CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF COMPANY

Originally framed	March 12, 2025
Current Revision Date	
Authority approving the Policy	Board of Directors

Table of Contents

INTRODUCTION:

The matters covered in this Code of Conduct for Board of Directors and Senior Management Personnel ("Code") are of the utmost importance to Advanced Weapons and Equipment India Limited ("Company"), its shareholders and stakeholders and are essential so that it can conduct business in accordance with legal and ethical values to which the Company is strongly committed.

The principles prescribed in this Code, as a general in the nature, lay down broad standards of compliance to Department of Public Enterprises Guidelines on Corporate Governance and the Companies Act, 2013.

APPLICABILITY OF THE CODE:

This code applies to all Directors and Senior Management, including the Non- Whole Time Directors. In the case of Whole –Time Directors and the Senior Management Personnel, this Code is applicable over, and above the above conduct, discipline and appeal Rules effective in the Company.

This Code shall come into force with effect from the date of approval of the Board of the same ("the Effective Date').

DEFINITIONS & INTERPRETATION:

In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:

"Company" shall mean the Advanced Weapons and Equipment India Limited (AWEIL).

"Directors" shall mean all the members of the Board of Directors of the Company, including the Government Directors and Non official part–time Directors i.e., Independent Directors.

"Independent Directors" shall be the Board Members as defined under section 2 (47) read with 149(5) of the Companies Act, 2013.

"Senior Management" means all "key Executives" of the Company, including Key Managerial Personnel's (KMPs), Executives in two level below the Board of Directors.

"Relative" shall mean 'relative' as defined in Section 2 (77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014. (Refer Appendix-III).

"Conflict of Interest" means where the interests or benefits of one person or entity interferes with the interests or benefits of the company.

KEY REQUIREMENTS:

The Board and Senior Management Personnel of the Company should:

- act in accordance with the articles of the Company;
- act in the best interest of, and fulfill their fiduciary obligation to the Company and its shareholders;
- act honestly, fairly, ethically and with integrity;
- conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
- Perform duties in good faith, responsibly, with proper care, competence, and diligence, while ensuring their independent judgment remains primary.
- use their prudent judgment to avoid all situations, decisions or relationships which give or could give rise to a conflict of interest or appear to conflict with their responsibilities within the Company;
- not exploit for his/her own personal gain, opportunities that are discovered through the use of corporate property, information or position, unless the Company declines to pursue such opportunity for its business interest(s);
- avoid conducting business on behalf of the Company except with the prior approval of the Board; with (a) a relative (b) a private Limited Company in which he or his relative is a Member or a Director (c) a Public Limited Company in which he along with his relative holds more than two percent of its paid- up share capital; and (d) with a firm in which he or his relative is partner;
- disclose and avoid having any personal and/or financial interest in any business dealings concerning the Company;
- avoid any dealings with a Contractor or Supplier that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made by the Company;
- not hold any position or jobs or engage in outside businesses or other interests that are prejudicial to the interests of the Company; and
- inform the Board, at the earliest opportunity, of any existing or potential conflict of interest situation.

CODE FOR INDEPENDENT DIRECTORS AND NON-EXECUTIVE DIRECTORS:

- Always act in the interest of the Company and ensure that any other business or personal association which they may have does not involve any conflict of interest with the operations of the Company and their role therein.

- Comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to such Directors in their individual capacities.

- Safeguard the confidentiality of all information received by them by virtue of their position.

GIFTS:

The Directors and Officers shall not accept lavish gifts or gratuities or any offer, payment, promise to pay, or authorization to pay any money or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position; mementos received because of attending a widely held gathering as panelist /speaker and other customary gifts are allowed.

REGULATORY COMPLIANCE:

Every Director and Senior Management shall, in his or her business conduct, comply with all applicable laws and regulations, both in letter and 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.

PROTECTION OF ASSETS:

The Directors and Senior Management of the Company shall employ the assets of the Company and for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationship with customers and suppliers, etc.

CONFLICT OF INTEREST:

If an individual's personal interest interferes with the interests of the Company, a 'conflict of interest' arises. A conflict of interest has the effect of influencing or distorting business decisions by reason of individual, family, financial or other interests. In such a situation the Directors/ Senior Management must promptly disclose the details to the Board of Directors.

Monetary transactions between the Company and a Director and/or their related parties shall be brought to the knowledge of the Board.

Directors and Senior Management should refrain from taking corporate business opportunities for personal benefit or using Company information for their own gain.

Senior Management shall disclose to the Board all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company.

CONFIDENTIALITY OF INFORMATION:

Any information concerning the Company's business, its customers, suppliers, etc. to which the Directors and Senior Management have access, or which is possessed by the Directors and Senior Management, must be considered privileged and confidential and should be held in confidence at all times, and should not be disclosed to any person, unless or otherwise.

(i) specifically authorized; or

(ii) the same is part of the public domain at the time of disclosure, or

(iii) is required to be disclosed in accordance with applicable laws.

CONSEQUENCES OF NON-COMPLIANCE WITH THIS CODE:

In case of breach of this Code by the Directors, the same shall be dealt with by the Board of Directors for initiating action, as may be deemed fit.

COMMUNICATION OF THIS POLICY:

The Policy shall be posted on the website of the Company i.e., https://www.aweil.in/

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. All Directors and Senior Management shall be duly informed of such amendments and modifications.

However, any change required in the code to align it with the provisions of the Company Act, 2013, DPE/Govt. Guidelines, Statutory provisions etc. shall be incorporated in this code with the approval of CMD.

ACKNOWLEDGEMENT OF RECEIPT OF THE CODE:

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

All Directors and Senior Management shall be required to affirm compliance with this Code on an annual basis, within 30 days of the close of every financial year to the Company Secretary, as setout hereinafter in **Annexure –II.**

ANNEXURE-I

ADVANCED WEAPONS AND EQUIPMENT INDIA LIMITED

CODE OF CONDUCT FOR

BOARD MEMEBERS AND SENIOR MANAGEMENT PERSONNEL

ACKNOWLEDGEMENT FORM

I_____, have received and read the Company's "**CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**" ("this Code"). I do have understood the provisions and policies contained in this Code therein, and I hereby agree to comply with the same.

Signature: ___________________

Name: ___________

Designation: __________________

Date: ____________

Place: _____

ANNEXURE-II

ADVANCED WEAPONS AND EQUIPMENT INDIA LIMITED

CODE OF CONDUCT FOR

BOARD MEMEBERS AND SENIOR MANAGEMENT PERSONNEL ANNUAL

COMPLIANCE REPORT *

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

Signature: ___________________

Name: ___________

Designation: __________________

Date: ____________

Place: _____

***Note: - To be submitted by 30th April each year.**

ANNEXURE-III

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

Definition of ‘‘relative’’, with reference to any person, means anyone who is related to another, if

(i) they are members of a Hindu Undivided Family;

(ii) they are husband and wife; or

(iii) one person is related to the other in such manner as may be prescribed*;

*LIST OF RELATIVES AS PER RULE 4 OF THE COMPANIES (SPECIFICATION OF DEFINITIONS DETAILS) RULES, 2014

(i) Father (including step-father)

(ii) Mother (including step-mother)

(iii) Son (including step-son)

(iv) Son’s Wife

(v) Daughter

(vi) Daughter’s Husband

(vii) Brother (including step-brother)

(viii) Sister (including step-sister)