

**POLICY ON
VIGIL MECHANISM /
WHISTLE BLOWER
POLICY
OF
SRU STEELS LIMITED**

SRU Steels Limited – Policy on Vigil Mechanism

1. INTRODUCTION

As per Section 177(9) of the Companies Act, 2013 and Regulation 22 of Securities & Exchange Board of India (Listing Obligation and Disclosure Requirements) 2015 as amended by Securities and Exchange of India (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2018 (“**LODR Regulations**”). SRU Steels Limited (“the Company”) has adopted a policy named “**Vigil Mechanism / Whistle Blowing Policy**” (“**the Policy**”)

The Audit Committee shall oversee the Vigil Mechanism process through Vigilance Officer to whom Directors and employees may address their concerns.

The Company has formulated the Policy to provide adequate safeguards against victimization of employees and Directors who can avail the Vigil Mechanism. It also provides for direct access to the Vigilance Officer who shall oversee the functioning of the Vigil Mechanism set out in the Policy and report to the Chairperson of the Audit Committee in appropriate or exceptional cases.

2. DEFINITIONS

- a) “**Audit Committee**” or “**Committee**” means the Committee of the Board formed under Section 177 of the Act.
- b) “**Board of directors**” shall mean the Board of Directors of the Company.
- c) “**Protected Disclosure(s)**” means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title “Scope of the Policy” with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- d) “**Subject**” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- e) “**Vigilance Officer**” is the Company Secretary, nominated/appointed to oversee the functioning of the Vigil Mechanism, to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the (i) Managing Director (MD) and CFO for anonymous and non-material complaints and (ii) Audit Committee in other cases, for its disposal and informing the Whistle Blower the result thereof.
- f) “**Whistle Blower**” is a Director or employee who makes a Protected Disclosure under this Policy and also referred in the Policy as Complainant.

All other words and expressions used but not defined in the Policy but defined in the Companies Act, 2013 and/ or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

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3. GUIDING PRINCIPLES OF THE VIGIL MECHANISM

To ensure effective implementation of Vigil Mechanism, the Company shall ensure:

- a) Protection of the Whistle Blower against victimization for the disclosures made by him/her.
- b) Complete confidentiality of the Whistle Blower's identity and the information provided by him/her.
- c) That the Protected Disclosure is acted upon and no evidence is concealed or destroyed
- d) That the investigation is conducted honestly, neutrally and in an unbiased manner.
- e) That the Whistle Blower does not get involved in conducting any investigative activities other than as instructed or requested by investigator or by nominated director.
- f) That the Subject or other involved persons in relation with the Protected Disclosure be given a fair and without any presumption of guilt, opportunity to be heard.

4. SCOPE OF THE POLICY

The Policy covers disclosure of any unethical and improper events or malpractices which may have taken place/ suspected to take place involving:

1. Breach of the Company's policies including Code of Conduct on Anti- Bribery Compliance
2. Breach of business integrity and ethics
3. Breach of terms and conditions of employment and rules thereof
4. Intentional financial irregularities, including fraud, or suspected fraud
5. Deliberate violation of laws/regulations
6. Gross or wilful negligence causing substantial and specific danger to health, safety and environment
7. Manipulation of Company data/records
8. Pilferation of confidential/propriety information
9. All wastage/misappropriation of Company funds/assets
10. Sexual harassment
11. Any other unethical, biased, favoured, imprudent event.

5. ELIGIBILITY

All Directors and employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

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6. PROCEDURE

All Protected Disclosures should be reported in writing by the Complainant as soon as possible, but not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English and sent either as scanned attachment or an email to the email id provided below:

srusteels@yahoo.in

If a complaint has to be lodged against a member of the Board, then the whistle blower may approach the Chairman of Audit Committee directly.

Wherever possible, the Complainant should first exhaust mechanism available under internal policies for filing complaint.

7. ROLE AND RESPONSIBILITY OF WHISTLE BLOWER

The Whistle Blower shall report his / her complaint / disclosure with reliable information. The Whistle Blower shall co-operate with the Vigilance Officer under the Policy and extend all necessary support, including production of documentary evidences to investigate the complaints.

