

# **CODE OF CONDUCT**

## **A MESSAGE FROM OUR LEADERSHIP**

Ethical conduct is the cornerstone of how the VISA Steel team does business. Our continued success relies on our reputation, which is built on the decisions and actions of every employee, officer and director of VISA Steel. We are each responsible for embracing the highest level of ethical behavior in all situations.

This Code of Conduct establishes the principles that guide our daily actions. Whether we are working with customers, vendors, business partners or neighbors, it is essential that we always act with integrity. That means being honest, following the letter and spirit of the law, honoring our commitments and doing what is right – without compromise.

VISA Steel Limited is a flagship Company of the VISA Group, which has business interests in Steel, Power, Cement, International Trading and Urban Infrastructure etc. As VISA Steel representatives, we all share the important work of protecting our reputation for ethical behavior and sound conduct.

## **Introduction**

This Code of Conduct (hereinafter “**Code**”) is provided for guidance and contains general information about VISA Steel and how it operates. This Code is designed to provide its employees and its agents and consultants with uniform knowledge of VISA Steel’s policies and to ensure equitable and consistent application of those policies. It is the responsibility of each employee to comply with the standards set out in the Code and for each functional head, manager and supervisor to administer those policies consistently and impartially and in accordance with applicable laws. VISA Steel reserves the right to amend, alter or terminate this Code and include more detailed policies under a particular head of the Code at any time or for any reason. The Board of Directors and members of senior management shall affirm compliance with the Code on an annual basis.

## **VISA Steel Code of Conduct**

### **1. National Interest**

VISA Steel shall not undertake any project or activity to the detriment of India’s national interests. VISA Steel shall endeavor to ensure (a) economic development of the country in which it operates; and (b) that the practices adopted by such Company, benefits the country, localities and communities within which it operates. VISA Steel should conduct business in a manner that respects the respective jurisdiction’s culture, customs and traditions and at the same time is beneficial in all respects to such jurisdiction.

### **2. Financial Reporting**

VISA Steel’s accounting records and financial statements should at all times accurately reflect the nature and position of its business and the transactions carried out by such Company. No employee should make any willful misstatements in such records which could lead to initiation of civil or criminal action under laws of a particular jurisdiction. VISA Steel shall maintain its accounting records and financial statements in reasonable detail and ensure that they confirm to the applicable legal requirements and generally accepted accounting principles of the relevant jurisdiction.

Internal accounting and audit procedures of VISA Steel shall fairly, accurately and completely reflect all of such Company’s business transactions and disposition of assets and liabilities and shall have internal controls to provide assurance to the Company’s board, shareholders and other stakeholders that the transactions are accurate and legitimate. All required information should be accessible to Company auditors and other authorized parties and government agencies.

There should be no willful omissions of any Company transactions from the books and records, no advance-income recognition or delayed-expenses recording

(except where justified under generally accepted accounting principles of India, such as for accruals for anticipated future expenses), and no hidden bank account and funds. Any willful material misrepresentation of and/or misinformation on the financial accounts and reports shall be regarded as a violation of the Code, apart from inviting appropriate civil or criminal action under the relevant laws.

### 3. **Provision of Equal Opportunities**

The recruitment, training, hiring, compensation, promotion, terminating practices of VISA Steel shall be completely based on an individual's qualifications and ability to perform the job. VISA Steel is committed at maintaining a diverse workforce and ensures that no employee is discriminated against on grounds of race, caste, religion, colour, ancestry, marital status, sex, age, nationality, disability and veteran status. Employees of VISA Steel shall be treated with dignity and in accordance with VISA Steel's policy to maintain a work environment free of sexual harassment, whether physical, verbal or psychological. Employee policies and practices should be administered in a manner consistent with applicable laws and other provisions of this Code and that in all matters equal opportunity is provided to those eligible and decisions are based on merit, including with regard to the employment, retention, and promotion of employees at all levels within the Company.

