



BALASORE ALLOYS LIMITED

“CODE OF CONDUCT AND BUSINESS ETHICS”

Vision:

“To be a globally trusted supplier of ferro-alloys as well as to create sustained value addition for all stake holders”.

Mission:

Our mission is to achieve the vision by:

- Managing our business with integrity and highest ethical standard
- Acting in a socially responsible manner with particular emphasis on the wellbeing of all stake holders and communities we serve
- Adopting new technologies, initiatives, continuous learning and innovation for productive use of all resources

An Introductory Statement

In support of its Vision and Mission, Balasore Alloys Ltd. sets forth the ideals of motivation, lifelong learning, service to others, and enrichment through diversity, commitment to excellence, mutual respect, and personal integrity. The Company is guided by the belief that a sense of true society is achieved when these ideals and values are reflected in the behaviour of its employees towards one another. Balasore Alloys Ltd. is committed to creating an atmosphere of respect and civility amongst its employees. The charge to the “SHEE (Safety, Health, Environment and Ethics)” Pillar to create a Code of Conduct and Ethics provided the organization with the opportunity to define our standards of behaviour towards each other. As employees of the organization, our interactions with one another are to be guided by these principles as set forth in the

Code of Conduct and Ethics developed through The Company's governance process. In order to make this a living document, each member of the organization must commit to these standards and promote its general principles. Failure to follow this Code of Conduct and Ethics will call for Disciplinary action. The document covers following sections:

APPLICABILITY OF CODE

This code of conduct describes **Balasore Alloys Limited's** commitment to lawful and ethical conduct in all of its affairs. This code of conduct shall apply to all operations of the Company and supplements the present or future policies, guidelines and rules implemented by the Company. The spirit of this Code of Conduct shall govern the interpretation of all policies, guidelines and rules adopted by the Company.

- This Code of Conduct is applicable to all the Directors of the Company.
- This Code of Conduct is applicable to all Senior Management Members of the Company, from the rank of General Manager and above.
- All Executives of the Company, reporting directly to the Managing Director, any other Wholetime Director, President, Sr. Vice President and/or Vice Presidents of the Company.
- This Code of Conduct is applicable to any other employee or officer of the Company who has a direct functional reporting to the Board and also to any employee or officer of the Company, who has the opportunity to materially influence the strategy and operation of the business and financial performance of the company

Balasore Alloys Limited is committed to observing all applicable laws and regulations and all the above mentioned Officials are expected to uphold this commitment.

A. Code of Conduct

1. Corporate Responsibilities to Employees & Associates
2. Basic Ethics for Directors, Employees & Associates

B. Business Ethics

1. Responsibilities & obligations to Customers
2. Fair Competition
3. Fair Transactions
4. Responsibilities to Society & Country
5. General

A.Code of Conduct

Section 1: Corporate Responsibilities to Employees and Associates

BALASORE ALLOYS shall endeavour to respect the human dignity of its employees and provide fair treatment based on their abilities and performance. The Company shall also strive to foster creativity and individualization among its employees. Recognizing that each individual is a separate soul and requires individual attention and support, the Company shall encourage creative approaches to business and personal lives.

1. **Respect for Human Dignity:** BALASORE ALLOYS shall treat each employee with trust and respect and value every individual's human dignity and family responsibilities. The Company shall make best efforts to help employees attain pride and personal fulfilment by instilling a sense of ownership in their jobs. BALASORE ALLOYS's employees shall be treated with dignity and in accordance with maintaining work place free of sexual harassment, whether physical, verbal or psychological.
2. **Equality in Employment and Opportunity:** BALASORE ALLOYS shall offer equal opportunities to all its employees based on their abilities, merit and talents. The Company shall apply fair measures to evaluate abilities and performances of its employees, and reward them accordingly. 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, and nationality.

