

VISA STEEL LIMITED

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

1. Short Title and Commencement

- i) This Code of Conduct for Prevention of Insider Trading in the securities of VISA Steel Limited framed under the Securities and Exchange Board of India shall be called “Code of Conduct for Prevention of Insider Trading”. The essence of the Insider Trading Regulations including the Code of Conduct for Prevention of Insider Trading is to lay down proper procedures within the organization for prevention of misuse of “price sensitive information” which Directors, Officers and Designated Employees may come across in their line of duty.
- ii) The Code of Conduct for Prevention of Insider Trading shall come into force on and from the date it is approved and adopted by the Board of Directors of the Company.
- iii) The Code of Conduct for Prevention of Insider Trading will be applicable to all the members of the Board of Directors, Officers and Designated Employees of the Company.

2. Definitions

- i) “Company” means VISA Steel Limited.
- ii) “Compliance Officer” means the Company Secretary of the Company.
- iii) “Dealing in Securities” means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any Securities by any person either as principal or agent.
- iv) “Dependents” include Spouse, Children and Parents.
- v) “Designated Employee” means Chief Financial Officer, Company Secretary, Executive Directors, Presidents, Vice-Presidents and General Managers of the Company.
- vi) ESOP means any Stock Option Plan or Scheme for the benefit of employees of the Company.
- vii) “Insider” means any person who is or was connected with the Company or is deemed to have been connected with the Company and who is reasonably expected to have access to unpublished price sensitive information in respect of

Securities of the Company or who has received or has had access to such unpublished price sensitive information.

- viii) “Officer” means any person as defined in section 2(30) of the Companies Act, 1956 including an Auditor of the Company.
- ix) “Price Sensitive Information” means any information which relates, directly or indirectly, to the Company and which if published is likely to materially affect the price of Securities of the Company. The following shall be deemed to be price sensitive information;
 - a) Declaration of financial results (quarterly, half-yearly and annual)
 - b) Declaration of dividends (interim and final):
 - c) Issue of Securities by way of public/rights/bonus, etc.;
 - d) Any major expansion plans or execution of new projects;
 - e) Amalgamation, mergers, takeovers and buy-back;
 - f) Disposal if whole or substantially the whole of the undertaking;
 - g) Any changes in policies, plans or operations of the Company.
- x) “Stock Exchange” means a Stock Exchange which is recognized by the Central Government or Securities & Exchange Board of India under section 4 of the Securities Contracts (Regulation) Act, 1956
- xi) “Unpublished” means information which is not published by the Company or its agents and is not specific in nature.
- xii) Terms not defined in the Code of Conduct for Prohibition of Insider Trading shall have the same meaning as assigned in the SEBI (Prohibition of Insider Trading) Regulations, 1992 or Companies Act, 1956 or rules framed thereunder.
- xiii) “Securities” means shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate and listed on any Stock Exchange in India or outside India.
- xiv) “Trading Window” means the period during which Directors/Officers and Designated Employees of the Company shall be permissible to deal in the Securities of the Company.
- xv) “Threshold Limit” means 20,000 Securities for Directors and 10,000 Securities for Officers and Designated Employees and their Dependents.

3. Duties of Compliance Officer

- i) The Compliance Officer shall report to the Managing Director.

- ii) The Compliance Officer shall be responsible for setting forth policies, procedures, preservation of “price sensitive information”, pre-clearing of trades, monitoring of trades and the implementation of the Code of Conduct for Prevention of Insider Trading under the overall supervision of the Board of Directors of the Company.
- iii) The Compliance Officer shall maintain a record of the Directors/Officers and Designated Employees of the Company and their Dependents and changes made therein.
- iv) The Compliance Officer shall assist all concerned in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Code of Conduct for Prevention of Insider Trading.
- v) The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the Directors, Officers and Designated Employees of the Company and their Dependents for a minimum period of three years.
- vi) The Compliance Officer shall place before the Investors’ Grievance Committee, on a quarterly basis, all the details of the dealing in the Securities by the Directors, Officers and Designated Employees of the Company and their Dependents.

