

**CODE OF CONDUCT FOR MEMBERS OF
THE BOARD OF DIRECTORS
& KEY MANAGERIAL PERSONNEL**

(Approved by Board of Directors of the Company at its meeting held on 22nd September, 2014)

1. APPLICABILITY

This code of conduct is applicable to all the Directors on the Board of BMM Ispat Limited (hereinafter referred to as 'BMMIL' or the 'Company') and also to the Key Managerial Personnel ('hereinafter referred to as 'KMP') and Senior Management of the Company, i.e. all Business Heads and all Functional Heads of the Company ('hereinafter referred to as 'Senior Management').

1.1. General Principles

The underlying principles in defining the code of conduct of the members of the Board, KMP and the Senior Management is to:

- a) Help maintain the standards of business conduct in line with the stated values of the Company.
- b) Help members in striving to perform their duties according to the highest ethical standards of honesty, integrity, accountability, confidentiality and independence.
- c) Restrict, except with prior approval of the disinterested members of the Board, entering into any transaction or relationship with the Company in which the members of the Board or senior management have a financial or personal interest (either directly or indirectly, such as through a family member or other person or organization with which they are associated), or any transaction or situation which otherwise involves a conflict of interest.
- d) Ensure confidentiality of all material non-public information about the Company, its business and affairs and make no use of it other than for furtherance of Company's interest.
- e) Ensure compliance of all applicable Laws and Regulations including Company's Code of Conduct and Policies.
- f) Ensure and enable the Company to achieve best standards of Corporate Governance.

The following procedures and guidelines are intended to deal with the most common practical implications of the above principles, but they cannot deal specifically with every potential situation that may arise. Where a member is in doubt as to how a particular situation should be dealt with from an ethical standpoint, he may consult with the CFO or the Company Secretary or may request independent professional advice, in which case, he shall first consult with the CFO or Company Secretary.

2. CODE EXCLUSIVELY FOR THE MEMBERS OF THE BOARD OF THE COMPANY

2.1. Duty to Attend Board/ Committee Meetings

The Members shall make concerted effort to attend all Board/Committee meetings and in case he/she is unable to attend the meeting, he shall notify the same to the Chair. If it is apparent that, a member is likely to miss several Board meetings and therefore unable to fulfil his obligations, he should consider his/her continuation as member of the Board or shall consider appointing alternate director.

Before coming to the meeting, members shall read and understand the agenda papers and other relevant documents sent along with the notice of meeting and prepare for the discussion.

Members shall participate actively and constructively in the discussions of the Board and will follow the guidelines agreed on by the Board regarding how it will govern and conduct itself. Members can express his views, opinions, contrary opinions on matters under discussion or consideration by the Board.

The Board may from time to time constitute various committees with specific reference. Board nominated members of the Committee shall attend all such committee meetings and shall ensure that all the point under the terms of reference of the Committee are addressed within the prescribed time and format. Presently, Board has constituted following committees:

- _ Audit Committee
- _ Remuneration Committee
- _ Corporate Social Responsibility Committee.

2.2. Active participation in the proceeding at the Board Meetings

The members shall participate actively in the proceedings at the Board Meetings of the Company and shall provide a visionary leadership and make positive contribution to the business and direction to the Organization, ensuring that the company is fulfilling its obligations to its stakeholders as well as its legal and regulatory requirements. If given any operational responsibility, the Directors shall, while participating in the business of the Company, act honestly, in good faith and in the best interests of the organization, his fellow-members and the retail community and should exercise due care, diligence and skill of a reasonably prudent person under comparable circumstances. It shall be their duty to oversee the management of the affairs and business of the Company while allowing and maintaining independence of operating management.

2.3. Duty to review certain Reports/Compliances

The members of the Board are required to review certain reports / compliance statements about the affairs of the Company at such intervals as may be prescribed from time to time. Following is the indicative list of such reports / compliance statements. The members may add or modify the reports as they may feel appropriate to ensure statutory compliance and smooth & transparent operations of the Company:

- Statutory Compliance Report;
- Annual and Quarterly Financial Statements along with necessary reports;
- Review of Company's Risk Management policies;
- Annual Operating Plans and Budgets
- Remuneration policies for Executive, Non-Executive Directors and Senior management staff.
- Review of Internal controls – Systems and Procedures

2.4. Conflicts of Interest

While performing their duties, Directors shall carry out their responsibilities to the exclusion of any personal advantage, benefit or interest. The Directors acknowledge their obligations under the provisions of Companies Act, 2013, and shall strictly comply with applicable Indian and foreign laws, regulations and shall not act by themselves or aid or abet any person acting contrary to any such provisions, judgments, orders, judicial, quasi-judicial, administrative or otherwise issued by a competent authority.

Directors shall avoid any situation involving conflict, or the appearance of a conflict, between their personal interests and the performance of their official duties. If such a conflict arises, Directors shall promptly inform the Board and withdraw from participation in decision-making connected with the matter. If the conflict is potential rather than actual, Directors shall seek the advice of the Board about whether they shall recuse themselves from the situation that is creating the conflict.

2.5. Business plans and reviews

The Board shall review at least once a year, company's consolidated strategic plan relating to its various businesses, segments.