### 4. **Sexual Harassment**

VISA Steel shall maintain a positive environment at the workplace in which individuals can work in an atmosphere free from coercion and intimidation. Sexual harassment is destructive of such environment and will not be tolerated by VISA Steel. All VISA Steel policies and practices should be administered in a manner consistent with applicable laws concerning sexual harassment in the workplace. All allegations of sexual harassment will be taken seriously by VISA Steel. Sexual harassment at work place should include "unwelcome" acts or behavior (whether directly or by implication): (i) physical contact and advances; (ii) demand or request for sexual favours; (iii) making sexually coloured remarks; (iv) showing pornography; and (v) any other unwelcome physical, verbal or non-verbal conduct of a sexual nature. Employees who engage in sexual harassment may be subject to potential criminal liability as well as strict disciplinary action, up to, and including termination of employment. Complaints relating to Sexual Harassment should be made to the Company's Internal Complaints Committee in accordance with the Policy on Prevention of Sexual Harassment at Workplace. For further details and provisions employees are advised to refer to the Policy on Prevention of Sexual Harassment at Workplace as uploaded on the website of the Company.

### 5. **Prohibition of Bribes, Gifts & Donations**

VISA Steel strives to do business through proper means and actions. Therefore, we must avoid any behavior that could be perceived as a form of bribery or corruption. VISA Steel and its employees shall neither receive nor offer or make,

directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended to, or perceived to obtain business or uncompetitive favours for the conduct of their business. No employee of VISA Steel should accept gifts, meals, entertainment or any other favour from customers or suppliers which might compromise, or could be interpreted to compromise, the ability of such employee to make decisions in the best interests of the Company. VISA Steel shall offer full cooperation to governmental authorities in an effort to eliminate all forms of bribery, fraud and corruption. Notwithstanding the above, VISA Steel and its employees may accept and offer nominal gifts which are customarily given and are of commemorative in nature for special events, subject to such gifts being in compliance with applicable laws; however, the value of such gifts in any instance may not exceed INR 5,000, without express approval of management. Any gifts, meals, or entertainment offered to government officials should be compatible with applicable laws. No employee should make, authorize, abet or collude in an improper payment, unlawful commission or bribing.

## 6. **Fair Competition**

VISA Steel shall compete fairly with its competitors through honest and fair business practices. As a Company, while interacting with various parties, we must not seek any unfair advantage or misrepresent our products or services in any manner. Likewise, we must not make false or misleading statements with regard to our competitors' products. During the course of business, data pertaining to competitive information should not be obtained using illegal means. VISA Steel should at all times abide by the existing anti-trust and competition laws in each jurisdiction where it operates. VISA Steel should not be part of any activity which generates or supports the formation of monopolies or cartels and other unfair trade practices.

## 7. **Third Party Representation**

Parties which have business dealings with VISA Steel such as consultants, agents, sales representatives, distributors, channel partners, contractors and suppliers, should not be authorized to represent VISA Steel without the written permission of the Vice Chairman and Managing Director of VISA Steel. Third parties and their employees are expected to abide by the Code in their interaction with, and on behalf of VISA Steel. VISA Steel shall enter into non-disclosure agreements with third parties to support confidentiality of information. VISA Steel and its employees may be held liable for bribes paid by third party agent and/or consultant acting on its behalf. VISA Steel and its employees are expected to be careful and take particular care while evaluating a third party who might interact with the government on behalf of VISA Steel.

## 8. **Political Non-alignment**

VISA Steel should be committed to and support the constitution and governance systems of the country in which they operate. VISA Steel should not support any specific political party or candidate for political office. The conduct of VISA Steel should preclude any activity that could be interpreted as mutual dependence or favour with any political body or person.

## 9. **Government Agencies**

VISA Steel and its employees shall not, unless mandated under applicable laws, offer or give any Company funds or property as donation to any government agency or its representative, directly or through intermediaries, in order to obtain any favourable performance of official duties or otherwise secure an improper advantage in dealings with any person.

