

Message from the Chairman

Dear Colleague,

I am happy to formally introduce The Code (Business Ethics and Code of Conduct), which envisages the basic principles under which we conduct our business, deal with the outside world, regulators and also with each other. These guidelines are also meant to create awareness of ethical issues that we may encounter in our daily business activities.

I advise you to read The Code thoroughly, adhere to both the letter and spirit of what it says, and use it as your guide to make the right decisions and take the right actions – for our customers and all our stakeholders. This will help us to preserve the have assisted us in all our past success and will contribute to our success in the future.

Sincerely,

Navin Agarwal

Chairman

This Business Ethics Policy and Code of Conduct (The Code) is a reference document inter-alia outlining the standard code of conduct for The Madras Aluminum Company Limited (MALCO) and for its employees (directors, officers and employees).

The Code is for internal compliance and does not create, nor shall it be construed to create, directly or implicitly, any duties or obligations of 'MALCO' to any person, body or legal entity.

The English version of this policy is the original.

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Malco on Business Ethics

Malco's reputation is our most valuable asset. How we conduct ourselves day to day – with each other, our customers, our shareholders, our Competitors and our suppliers – is the basis of our reputation as an ethical Company. Our customers and other stakeholders expect us to maintain the highest ethical standards, to fulfill our commitments and to act with complete integrity. Our reputation is important and we must do everything to protect it by making sure that our actions and policies are not only legal, but also in line with the highest level of business ethics and personal integrity.

Uncompromising business ethics are an integral part of Malco's values and of our way of doing business. We should be honest in every situation and ethical in all our business practices. Our reputation is determined by the smallest fraction.

The Code is an important part of Malco's Mission & Values, where we highlight principles and standards for our global business conduct. The Code guides our behavior and helps us to promote:

- Honest and ethical conduct, the ethical handling of conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in reports and documents that Malco files with or submits to relevant authorities and in other public communications;
- Compliance with applicable governmental laws, rules and regulations;
- The prompt internal reporting to an appropriate person or persons identified in this Code;
- Accountability for adherence to this Code.

The Code expresses the principles of our business ethics and is intended to assist all directors, officers and employees in meeting the high standards of personal and professional integrity required of them. Strict adherence to the provisions of this Code is a condition of employment.

Malco and all Malco employees must conform to the Code. All Malco managers should take an active role in implementation and ensuring that the Code is communicated and kept alive under all circumstances.

Malco Business Ethics Standards

High business ethics and integrity by letter and spirit ensures our credibility.

Malco demands the highest standards in carrying out the business activities:

Malco and its employees shall conform to the relevant laws and regulations of the countries in which they operate and fulfill their obligations in a reliable manner. They must insist on honest and fairness in all aspects of their business and expect the same from their partners. In any situation not governed by statute or explicit regulations, or where the law is ambiguous or conflicting, Malco's affairs will be conducted in accordance with its high standard of business practice.

Breaches of the law, regulations or the standards are not justified by the pursuit of profit

and

Activities are not made acceptable merely by the practice of competitors or others in the market.

Malco shall also responsibly comply with the business principles guiding our company activities and relationship worldwide.

Malco subscribes to the basic principles in the International Chamber of Commerce, ICC, Rules of Conduct, 1999 Revised Edition (Annexure I, refer page 20.) and the Organization of Economic Co-operation and Development (OECD) Convention from 1997 (Annexure II, refer page 24.).

Business Ethics – The Code

Malco expects all its employees to uphold the highest standards of ethical behavior and integrity. We believe that ethical and economic values are interdependent and that the business community must always strive to operate within the accepted norms established by national and international authorities.

Guidelines

- Apply “zero tolerance” in assuring strict adherence to local and international laws and regulations as well as to Malco ethical standards.
- Ensure all Malco business transactions are fully and fairly recorded according to the company’s accounting principles.
- Ensure continuous training and awareness for employees on how to handle, ethical issues, as well as timely advice and guidance.
- Regularly monitor ethical conduct and ensure that accessible systems are in place for employees or others to report potential violations.

Business Relationship

Customer Identification

Malco believes in exercising due care and diligence in establishing business relations with its customers and counter parties. Our employees must adhere to the key principle of customer identification. The identity of every customer must be established from reliable identifying source or materials or documents.

Supplier

Malco has high stakes in the procurement of goods and services. We recognize that we need to manage this expenditure from social, ethical and environmental perspective by ensuring that our suppliers meet our high standards for responsible behavior. To achieve this aim – social, ethical and environmental considerations will become integral part of how we evaluate and select our suppliers.