8. INVESTIGATION

All Protected Disclosures under the policy will be recorded and investigated. The Vigilance Officer will carry out an investigation either himself/herself or by involving any other officer of the Company/committee constituted for the same /an outside agency before referring the matter to the Audit Committee. Apart from investigation work, Vigilance Officer may also involve any other officer of the company for overseeing the Vigil Mechanism.

Vigilance Officer shall keep the Audit Committee informed about all complaints received under the Vigil Mechanism Policy. Vigilance Officer shall seek the advice from MD and CFO on determination of materiality of non-anonymous complaints. In case the matter is referred by Vigilance Officer to MD and CFO, they shall conduct an inquiry to close the matter with the support of internal resources and external support as may be required.

Post completion of inquiry, MD and CFO will inform the Audit Committee through Vigilance Officer about closure of matter. In case the complaint is against MD or CFO, that person will recuse and other one will conduct the inquiry. In case they desire, MD and CFO can also refer the complaint to Audit Committee for dealing with the matter

The Audit Committee, if it deems fit, may call for further information or particulars from the Complainant and at its discretion, consider involving any other/additional officer of the Company and/or committee and / or an outside agency for the purpose of investigation.

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The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

The investigation shall be completed normally within 45 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

Any member of the Audit Committee or other officer including Vigilance Officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.

9. CONFIDENTIALITY

The Complainant, MD, CFO, Vigilance Officer, Audit Committee and everybody involved in the process shall maintain strict confidentiality of all matters under the Policy, discuss only to the extent or with those persons as required under this Policy for completing the process of investigations and keep all the relevant emails and e-documents and hard copies in a responsible and secured manner.

10. PROTECTION

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under the Policy. Adequate safeguards against victimization of Complainants shall be provided. The Company will take steps to minimize difficulties which the Whistle Blower may experience as a result of making the Protected Disclosure.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

11. PROTECTIONS FOR WHISTLE BLOWER

- a) A Whistle Blower would be given the option to keep his/ her identity anonymous while reporting an incident. The Company will make no attempt to discover the identity of an anonymous Whistle Blower. If the Whistle Blower's identity becomes known during the course of the investigation, the Company will ensure that the identity of the Whistle Blower will be kept anonymous and confidential to the extent possible, unless required by law or in legal proceedings.
- b) A Whistle Blower reporting issues related to discrimination or harassment (e.g. sexual harassment, child labour, discrimination, violation of human rights) would ideally need to disclose their identity to enable effective investigation.
- c) Any other employee serving as witness or assisting in the said investigation would also be protected to the same extent as the Whistle Blower.
- d) The Vigilance Officer would safeguard the Whistle Blower from any adverse action. This includes discrimination, victimization, retaliation, demotion or adoption of any unfair employment practices.
- e) A Whistle Blower may not be granted protection under this mechanism if he/she is subject of a separate complaint or allegations related to any misconduct.

12. DISQUALIFICATIONS

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While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under the Policy. In respect of such Whistle Blowers, the Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

13. COMMUNICATION

Existing Directors and employees shall be informed of the Policy vide an internal communication. For all new employees, a copy of the Policy shall be handed over as a part of the joining documentation, along with other HR related policies. The details of establishment of such mechanism shall also be disclosed on the **Company's website and in the Board's report**.

14. RETENTION OF DOCUMENTS

All protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 8 (eight) years or such other period as specified by any other law in force, whichever is more.

15. DECISION AND REPORTING

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Vigilance Officer shall recommend to the Audit Committee such disciplinary or corrective action as it may deem fit.

Any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to the Policy shall be in adherence with the rules, procedures and policies of the Company.

A report with number of complaints received under the Policy and their outcome shall be placed before each meeting of the Audit Committee.

A Complainant who makes false allegations of unethical and improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company

16. AMENDMENT

The Board shall have power to amend any of the provisions of the Policy, substitute any of the provisions with a new provision or replace the Policy entirely with a new Policy according to subsequent modification(s) / amendment(s) to Act.