

ANAND SEAMLESS LTD.

SUPPLIER CODE OF CONDUCT

Effective Date: 15-10-2025

Revision No.: 04

Supersedes: Revision 03

Prepared by: Purchase Department

Approved by: Board of Directors

Signatures:

Prepared By: _____ Approved By: _____

Section A: Legal Incorporation and Scope of Application

- Integration Clause:** The Supplier acknowledges and agrees that this Supplier Code of Conduct ("Code") shall form an integral and binding part of all contractual agreements, including but not limited to the Purchase Policy and every Purchase Order (P.O.) issued by Anand Seamless Ltd. In the event of any conflict between this Code and the Purchase Policy, the Purchase Policy shall prevail in matters relating to commercial terms, ownership, inspection, risk transfer, and payment, **except where this Code establishes a higher ethical, anti-corruption, environmental, or human rights standard; in such cases, the higher standard of this Code shall prevail.**
- Supply Chain Responsibility:** The Supplier shall ensure that this Code is adhered to by its employees, agents, subcontractors, and sub-suppliers involved in fulfilling any Purchase Order from the Company.
- Digital Acceptance Clause:** This Code becomes binding upon the Supplier upon the issuance of the first Purchase Order after the effective date or upon continued engagement with ASL thereafter, irrespective of separate acknowledgment or signature.

Section B: Definitions

For the purpose of this Code, unless otherwise specified:

- Company / ASL:** Refers to Anand Seamless Limited, including its divisions, subsidiaries, and affiliates.
- Supplier:** Refers to any individual, firm, MSME, or legal entity providing goods or services to the Company under a Purchase Order or Contract.
- Purchase Policy:** Refers to the latest approved Purchase Policy of Anand Seamless Limited governing all commercial transactions, risk purchase, ownership, and inspection rights.
- Purchase Order (P.O.):** Refers to the formal order issued by the Company specifying material, quantity, price, and terms.
- MSME:** Refers to a Micro, Small or Medium Enterprise as defined under the MSME Development Act, 2006, as amended. Suppliers must provide valid Udyam Registration and **re-submit updated proof annually or upon expiry/change of status** to maintain MSME recognition.
- GST:** Refers to the Goods and Services Tax applicable under the Goods and Services Tax Act, 2017, as amended. All Suppliers must quote valid GSTIN, comply with return filing requirements, and ensure that Input Tax Credit (ITC) to ASL is not jeopardized.
- MTC (Mill Test Certificate):** Refers to the certificate confirming compliance of the supplied material with the agreed chemical and mechanical properties.
- Risk Purchase:** Refers to the Company's right to procure goods from alternate sources at the Supplier's cost in case of non-performance, as defined in the Purchase Policy.
- Breach:** Refers to non-compliance, delay, or deviation from the contractual terms or this Code.

10. **Material Breach:** Means any serious violation of this Code, including but not limited to fraud, bribery, unethical conduct, falsification of records, or tax non-compliance leading to denial or reversal of Input Tax Credit (ITC), which may result in immediate termination and indemnity under Section D.
11. **Ethics Officer:** Refers to the designated officer of the Company responsible for handling compliance or ethical concerns raised under this Code.

Section C: Compliance Monitoring and Verification

1. **Monitoring and Audit Rights:** Anand Seamless Ltd. ("Company"), or its appointed auditor, retains the right to conduct announced or unannounced audits of the Supplier's facilities, records, and operations to verify compliance. The Supplier shall extend full cooperation. **If an audit reveals a Material Breach, the Supplier shall bear the reasonable cost of such audit, including third-party verification expenses incurred by ASL.**
2. **Documentation and Reporting:** The Supplier shall maintain transparent, traceable records demonstrating compliance with this Code and all applicable laws. Such records shall be made available to the Company upon request.
3. **Whistleblowing:** The Supplier shall establish a mechanism allowing employees to report Code violations confidentially. The Supplier's mechanism must **ensure anonymity and explicitly prohibit any form of retaliation** against employees who, in good faith, report suspected violations of this Code. Any known or suspected breach must be immediately reported to the Company's Purchase Head or Ethics Officer.