There are two areas of focus for procurement activity:

Ethics

We are highly ethical company. We expect our suppliers to be ethical too. Our procurement processes aims to surface ethical issues. Where serious ethical issues are identified; supplier will be excluded from doing business with us.

Environment

Our procurement process will ensure that we take all possible steps to make sure our suppliers don't unnecessarily impact the environment in the way they produce, consume and dispose off materials.

We aim actively to ensure that due regard is given to each of these issues in every managed procurement by Malco.

Conflicts of interest

An employee's primary employment obligation is to the Company. Malco's employees shall avoid entering into any situation in which their personal or financial interests may conflict with those of the Company.

No Malco employee shall seek or accept any payment, personal gift or entertainment which might reasonably be believed to influence business transactions or which are not within the bounds of customary business hospitality.

General Principles: Business decisions and actions must be based on the best interests of the Company, and must not be motivated by personal considerations or relationships. Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect our independent and sound judgment on behalf of the Company. General guidelines to help employees better understand several of the most common examples of situations that may cause a conflict of interest are listed below. However, employees are required to disclose to the Legal Advisor any situation that may be, or appears to be, a conflict of interest. When in doubt, it is best to disclose.

Senior Officers: Senior officers must disclose to the board of directors any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest.

Outside Employment: Employees may not work for or receive payments for services from any competitor, customer, distributor or supplier of the Company without the advance approval of the Chairman / Board. Any outside activity must be strictly separated from the Company employment and should not

harm the Company's interests, the business of the Company or job performance at the Company.

Family Members and Close Personal Relationships:

Employees may not seek to obtain special treatment from the Company for family members or friends or for businesses in which family members or friends have an interest.

Investments: Employees may not allow their investments to influence, or appear to influence, their independent judgment on behalf of the Company. The appearance of a conflict of interest is most likely to arise if an employee has an investment in a competitor, supplier, customer, or distributor and his decision may have a business impact on this outside party. If an employee has any doubt about how an investment might be perceived, it should be disclosed to the Legal Advisor of the Company.

Malco expects from its employees a sound level of allegiance to the Company. This includes adherence to the non-competing ethics by persons possessing significant confidential information.

Confidentiality and Protection of Assets

An employee is required to keep confidential or not to disclose or use the confidential information belonging to the Company or belonging to a third party which has been received by Malco pursuant to a confidentiality agreement or received by Malco in circumstances where it is clear / evident that the information is proprietary and confidential. Further more, employees shall comply with the terms of all confidentiality or other agreements relating to information received from third parties. The foregoing shall not apply where the disclosure is made with the written consent of Malco or where law requires the disclosure. Such

confidential information must be given up to the Company when the employee leaves the Company's employment.

The following is a non-exclusive list of confidential information:

- (a) The financial and sales results of the Company, before they are in the public domain.

- (b) Trade secrets, including any business or technical information, such as formulae, recipes, process, research programmes or information that is valuable because it is not generally known.

- (c) Any invention or process developed by an employee using Malco's facilities or trade secret information resulting from any work for Malco.

- (d) Proprietary information such as customer sales lists and customers' confidential information.

- (e) Any transaction that the Company is or may be considered which had not been publicly disclosed.

Corporate Opportunities

No employee, officer or director of the Company shall for personal or any other person's or entity's gain deprive the Company of any business opportunity or benefit which could be construed as related to any existing or reasonably anticipated future activity of the Company.

Employees are prohibited from:

- 1) Taking for themselves personally opportunities that are discovered through the use of the Company's property, information or position;
- 2) Using Company's property, information or position for personal gain; and
- 3) Competing with the Company.

Employees who learn of such opportunity through their association with the Company may not disclose it to a third party or invest in the opportunity without first offering it to the Company.

Employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises

Insider Trading

The officers and directors of the Company have a responsibility to take reasonable steps to ensure that the officers, directors and employees of the Company are not engaging in improper insider trading. The Company's Insider Trading Policies provide that no employee of the Company or member of his / her immediate family sharing the same household shall directly or indirectly

purchase or sell any securities of the Company while he she is in possession of material non-public information affecting the Company. Also employees may not 'tip' others about important information regarding the Company and in general should keep information pertaining to the Company confidential. Failure to comply with the Code could result in disciplinary action by the Company and severe criminal and civil penalties.

