

CODE OF CONDUCT

I. Introduction

This Code of Business Conduct ("Code") shall be called "The Code of Conduct for Directors and Senior Management" of Essar Shipping Limited (the "Company" or "ESL"). The Code envisages that the Board of Directors and Senior Management including functional heads of the organization (collectively referred to as "Officers") to act within the bounds of the authority conferred upon them and with a duty to make and keep themselves informed about the development in the industry in which the Company is involved and the legal requirements to be fulfilled.

"Senior Management" means as defined under Regulation 16 (1) (d) of the SEBI (LODR) (Amendment) Regulation, 2018.

(Senior Management to include one level below chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer)

Senior Management shall affirm the compliance with the Code of Conduct on Annual Basis.

The Board appoints the Company Secretary as compliance officer for the purpose of this code.

The Board of Directors reserves the right to amend, alter or enlarge this Code at any time.

The Officers should conduct their activities in line with the following policies laid down by the Code and adhere and seek compliance thereto:

II. Principles and Conduct

1. Honest and Ethical conduct

The Officers shall deal on behalf of the company with professionalism, honesty and integrity.

2. Compliance with law

The Officers shall, in their business conduct, ensure compliance with all applicable laws, rules and regulations, in all the territories in which the Company operates and adhere to the reporting system thereunder.

3. Loyalty in employment

In consideration of employment with the Company, Executives have to devote their full attention to the business interests of the Company. Officers are prohibited from engaging in any activity that interferes with their performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the Company.

4. Other Directorships

The Company feels that serving on the Boards of other direct competitor companies may raise substantial concerns about potential conflict or interest. All Officers must report / disclose their relationship with other companies to the Board and as and when there is a change therein.

5. Conflict of interest

The Officers shall not engage in any business, relationship or activity, which may detrimentally conflict with the interest of company or the Essar group. The Directors disclosure of interest under section 184 of the Companies Act, 2013 shall be treated as sufficient compliance under this clause.

6. Insider Trading

The Officers shall have to comply with the Code of Conduct for Prevention of Insider Trading adopted by the Company.

7. Equal opportunities within the Company

The Officers shall ensure that equal opportunities are provided to all employees of the Company and all qualified applicants for employment, without regard to their race, caste,

religion, colour, ancestry, marital status, sex, age & nationality and that no discrimination or exploitation is done in this regard.

8. Health, safety and environment

The Officers shall strive to provide a safe and healthy working environment, both within the organisation and as part of the society and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory the Company operates in.

9. Use of the Essar brand

The Officers shall manage the use of the “ESSAR” trademark and brand in the manner authorised and in the best interest of the Company and the Essar Group.

10. Protection of Assets

The assets of the company should be employed for the purpose of conducting the business for which they are duly authorised and they should not be misused.

11. Confidentiality

The Officers shall maintain confidentiality of information entrusted to them by the Company or any other information about the Company that comes to them except when disclosure is duly authorised or required by any law or regulation.

12. Reporting concerns

The Officers shall promptly report to the management any actual or possible violation of this Code, or an event he or she becomes aware of that could affect the business or reputation of his/her or any Essar Group company.

13. Related Party Disclosures

The Directors and the Senior Management Personnel shall make disclosure to the Company with respect to any transaction with the Company in which such person is interested and in

respect of which a conflict of interest can arise between the Company and the person concerned including the name of the related party and the nature of relationship. Where any director is interested in any contract or arrangement with a related party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement. Such disclosure shall be in accordance with the Companies Act, 2013 and the accounting Standard (AS) 18 issued by the council of the Institute of Chartered Accountants of India in respect of "Related Party Disclosures"

14. Internal Control System

Directors and Senior Management Personnel should maintain and should cause the Company to maintain a proper and adequate system of internal controls for financial reporting.

III. Violation of the Code

The Company will take appropriate action against any Officer whose actions are found to violate the code or any other policy of the Company. Disciplinary action may include immediate termination of employment at the Company's sole discretion. In case the Company has suffered any losses, it may pursue for recovery of such losses against the individuals or entities responsible.

IV. Periodic Reporting of compliance

All Officers shall affirm compliance with the code on an annual basis at the end of financial year of the Company. Disclaimer The Code of Conduct is a statement of certain fundamental principles, ethics, values, policies and procedure that govern the Officers of the Company in the conduct of the Company's business. It is not intended to and does not create any rights in any way in clients, suppliers, shareholders and any other person or entity.

DUTIES OF INDEPENDENT DIRECTORS

Independent Directors, in addition to above duties, shall also perform the below mentioned duties:

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- b) seek appropriate clarifications or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- c) strive to attend all the meetings of the Board of Directors and of Board committees of which they are members;
- d) participate constructively and actively in the committees of Board in which they are chairpersons or members;
- e) strive to attend the general meetings of the Company;
- f) 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, insist that their concerns are recorded in the minutes of the Board meetings;
- g) keep themselves well informed about the company and the external environment in which it operates;
- h) not to unfairly obstruct the functioning of an otherwise proper Board or the Committee of the Board;
- i) 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;

- j) ascertain and ensure that the Company has an adequate and functional Vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- k) report concern about unethical behavior, actual or suspected fraud, or violation of company's code of conduct or ethics policy;
- l) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees; m. 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.

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