

STEELCAST LTD WHISTLEBLOWER POLICY

1. Preface

1.1 STEELCAST LTD believes in conducting its affairs in a fair and transparent manner adopting high standards of integrity and ethical behavior. It is committed to comply with all applicable laws and regulations. It has in place systems, policies and processes to interpret and apply these laws and regulations in the organization. These would help to strengthen and promote ethical practices and ethical treatment of all those who are associated with the organization.

Its internal controls and procedures are intended to prevent and detect improper activities. However, even the best of systems and controls cannot provide absolute safeguards against irregularities and intentional and unintentional violations of the organization's policies. Keeping this in view, the Company has adopted the General Code of Conduct ("the Code"), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of concern for the Company. Therefore, it is vital to have some measures to prevent or detect actual or potential fraud/irregularities/violations.

With this policy, STEELCAST is providing a window through which such irregularities may be brought to light by individuals who may be interacting with / observing the organization in the course of their business. The information provided would be useful in making its processes and systems more robust and sustainable.

1.2 This Whistleblower Policy ("the Policy") has been formulated in conformity with the provisions of clause 49 of the Listing Agreement, executed with the Stock Exchange to provide a mechanism for employees of the Company to approach the Ethics Counselor / Chairman of the Audit Committee of the Company. This policy would also help to create an environment where individuals feel free and secure to raise the alarm where they see a problem. It will also ensure that whistleblowers are protected from retribution, whether within or outside the organization

2. Definitions: The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.

2.1 Code: The General Code of Conduct

2.2 Whistleblower: An individual employee, channel partner, business associate or a customer of the organization, who makes a **Protected Disclosure (see 2.4 below)**, keeping the organization's interests in mind

2.3 Employee: Every employee of the Company including Directors in the employment of the Company.

2.4 Protected Disclosure: Any communication made in good faith that discloses or demonstrates an intention or evidence of

- An ongoing wrong doing / unethical activity or
- Any condition that may prompt occurrence of such activities

2.5 Subject: A person against or in relation to whom a Protected Disclosure has been made or evidence has been gathered during the course of an investigation.

2.6 Audit Committee: Constituted by the Board of Directors of the company in accordance with the provisions of the Companies Act, read with Clause 49 of the Listing Agreement executed with the Stock Exchange.

2.7 Investigators: Persons authorized, consulted or approached by the Ethics Counselor / Chairman of the Audit Committee and includes Auditors of the Company.

2.8 Ethics Counselor: Any Employee / Officer of the Company entrusted by the Board to work as Ethics Counselor.

2.9 Executive Committee: Executive Committee of the Management, comprising senior level executives, as constituted by the Managing Director/CEO of the Company.

3. Scope: This policy is an extension of the General Code of Conduct. The **Whistleblower's Role** is that of a reporting party, with reliable information. He/ she is not required or expected to act as investigator or finder of facts. He/ she cannot determine corrective actions either. Whistleblower does not have to obtain all the evidence in order to support his/ her information. His/ her role is simply to "Raise the Alarm based on some credible input".

4. Eligibility: All employees, channel partners, business associates and customer of the organization are eligible to make Protected Disclosures under the Policy. A Protected Disclosure is to be in relation to matters concerning the Company.

5. Indications to Raise an Alarm: A matter can be considered serious enough for an alarm to be raised if it satisfies any of the following conditions:

5.1 Serious violation of any organization-level policy, indicating that certain internal control points are weak

5.2 Matter is likely to receive media or public attention

5.3 Exposes the organization to a significant monetary or non-monetary liability

5.4 Points towards any event which is the result of criminal action, e.g. disappearance of cash/ funds.

5.5 Indicates a significant threat to the health/safety of employees/community

5.6 Any other violation/possible violation of the General Code of Conduct

Exception in reporting:

- Any matter which is an individual employee grievance relating to the terms and conditions of employment may be referred to the relevant HR personnel.

6. Disqualification:

The following instances would constitute a violation of the Whistleblower Policy.

6.1 Bringing to light personal matters regarding another person, which are in no way connected to the organization

6.2 Reporting information which he/ she does not have authorization to access

6.3 While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any **abuse of this protection** will warrant disciplinary action and would be taken up with utmost sternness.

- 6.4** Protection under this Policy would not mean protection from disciplinary action arising out of **false or bogus allegations** made by a Whistleblower knowing it to be false or bogus or with a **mala fide intention**.
- 6.5** Whistleblowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious, or Whistleblowers who make 3 or more **Protected Disclosures which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith**, will stand disqualified from reporting further Protected Disclosures under this Policy.
- 6.6** Actions against such violations could range in their severity, even extending up to termination of one's employment/ contract/ association with the organization.

7. Procedure

- 7.1** An Ethics Counselor can be approached for reporting/voicing any **non-financial/accounting violations**.
- 7.2** All Protected Disclosures concerning **financial/accounting matters** should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- 7.3** If any executive of the Company other than Chairman of Audit Committee or the Ethics Counselor receives a Protected Disclosure, the same should be forwarded to the Chairman of the Audit Committee or the Ethics Counselor, as may be applicable, for further appropriate action. Care must be taken to keep the identity of the Whistleblower confidential.
- 7.4** Protected Disclosures should normally be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi, regional language of the Whistleblower's place of employment.
- 7.5** The Protected Disclosure should be forwarded under a covering letter, which shall bear the identity of the Whistleblower. The Chairman of the Audit Committee/ Ethics Counselor, as the case may be shall detach the covering letter and forward only the protected Disclosure to the investigators for investigation.