Fraud

Malco is committed to the elimination of fraud to the rigorous investigation of any suspected cases of fraud and where fraud or other criminal act is proven to ensure that wrong doers are appropriately dealt with.

Bribery and Corruption

No employee shall offer or provide an undue monetary or other advantage to any person or persons including public officials, customers, employees in violation of laws and the officials “or employees” legal duties, in order to obtain or retain business.

Intermediaries

Agreements with consultants, brokers. Sponsors, agents or other intermediaries shall not be used to channel payments to any person or persons, including public officials or customer employees and thereby circumvent Malco policies regarding bribery and corruption.

Political Contributions

No funds or assets of the Company may be contributed to any political party or organization or to any individual who either holds public office or is a candidate for public office except where such a contribution is permitted by applicable law and has been authorized by the Chairman or Vice Chairman.

Antitrust Compliance

Malco is committed to fair and open competition in markets around the world. Malco and its employees shall under no circumstances engage in any anti – competitive practices such as illegal fixing of prices, sharing of markets or other actions which prevent, restrict or distort competition in violation of applicable antitrust laws.

Health, Safety and Environment

The health and safety of our employees and any other person who may be affected by the Company's operations is of paramount importance. The Company and its employees shall act positively to prevent injury, ill health, damage and loss arising from its operations as well to comply with all regulatory or other legal requirements pertaining to safety, health and the environment.

All employees of the Company are required to be aware of health, safety and environmental issues and to be familiar with applicable laws and Company's policies applicable to their area of business / work.

Disclosure and Records

All Malco business transactions must be fully and fairly recorded in accordance with Malco's accounting principles and other appropriate requirements, Improper or fraudulent documentation or reporting is contrary to the requirements and Malco's philosophy and code.

Malco has a responsibility to communicate effectively with shareholders so that they are provided with full and accurate information, in all material respects, about the Company's financial condition and results of its operations. All public

communications, including reports and documents filed or submitted to relevant statutory authorities shall include full, fair, accurate and understandable disclosure and shall be made in a timely manner.

Violations and Corporate Policies

Each employee is responsible for ensuring that his or her conduct and the conduct of anyone reporting to the employee fully comply with the policies governing the Company's business dealings. Compliances, both personal and by subordinates, will be a factor in periodic performance appraisals. Violations of any of the policies will result in appropriate action, up to and including, discharge from employment. An individual or individuals may also face civil or criminal penalties.

Responsibility and Implementation

However, the standards addressed in Malco's Mission & Values and the Code represent the core of the Company's culture and commitment. Company wide uniform compliance is essential – every employee is responsible for upholding these principles.

Additional Responsibility of Directors and Senior Officers:

Directors and senior officers are expected to demonstrate leadership on ethical matters and to observe the highest standards of ethical conduct. These individuals are responsible for promoting open and honest communications within the Company and must show respect and consideration for each employee of the Company. They must at all times be diligent in observing this Code and in being alert for instances of unethical or illegal conduct.

Whistle Blowing

Malco takes a very serious view of any fraudulent behavior, serious malpractices or any other violation of this Code. If evidence of such occurrence comes to light, it will be dealt with quickly and disciplinary action will be taken against any employee found guilty of such actions. The disciplinary action taken will be appropriate to the violation, up to and including dismissal.

Any employee who suspects or has reasonable doubts of any such violation of this Code or other serious misconduct is encouraged to report the same. Such an employee who reports such violation / misconduct shall be protected from reprisals and his confidentiality shall be maintained. Any victimization of employees reporting malpractice or attempt to deter them from raising such a concern will be treated as a serious disciplinary offence.

Reporting Procedure: If any employee reasonably suspects that there are violations of this Code or other serious misconduct then he / she should report this immediately to their own line manager (immediate superior).

Administration and Waiver of Code Ethics

This Code shall be administered and monitored by the Company's board of directors.

Employees of the Company are expected to follow this Code, and to represent the Company in a responsible manner in all regions / territories, at all times. Generally, there should be no waivers to this Code. However, in rare circumstances conflicts may arise that necessitate waivers. Waivers will be determined on a case-to-case basis by the CEO of the Company.

Waivers for directors, executive officers and senior financial officers, however, must be determined by the Board of Directors. For members of the Board of Directors, executive officers and senior financial officer, the Board of Directors shall have the sole and absolute discretionary authority to approve any deviation of waiver from this Code.

