

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

I. INTRODUCTION

This code of conduct for Officers (the term officers include Board Members and Senior Management (i.e., one level below the executive directors) (the “Code”) helps maintain the standards of business conduct for BEML Limited (the “Company”) and ensures compliance with legal requirements. The purpose of the code is to deter wrongdoing and promote ethical conduct. The matters covered in this code are essential so that we can conduct our business in accordance with our stated values.

Ethical business conduct is critical to our business. Accordingly, officers are expected to read and understand this code, uphold these standards in day-to-day activities, and comply with all applicable laws, rules and regulations, all applicable policies and procedures adopted by the Company that govern the conduct of its employees.

This code is in addition to the Rules & Regulations of Service and Conduct applicable to Managerial & Superintending Staff of the Company. This code of conduct shall be posted on the website of the company.

II. APPLICABILITY

The code is applicable to the following persons, referred to as “Officers”:

- Chairman & Managing Director
- All Directors
- All Executive Directors
- All Chief General Managers

Nothing in this code, in any company policies and procedures, or in other related communications (verbal or written), creates or implies an employment contract or term of employment.

Officers should sign the acknowledgement form at the end of this Code and return the form to the HR Department indicating that they have received, read and understood, and agree to comply with the Code. The signed acknowledgement form will be located in the respective Officers personnel files. Each year, as part of their annual review, officers will be asked to sign an acknowledgement indicating their continued understanding of the Code. The annual report of the company shall contain a declaration to this effect signed by the CEO.

III. SCOPE

The Officers of the Company agree to abide by the following Code of Conduct:

1. Attend Board / Shareholders / Committee / Senior Management meetings and seek prior leave of absence from such meeting (s).
2. Exercise authority and power with due care and diligence and whilst discharging the fiduciary responsibility of office in the best interest of the Company and all the stake holders.
3. Not allow personal interest to conflict with the interest of the Company or to come in the way of discharge of duties of office.

4. Abide by policies and business principles of the Company.
5. Comply with all applicable laws, rules and regulations.
6. Preserve and protect the environment with due concern for ecology, clean air, control the levels of pollution and emission and ensure that standards prescribed / fixed by the Constituted Authority is adhered to.
7. Observe strict confidentiality of the information acquired in the course of discharge of duties of office and not use the same for any personal purpose or advantage.
8. Use company property only for official purposes and for no personal gain. Not accept any personal gratification from suppliers / service providers / business partners, etc. (Note: Personal gratification will not include normal entertainment and gifts of no significant value.)
9. Deal fairly with customers, suppliers, employees and other business partners.
10. Respect safety and health of all employees and provide working conditions which are not harmful to health.
11. Encourage employees to acquire skills, knowledge and training to expand / enhance their professional and specialized knowledge.
12. Provide equal opportunities to all employees and aspirants for employment in the Company irrespective of gender, caste, religion, race or colour, merit being the sole differentiating factor.
13. Conduct business operations in compliance with competition laws and principles of fair market competition.
14. Maintain high ethical and professional standards in all dealings.
15. Not to conduct ourselves in a manner as may bring disrepute to office or tarnish the reputation and image of the Company.
16. Not take up any activities competing with the business of the Company.
17. Make proper record of all financial transactions and not create undisclosed or unrecorded account / fund or asset.
18. Co-operate with Government, Trade and Industry Associations for and in the development of economic legislations concerning the business of the Company.

IV. VIOLATIONS OF THE CODE

Part of an officer's job and of his or her ethical responsibility, is to help enforce this code. Officers should be alert to possible violations and report this to the HR department or the finance department. Officers must cooperate in any internal or external investigations of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation or a suspected violation of law, this code or other company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.

Actual violations of law, this code, or other company policies or procedures, should be promptly reported to the HR department or the finance department.

The company will take appropriate disciplinary action against any officer whose actions are found to violate the code or any other policy of the company. Where the company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the company will cooperate fully with the appropriate authorities.

V. WAIVERS AND AMENDMENTS OF THE CODE

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this code is subject to modification. Any amendment or waiver of any provision of this code must be approved in writing by the company's Board of Directors and promptly disclosed on the company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment or waiver.

VI. ACKNOWLEDGEMENT OF RECEIPT OF CODE OF ETHICS FOR OFFICERS

I have received and read the company's code of conduct for officers (the "code"). I understand the standards and policies contained in the code and understand that there may be additional policies or laws specific to my job. I agree to comply with the code.

If I have questions concerning the meaning or application of the code, any company policies, or the legal and regulatory requirements applicable to my job, I know I can consult the HR department or the finance department, and that my questions or reports to these sources will be maintained in confidence.

Officer's Name

Signature

Date