4. Preservation of Price Sensitive Information

Directors, Officers and Designated Employees and their Dependents

- i. shall maintain the confidentiality of all price sensitive information. They shall not pass on such information to any person, directly or indirectly, by way of making a recommendation for the purchase or sale of Securities;
- ii. shall not either on his own behalf or on behalf of any other person, deal in Securities when in possession of any unpublished price sensitive information;
- iii. shall not communicate, counsel or procure, directly or indirectly, any unpublished price sensitive information to any person. However nothing contained here shall be applicable to any communication required in the ordinary course of business or profession or employment or under any law.

5. Need to Know

- i. Unpublished price sensitive information is to be handled on a “need to know” basis, i.e. unpublished price sensitive information should be disclosed only to those within the Company who need the information to discharge their duty

and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information:

- ii. All non-public information directly received by any employee should immediately be reported to the head of the department.

6. Limited Access to Confidential Information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

7. Prevention of misuse of “price sensitive information”

- i. When the Trading Window is closed, the Directors/Officers/Designated Employees and their Dependents shall not trade in the Company’s Securities during such period.
- ii. The Trading Window shall be, inter alia, closed atleast 7 days prior to the date of the meeting of the Board of Directors or any committee thereof to be held for any of the following matters :-
 - a) Declaration of financial results (quarterly, half-yearly and annual)
 - b) Declaration of dividends (interim and final):
 - c) Issue of Securities by way of public/rights/bonus, etc.;
 - d) Any major expansion plans or execution of new projects;
 - e) Amalgamation, mergers, takeovers and buy-back;
 - f) Disposal if whole or substantially the whole of the undertaking;
 - g) Any changes in policies, plans or operations of the Company.
- iii. The Trading Window shall be opened 24 hours after the unpublished price sensitive information is disclosed to the Stock Exchanges.
- iv. All Directors, Officers and Designated Employees of the Company and their Dependents shall conduct all their dealings in the Securities of the Company only in a valid Trading Window and shall not deal in any transaction involving the purchase or sale of the Company’s Securities during the periods when Trading Window is closed.
- v. No Director, Officer or Designated Employee shall conduct any dealing in the securities of the Company during the closure of the Trading window. In case of ESOPs (Employee Stock Option Plan), exercise of option may be allowed during the period when the Trading Window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when Trading Window is closed.

8. Pre-clearance of trades

- i) All Directors, Officers and Designated Employees of the Company who intend to deal in the Securities of the Company above the Threshold Limit should pre-clear the transactions as per the pre-dealing procedure as described hereunder. Exercise of Options under ESOPs (Employee Stock Option Plan) shall not require any such clearance.
- ii) An application shall be made in Form A.
- iii) An undertaking shall be executed in favour of the Company by such Directors, Officers and Designated Employees of the Company in Form B.

9. Other Restrictions

- i) All Directors, Officers and Designated Employees of the Company and their Dependents shall execute their order in respect of Securities of the Company within 7 days after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the Director, Officer and Designated Employees and their Dependents must pre-clear the transaction again.
- ii) All Directors, Officers and Designated Employees of the Company and their Dependents, who buy or sell any number of shares of the Company, shall not enter into an opposite transaction, i.e. sell or buy any number of shares, during the next six months following the prior transaction.
- iii) Exercise of Options under the ESOP Scheme of the Company will not be covered under the above mentioned restriction. However on sale of shares allotted on exercise of Options, any subsequent purchase will be subject to the aforesaid restriction on entering into opposite transaction.
- iv) In case of subscription in the primary market (IPOs), the above mentioned entities shall hold their investments for a minimum period of 30 days, commencing from the date of allotment.
- v) In case the sale of Securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/her reasons in this regard.