Conclusion

Ethics is no longer a luxury – it is an essential ingredient for a success of any enterprise. Ethics is a need to save us, to make us competitive in the world market.

The Code provides the framework for all of us to live our Values as outlined in the Basic Elements:

“Our people make the difference. We treat people with respect, fully utilize their potentials and promote diversity. We conduct our business in an ethical and environmentally friendly manner, complying with the laws and providing a safe and satisfying work culture”.

This Code shall be reviewed on regular intervals to ensure it remains applicable to the challenges we face in a dynamic business environment.

ANNEXURE – 1

ICC – International Chamber of Commerce Rules of Conduct to Combat Extortion and Bribery

Introduction

These Rules of Conduct are intended as a method of self-regulation by international business, and governments should also support them. Their voluntary acceptance by business enterprises will not only promote high standards of integrity in business transactions, whether between enterprises and public bodies or between enterprises themselves, but will also form a valuable defensive protection to those enterprises which are subjected to attempts at extortion.

These Rules of Conduct are of a general nature constituting what is considered good commercial practice in the matters to which they relate but are without direct legal effect. They do not derogate from applicable local laws, and since national legal systems are by no means uniform, they must be read *mutatis mutandis* subject to such systems.

The business community objects to all forms of extortion and bribery. It is recognized, however, that under current conditions in some parts of the world, an effective programme against extortion and bribery may have to be implemented in stages. The highest priority should be directed to ending large-scale extortion and bribery involving politicians and senior officials. These represent the greatest threat to democratic institutions and cause the gravest economic distortions. Small payments to low-level officials to expedite routine approvals are not condoned. However, they represent a lesser problem.

When extortion and bribery at the top levels is curbed, government leaders can be expected to take steps to clean up petty corruption.

Basic Principle

All enterprises should conform to the relevant laws and regulations of the countries in which they are established and in which they operate, and should observe both the letter and the spirit of these Rules of Conduct.

For the purposes of these Rules of Conduct, the term “enterprise” refers to any person or entity engaged in business, whether or not organized for profit, including any entity controlled by a State or a territorial subdivision thereof; it includes, where the context so indicates, a parent or a subsidiary.

Basic Rules

Article 1: Extortion

No one may, directly or indirectly, demand or accept a bribe.

Article 2: Bribery and “Kickbacks”

- a.) No enterprise may, directly or indirectly, offer or give a bribe and any demands for such a bribe must be rejected.
- b.) Enterprises should not (i) kick back any portion of a contract payment to employees of the other contracting party, or (ii) utilize other techniques, such as subcontracts, purchase orders or consulting agreements, to channel payments to government officials, to employees of the other contracting party, their relatives or business associates.

Article 3: Agents

Enterprises should take measures reasonably within their power to ensure:

- a) That any payment made to any agent represents no more than an appropriate remuneration for legitimate services rendered by such agent:
- b) That no part of any such payment is passed on by the agent as a bribe or otherwise in contravention of these Rules of Conduct: and
- c) That they maintain a record of the names and terms of employment of all agents who are retained by them in connection with transactions with public bodies or State enterprises. This record should be available for inspection by auditors and, upon specific request, by appropriate, duly authorized governmental authorities under conditions of confidentiality.

Article 4: Financial Recording and Auditing

- a) All financial transactions must be properly and fairly recorded in appropriate books of account available for inspection by boards of directors, if applicable, or a corresponding body, as well as, auditors.
- b) There must be no “off the books” or secret accounts, nor May any documents be issued which do not properly and fairly record the transactions to which they relate.
- c) Enterprises should take all necessary measures to establish independent systems of auditing in order to bring to light any transactions, which contravene the present Rules of Conduct. Appropriate corrective action must then be taken.

Article 5: Responsibilities of Enterprises

The board of directors or other body with ultimate responsibility for the enterprise should:

- a) Take reasonable steps, including the establishment and maintenance of proper systems of control aimed at preventing any payments being made by or on behalf of the enterprise which contravene these Rules of Conduct;
- b) Periodically review compliance with these Rules of Conduct and establish procedures for obtaining appropriate reports for the purposes of such review; and
- c) Take appropriate action against any director or employee contravening these Rules of Conduct.

Article 6: Political Contributions

Contributions to political parties or committees or to individual politicians may only be made in accordance with the applicable law, and all requirements for public disclosure of such contributions shall be fully complied with. All such contributions must be reported to senior corporate management.