2.6. Evaluation/Training of Independent Directors

Apart from evaluation on the basis of mere attendance at meetings, the performance and Contribution of Independent Directors need to be evaluated on certain broad parameters by the whole Board. Training and exposure to the company's business lines of Directors is also essential to make their contribution more meaningful.

2.7. Continuous Disclosures

Under Company law, Directors are required to disclose certain information to the Company at regular intervals or as and when some development takes place in the previous disclosures made by the directors. A summary of such disclosure requirements are as under:

2.7.1. Disclosure of Interest in other Companies/Firms etc.

The Board members will provide the Company Secretary (on appointment and at such intervals as may be prescribed or when requested by the Company Secretary and where significant changes occur in the interim) with details relating to his employment, other business interests and list of all companies/firms in which he is interested directly or through his relatives.

2.7.2. Disclosure of certain transactions

Board members agree that where the Company has entered into any contractual arrangement with a company or body in which a member has declared interest, such support or arrangement shall be disclosed to the Board.

2.8. Public Statements

Directors shall make public statement or express any opinions to the press only in the manner approved by the Board of Directors. When making public statements on matters related to the Company, the Directors shall make it clear whether they are speaking on behalf of the Board.

2.9. Fairness and Work/ External Environment

The Board members recognize their responsibility to act fairly towards clients, employees and general community and support principles of Health and Safety, Environmental Best Practice and Equality legislation.

3. CODE FOR THE MEMBERS OF THE BOARD AND SENIOR MANAGEMENT COLLECTIVELY REFERRED TO AS 'SUBJECTS')

3.1. Compliance with Laws, Rules and Regulations

All persons who are subjects to this Code are required to comply with every applicable laws for the time being in force and rules and regulations made there under. They are also expected to encourage and promote statutory compliance in its true letter and spirit. Should they come across or witness any non-compliance by any subject, they are expected to notify the same to the Board at the earliest. The Company has implemented a Whistle Blower Policy.

3.2. Conflict of Interests

A conflict of interest exists when a subject's personal interest interferes in any way with the interest of the Company. A conflict situation can also arise when subject acts or has interest that may make it difficult to perform his or her Company work objectively and effectively or when his or her family members receives improper personal benefits as a result of his or her position in the Company.

A conflict of interest may also arise in case organizations with which directors or employees are associated have conflict of interest with that of company. Working with competitors whether for personal gain (direct or indirect) or not, except on behalf of the company or with the approval of the Board or when required by a statutory authority, shall be deemed to be conflict of Interest.

In this regard, subjects are expected to be conversant with circumstances enumerated under applicable Company Law or rules/regulations framed by any regulatory authority and procedure for disclosure of the same to be followed by the subjects and the Board of Directors.

3.3. Corporate Opportunities

Subjects are strictly prohibited from making use of corporate opportunity for their personal gains. A Corporate Opportunity is a profit making opportunity, which in justice and equity belongs to the company.

In case any corporate opportunity arises which partially belongs to the company, subjects are required to advance the legitimate interest of the company to it.

The duty not to take unfair advantage of corporate opportunity also extends to protection of and making proper use of company's property.

3.4. Confidentiality of Critical Information

Subjects have fiduciary duty to maintain confidentiality of all the critical information, the disclosure of which might adversely affect the interest of the Company unless the disclosure is required under any law for the time being in force or pursuant to any direction or order of any statutory authority.

The Disclosure in other cases can be made only with the prior consent of immediate superior or CEO or the Board.

In case of any questions or doubts as to confidentiality or criticality of the information the subjects are expected to consult the Company Secretary.

3.5. Fair Dealing

The Company seeks to gain competitive advantages through superior performance and not through unethical or illegal business practices. Each subject should endeavor to respect the rights of and deal fairly with other subjects and other employees of the Company. No subject should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

No gift or entertainment should ever be offered, given, provided or accepted by any subject to the fellow subject or any other Company employee, family member of an employee or agent unless it is not a cash gift and/or is consistent with customary practices and/or is not excessive in value and/or cannot be construed as a bribe or payoff and does not violate any laws or regulations.

Any prohibited gift can only be made under disclosure to and with permission of CEO or the Board.

3.6. Discrimination and Harassment

Any prohibited gift can only be made under disclosure to and with permission of CEO or the Board.

The Company believes in providing equal opportunity to all the employees in every aspect of employment. Any discrimination, harassment or derogatory comments against any employee whether based on gender, region, community, caste, creed or religion will be seriously viewed and will be subject to disciplinary action and might entail termination of employment.

Harassment shall also include violent or threatening behavior against any employee.

4. MISCELLANEOUS

4.1. Amendment to the Code

Any amendment to this code can be made by or under the authority of Board of Directors and shall be intimated to all the subjects without delay.

4.2. Waiver of/Exemptions from Code

Only the Board of Directors or any committee thereof can grant any waiver from or exemptions from this code. However the Board cannot grant exemptions or waivers which are in violations of or not in consonance with true letter and spirit of any applicable law for the time being in force or rules and regulations made there under.

4.3. Ascertain what is expected from you

In every situation subjects are expected to know what is expected of them and should strictly act accordingly. As the subjects are expected to meet novel situations every now and then, considering the level they are working, they are expected to take proper counsel from their senior or may consult the Company Secretary.

The Code has been drafted in broad and general form to cover wide variety of situations. Therefore subjects are expected to interpret the code in its true letter and spirit and avoid improper behavior.