Section 2: Basic Ethics for Directors, Employees and Associates

1. **Basic Ethics:** The employees of BALASORE ALLOYS shall take pride in their company and always maintain an honest and fair attitude. The employees must keep high standard of morality and continuously strive to maintain their personal dignity and the company's honour.
2. **Self Development:** The employees must strive to enhance their abilities and image through continuous self-development. BALASORE ALLOYS believes in continuing education through formal and informal means. Individual self actualization is a key component in all activities and is positively promoted.
3. **Fairness in Performance:** The employees should carry out their duties based on honesty and fairness, seeking to foster a sound business culture. While performing their duties, they must not accept any form of financial benefit from interested parties that may obstruct fair judgment. The employees should refrain from any immoral or unethical behaviour as prescribed by social norms in performing their duties and in living their personal lives.
4. **Avoidance of Conflict with Company Interests:** The employees should avoid any individual behaviour or relationship that is in conflict with company's interests. The employees must not use company property to pursue their personal interests without prior permission. Business opportunities should not be used for personal gains. Likewise they should not make or influence business decisions either for their own or their relatives' benefits. The employees must not take Concurrent or part-time employment / consultancy while in service. When there is acceptance of gifts, donations, hospitality etc. beyond the customary level, adequate and full disclosure of the same should be made.
5. **Securities Transactions and Confidential Information:** An employee of BALASORE ALLOYS and his 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 which is not in the public domain and thus constitutes insider information. An employee of BALASORE ALLOYS 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 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

6. **Knowledge Sharing:** The employees ensure dissemination of Knowledge gained by them during Training /Conferences/Seminars/Technical Visits etc. Each Employee should submit the report & relevant documents of the same within one week of his/her attending such conference / seminar / training / technical visits to the Learning Centre so that the knowledge can be shared with other employees.
7. **Duty of Confidentiality:** The employees shall ensure that they do not divulge confidential information gained during employment. Also they should not use or proliferate information unavailable with public.
8. **Use of Company's Assets:** The employees shall ensure that all the company's assets are used in the best interest of the company. Its employees must protect and preserve company property as the owners of the assets (Equipments, Building, Area etc) by participating in TPM Jishu Ho zen activities.
9. **Work Culture :** The employees should exert themselves:

- To enhance work Productivity /Efficiency through open communication and cooperation with colleagues and business partners.
- To strictly follow the SOP's, Procedures, Rules and Regulations etc. Any deviation should be brought to the notice of the superior.
- To participate proactively in all Brainstorming and Root cause analysis meetings to come out without hiding the facts to reach to solution and also on a continual basis think about Kaizens (Continuous Improvements).
- To ensure that no wastages (Material, Man hours, Machines Timings, Money etc) are allowed to happen in their area and such observations should be brought immediately to the notice of the Superiors.
- To ensure that all Safety Protective Equipments provided are used by each and every one of them and non compliance should also be brought to the notice of the Superiors immediately. All Safety Rules and Regulations to be strictly adhered to, and no shortcuts to be taken. The principle of "Safety First" should be strictly followed.
- To ensure that "5S" Housekeeping principles are followed strictly. No action of theirs should cause any violation of Health and Environment practices.
- To maintain fairness and transparency.
- To be responsible for full implementation and compliance of the Code of Conduct and Business, Ethics the employees shall promptly report any possibility/ actual violation of the Code of Ethics or any event that could affect the business or reputation of the Company.

10. Related Party Transactions: Director or Senior Management Members or any of their relatives/associates should not derive any undue personal benefit or advantage by virtue of his position or relationship with the Company. As a general rule, Directors and Senior Management Members should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Any dealings with a related party must be conducted in such a way that no preferential treatment is given and adequate disclosures are made as required by law and as per the applicable policies of the Company.

11. Protection of Environment: The Company is committed to conducting its business in a manner that values the environment and helps to ensure the safety and health of its Directors or Employees. It is the Company's policy to comply with all the applicable environmental safety and health laws and regulations; to apply reasonable standards where such laws or regulations do not exist; and to seek ways to achieve excellence in these critically important areas. The Company will strive to implement industry recognized best practices wherever possible.