Article 7: Company Codes

These Rules of Conduct being of a general nature, enterprises should, where appropriate, draw up their own codes consistent with the ICC Rules and apply them to the particular circumstances in which their business is carried out. Such codes may usefully include examples and should enjoin employees or agents who find themselves subjected to any form of extortion or bribery immediately to report the same to senior corporate management. Companies should develop clear policies, guidelines, and training programmes for implementing and enforcing the provisions of their codes.

ANNEXURE – II

The Organization for Economic Co-operation and Development [OECD] Convention

On December 17, 1997, representatives of 34 states signed a new Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The Convention was negotiated under the auspices of the OECD; signatories include all 29-member states of the OECD (including the United States) as well as five non-members. According to the Preamble to the Convention. The goal of the agreement is to combat the “widespread phenomenon” of bribery in international business transactions. As the Preamble puts it, bribery “raises serious moral and political concerns, undermines good governance economic development, and distorts international competitive conditions.”

Article 1 of the Convention obliges states to criminalize certain forms of bribery. Article 1(1) provides: Each Party shall take such measures as may be necessary to establish that it is a criminal offence under its law for any person intentionally to offer, promise or give any pecuniary or other advantage, whether directly or through intermediaries, to a foreign public official, for that official or for a third party, in order that the official act or refrain from acting in relation to the performance of official duties, in order to obtain or retain business or other improper advantage in the conduct of international business.

The crux of the convention is that while each company should respond in a way that meets its own specific needs, the following four steps will apply to virtually every company engaged in international commerce.

1. Review sources of risk.

Given the rapid changes in the ways that many companies are doing business, every company should evaluate – and periodically re – evaluate its potential sources of FCPA (Foreign Corrupt Practices Act) problems. Most issues arise from the activities of sales personnel, local sales agents, local business consultants, and joint venture partners. Other problems may result from business entertainment practices or from local litigation and tax assessment matters. Companies should consider whether its policies and procedures are adequate to address its current and anticipated risks.

2. Educate corporate personnel about the convention and the FCPA.

Merely circulating a policy, without more, does little to assure that the employees who may encounter potential FCPA (Foreign Corrupt Practices Act) problems will recognize the significance of the situation and seek appropriate guidance. Periodic training sessions, including efforts to train new employees, can reduce the chance that a violation will occur. Such training should not overlook foreign-based employees, who have a particularly great need to know that the laws of many countries have changed to prohibit the bribery of foreign officials. While this may not change the substance of the legal requirements that apply to these individuals, they should understand that enforcement efforts could come from sources other than home country.

3. Re-examine anti-bribery monitoring mechanisms.

Even the most carefully drafted policy cannot be effective in preventing violations without procedures to monitor and enforce compliance. This may require some form of periodic auditing, supplemented by annual certifications from relevant personnel that they have adhered to the policy.

Most importantly, indications of potential violations should be investigated and resolved with appropriate remedial and disciplinary action, if necessary. Just as implementation of the Convention depends upon credible enforcement. Corporate personnel need to know that senior management will insist upon compliance with company anti-bribery policies.

4. Review anti-bribery compliance obligations with regard to joint venture partners.

Given the large number of nations that have joined the OECD Convention, the laws applicable to joint venture partners are likely to have changed. Any new legal obligations of joint venture partners should be discussed directly, with a clear focus on the partners' intentions for compliance mechanisms. While a joint venture partner may violate its domestic anti-bribery law in away that does not implicate its offshore partner, little good can come of an investigation of the joint venture by foreign authorities.

POLICY ON PROHIBITION OF SEXUAL HARASSMENT

1. Introduction

The Madras Aluminium Company Ltd. (MALCO) has an approved Business Ethics & Code of Conduct Policy under which every employee is expected to maintain highest level of integrity and ethical behaviour. However, a need is being felt to have a separate policy to handle any cases related to sexual harassment.

MALCO ('Company') as part of Vedanta Group is an equal opportunity employer and believes in providing opportunity and key positions to women professionals. While it has been the endeavor of the Group to encourage women professionals, at the same time the Company feels that proper policies should be in place to tackle issues relating to safe and proper working conditions for women.

The proposed policy of the Company on Prohibition of Sexual Harassment (for sake of brevity referred to as the 'Policy') is guided by the Hon'ble Supreme Court Guidelines (Annexure-1) on Sexual Harassment, which forms part of the Company's Policy. The Policy has been approved by the MALCO Management Committee (MMC).

Genesis of the Supreme Court Guidelines on Prohibition of Sexual Harassment.

