



SCAN STEELS LIMITED

SCAN STEELS LIMITED

**CODE OF CONDUCT FOR DIRECTORS &
SENIOR MANAGEMENT OF SCAN
STEELS LIMITED**



CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT OF SCAN STEELS LIMITED (As Per Regulation 17(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations))

Scan Steels Limited (SSL) is committed to protect and also to enhance the shareholders' value while meeting its contractual obligations and conducting the affairs of the company always lawfully ethically. In pursuance of its commitments, the Board of Directors of SSL has adopted the code of conduct along with the policies and procedures thereof intended to guide their Executives and Directors in performing their duties and discharging their responsibility while ensuring compliance with the company's commitments towards its shareholders.

All Executives and Directors work for the company to discharge their responsibilities and perform their roles in accordance with their respective duties assigned to them. On an individual/ or a group basis. These include specifically those allotted to each of them and also those that may emerge from the work situation as may arise from time to time. While discharging their function, the Directors and the Executives are expected to act most diligently as a good citizen and always to avoid such actions that are abusive and offensive or demeaning to the image and goodwill of the company. While the spirit of productive debates and discussion are always welcome and encouraged, the Directors and Executives are expected to maintain a spirit of co-operation, understanding and fellow feelings. The Directors and executives should not, therefore, shirk-off their responsibilities but shall remain obliged and accountable for their own performances, actions and inactions. Their responsibilities and accountabilities will include their adherence to the policies and to the codes described in this document.

The members of the Board of Directors of Scan Steels Limited acknowledge and accept the scope and extent of their duties as Directors. They have a responsibility to carry out their duties in an honest and business like manner and within the scope of their authority, as set forth in the laws of India as well as in the Memorandum and Articles of Association of the Company. They are entrusted with and are responsible for the oversight of the assets and business affairs of Scan Steels Limited in an honest, fair, diligent and ethical manner. As Directors, they must act within the bounds of the authority conferred upon them and with the duty to make and enact informed decisions and policies in the best interests of the Company.

The Board of Directors has adopted the following Code of Conduct and the Directors and senior managers are expected to adhere to the standards of care, loyalty, good faith and the avoidance of conflicts of interest that follow.

SCAN STEELS LIMITED

This Code of Conduct has been framed and adopted by the Company in compliance with Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

APPLICABILITY

The Code is applicable to the following persons, hereinafter referred to as 'Directors and Senior Management Executives':

- All Members of the Board of Directors of the Company; and
- Officers/personnel of the Company who are members of the core management team excluding the Board of Directors and normally this shall comprise of all members of management one level below the Chief Executive Officer/Managing Director/WholeTime Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include the Company Secretary and the Chief Financial Officer ('**Senior Management Executives**').

Directors and Senior Management Executives are expected to read and understand this Code, uphold these standards in their day-to-day activities, and comply with all applicable laws, rules and regulations and all applicable policies and procedures adopted by the Company that govern the conduct of its employees.

The principles described in this Code are general in nature. Directors and Senior Management Executives should also review the Company's other applicable policies and procedures for more specific instruction. They may contact the Company Secretary, if they have any questions.

CODE OF CONDUCT

1. Board Members and senior managers/ executives shall act in the best interests of, and fulfill their fiduciary obligations to the Company within the authority conferred upon or delegated to them;
2. Board Members and senior managers/ executives shall act honestly, fairly, ethically and with integrity Exercise independent judgement on issues of strategy, performance and policy matters;
3. Board Members and senior managers/ executives shall conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
4. Board Members and senior managers/ executives shall deal fairly with all stakeholders;
5. Board Members and senior managers/ executives shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;



6. Board Members and senior managers/ executives shall not use the Company's property or position for personal gain;
7. Board Members and senior managers/ executives shall not accept from or give to stakeholders gifts or other benefits not customary in normal social intercourse; The Company regards the giving and receiving of gifts, complimentaries, favours or entertainment as inherently compromising unless they are of reasonable value (i.e. not extravagant) under the circumstances. This means they must have a valid business purpose; are appropriate as to time, place and kind; are infrequent in occurrence; do not influence or give the appearance of influencing the recipient; and are not likely to be viewed as a bribe, kickback or payoff. However, gifts of money shall never be accepted or given.
8. Board Members and senior managers/ executives shall not use any information or opportunity received by them in their capacity as Directors or senior management in a manner that would be detrimental to the Company's interests;
9. Board Members and senior managers/ executives shall act in a manner to enhance and maintain the reputation of the Company;
10. Dedicate sufficient time and attention to the Company's business to ensure diligent performance of their duties.
11. Endeavour to attend all the meetings of the Board and its Committees of which they are members or invitees and actively participate in discussion and decision making.
12. Bring to the attention of the Board, Chairman or the Managing or Whole-Time Director (as the case may be) as appropriate, any information or development either within the Company (relating to its employees or other stakeholders) or external, which could impact the Company's operations and which in the normal course, may not have come to the knowledge of the Board/Chairman or Managing or Whole-Time Director (as the case may be).
13. Board Members and senior managers/ executives shall disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing a decision on any matter in which the concerned Director has or may have a conflict or potential conflict of interest;
14. Board Members and senior managers/ executives shall respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors or senior management, i.e. Information concerning the Company or its business or its customers, suppliers etc., either formally or informally, to any person including press or publicity media, except when authorized or legally required to disclose such information or the Information is in public domain at the time of disclosure ;