12. Compliance with applicable laws, rules and regulations: Every Director and Senior Management Member must comply and wherever applicable, oversee compliance by employees with all the laws, rules and regulations applicable to the Company and its employees. Each Director must acquire appropriate knowledge of the requirements relating to his duties sufficient to enable him to recognize potential non compliance issues and to know when to seek advice from the Legal Experts on specific Company policies and procedures.

- Every Director and Senior Management Member must
 - (a) Comply with the letter and spirit of any applicable law, rule or regulation
 - (b) comply with the protocols, policies and procedures of the company including its corporate code of conduct; and
 - (c) Encourage other Officers and/or Employees to do the same.
 - (d) Not encourage or shall commit or condone an illegal act or instruct another employee etc. to do so.

13. Other duties/responsibilities: The Directors and Senior Management Members of the Company:

- Shall not knowingly/ willfully, suppress a material fact, from the appropriate authority/body, which can be detrimental to the interests of the Company.
- Shall not give any directions, which is likely to expose the health and safety of any person to risk,
- Shall not make any statement; verify any return or form, containing any particulars, knowing them to be false.

- Shall not fail to invite the attention of the appropriate authority/body in respect of matters affecting the Company or arising out of professions, any material departure from the generally accepted principles of propriety.
14. **Annual affirmation:** At the end of each financial year, Directors and Senior Management Members will be asked to sign an acknowledgement indicating their continued understanding of & compliance with the code. All the Directors/Senior Management Members shall, within 30 days of close of every financial year affirm compliance with the Code. Refer Annexure I for the format of Annual Compliance Declaration. The duly signed Annual Compliance Declaration shall be forwarded to the Compliance Officer of the Company.
15. **Waivers & amendments:** Any waiver of any provision of this code for a Member of the Company's Board of Directors or a Senior Management must be approved in writing by the Company's Board of Directors and appropriately disclosed. Based on the business requirements and applicable regulations the code may be amended by the Board of Directors from time to time.
16. **Disciplinary actions:** The matters covered in this Code of Conduct and Business Ethics are of utmost importance to the Company, its stockholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its stated values. We expect all our Directors and Senior Management Members to adhere to these rules in carrying out their duties for the Company.

The Company will take appropriate action against any Director and Senior Management Member whose actions are found to violate these policies or any other policies of the Company. Disciplinary actions may include immediate termination of directorship, employment or business relationship at the Company's sole discretion.

B. Business Ethics

Section 1: Responsibilities and Obligations to Customers

BALASORE ALLOYS, as an organization shall highly regard the opinions of its Customers in the belief that they form the very base of our business. We shall seek to secure unconditional trust from our Customers by continuously providing them practical values and operating in an open, honest and 'above board' manner at all times. We shall promote a 'best practices' approach in all Customer engagements and offer our honest opinion.

1. **Respect for Customers:** BALASORE ALLOYS shall value the opinions of our Customers and attempt to validate their true needs at all times. We shall regard our Customers as the primary focus for our decisions and conduct. We shall attempt to comply with all existing Customer values and processes except where they may be in conflict with our existing Code of Ethics.
2. **Creating Value:** BALASORE ALLOYS shall work to create value for its Customers, for it is through Customer's satisfaction that we build the foundation of our prosperity. We shall continuously create practical value that fully benefits and satisfies our Customers.
3. **Providing Value:** BALASORE ALLOYS shall always be truthful to and respectful of its Customers, and shall be bound to keep its words. We shall offer top quality products and services to our Customers at reasonable prices and respond to their requests with speed and accuracy.
4. **Gifts and Donations:** BALASORE ALLOYS shall neither receive nor offer or make directly or indirectly any illegal payments, remuneration, gifts, donations or comparable benefits to obtain business or uncompetitive favours . But we may accept and offer nominal gifts of customary and of commemorative nature.
5. **Quality of Products and Services:** BALASORE ALLOYS 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.

Section 2: Fair Competition

All business transactions shall occur based on the principles of fair competition with equal opportunities guaranteed for all entities to participate. We shall build trust and cooperative relationships through fair and transparent transactions. Such relationships shall be built with a long-term perspective for mutual growth.