VISHAKA VS STATE OF RAJASTHAN CASE.

Vishaka, a non-governmental organization, filed a petition following an alleged gang rape of a social worker in Rajasthan. The petition sought an enforcement of fundamental rights of working women under Article 21 of the Constitution. In the absence of any specific law against sexual harassment,

the Court laid down some guidelines. It was after this case that sexual harassment came to be categorized as human rights violation.

The Hon'ble Supreme Court in the case of Vishaka and Others Vs. State of Rajasthan and Others (JT 1997(7) SC 384) has laid down guidelines and norms to be observed to prevent sexual harassment of working women.

2. Definition and Explanation:

It has been laid down in the above mentioned judgement that it is the duty of the employer or other responsible persons in working places or other institutions to prevent or deter the commission of acts of sexual harassment and to provide the procedure for the resolution, settlement or prosecution of acts of sexual harassment by taking all steps required. For this purpose, sexual harassment includes such unwelcome sexually determined behaviour (whether directly or by implication) as:-

- a) Physical contact and advances;
- b) Demand or request for sexual favour/ implied or expressed threat of reprisal, for refusing to comply with a sexual request;
- c) Sexually colored remarks;
- d) Showing pornography;
- e) Any other unwelcome physical, verbal or non-verbal conduct of sexual nature.
- f) Reprisal or threat of reprisal against an individual for any action they take following this policy and its procedures.
- g) Any implied or expressed reward for complying with a sexually oriented advance or request.

What is NOT Sexual Harassment?

Sexual harassment does not refer to normal conversation that all parties affected find acceptable. It does not refer to office relationships that are freely entered into without intimidation or coercion.

3. Disciplinary Action:

Any act of sexual harassment of women employees is definitely unbecoming of an employee of the Company and amounts to misconduct. Appropriate disciplinary action should be initiated in such cases against the delinquent employee in accordance with the rules.

(i) No employee of the Company shall indulge in any act of sexual harassment of any woman at her work place.

(ii) Every HOD/ (Head of Department)/ SUB Head/Branch Head who is in-charge of a work place shall take appropriate steps to prevent sexual harassment to any woman at such work place.

4. Ethics & Morality Committee (EMC):

As per the Supreme Court guidelines there should be a Committee headed by a woman to enquire into complaints received from the women employees. The following will be the members of the Ethics & Morality Committee (referred to as the 'Committee'/'EMC'):

- a. Representative on any NGO/or anybody who is familiar with the issue of sexual harassment.
- b. Two women employees, one each representing the office and plant:

- c. One external woman to be nominated from the MALCO Vidyalaya;
- d. Company Secretary/Legal Head of the Company/Group
- e. HR Head /Representative from HR Department;

The members will be nominated by the MALCO Management Committee (MMC) headed by the CEO/Director/Head Operations. The nominated members will elect one of the members amongst themselves to be the Chairman of the Committee. The Committee is free to call/organize meetings to review the complaints received from time to time and shall endeavor to meet atleast once in every quarter. The Committee will be free to organize awareness session about sexual harassment and will also examine any other issues related indecent/improper behavior. The Committee will present its finding to the CEO/Head Operations and Head HR.

5. Complaint Mechanism:

Whether or not such conduct constitutes an offence under law or a breach of the service rules, an appropriate complaint mechanism, should be created in the Company for redressal of the complaint made by the victim. Complaints related to sexual harassment can be notified to the 'Ethics & Morality Committee' (EMC) and or can also be sent to maemc@vedanta.co.in. The Complaints received should be enquired by person/committee nominated by the CEO/Head Operations of the Company in consultation of the and where the complainant includes the CEO/Head Operations, then in that case by the Chairman of the Company. The following is the detailed Complaint Procedure applicable to all employees.

- a) Formal complaints must be filed in writing and signed by the complainant. Forms can be collected from the Human Resource Department. The complainant must send the completed form to the Head of Human Resources, marked "Confidential."

b) The alleged offender will be advised and provided with a copy of the complaint. The HOD(s) of both parties will also be advised that a complaint has been filed.

c) The investigation will be delegated to two members of the Investigative Committee, one male, one female, neither of whom works in the same department as either party, and the Head of Human Resources.

d) The investigators will interview both parties, and any witnesses. During investigative interviews, both parties have the right to be accompanied by a co-worker, or another support person.

e) The investigators must complete the investigation and file a report to the CEO/Head Operations within five (5) working days of receiving the complaint.

f) The CEO/Head Operations will determine what action, including appropriate disciplinary action if any, is to be taken. This decision and the rationale for the decision shall be communicated in writing to both parties and the Investigative Committee.

g) In particular, the Ethics & Morality Committee should ensure that the victim or witnesses are not victimized or discriminated against while dealing with complaints of sexual harassment.