Section D: Breach, Corrective Action, and Remedies

1. **Breach and Corrective Action:** Upon identification of a violation, the Supplier shall notify the Company and submit a written Corrective Action Plan (CAP) within 30 days. The Company may withhold payments until the breach is rectified.
2. **Termination Rights and Indemnity:** Any Material Breach constitutes a fundamental breach of contract. The Company may:
 - Terminate all outstanding Purchase Orders without penalty or notice;
 - Recover costs incurred in investigation and rectification;
 - Seek full indemnity for damages, penalties, or reputational loss.
3. **Right of Recourse:** The Company may deduct or recover financial losses resulting from the Supplier's breach from any current or future payments.
4. **Survival Clause:** Obligations relating to confidentiality, indemnity, and compliance shall survive contract termination.

Section E: Code of Conduct Principles

- Legal Compliance:** The Supplier shall comply with all applicable laws, regulations, and provide evidence of such compliance upon request.
- Labor Standards:** No child, forced, or exploitative labor shall be employed. All applicable wage, hour, and non-discrimination laws shall be observed. Suppliers shall comply with the **Factories Act, 1948** (or equivalent laws) regarding maximum working hours, rest intervals, and overtime compensation.
- Health & Safety:** Maintain safe working conditions consistent with national standards. Report any major incidents related to ASL supplies immediately.
- Environmental Responsibility:** Comply with all environmental laws and maintain valid environmental permits. Suppliers are encouraged to adopt **sustainable sourcing and resource efficiency** practices to minimize waste, water, and energy usage.
- Business Integrity:** Strictly prohibit bribery, corruption, or any unethical practices under laws including the Prevention of Corruption Act, 1988.
 - Gifts and Hospitality:** Suppliers shall not offer or accept any gift, entertainment, or hospitality exceeding a nominal value of ₹2,000 without written consent of ASL.
 - Conflicts of Interest:** Any potential or actual conflict involving ASL employees or their relatives must be disclosed immediately to the Purchase Head.
- Confidentiality:** Protect all ASL proprietary or confidential information and use it only for contractual obligations.
- Quality Commitment:** Ensure all goods/services meet required quality standards and permit ASL to audit or inspect processes and quality records.
- Ethical Cooperation:** Conduct business honestly, transparently, and fairly.
- Tax and MSME Compliance:** Ensure all GST returns and invoices are filed accurately and timely. Any non-compliance causing loss of ITC to ASL shall be recoverable from the Supplier. MSME vendors shall keep registration valid and disclose any change in status.

Section F: Supplier Declaration

We, the undersigned, confirm that we have read, understood, and agree to comply with Anand Seamless Ltd.'s Supplier Code of Conduct. We understand that violation may lead to suspension or termination of business relations in accordance with Section D.

Supplier
Authorized
Designation:
Date: _____

Name: _____
Signatory: _____

Section G: Commercial & Contractual Harmony with Purchase Policy

- Precedence Clause:** This Code complements the Company's Purchase Policy. In case of conflict, the Purchase Policy shall prevail regarding ownership, risk transfer, payments, and inspection, except where this Code provides a higher ethical or compliance standard.
- Ownership and MTC Transfer:** Ownership of goods and related Mill Test Certificates (MTCs) shall transfer to Anand Seamless Ltd. upon delivery, irrespective of payment status. Any quality or non-conformance issues post-delivery shall remain the Supplier's responsibility.
- Advance Payment Protection:** If any advance payment is made by ASL, the Supplier shall safeguard it by maintaining equivalent material stock or providing a bank guarantee until order completion. Such advances are recoverable in the event of breach.
- Inspection and Risk Purchase:** The Supplier acknowledges ASL's right to reject, rework, or risk purchase goods at the Supplier's cost as per the Purchase Policy. Such actions are final and binding.
- Data Ownership and Confidentiality:** All drawings, test reports, inspection data, and related documents are the exclusive intellectual property of Anand Seamless Ltd. and must not be shared or reproduced without written consent.
- Continuing Liability:** Supplier's obligations under indemnity, confidentiality, and corrective action continue to apply beyond completion or termination of supply.

Signatures:

Prepared By: _____ Approved By: _____

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