1. **Pursuit of Free Competition:** BALASORE ALLOYS shall uphold the principle of a free market economic system; therefore we shall pursue free competition and earn our Customers' trust through top quality products and services. We shall compete fairly and capably with our competitors, but shall not intrude upon their interests, or exploit their weaknesses.
2. **Compliance with Laws and Regulations:** BALASORE ALLOYS shall conduct our domestic and overseas business activities in strict accordance with local laws and regulations, and with respect for local business customs.

Section 3: Fair Transactions with Customers, Vendors , Service Providers etc.

1. **Equal Opportunity:** BALASORE ALLOYS shall offer equal opportunities to all qualified companies seeking to become our business partners. All applicants shall be registered and selected in a rational manner following a fair and objective evaluation process.
2. **Fair Transaction Procedures:** AT BALASORE ALLOYS all business transactions shall be conducted under equitable circumstances. The terms and procedures of the transaction shall be sufficiently discussed between parties involved. Any form of unjust transaction abusing superior position shall never be taken. Information required for transactions is exchanged through appropriate procedures in a timely manner. Transaction results shall be evaluated on a regular basis where complementary measures shall be mutually taken.

3. **Fair Vendor Relations:** BALASORE ALLOYS shall support the long-term growth of our partners and vendors by enhancing their competitiveness through technological and managerial assistance. We shall pursue mutual effort and cooperation with our partners and vendors in promoting a healthy trading environment and maintaining fair trading system.

Section 4: Responsibilities to Society and Country

BALASORE ALLOYS contributes to national welfare by supporting Government of India and its lawful agencies and protects its partner's interests by developing sound business operations.

1. **Rational Business Development:** BALASORE ALLOYS shall conduct its business, respecting the social values at home and abroad. The Company shall promote its business expansions based on stable corporate growth.
2. **Contribution to Social Development:** BALASORE ALLOYS shall engage and contribute to national and social development through job creation, tax payments, and promotion of cultural and educational programs.
3. **Environmental Conservation:** BALASORE ALLOYS shall strive to prevent environmental pollution and employs reasonable measures to conserve precious natural resources in accordance with sound scientific principals and current knowledge. The Company shall prevent wasteful use of natural resources and minimize any hazardous impact of its activities on the ecological environment.

Section 5: General

1. **Financial Reporting and Records:** BALASORE ALLOYS 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 authorized parties and government agencies. 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.

2. **Health, Safety and Environment:** BALASORE ALLOYS 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. We shall be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of our products and services on the ecological environment.
3. **Shareholders:** BALASORE ALLOYS 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 its shareholders about all relevant aspects of the Company's business and disclose such information in accordance with the respective regulations and agreements.



ACKNOWLEDGMENT OF RECEIPT OF CODE OF CONDUCT

I have received and read the Company's Code of Conduct. I understand the standards and policies contained in the Company's Code of Conduct and understand that there may be additional policies or laws specific to my job or role. I further agree to comply with the Company's Code of Conduct.

If I have questions concerning the meaning or application of the Company's Code of Conduct, any Company policies, or the legal and regulatory requirements applicable to my role or job, I know I can consult the Compliance Officer or the Human Resources Department with the belief that my questions or reports to these sources will be maintained in confidence.

Name : _____

Designation : _____

Signature : _____

Date : _____

Please sign and return this form to the Compliance Officer.

CODE OF CONDUCT
ANNUAL DECLARATION

I _____, hereby confirm that for the financial year ended March 31, _____, I have not violated nor am I aware of any violation of the Code of Conduct by any other person to whom the said code is applicable.*

I have come across the following instances of violations of the Code:*

Brief description of the nature of violation	Person Responsible	Date & Mode of intimation to the Compliance Officer

Name : _____

Designation : _____

Signature : _____

Date : _____

Please sign and return this form to the Compliance Officer.

* Please tick '√' against the applicable statement and strike off whichever is not applicable