6. Rights of an Alleged Offender:

Alleged offenders have the right:

- a) To be informed that a complaint has been filed.
- b) To have a copy of the complaint, stating the allegation(s) and the name of the complainant.
- c) To respond to the allegation(s).
- d) To be accompanied during investigative interviews by a co-worker, or another support person.
- e) To be informed in writing of the CEO's/Head Operations decision on what action, if any, will be taken and the reasons for that decision.
- f) To discuss the matter with an Advisor.

7. Responsibilities of a Manager or HOD:

Managers and HODs are responsible for ensuring that the workplace is free from sexual harassment.

A. Take preventive action

Managers /HODs are required to discuss the policy at staff meetings and make sure that all employees and supervisory staff are aware of what action to take if harassment occurs. Managers/HODs must also set the appropriate standard of conduct through their own behavior.

B. When approached by an employee with a complaint

Managers/HODs must be supportive and explain what options are available and how to contact an Advisor if the complainant wishes to do so. Managers/HODs should also find out how the employee prefers to deal with the situation and address any concerns the employee may have about filing a formal complaint. Finally, Managers/HODs must keep a confidential record of all pertinent information.

C. If the employee files a formal complaint

Managers/HODs must provide assistance as required and be available to discuss any concerns that the employee may have. Cooperation with the members of the Investigative Committee is also required.

D. If the employee chooses not to file a formal complaint

Managers/HODs must explain to the employee that they are required under the policy to take action even in the absence of a formal complaint. If the allegation is a very minor form of sexual harassment, it may be appropriate to resolve the situation informally. Before proceeding, Managers/HODs must confirm their assessment by consulting with Human Resources. If the allegation is sexual harassment, a formal investigation must be undertaken. Before proceeding, Managers/HODs must contact Human Resources or Sexual harassment Committee for advice and assistance. Once a course of action is decided upon, Managers/HODs are required to inform the employee about what action will be taken and address any concerns that she or he may have.

8. Awareness: Awareness of the right of female employees in this regard should be created in particular by prominently notifying the guidelines (copy enclosed) in a suitable manner.

9. Notification:

All Departments, Sales Depot, Branches, subsidiary companies, if any are requested to direct to notify the Policy related to Prohibition of Sexual Harassment and ensure implementation.

10. Attention in this connection is invited to the Standing Orders (amended) which provides that every employee shall at all times do nothing, which is unbecoming of an employee of MALCO/Vedanta Group. Any act of sexual harassment of women employees is definitely unbecoming of an employee of the Company and amounts to misconduct. Appropriate disciplinary action should be initiated in such cases against the delinquent employee in accordance with the rules.

11. Third Party Harassment: Where sexual harassment occurs as a result of an act or omission by any third party or outsider who is entering the Company premises or with whom the Company has business association, the Company will take all steps necessary and reasonable to assist the affected person in terms of support and preventive action.

12. The Policy will be reviewed from time to time by the Committee and changes, if any will be approved by the Malco Management Committee (MMC).

ANNEXURE-A

Copy of Guidelines and norms laid down by the Hon'ble Supreme Court in Vishaka and Others Vs. State of Rajasthan and Others (JT 1997 (7) SC 384)

HAVING REGARD to the definition of 'human rights' in Section 2 (d) of the Protection of Human Rights Act, 1993, TAKING NOTE of the fact that the present civil and penal laws in India do not adequately provide for specific protection of women from sexual harassment in work places and that enactment of such legislation will take considerable time,

It is necessary and expedient for employers in work places as well as other responsible persons or institutions to observe certain guidelines to ensure the prevention of sexual harassment of women.

1. Duty of the Employer or other responsible persons in work places and other institutions: It shall be the duty of the employer or other responsible persons in work places or other institutions to prevent or deter the commission of acts of sexual harassment and to provide the procedures for the resolution, settlement or prosecution of acts, of sexual harassment by taking all steps required.

