



SHIVALIK BIMETAL CONTROLS LTD.

WHISTLE BLOWER POLICY

WHISTLE BLOWER POLICY SHIVALIK BIMETAL CONTROLS LIMITED

1. APPLICABILITY

This policy applies to all the permanent employees and directors of the Company.

2. PREFACE:

Shivalik Bimetal Controls Limited (The “Company”) believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has adopted the Shivalik Bimetal Controls Limited Code of Business Conduct which lays down the principles, standards and behavior that should govern the actions of all the employees. Any actual or potential violation of the Ethics, howsoever, insignificant or perceived as such, would be a matter of serious concern for the Company. The role of employees in pointing out such violations of the Ethic cannot be undermined. There is a provision under the Code of Business Conduct requiring employees to report violations, which states:

Employees should report suspected Code violations to their Manager or to higher level of Management, or to the Corporate Legal and Internal Audit Departments. In the case of potential criminal violations, employees should inform the Compliance Officer.

Section 177 of the Companies Act, 2013 and Regulation 4(2)(d)(iv) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 requires every Listed company and such class of companies as may be prescribed to establish vigil mechanism (“Whistle Blower Policy) for directors and employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company’s code of conduct. The vigil mechanism is required to provide adequate safeguards against victimisation of persons who use such mechanisms and also to ensure direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy (“**the Policy**”) has been formulated with a view to provide a mechanism for employees and directors of the Company to approach the Ethics Committee or Chairman of the Audit Committee of the Company.

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3. DEFINITIONS

Definitions of the terms used in this policy are as under:

3.1 ANNUAL REPORT

“Annual Report” includes Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Directors’ Report, Auditors’ Report and any other document annexed or

attached or forming part of the Report to the members of the Company.

3.2 AUDIT COMMITTEE

Audit Committee is the committee which is constituted pursuant to Section 177 of the Companies Act 2013 read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as corresponding to clause contained in erstwhile listing agreement.

3.3 BOARD REPORT

“Board Report” constitutes the same meaning as defined under section 134 of the Companies Act, 2013.

3.4 DIRECTOR

A person who is a member of the Board whether in the capacity of Promoter, Executive, Non- Executive, Independent or Professional and participate or advises or performs whether on full time service or otherwise for wages, salary, sitting fees or other remuneration.

3.5 EMPLOYEE

means every permanent employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.

3.6 THE COMPANY OR THIS COMPANY

The Company or This Company means **“SHIVALIK BIMETAL CONTROLSLIMITED”**.

3.7 GOOD FAITH

An employee or a director communicates in “good faith” if there is a reasonable basis for the communication of the existence of waste or of a violation or has observed unethical or improper practices. “Good Faith” is lacking when the employee or a director does not have personal knowledge of a factual basis for the communication or where the employee or the director knew or reasonably should have known that the communication about the unethical or improper practices is malicious, false or frivolous.

3.8 INTERNAL CIRCULARS

“Internal Circular” is a communication made on behalf of the Company by an authorised person which is addressed to the employees or to the directors of the Company through any mode including but not restricted to email, fax, phone, notice board, inter office memo, etc.

3.9 RIGHT OF ACCESS OR RIGHT OF APPROACH

The right to an employee or to a director to give a written report to the Audit Committee for the alleged misconduct or unethical or improper practice which an employee or a director has observed or have found in the Company.

3.10 SUPERVISOR

Supervisor means the seniors of the employee to whom he/she is supposed to report his/her official work.

3.11 UNFAIR TERMINATION AND UNFAIR PREJUDICIAL EMPLOYMENT PRACTICES

“Unfair termination” and “Unfair prejudicial employment practices” means to threaten, or otherwise discriminate or retaliate against an employee in any manner that effects the employee’s employment, including compensation, job location, rights, immunities, promotions, or privileges.

3.12 UNETHICAL OR IMPROPER PRACTICES

a) UNETHICAL

Unethical is the act not conforming to approved standards of social or professional behaviour which leads to "unethical business practices" or an action not adhering to ethical, moral and honourable principles.

b) IMPROPER

Improper refers to unethical conduct, breach of etiquette or morally offensive behaviour.

3.13 VIOLATION

An infringement or a breach, which is not necessarily, a violation of law, of Company’s policies, Memorandum and Articles of Association, Code of Conduct which are designed to protect the interest of employees or directors without jeopardizing interest and growth of Company.

3.14 WASTE

Employer’s conduct or omission, which results in substantial abuse, misuse, destruction, or loss of Company funds, property or manpower belonging to the Company.

3.15 WHISTLE BLOWER

An Employee or a Director who reveals wrongdoings about any Unethical or Improper practices carried on by the Company and communicates in Good Faith to the Audit Committee in writing.