SCAN STEELS LIMITED

15. Board Members and senior managers/ executives shall not use confidential information acquired in the course of their service as Directors or senior management for their personal advantage or for the advantage of any other entity or for Company's competitors who, if in possession of the said information, may use it in a manner inconsistent with the Company's interests and Preserve and protect Company's assets and resources (including information and intellectual property rights). The obligation of confidentiality shall continue even after such person ceases to be Director or Senior Management Executive of the Company.

16. Board Members and senior managers/ executives shall help create and maintain a culture of high ethical standards and commitment to compliance;

17. It is a conflict of interest to serve as a Director of any company that competes with the Company. The Directors and members of Senior Management are expected not to associate himself / herself with any competitor of Scan Steels Ltd.

18. Disclose any direct or indirect personal interest (financial or otherwise) in any matter relating to the business of the Company to the Board of Directors of the Company (**'the Board'**).

However, nominee directors appointed by institutions, which have invested in or lent to the Company, may act / continue to act as directors of other companies where they have been / may be nominated by such institutions.

If the members of the Senior Management are offered any directorship position, the respective member should not accept such directorship without obtaining prior consent of the Compliance Officer of the Company.

RELATED PARTIES

As a general rule, Directors and Senior Management Executives should avoid conducting Company business with a relative (as defined in the Companies Act, 2013), or with a business in which a relative is associated in any significant role. The Company discourages the employment of relatives of Directors and Senior Management Executives in positions or assignments within the same department. Further, the Company prohibits the employment of such individuals in positions that have a financial dependence or influence.

INSIDER TRADING

Directors and Senior Management Executives of the Company must ensure that they and their relatives comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Policy on the Insider Trading. In particular, Directors must ensure that they do not, by themselves or through third parties, deal in the Company's shares while in possession of material non-public information relating to the Company. Directors and Senior Management Executives must also ensure that they do not divulge such information to third parties except for a legitimate purpose as defined in the Company's Policy who may use the information to deal in the Company's shares.

CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

In addition to the code of conduct as applicable to all Directors and Senior Management Executives as above, the Independent Directors of the Company shall:

1. Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
2. Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
3. Strive to attend all meetings of the Board of Directors and of the Board committees of which they are members;
4. Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. Strive to attend the general meetings of the Company;
6. Attend the training programmes as may be organized by the Company in order to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.
7. Where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, they shall insist that their concerns are recorded in the minutes of the Board meeting;
8. Keep themselves well informed about the Company and the external environment in which it operates;
9. Not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
10. Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
11. Ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
12. Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
13. While acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
14. Not disclose confidential information including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Apart from the above, the role, functions and responsibilities of the Independent Directors shall be in accordance with Schedule IV of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

ENFORCEMENT

Violations of this Code or other Company Policies or Procedures by Senior Management Executives should be promptly reported to the Secretarial Department and violations by Members of the Board of Directors of the Company to the Chairman & Whole-Time Director. The Board has the power to investigate, in such manner as it may deem fit, any breach or violation or alleged breach or violation of the Code.



The Company will take appropriate action against any person whose actions are found to violate the Code or any other policy of the Company. Disciplinary actions may include immediate termination of employment at the Company’s sole discretion. The Board also has the absolute power to determine penalty for the same as it may consider appropriate under the circumstances.

Such penalty may be in addition to the penalty levied under any applicable law for the time being in force for such breach or violation.

MONITORING CODE COMPLIANCE

Each Director and members of senior management of the Company are expected to monitor his or her personal compliance with this Code. An annual reconfirmation of compliance with this Code is required of all directors and all members of the senior management of the Company and shall be forwarded to the Company Secretary of the Company as per the format specified hereunder within 30 days of close of every Financial Year ending on 31st March.

AMENDMENTS

- The Board may amend the provisions of this Code from time to time.
- Unless otherwise specified, such amendments shall be effective from the date of the Board meeting at which such amendments are approved. Policy was last amended on 28.03.2015.

ANNUAL AFFIRMATION

To
 The Board of Directors
 Scan Steels Limited
 104-105, “E- Square”, 1st Floor,
 Subhash Road,
 Opp. Havmor Ice Cream,
 Vile Parle (E), Mumbai – 400057

Ido hereby affirm that I have complied with the Code of Conduct for Board Members and Senior Management Executives of Scan Steels Limited during the financial year ended on 31st March_____.

Signature :

Name :

Designation :

Place :

Date :
