

CODE OF BUSINESS CONDUCT AND ETHICS

Introduction :

This Code of Conduct (hereinafter referred to as "the Code") has been framed and adopted by Bright Brothers Limited (hereinafter referred to as "the Company") in compliance with the provisions of Clause 49 of the Listing Agreements entered into by the Company with the Stock Exchanges. This Code helps ensure compliance with legal requirements and our standards of business conduct.

Applicability :

The Code applies to all the Directors and members of the Senior Management Team of the Company one level below the Executive Directors, viz C. E. O., Business Heads, Unit Heads, Presidents and all other executives having similar or equivalent rank in the Company and the Company Secretary of the Company (hereinafter referred to as "Senior Managers").

All Directors and Senior Managers must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders / stakeholders.

With a view to maintain the high standards that the Company requires, the Code should be observed in all activities of the Board. We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code is subject to modification. This Code supersedes all other such codes, policies, procedures, instructions, practices, rules or written or verbal presentations to the extent they are inconsistent.

The Company Secretary shall be the Compliance Officer for the purposes of the Code, who will be available to Directors and Senior Managers to answer questions and to help them comply with the Code.

Financial reporting and records

The Company shall prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the Company conducts its business affairs.

Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required information shall be accessible to Company Auditors and other authorised parties and government agencies. There shall be no wilful omissions of any Company transactions from the books and records, no advance income recognition, and no hidden bank accounts and funds.

Any wilful material misrepresentation of and / or misinformation on the financial accounts and reports shall be regarded as a violation of this code, apart from inviting appropriate civil or criminal action under the relevant laws.

Equal Opportunities Employer

The Company shall provide equal opportunities to all its employees and all qualified applicants for employment, without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, nationality, disability and veteran status. Employees shall be treated with dignity and in accordance with the Company's policy to maintain a work environment free of sexual harassment, whether physical, verbal or psychological.

Employee policies and practices shall be administered in a manner that ensures that in all matters equal opportunity is provided to those eligible and the decisions are merit based.

Quality of products and services

The Company shall be committed to supply goods and services of the highest quality standards, backed by efficient after sales service consistent with the requirements of the customers to ensure their total satisfaction. The quality standards of the Company's goods and services should at least meet the required national standards, and the Company should endeavour to achieve international standards.

Third party representation

Parties which have business dealings with the Brite group but are not members of the Group, such as consultants, agents, sales representatives, distributors, contractors, suppliers, etc. shall not be authorised to represent the Company if their business conduct and ethics are known to be inconsistent with this code.

Ethical conduct

Every employee of the Company which shall include Managing Director and Whole Time Director shall deal on behalf of the Company with professionalism, honesty and integrity, as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

Political non-alignment

The Company shall be committed to and support a functioning democratic constitution and system with a transparent and fair electoral system in India. The Company shall not support, directly or indirectly, any specific political party, candidate or campaign.

Government Agencies

The Company and its employees shall not offer or give any Company funds or property as donation to any government agencies or their representatives, directly or through intermediaries, in order to obtain any favourable performance of official duties.

Gifts and donations

The Company and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favours for the conduct of its business. However, the Company and its employees

may accept and offer nominal gifts, which are customarily given and are of a commemorative nature, for special events.

Health, safety and environment

The Company shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in. The Company shall be committed to prevent the wasteful use of natural resources and minimise any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

Corporate Citizenship

The Company shall be committed to be a good corporate citizen, not only in compliance with all relevant laws and regulations, but also by actively assisting in the improvement of the quality of life of the people in the communities in which it operates, with the objective of making them self reliant.

Such social responsibility would comprise, to initiate and support community initiatives in the field of community health and family welfare, water management, vocational training, education and literacy and encourage application of modern scientific and managerial techniques and expertise. This will be reviewed periodically in consonance with national and regional priorities.

The Company would also not treat these activities as optional ones, but would strive to incorporate them as integral part of its business plan. The Company would also encourage volunteering amongst its employees and help them to work in the communities. The Company is encouraged to develop social accounting systems and to carry out social audit of their operations.

Regulatory Compliance

Every employee of the Company shall, in his or her business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he or she operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the code, then the standards of the code shall prevail.