## 10. **Promoting a healthy, safe and sustainable environment**

VISA Steel places highest value on the safety and well-being of its employees, as well the safety and well-being of the communities within which it operates. Each of us has a responsibility of maintaining a safe and healthy working environment, avoiding the wasteful use of natural resources. VISA Steel should comply with all applicable health, workplace, and environmental laws, including those related to workplace safety and the emission of pollutants into the environment, water, and air.

## 11. **Drugs and Alcohol**

The abuse of drugs and alcohol can threaten the safety of our employees and have an adverse effect on job performance and VISA Steel's reputation. VISA Steel will not tolerate any employee being under the influence of drugs or alcohol while performing his job, including but not limited to driving on business. Employees who violate our drug and alcohol policy may be subject to potential criminal liability as well as appropriate disciplinary action, including termination of employment.

## 12. **Quality of products and safety**

To the extent applicable, VISA Steel should comply with all laws and regulations concerning product quality and safety. We are committed to product safety from the conceptual and manufacturing stages. By complying with the laws, regulations and VISA Steel policies that govern the development, manufacturing, testing, inspection, storage, transportation, use and disposal of our products, we help ensure the integrity of VISA Steel. No employee should take any action that could jeopardize our customers' confidence or trust in the quality and safety of our products.

## 13. Corporate Social Responsibility

VISA Steel takes very seriously its responsibility to the communities it serves. VISA Steel believes in compensating its employees fairly and in accordance with applicable law. VISA Steel should be committed to be a good corporate citizen. VISA Steel should not only be in compliance with all relevant laws and regulations but will also actively assist in the improvement of the quality of life of the people in the communities in which it operates. VISA Steel shall work with the objective of making such communities self-reliant. VISA Steel promotes the well-being of the communities affected by its operations by contributing to programs and initiatives that enhance the quality of life in such communities. VISA Steel should not treat these activities as optional but shall strive to incorporate them as an integral part of its business plan.

## 14. Cooperation of Affiliated Companies

VISA Steel should cooperate with other VISA Group companies including applicable joint ventures, by sharing knowledge, physical, human and management resources, and by making an effort to resolve disputes amicably. These actions may be taken as long as they do not adversely affect its business interests and shareholder value.

## 15. Communicating with the Public, Media and the Investors

In order to protect the reputation of VISA Steel, it is important that we communicate accurately and consistently with the external audiences including media, investors and members of the general public. With the rise of social media and social networking sites, it is important to understand that any information shared, becomes public. Employees should be cautious when discussing company matters in public forums or with anyone outside of the Company. As discussed elsewhere in the Code, employees should never share confidential information with outsiders unless authorized to do so. Information should be shared with media, public forums or social networking sites only by personnel who are duly authorized to do so by the Company.

## 16. Use of the VISA Steel Brand

The use of the VISA Steel name and trademark shall be governed by manuals, Codes and agreements to be issued by VISA Steel. No employee, third party or joint venture shall use the VISA Steel brand to further its interests without specific authorization.

## 17. Shareholders

VISA Steel operates with a primary objective of maximizing the shareholders wealth whilst complying with all laws and regulations that govern the shareholders rights. The shareholders are to be provided with all relevant information with

regard to a Company's performance by the Board of Directors of the Company in accordance with the concerned regulations.

18. **Regulatory Compliance**

Directors and employees of VISA Steel, in their business conduct, should comply with all applicable laws and regulations, in letter and spirit, in all the territories in which they operate. If the ethical and professional standards of applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail. As good governance practice, the employees shall safeguard the confidentiality of all information received by them by virtue of their position.

19. **Concurrent employment**

An employee of VISA Steel should not, without the requisite, officially written approval of VISA Steel, accept employment or a position of responsibility (such as a consultant or a whole-time director) with any other Company outside the VISA group, nor provide freelance services to anyone, with or without remuneration.

