

STEELCO GUJARAT LIMITED (SGL)

GENERAL CODE OF CONDUCT

General Code of Conduct (GCC)

The Board of Directors of the Company is requested to frame a code conduct for all Board Members and Senior Management of the Company Pursuant to Clause 49 (I)(D) of the Listing Agreement. Accordingly, following code of conduct known as “General Code of Conduct (GCC)” shall apply to all Board Members and Senior Management of the Company.

Senior Management Personnel shall mean personnel of the Company who are members of the core management team excluding Board of Directors. Normally, Senior Management Personnel would comprise all members of management one level below the executives’ directors, including all functional heads. GCC would help in promoting Corporate Governance Practice in spirit.

National Interest

The Company should conduct its business affairs in accordance with the major objectives of economic development and foreign policy of the country and strive to make a positive contribution at regional, national and international levels. It should not undertake any activity that will have any adverse impact on the social and cultural life of the citizens.

Equal Opportunities

The Company should provide equal opportunities to qualified applicants for employment, without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, etc. Employees of the Company are treated with dignity and a work environment should be a free of sexual harassment. Employees should be encouraged to take up additional responsibilities should be provided equal opportunity for upward mobility on merit-based system.

A Gender Friendly Workplace

The Company is committed to a gender friendly workplace. It should provide equal opportunities for men and women; it institutes good employment practices; and prevent and abhors sexual harassment at the workplace. "Sexual harassment includes unwelcome physical contact, demand or request for sexual favours, sexually coloured remarks, showing pornography and any other unwelcome physical, verbal or non-verbal conduct of a sexual nature. SGL

encourage employees to report any harassment and should take appropriate action, when required.

Ethical Conduct

All Employees of the Company, including Members of the Board of Directors and Senior Management of the Company, should deal on behalf of the Company with professionalism, honesty and integrity, as well as high morale and ethical standards. Such conduct should be fair and transparent and be perceived to be as such by third parties.

Use of Company Assets

All assets of the Company, tangible and intangible, should be employed for the purpose of conducting the business for which they are duly authorized. None of the assets of the Company should be misused or diverted for personal purpose.

Gifts and Donations

The Company shall neither receive nor offer or make, directly or indirectly, any illegal payments, remunerations, gifts, donations or benefits to obtain business or uncompetitive favours for the conduct of its business. However, nominal gifts as a good gesture for special events can be exchanged by employees provided the same is disclosed to the management immediately.

Government Agencies

The Company and its employees should 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.

Political Non – Alignment

The Company should not publicly support any specific political party or candidate for political office. The Company should not offer or give any company funds or property as donations to any specific political party, candidate or campaign. The employees are free to exercise their democratic rights on individual basis without implying, directly or indirectly, any involvement of the Company.

Citizenship

The officers and employees of the Company shall 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.

Conflict of Interest

Any Director or Senior Management Employee of the Company should not engage in any business, relationship or activity, which would detrimentally conflict with the interest of the Company. A conflict of interest, actual or potential, may arise when, directly or indirectly, a director or senior management employee or his related party:

- i. In a business relationship or activity with the Company.
- ii. Derives benefit to any of his/her relatives by making or influencing decision relating to any transaction of the Company.
- iii. Hinders independent judgment in the best interest of the Company cannot be exercised for personal reasons.
- iv. Invests in any Company which is an actual or potential competitor, supplier, customer, distributor, joint venture or other alliance partner of the Company (ownership of up to 1 per cent of the subscribed share capital of a publicly held company shall not ordinarily constitute a financial interest for this purpose).
- v. Conducts/influences business on behalf of the Company with a supplier or customer of whom his/her relative is a principal, officer or representative, resulting in a benefit to him/her or his/her relative.
- vi. Awards 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.
- vii. Accepts gifts, donations, hospitality and/or entertainment beyond the customary level from existing or potential suppliers, customers or other third parties which have business dealing with the Company.
- viii. Accepts employment, a position of responsibility (such as a consultant or a director) or provides 'freelance' services to any other Company without approval of the Board of Directors of the Company.

GCC does not exclusively prohibit a Director and Senior Management Personnel from carrying out aforesaid activities. However, they shall ensure proper disclosure adequate arm length distance and no conflict of interest.

Corporate Opportunities

They should not exploit for his/her personal gain, opportunities that are discovered through the use of Company property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and unless the Board declines to pursue such opportunity.

Representation

The officers shall not write, appear or represent himself as the Company to any third party unless authorized by the Company in writing.