Conflict of interest

An employee of the Company shall not engage in any business, relationship or activity, which might detrimentally conflict with the interest of his Company. A conflict of interest, actual or potential, may arise where, directly or indirectly :

- (a) an employee of the Company engages in a business, relationship or activity with anyone who is party to a transaction with his or her Company;
- (b) an employee is in a position to derive a personal benefit or a benefit to any of his or her relatives by making or influencing decisions relating to any transaction;
- (c) an independent judgement of the Company's best interest cannot be exercised.

The main areas of such actual or potential conflicts of interest would include the following :

- Financial interest of an employee of the Company or his relatives, including the holding of an investment in the subscribed share capital of any Company

or a share in any firm which is an actual or potential competitor, supplier, customer, distributor, joint venture or other alliance partner of the Company.

For this purpose, the ownership of upto 1 percent of the subscribed share capital of a publicly held Company shall not ordinarily constitute a financial interest for this purpose.

- An employee of the Company conducting business on behalf of his or her Company, or being in a position to influence a decision with regard to his or her Company's business with a supplier or customer of which his or her relative is a principal, officer or representative, resulting in a benefit to him / her or his / her relative.
- Award of benefits such as increase in salary or other remuneration, posting, promotion or recruitment of a relative of an employee of the Company, where such an individual is in a position to influence the decision with regard to such benefits.
- Acceptance of gifts, donations, hospitality and / or entertainment beyond the customary level from existing or potential suppliers, customers or other third parties which have business dealings with the Company.

Notwithstanding that such or other instances of conflict of interest exist due to any historical reasons, adequate and full disclosure by the interested employees should be made to the Company's management. It is also incumbent upon every employee to make a full disclosure of any interest which the employee or the employee's immediate family, which would include parents, spouse and children, may have in a Company or firm which is a supplier, customer, distributor of or has other business dealings with his Company.

Every employee who is required to make a disclosure as mentioned above shall do so, in writing, to his or her immediate superior, who shall forward the information along with comments to the person designated for this purpose by the MD / CEO, who in turn will place it before the MD / CEO and / or the board of directors / executives committees appointed by the Board and, upon a decision being taken in the matter, the employee concerned will be required to take necessary action as advised to resolve / avoid the conflict.

If an employee fails to make a disclosure as required herein, and the management of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the employee, the management would take a serious view of the matter and consider suitable disciplinary action against the employee.

Securities transactions and confidential information

An employee of the Company and his or her immediate family shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about the Company or the group, which is not in the public domain and thus constitutes insider information.

An employee of the Company shall not use or proliferate information which is not available to the investing public and which therefore constitutes insider information for making or giving advice on investment decisions on the securities of the Company on which such insider information has been obtained.

Such insider information might include the following :

- Acquisition and divestiture of businesses or business units;
- Financial information such as profits, earnings and dividends;
- Announcement of new product introductions or developments;
- Asset revaluations;
- Investment decisions / plans;
- Restructuring plans;
- Major supply and delivery agreements’;
- Raising finances.

Concurrent employment

An employee of the Company shall not, without the prior approval of the Managing Director of the Company, accept employment or a position of responsibility (such as a consultant or a director) with any other Company, nor provide ‘freelance’ services to anyone. In the case of a Whole Time Director of the Managing Director, such prior approval must be obtained from the Board of Directors of the Company.

Shareholders

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders’ rights. The Board of directors shall duly and fairly inform the shareholders about all relevant aspects of the Company’s business, and disclose such information in accordance with the respective regulations and agreements.

Every employee shall be responsible for the implementation of and compliance with this code in his professional environment. Failure to adhere to the code could attract the most severe consequences, including termination of employment.

Protecting Company assets

The assets of the Company should not be misused but employed for the purpose of conducting the business for which they are duly authorised. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationships with customers and suppliers, etc.

Citizenship

An employee of the Company shall in his or her private life be free to pursue an active role in civic or political affairs as long as it does not adversely affect the business or interests of the Company.

Integrity of data furnished

Every employee of the Company shall ensure, at all times, the integrity of data or information furnished by him or her to the Company.

Reporting concerns

Every employee of the Company shall promptly report to the management any actual or possible violation of this code, or an event he or she becomes aware of that could affect the business or reputation of his / her Company.