false statements about the competitor's business and business practices.

While the Company competes vigorously and creatively in its business activities, its efforts in the

marketplace must be conducted in accordance with all applicable laws and regulations. Directors should not engage in any activity in violation of Competition Act, 2002.

14. Anti-Corruption Laws

The Company conducts its international business activities in compliance with applicable anti-corruption laws of India and the laws of all other countries in which the Company conducts business. The anti-corruption laws of India prohibits the Company and its officers, employees and agents from giving or offering to give money or anything of value to a foreign official, a foreign political party, a party official or a candidate for political office in order to influence official acts or decisions of that person or entity, to obtain or retain business, or to secure any improper advantage. directors and Senior Management personnel should not engage in any activity that might involve the Company in violation of the anti-corruption laws of India.

15. Interacting with Government

The various branches and levels of government have different laws restricting gifts, including meals, entertainment, transportation and lodging that may be provided to government officials and government employees. directors and Senior Management personnel's should not offer to or pay for meals, travel, lodging or any other expenses for government officials in connection with the company or company business without first consulting with the legal counsel.

16. Political Contributions

The Company will not make political contributions from corporate resources to any political party, candidate or holder of public office, or political committee in violation of section 182 of the Companies Act, 2013. This includes monetary contributions as well as in-kind contributions (such as the use of corporate property, personnel services or facilities).

Directors may not cause the Company to make contribution to any political party or for any political contribution without the prior approval of the Board. Company directors must comply with applicable laws and Company policy with respect to causing the Company to make political contributions. Directors may not make personal political contributions on behalf of, or in the name of, the Company. Directors will not be reimbursed or otherwise compensated for any personal political contribution.

17. Non-Compliance

Suspected violations of this code must be reported to the chairman of the Board or the chairman of the audit committee. All reported violations will be appropriately investigated. Directors who violate this Code may be subject to sanctions, up to and including a request to resign as director or the Board's seeking removal of the director, where permitted by applicable law.

A director charged with a violation of this Directors' Code should not participate in a vote of the committee or the board concerning his/her alleged violation, but may be present at a meeting of the board or committee convened for that purpose.

Any waiver of this Directors' Code must be approved by the Board of Directors and publicly disclosed as required by law or regulation.

18. No Rights Created

This Directors' Code sets forth guidelines for conduct for the board of directors and Senior Management team. It is not intended to and does not create any rights in any director, officer, employee, client, supplier, competitor, shareholder or any other person or entity.

19. Amendments and Modifications

This policy will be reviewed periodically by the board/ committee as may be deemed necessary and to comply with any regulatory amendments or statutory modifications and subject to the necessary approvals of the board of directors in cases of material changes to the Policy.

20. Interpretation

In case of any subsequent changes in the provisions of the aforementioned statutes, the statutes would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with prevailing law. Any subsequent amendment/modification in SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Companies Act, 2013 and/or applicable laws in this regard shall automatically apply to this policy.