10. Reporting Requirements for Transactions in Securities

- i) All Directors, Officers and Designated Employees of the Company and their Dependents shall be required to forward monthly statement of details of their Securities transactions including the statement of dependents to

the Compliance Officer in Form C. In case no transactions has been executed, nil statement is not required to be sent

- ii) All holding in Securities of the Company by Directors, Officers and Designated Employees of the Company and their Dependents within two working days of joining the Company;
- iii) Annual statement of all holdings in Securities in April each year in Form C-1.
- iv) Any person who is a Director or Officer of the Company, shall disclose to the Company and the Stock Exchanges where the securities are listed in Form D within two working days, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings of such person and his dependent from the last disclosure made and the change exceeds Rs.5 lakh in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower.

11. Penalty for Contravention of the Code of Conduct for Prevention of Insider Trading

- i) Any Director, Officer and Designated Employee of the Company and their Dependents who trades in Securities or communicates any information for trading in Securities, in contravention of the Code of Conduct for Prevention of Insider Trading may be penalized and appropriate action may be taken by the Company.
- ii) Directors, Officers and Designated Employees of the Company who violate the Code of Conduct for Prevention of Insider Trading shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligible for future participation in employee stock option plans, etc.
- iii) The action by the Board of Directors shall not preclude Securities & Exchange Board of India from taking any action in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 1992 and SEBI shall be informed by the Company.

12. The Board of Directors of the Company may from, time to time vary, modify or replace one or more provisions of the Code of Conduct for Prevention of Insider Trading.

FORM A

The Compliance Officer
VISA Steel Ltd
“Brooke House”, 2nd Floor
9, Shakespeare Sarani,
Kolkata-700071

Date.

Sub: Application for pre-clearance of Securities transaction

Dear Sir,

I / my Dependents wish to purchase/sale the undermentioned Equity Shares of Your Company for which I would request you to please grant me your pre-clearance under the Code of Insider Trading for Prevention of Insider Trading. The duly filled undertaking required by you for the purpose is enclosed.

No. of Equity Shares

Name of your Depository Participant

DP ID

Client ID

Yours faithfully,

Encl: as above

FORM B

The Compliance Officer
VISA Steel Ltd
“Brooke House”, 2nd Floor
9, Shakespeare Sarani,
Kolkata-700071

Date

Sub: Undertaking for pre-clearance of Securities transaction

Dear Sir,

In terms of the requirements of Code of Conduct for Prevention of Insider Trading I by myself and on behalf of my Dependents hereby undertake:

- a) That I do not have any access or have not received “price sensitive information” up to the time of signing the undertaking;
- b) I am not doing any self-dealing and do not possess any price sensitive information by virtue of my office
- c) That in case I have access to or receive “price sensitive information” after the signing of the undertaking but before the execution of the transaction I shall inform the Compliance Officer of the change in my position and that I would completely refrain from dealing in the Securities of the Company till the time such information becomes public;
- d) I will not carry forward, but take delivery of the security/(ies) applied for purchase, and in the case of sale, will not sell short.
- e) I shall execute my order within one week of obtaining the pre-clearance
- f) That I have not contravened the Code of Conduct for Prevention of Insider Trading;
- g) That I have made full and true disclosure in the matter.

Yours faithfully,

FORM C

Monthly Statement of Transaction

Date

A. Self

Name	No. of Securities held 1 st	31 st	DPIDNo. / ClientID.No	Dt. Of Purchase	Date of Sale
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B. Dependents

Name	No. of Securities held 1 st	31 st	DPIDNo. / ClientID.No	Dt. Of Purchase	Date of Sale
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I hereby declare that, in respect of the Securities purchased / sold as mentioned above, there has been no opposite transaction during the previous 6 months from the date of the above transaction.

Signature

FORM C-1

Annual Disclosure of Shareholding – VISA Steel Limited

Date .. April 2010

A. Self

Name	No. of Securities held		DP ID No. / Client ID No.	Remarks
	On 1 st April 2009	on 31 st March 2010		

B. Dependents

Name	No. of Securities held		DP ID No. / Client ID No.	Remarks
	On 1 st April 2009	on 31 st March 2010		
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I hereby declare that, in respect of the Securities as mentioned above, there has been no opposite transaction, i.e. buy / sell or sell / buy during the previous 6 months.

Signature

