ANTI COMPETITION
POLICY

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ECL's commitment:

This anti-competition Policy sets out the expectation of Electrosteel Castings Limited (hereinafter referred to as the "Company") that employees conduct business activities on behalf of the Company in a manner that supports fair and open competition, with honest and transparent business practices that comply with competition and antitrust laws. The Company believes that fair competition in open markets drives the organization to make the best use of resources and find innovative ideas to develop new ways of doing business and acquiring clients. Professional, ethical and elementary business practices protect ECL's reputation and ensure that the Company and its employees do not violate competition laws, which will attract severe penalties.

This Policy is applicable to the Company and its subsidiaries and to all employees (on-roll employees of the Company), Board of Directors, Officers, Independent contractors and service providers of our Company contractually obligated across the globe.

Unfair practices and anti-competitive conduct:

Employees should not take any action that could unfairly exclude or reduce competition in any market. Employees must not misrepresent, manipulate, conceal, or misuse confidential information, and must not engage in disparaging discourse against competitors, or unfair practices with shareholders, clients, business partners, competitors and other employees. Employees must only obtain information about competitors, their products, services, technologies, pricing, marketing campaigns, etc. only through legal and ethical means.

Employees must not enter any formal and informal business arrangement or cartel conduct to eliminate or discourage competition or confer an inappropriate competitive advantage. Prohibited activities include, but are not limited to price fixing agreements, illegal boycotting of suppliers or clients, bid rigging, cartel conduct, predatory practices, exclusive dealing, misuse of market power, controlling the output or limiting the supply of goods and services, unconscionable conduct, concerted practices, price signaling, price fixing to eliminate a competitor, entering into an agreement or arrangement with competitors to divide a market, exchanging confidential information, etc.

Common forms of prohibited conduct are described below.

Bid rigging:

Bid rigging is a collusive behaviour of bidders resulting from a pre-determined arrangement between them. It creates a sense of realistic competition amongst the bidders even though the result of the bid is already determined. This manipulative behaviour adversely affects competition as all prospective buyers do not get a fair chance to participate in the bidding process. This act negates the entire process of bidding.

Price fixing and price signaling:

Price fixing is an agreement (written, verbal, or inferred from conduct) among competitors that raise, lowers, or stabilizes prices or competitive terms. Price fixing occurs whenever two or more competitors agree to take actions that have the effect of raising, lowering, or stabilizing the price of any product or service without any legitimate justification, or when competitors agree in order to eliminate a competitor.

Price signaling occurs when competitors arrange methods to signal pricing to each other to coordinate sales at uniform prices.

Market sharing:

Market sharing occurs where competitors agree to divide or allocate customers or geographic markets, or to restrict the production of a product by setting quotas among competitors or other means, rather than making independent decisions as to where to operate, whom to source from and which customers to pursue. Market sharing includes allocating customers by geographic area, agreeing not to compete for each other's customers (non-poaching agreements) and agreeing not to enter or expand into a competitor's market.

Anti-competitive exchange of confidential information:

Prohibited exchange of confidential information (such as prices, costs or profits) occurs where parties who compete with one another, even if contemplating a transaction or the exchange of information in another context, engage in discussions or information exchanges that adversely impact competition between them. In the context of due diligence in mergers and acquisitions, arrangements are put in place to ensure that the confidential information exchanged cannot be used for any commercial purpose other than the contemplated transaction.

Abuse of dominance:

Abuse of dominance (or abuse of market power) occurs when a dominant firm, or group of firms, substantially prevents or lessens competition, by engaging in acts that aim to eliminate or discipline competitors, or simply to stop potential competitors from entering a market. Abuse of dominance also occurs when a party controls output or limits the supply of goods and services to restrict competition. Examples of acts that could constitute abuse of dominance are unfair margin squeezing or the sale of services below cost to discipline a competitor.

Interactions with competitors:

The Company and its employees must ensure that discussions or confidential information exchanged do not lead to unlawful agreements, including verbal agreements, particularly at trade events and informal and social gatherings. In any circumstances where discussion amongst competitors is prevalent, employees must:

1. avoid exchanging information with a competitor about prices, costs, profits, rates, contractual or bid terms, charges, commissions or discounts applicable to current or future clients, contractors or suppliers; and allocation of work, markets, territories or clients.
2. avoid making any statement that creates, implies or suggests to others that there is an anti-competitive agreement with a competitor.

Teaming, joint venture or consortium agreements are examples of legal collaboration between natural competitors, which can play a positive role in a fair competition environment. However, when there is an opportunity for a teaming, consortium or joint venture relationship, employees must be careful of the type of information that is exchanged and when it is exchanged.

In general, competition laws prohibit agreements to fix prices, allocate markets or restrict output that is not implemented as part of a legitimate collaboration, alliance or joint venture. Employees must not exchange confidential information such as prices, costs, or profits, with competitors without proper authorization appropriate to the business purpose of the information exchange and must obtain regional legal review before agreeing on a bid-related price with a competitor in any circumstances, even if the tendering authority has been informed of the arrangement.

Non-compliance:

The Company enforces a zero-tolerance approach on all forms of unfair practices or anti-competitive conduct committed by Employees or business partners acting on its behalf. Engaging in anti-competitive behavior will result in a breach of the Code of Conduct, and consequences will apply up to and including termination of employment. In addition, anti-competitive practices are illegal, and penalties can be severe. Violating competition law can have legal and regulatory consequences, including civil and criminal liability, possible imprisonment, monetary fines and penalties on the Company and its employees, reputational damage as well as debarment of the Company from bidding on public projects. Courts can also issue orders and place restrictions on businesses to prevent them from continuing or repeating anti-competitive conduct.

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