2. Definition: For this purpose, sexual harassment includes such unwelcome sexually determined behaviour (whether directly or by implication) as:

- a) Physical contact and advances;
- b) A demand or request for sexual favours
- c) Sexually coloured remarks;
- d) Showing pornography;

e) Any other unwelcome physical, verbal or non-verbal conduct of sexual nature;

Where any of these acts is committed in circumstances where-under the victim of such conduct has a reasonable apprehension that in relation to the victim's employment or work whether she is drawing salary, or honorarium or voluntary, whether in government, public or private enterprise such conduct can be humiliating and may constitute a health and safety problem. It is discriminatory for instance when the woman has reasonable grounds to believe that her objection would disadvantage her in connection with her employment or work including recruiting or promotion or when it creates a hostile work environment. Adverse consequences might be visited if the victim does not consent to the conduct in question or raises any objection thereto.

3. Preventive Steps: All employers or persons in charge of work place whether in public or private sector should take appropriate steps to prevent sexual harassment. Without prejudice to the generality of this obligation they should take the following steps:

(a) Express prohibition of sexual harassment as defined above at the work place should be notified, published and circulated in appropriate ways.

(b) The Rules/Regulations of Government and Public Sector bodies relating to conduct and discipline should include rules/regulations prohibiting sexual harassment and provide for appropriate penalties in such rules against the offender.

(c) As regards private employers, steps should be taken to include the aforesaid prohibitions in the standing orders under the Industrial Employment (Standing Orders) Act, 1946.

(d) Appropriate work conditions should be provided in respect of work, leisure, health and hygiene to further ensure that there is no hostile environment towards women at work places and no employee woman should have reasonable grounds to believe that she is disadvantaged in connection with her employment.

4. Criminal Proceedings: Where such conduct amounts to a specific offence under the Indian Penal Code or under any other law, the employer shall initiate appropriate action in accordance with law by making a complaint with the appropriate authority.

In particular, it should ensure that victims, or witnesses are not victimized or discriminated against while dealing with complaints of sexual harassment. The victims of sexual harassment should have the option to seek transfer of the perpetrator or their own transfer.

5. Disciplinary Action: Where such conduct amounts to misconduct in employment as defined by the relevant service rules, appropriate disciplinary action should be initiated by the employer in accordance with those rules.

6. Complaint Mechanism: Whether or not such conduct constitutes an offence under law or a breach of the service rules, an appropriate complaint mechanism should be created in the employer's organization for redress of the complaint made by the victim. Such complaint mechanism should ensure time bound treatment of complaints.

7. Complaints Committee: The complaint mechanism, referred to in (6) above, should be adequate to provide, where necessary, a Complaints

Committee, a special counsellor or other support service, including the maintenance of confidentiality.

The Complaints Committee should be headed by a woman and not less than half of its member should be women. Further, to prevent the possibility of any undue pressure or influence from senior levels, such Complaints Committee should involve a third party, either NGO or other body who is familiar with the issue of sexual harassment.

The Complaints Committee must make an annual report to the Government department concerned of the complaints and action taken by them. The employers and person in charge will also report on the compliance with the aforesaid guidelines including on the reports of the Complaints Committee to the Government department.

8. Worker's Initiative: Employees should be allowed to raise issues of sexual harassment at workers' meeting and in other appropriate forum and it should be affirmatively discussed in Employer-Employee Meetings.

9. Awareness: Awareness of the rights of female employees in this regard should be created in particular by prominently notifying the guidelines (and appropriate legislation when enacted on the subject) in a suitable manner.

10. Third Party Harassment: Where sexual harassment occurs as a result of an act or omission by any third party or outsider, the employer and person in charge will take all steps necessary and reasonable to assist the affected person in terms of support and preventive action.

11. The Central/State Governments are requested to consider adopting suitable measures including legislation to ensure that the guidelines laid down by this order are also observed by the employers in Private Sector.

12. These guidelines will not prejudice any rights available under the Protection of Human Rights Act, 1993.

VEDANTA GIFT POLICY

As a part of our overriding philosophy and good Governance, Vedanta Resources Plc (the company) discourages all its team members from receiving gifts except those of insignificant commercial value. Team members include all employees / retainers / advisors etc of the Company and all its Subsidiaries.

Individuals should make every effort to refuse or return gifts having Commercial value. Under exceptional circumstances if gifts are to be accepted, then the same should be reported to the immediate Superior and deposited with the Company Secretary. Perishable gift items may be distributed in Office. Company Secretary should circulate details of such gifts to the Company CEO / Unit Head on a bi-monthly basis.

This Policy should be followed in letter and spirit.