Cost Consciousness

They should strive for optimum utilization of available resources. They should exercise care to ensure that costs are reasonable and there is no vulgar demonstration of wasteful expenditure.

Integrity

They should ensure the integrity of data or information furnished to the Company.

Transparency

They should ensure that their actions in the conduct of business are totally transparent except where the need of business security dictates otherwise. Such transparency should be brought about through appropriate policies, systems and processes including as appropriate segregation of duties, tiered approval mechanism and involvement of more than one manager in key decisions and maintaining supporting records. Operations and activities should be audited periodically to ensure transparency.

Confidentiality

They should ensure that any confidential information gained in their official capacity is not utilized for personal profit or for the advantage of any other person. They should not disclose in writing/verbal any facts, figures, information, trade secrets and/or confidential documents obtained during the course of business relationship with Company to any person/authority/organization/statutory body unless required by law and/or with specific written permission of the Company. They shall not provide any information either formally or informally to the press or to any other publicity media unless specifically authorized to do so. They shall adhere to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992

Intellectual Property Rights

All documents, processes, manuals, literature, systems etc. or any other intellectual property developed or created by the officers during the association with the Company are sole Intellectual Property of the Company and they should be adequately protected.

Quality of Products and Services

The Company and its officers should be committed to supply goods and services of the highest quality standards, backed by efficient after sales service commensurate to the requirements of the customers to ensure their total satisfaction. The quality standards of the Company's goods and services should meet the required national standards and the Company should endeavor to achieve international standards.

Competition

They should strive to establish and support a competitive, open market economy. Especially, the Company should not engage in activities, which generate or support formation of monopolies, cartels and similar unfair trade practices. They shall market the products and services of the Company on its own merits and should not make unfair and misleading statements about the Company's or competitors' products and services. Any collection of competitive information should be made only in the normal course of business through legally permitted means.

Financial Reporting and Records

The Company and its officers should prepare and maintain accounts of the Company's business affairs fairly and accurately in accordance with the generally accepted accounting and financial reporting standards. Internal accounting and audit procedures should fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required information should be accessible to Company auditors and other authorized parties and government agencies. There should not be willful omission of any transaction from the books and records, no advance income recognition and no hidden bank account and funds.

Health, Safety and Environment

The Company and its officers should strive to provide a safe and healthy working environment in the conduct of the business affairs of the Company, with all regulations regarding the preservation of the environment. The Company and its officers should be committed to prevent the wasteful use of natural resources

and minimize any hazardous impact of the production, use and disposal of any of its products, services or waste on the environment.

Legal Compliances

They should ensure compliance with all the relevant laws and regulations applicable to the Company. They should keep abreast of the affairs of the Company and be kept informed of the Company's compliance with relevant laws, rules and regulations. In the event that the implication of law is not clear, the course of action chosen must be supported by eminent legal counsel whose opinion should be documented. Violations of applicable governmental laws, rules and regulations may subject them to individual criminal or civil liability, as well as it may also subject the Company to civil or criminal liability or the loss of business.

Shareholders

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

Securities Transactions and Insider Information

The officers and employees of the Company and his or her immediate family should not derive any benefit or assist others to derive any benefit from the access to and possession of information about the Company, which is not in the public domain. The officers and employees of the Company shall not use or proliferate information which is not available to the investing public for making or giving advice on investment decisions on the securities of the Company. Such insider information might include the following:

- Financial results of the Company including profits, earnings and dividends;
- Announcement of new product introductions or developments;
- Major supply and delivery agreements;
- Raising finances;
- Assets revaluations;
- Restructuring plans;
- Divestiture of businesses or business units;
- Investment plans;
- Expansion/new projects;
- Acquisition, amalgamation, merger or takeover;
- Issue of new securities or buy back of its own shares;

Interaction with Media

The Directors and officers of the Company, other than the designated spokespersons, should not engage with any member of press and media in matters concerning the Company. Instead they should direct any requests to the designated spokespersons.

Reporting Concern

Every officer and employee of the Company should promptly report to the management any violation of this code, or an event that may affect the business or reputation the Company.

Waivers

Any waiver of any provision of GCC for a director, officer or employee should be placed for approval before the Company's Board of Directors (including committee of the Directors) and such waiver shall be granted in writing.

Violation

Any instance of violation of this GCC be brought to the attention of the immediate reporting authority or the Board of Directors and should be dealt with appropriately.