20. **Conflict of interest**

Conflicts of interest arise when employees' personal activity or interest interferes with the business interests of the Company. In many cases, even the appearance of a conflict of interest can have serious consequences for employees and the Company. An employee of VISA Steel shall not engage in any business, relationship or activity, which might detrimentally conflict with the interest of VISA Steel. A conflict of interest, actual or potential, may arise where, directly or indirectly where (a) an employee of VISA Steel engages in a business, relationship or activity with anyone who is party to a transaction with his Company; or (b) an employee is in a position to derive a personal benefit or a benefit to any of his relatives, or (c) an independent judgment of the VISA Steel's best interest cannot be exercised.

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

- (a) An employee or a Whole-time director of VISA Steel conducting business on behalf of his/her Company or being in a position to influence a decision with regard to his/her Company's business with a supplier or customer where his/her relative is a principal officer or representative, resulting in a benefit to him/ her or his/ her relative.
- (b) Award of benefits such as increase in salary or other remuneration, posting, promotion or recruitment of a relative of an employee of VISA Steel, where such an individual is in a position to influence decisions with regard to such benefits.

- (c) 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.

Adequate and full disclosure by interested employees should be made to the VISA Steel'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, including parents, spouse and children, may have in a family business or a Company or firm that is a competitor, supplier, customer or distributor of or has other business dealings with his / her Company. Upon a decision being taken in the matter, the employee concerned should be required to take necessary action, as advised, to resolve and/or avoid the conflict.

If an employee fails to make the required disclosure 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 should take a serious view of the matter and consider suitable disciplinary action against the employee.

## 21. **Ensuring Data Privacy and Security**

VISA Steel maintains sensitive data and other information which is valuable to the functioning of its business. It is imperative that such information does not end up in the wrong hands. Thus, only employees who have a need to use confidential data or sensitive information will have access to it. Whenever VISA Steel receives a request to disclose potentially sensitive or confidential information such disclosure must be both appropriate and legally necessary.

As part of their employment or association by VISA Steel, employees or persons with whom VISA Steel has a business relationship may provide personal information to VISA Steel. Such information might include home and e-mail addresses, family information, medical information for benefits purposes, and other personal information. Such information should be used only for business purposes, and for the reason for which it was supplied, unless prior permission is first given for other use. All such information is to be collected, used, and retained in compliance with the laws of the countries where VISA Steel does business.

## 22. **Insider Trading**

An employee of VISA Steel and his / her immediate family shall not derive any benefit or counsel, or assist others to derive any benefit, from access to and possession of information about the Company or Group or its clients or suppliers that is not in the public domain.

During the course of discharge of function, employees may come across information which may not be available to the general public, and the leaking of such information may influence their decisions regarding investment in a VISA or Steel Company's stock. Such information is referred to as "material inside

information". If you do happen to gain knowledge about such information, it must not be shared with anyone outside the Company or with anyone inside the Company who need not have access to such information as such a practice entails civil and criminal liabilities on such person sharing the information. Such insider information might include (without limitation) the following:

- (a) Acquisition and divestiture of businesses or business units.
- (b) Financial information such as profits, earnings and dividends.
- (c) Announcement of new product introductions or developments.
- (d) Asset revaluations.
- (e) Investment decisions / plans.
- (f) Restructuring plans.
- (g) Major supply and delivery agreements.
- (h) Raising of finances.

An employee of VISA Steel should also respect and observe the confidentiality of information pertaining to other companies, their patents, intellectual property rights, trademarks and inventions and strictly observe a practice of non-disclosure. Please note that VISA Steel may also have detailed insider trading policy in accordance with applicable law which will apply to the employees and officials of such Company, in addition to the contents hereunder.

## 23. **Protecting Company assets**

Each and every employee of VISA Steel is obligated to protect the assets of VISA Steel, including financial assets, trade secrets, other proprietary information as well as other tangible or intangible property. An employee of VISA Steel should never use proprietary information for personal gains during the course of employment or even after leaving the Company. Resources such as raw materials, equipment, office supplies and technology are intended exclusively for business purposes and their theft, loss, abuse or misuse must be prevented. All Company assets are to be used for only conducting VISA Steel or for purposes otherwise authorized by management.