Note: In lieu of the above method of communication, reporting via email would also be acceptable, provided that it is complete in all respects and is in compliance with the forgoing stipulations. The Ethics Counselor/Chairman of the Audit Committee will extract the relevant portion from the email and forward it appropriately for investigation but in a manner so as not to reveal the name of the Whistleblower, as already thus provided in case of written communication.

- 7.6** A Protected Disclosure should be factual and not be speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- 7.7** For the purpose of providing protection to the Whistleblower, the Whistleblower should disclose his/her identity only in the covering letter accompanying the Protected Disclosure. In case of an email reporting, the Protected Disclosure can be an attachment, whereas the identity can be in the body of the email.

8. Investigation

- 8.1** All Protected Disclosures will be thoroughly investigated by the Ethics Counselor/ Chairman of the Audit Committee under the authorization of the Audit Committee.

- 8.2** Chairman of the Audit Committee/Ethics Counselor may, at their discretion, consider involving any Investigators for the purpose of investigation.
- 8.3** The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the contention of the Whistleblower that an improper or unethical act was committed.
- 8.4** The identity of the Subject and the Whistleblower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 8.5** Subjects will normally be informed of the allegations at the outset of a formal investigation and will have opportunities for providing their inputs during the investigation.
- 8.6** Subjects shall have to co-operate with the Ethics Counselor/ Chairman of the Audit Committee and any of the Investigators to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- 8.7** Subjects have right to consult with a person or persons of their choice, other than the Ethics Counselor/ Investigators and/or members of the Audit Committee and/or the Whistleblower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings. However, if the allegations against the subject are not sustainable, then the Company may, at its discretion, consider to reimburse such costs.
- 8.8** Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with; and witness shall not be influenced, coached, threatened or intimidated by the Subjects.
- 8.9** Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrong doing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- 8.10** Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 8.11** The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

9. Investigators

- 9.1** Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Ethics Counselor/Audit Committee Chairman when acting within the course and scope of their investigation.
- 9.2** Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.
- 9.3** Investigations will be launched only after a preliminary review by the Chairman of the Audit Committee/Ethics Counselor as the case may be, which establishes that:
- a) The alleged act constitutes an improper or unethical activity or conduct and
 - b) The allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned

matter is worthy of management review. Provided that such investigation should not be undertaken as an investigation of an improper or unethical activity or conduct.

10. Processing the Information received from whistleblower's investigation

- 10.1** The Ethics Counselor would identify issues from among the aspects raised by a Whistleblower that can be diverted to some other existing channels, like HR Policy Committee etc., as may be available.
- 10.2** If the information indicates a possible violation, or a system deficiency, then the Ethics Counselor shall escalate this matter with the Executive Committee. The Executive Committee would deliberate on this and provide a direction, which shall be implemented by the Ethics Counselor.
- 10.3** The Ethics Counselor shall provide a feedback to the Whistleblower on what has happened on the issue raised by him/her.
- 10.4** The Executive Committee would release a periodic report of all the matters referred to and dealt with by it and that this report shall be suitably communicated to employees / business associates / customers / channel partners as may be relevant, subject to provisions of clause 8.10

11. Protection for Whistleblowers

- 11.1** The Audit Committee / Ethics Counselor are responsible to ensure that the identity of the Whistleblower is kept strictly confidential. However, in situations where the information provided may lead to uncovering of some major issues which are legal/ criminal in nature, the informer's identity may have to be produced before the Police Authorities or in a Court of Law. In such cases, the Audit Committee / Ethics Counselor are responsible for ensuring that the identity of the Whistleblower is produced only to the relevant authorities and to no one else.
 - 11.2** No unfair treatment will be meted out to a Whistleblower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistleblowers. Reasonable protection will, therefore be given to Whistleblowers against any unfair practices like inducement to conceal, retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like, including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure. Thus, if the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistleblower to receive advice about the procedure, etc.
 - 11.3** Whistleblowers are encouraged to immediately report any acts of retribution that have happened to them, due to the fact that they had made a disclosure of information to the Chairman of the Audit Committee/ Ethics Counselor, who shall promptly investigate the same and recommend suitable action to the management.
 - 11.4** Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.
- 12. Decision:** If an investigation leads the Ethics Counselor/Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Ethics Counselor/Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective actions as they deem fit. It is clarified that any disciplinary or corrective

action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

13. Reporting: The Ethics Counselor shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report, together with the results of investigations, if any.

14. Retention of Documents: All Protected Disclosures in writing or documented along with the results of investigation relating there to shall be retained by the Company for a minimum period of **seven years**.

15. Communication of the Policy: This policy is to be communicated across the organization and to the other stakeholder groups, using various channels and media of communication, to ensure that all concerned understand the intent and methodology of this policy.

16. Adoption of this Policy & Effective Date: This Policy has been approved by the Board of Directors in its meeting held on May 30, 2014, and comes into effect from May 30, 2014.

17. Amendment:

17.1 This policy is subject to periodic review and updation, or when a new development occurs which needs a change in the policy.

17.2 Any policy update or renewal would be communicated to all the persons to whom this policy is applicable.

Acknowledgment: We gratefully acknowledge that in preparing this policy assistance has been derived from the Whistleblower Policy of Tata Chemicals Ltd.