

**ELECTROSTEEL CASTINGS
LIMITED**

Code of Conduct is formulated to ensure that all Directors and senior management personnel act within limits of authority conferred upon them and they function in the best interest of the Company and all stakeholders.

Code of Conduct of the Company

Effective Date: 29.10.2014

Approval Date: 29.10.2014

Version No.: 2.0

Approved By: Board of Directors

This document is confidential in nature and supersedes any Code of Conduct existing in the Company and should be read in conjunction with the most recent policies and procedures documented.

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| Subject: Code of Conduct | Original Issue Date: 25.01.2006 | Effective Date: 29.10.2014 |
| | Revision Dates: 29.10.2014 | Version: 2.0 |
| Governing Guideline: Companies Act, 2013 and Clause 49 of Listing Agreement | | |

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CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT EXECUTIVES OF ELECTROSTEEL CASTINGS LIMITED

1. TERM

This Code of Conduct (the “Code”) in terms of revised Clause 49 of Listing Agreement with Stock Exchanges shall be effective from 29th October, 2014.

2. APPLICABILITY

This Code shall be applicable to each member of the Board of Directors of Electrosteel Castings Limited (the “Company, hereinafter referred to as ‘a Director’ as well as employees in the grade of General Managers and above of the Company, or such members of the ‘Senior Management’ of the Company or such other employees of the Company as may be designated as member of the Senior Management for the purpose of this Code by the Managing Director of the Company from time to time (hereinafter referred to as “Senior Management Executives”)

3. OBJECTIVE

The Board of Directors of the Company desires to document a Code of Conduct for all Directors and Senior Management Executives with the following objectives:

- a. To ensure that all Directors act within limits of authority conferred upon them and they function in the best interest of the Company and all stakeholders.

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- b. Enhancing the standards on honest and ethical conduct
- c. Evolving as good corporate citizens by implementing highest degree of transparency, integrity, accountability and corporate social responsibility.
- d. To further achieve good corporate governance by complying with all laws, rules and regulations applicable to the Company and fulfilling responsibilities towards stakeholders.

4. THE CODE

A. Honesty and Integrity

All Directors and Senior Management Executives must conduct their activities with honesty, integrity and in a fair manner. They must act in accordance with highest standards of personal and professional integrity, honesty and ethical conduct in respect of all transactions.

B. Conflict of Interest

- i. Those to whom this code applies shall not engage in any business or activity which may be in conflict with the business pursued by the Company and avoid scrupulously conflicts of interest with the Company. A conflict of interest exists where the interest of Director or member of the Senior Management conflicts with those of the Company.
- ii. Given below are some common circumstances that may lead to an actual or potential conflict of interest.
 - a. An activity or engagement that interferes with the performance of duties or is otherwise in conflict with or prejudicial to the interest of the Company. An activity or interest that makes it difficult to perform work objectively or independently.
 - b. Receipt of personal benefits by a Director or member of the Senior Management including his family.
 - c. An activity that detracts the ability to devote appropriate time and attention to his or her responsibilities.

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- d. Investing in a Company that compromises their independence and responsibility to the Company.
- e. The receipt of non-nominal gifts, excessive entertainment, personal benefits either by himself/herself or his/her family as a result of his/her position in the Company.
- iii. Directors and member of Senior Management shall make full disclosure of material, financial and commercial transactions that may have a potential conflict with the interest of the Company at large including dealing in Company shares and commercial dealings with the bodies in which they have shareholding or interest.

C. Regulatory Compliances

- i. To comply with all applicable laws, rules, regulations and regulatory orders, both in letter and spirit.
- ii. To acquire appropriate up to date knowledge of requirements of compliances under various applicable statutes.
- iii. To report any possible violation of law, rules or the code of conduct in good faith.

D. Fair Dealing

To deal fairly with the stakeholders, including the shareholders, creditors, lenders, suppliers, customers, employees, etc. of the Company and hold themselves accountable to the appropriate authority/body.

E. Protecting Confidentiality of Information relating to Company

- a. To hold in confidence any information concerning the Company's business, its suppliers and customers which is not in the public domain, unless required to disclose under proper and adequate authority or under a statute or law.
- b. Not invest in any Company that compromises their independence or responsibility to the Company.

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- c. Not to use confidential information for own advantage or profit even after such person ceases to hold office as Director or serve the organization.

F. Protection of Company's Assets

- a. To protect Company's assets and properties, including intellectual property and ensure its efficient use.
- b. To ensure the use of Company's property for legitimate business purposes.
- c. To refrain from use of Company's assets for personal purposes.

G. Regular Disclosures

To make disclosures to the Company at regular intervals in accordance with provisions of various acts, rules and regulations, including the Companies Act, 1956, and the details of related parties from time to time.

H. Compliances of "Insider Trading Code"

To strictly adhere to provisions of the Code of Conduct for prohibition of Insider Trading and as modified from time to time.

I. Gifts/Donations

Not to receive or offer directly or indirectly, any gifts, donations, hospitality or benefits which are intended to obtain business favours or decisions for the conduct of the Company's business except nominal commemorative gifts which may be accepted and reported to the Board.

J. General

All Directors and Senior Management Executives shall:

- a. take every reasonable step to ensure adherence to the laws of the land.
- b. In their decisions respect the necessity of protecting the environment around it, of the country, and the global environment as a whole and shall promote the same values.
- c. Practice a Code of giving highest respect for humans and human values and promote the same.

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- d. Exercise their responsibilities with utmost consciousness within the organization and promote the same.
- e. Conduct themselves in private and personal life in a manner that shall not demean the image and damage the interest of the Company.
- f. Not use abusive or offensive language at the workplace or any such location connected to official business.
- g. Not show disrespect to their senior officers or to the authority of the Board.
- h. At all times make every reasonable effort to lead by example.

5. CERTIFICATION

Each of the Directors and the Executives of the Company to whom this Code is made applicable, shall file with the Company Secretary of the Company, a certificate addressed to the Managing Director of the Company, by the 31st March every year, confirming his/her compliance with the provisions of this Code.

- 6. “Further the independent Directors of the Company shall also abide by the Code for Independent Directors as envisaged in Schedule IV to the Companies Act, 2013”.

Adopted by the Board of Directors of the Company at its Meeting held on 25th January 2006.

Revised by the Board of Directors at their Meeting held on 29th October, 2014 and the revised code will be effective from 29th October, 2014.