Only authorized Directors and employees are allowed to make commitments of, or affecting, VISA Steel Company assets.

## 24. **Citizenship**

Subject to applicable laws, the involvement of a VISA Steel employee in civic or public affairs shall be with express approval from the Vice Chairman and Managing Director, subject to this involvement having no adverse impact on the business affairs of the Company.

## 25. **Integrity of Data Furnished and Trade Secrets**

Directors and employees are under an obligation of ensuring the integrity of the data furnished. The confidentiality of all data must be retained and should not be shared with any outsider without receiving consent of the management.

Directors and employees of VISA Steel should respect the importance of the Company's trade secrets and other confidential information. A trade secret constitutes any information that is used in connection with VISA Steel business that is not generally known or easily discovered to persons outside of the VISA Steel. Trade secrets can include information relating to business strategy, new product plans, marketing or sales information, strategic objectives, employee, customer, or vendor lists, and other information that is not generally known. Such information should not be disclosed outside of VISA Steel except by authorized persons and on a need-to-know basis, using appropriate protections, such as agreements to protect the information, marking of the information, and encryption. The obligation of any employee and Director of VISA Steel to protect such information continues after departure from the Company.

## 26. **Whistle blower protection and Vigil Mechanism**

Every director/employee/ stakeholder of VISA Steel should promptly report to the Vigilance Officer or the Chairman of the Audit Committee, as the case may be, when she / he becomes aware of any actual or possible violation of the Code or a violation of applicable law, event of misconduct, manipulation, negligence causing danger to public health and safety or act of misdemeanor or act not in the Company's interest. Such reporting is made available to suppliers and partners, too. Any director, employee or stakeholder of VISA Steel can choose to make a protected disclosure under the whistle blower policy and vigil mechanism of the Company. Such a protected disclosure shall be dealt with in the manner contemplated under the Company's Vigil Mechanism/ Whistle Blower Policy. For further details and provisions, employees are advised to refer to the Company's Vigil Mechanism / Whistle Blower Policy as uploaded on the website of the Company.

The complainant must act in good faith and have reasonable grounds to believe that the said violation has taken place. Attempts to use this Code as a tool for victimization with mala fide intention shall be met with disciplinary proceedings.

## 27. **Ethical conduct**

VISA Steel is committed to upholding the highest legal and ethical standards, regardless of when and where the business is conducted. This Code lays down the basic guidelines which assist the employees and Directors to make good business decisions on behalf of the Company. The employees and Directors must conduct themselves in a manner that is fair and transparent and be perceived to be so by third parties.

Every employee of VISA Steel shall preserve the human rights of every individual and the community, and shall strive to honour commitments.

However, no set of guidelines can anticipate every question or concern and hence each employee is expected to use good judgment and seek assistance whenever required.

Every employee shall be responsible for the implementation of and compliance with the Code in his / her environment. Failure to adhere to the Code could attract severe consequences, including termination of employment.

## 28. **No Retaliation**

VISA Steel does not permit retaliation in the workplace for the reporting of violation of this Code or the exercise of legal rights. All allegations of retaliation are taken seriously, investigated promptly and acted upon appropriately. Appropriate action, including disciplinary action up to termination, should be taken against persons found to have engaged in retaliation against a person who makes a report or complaint.

### **Note:**

1. VISA Steel Code of Conduct does not provide a full, comprehensive and complete explanation of all the rules that employees are bound to follow. Employees have a continuing obligation to familiarize themselves with all applicable laws, Company policies, procedures and work rules. This version of VISA Steel Code of Conduct supersedes all earlier versions and associated documents and stands effective from 1 October 2014.
2. For the purpose of this Code, Senior Management shall mean personnel of the Company who are members of its core management team comprising of members one level below the Board including the functional heads.
3. The Independent Directors, in addition to complying with this Code are also required to comply with the Code for Independent Directors of the Company, as available on the website of the Company.