4. GUIDELINES

4.1 INTERNAL POLICY

The Whistle Blower Policy (hereinafter referred as “WBP”) is an internal policy on access to the management concern (in appropriate and exceptional cases to Audit Committee, which comprises of qualified and independent Directors).

4.2 PROHIBITION

The “WBP” prohibits Company from taking any action which may lead to unfair termination or unfair prejudicial employment practices (i.e. threaten, demote, relocate etc.) against its employees/directors for Whistle Blowing in Good Faith.

However, this policy does not protect an employee from an adverse action which occurs before a violation or waste report is communicated or from misconduct, poor job performance, or subjection to a reduction in workforce unrelated to a communication made pursuant to the Whistle Blower Policy.

4.3 REPORTING AUTHORITY

Management Concerns or Audit Committee shall be the reporting authority under this policy.

4.4. SUPERVISOR’S DUTIES & RESPONSIBILITIES

- a) Familiarize themselves with this policy.
- b) Notify supervised employees of their protections and obligations under the “Whistle Blower Policy” of the Company.
- c) Forward Whistle Blower report to the Audit Committee immediately on receipt of the same from his subordinate.

4.5 RIGHTS OF COMPLAINANTS

a) When reporting in good faith any violation or unethical or improper practices as defined in this policy, communicate in writing along with all necessary evidences.

The reporting may relate to the following;

- i) Waste of Company’s funds, property, or manpower, or
 - ii) A deliberate violation of any accounting principles, policies, and regulations, reporting of fraudulent financial information to the shareholders, the government or the financial markets or any conduct that results in violation of law, legal duties, code of conduct designed to protect the interest of employees / directors of the Company. However, this should not be merely technical or minimal nature.
- b) The employee shall be free to submit violation report to supervisor, if deem fit or otherwise can directly approach to the Audit Committee without informing to the supervisor. However, directors may directly approach to Audit Committee for reporting any violation or other genuine concerns.

c) In exceptional circumstances, the employee may lodge the violation report directly to the current Chairperson of the Audit Committee at the following address: Mr. Nirmaljeet Singh Gill, H-2, Suneja Chambers, Alaknanda Commercial Complex, New Delhi-110019 or any other address, which may be notified from time to time. The complaints may also be lodged through email at investor@shivalikbimetals.com, which can only be accessible by the member of the management concerns or Audit Committee or any person authorized by the Committee. Any changes in the office of the Chairperson of the Audit Committee shall be duly notified from time to time.

4.6 AUDIT COMMITTEE'S RESPONSIBILITIES

a) MAINTENANCE OF REGISTER OF COMPLAINTS

Audit Committee shall maintain a register for registration of Whistle Blower's Report. Each complaint shall bear unique number. The Audit Committee may ask significant evidence while registering the complaints.

b) DETERMINATION OF NATURE OF COMPLAINTS

Audit Committee shall determine the nature of Complaints keeping in view to the requirement of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, Companies Act, etc. and determining appropriate course of action taken, if any, as the case may be.

The Complaints may be determined in two broad categories.

- i) Reporting on Unethical or improper practices.
- ii) Any wrongful action taken by the management against the employee who has approached to Audit Committee under point (i) above.

Audit Committee shall appropriately and expeditiously investigate all whistle blower reports received internally, investigating the merits of the assertion and determining of necessary course of action.

Further, the Chairperson and / or the Committee, as the case may be, shall have the authority to call for any information / documents and such examination of any employee / director etc. for determining the correctness of the complaints.

c) ESSENTIAL FACTORS

While determining the alleged assertion, the following factors may be considered;

- i) Accuracy of the information furnished;
- ii) Nature and quality of evidence;
- iii) Existence of relevant laws and rules;
- iv) Whether the action appears to be isolated or systematic;
- v) History of previous assertions regarding the same subject or subject matter;
- vi) What are the avenues available for addressing the matter;
- vii) Seriousness or significance of the asserted action and
- viii) Cost and benefit of potential investigation.

d) OBJECTIVITY & INDEPENDENCE

To be objective, thorough and independent of influence in conducting interviews and /or review of relevant documents associated with whistle blower reports.

e) MAINTENANCE OF CONFIDENTIALITY

Maintain confidentiality of the whistle blower and witnesses who provide information, as appropriate.

f) CLARITY IN PROCEEDINGS

To carry out document investigation activities and conclusions in a clear and understandable fashion.

g) REFERRAL TO COMMITTEE OR OFFICIALS

Make referrals to appropriate committee or officials on discovery of reasonable cause to believe that Company's policy, regulation etc. have been violated, and follow up until appropriate corrective action has been taken.

h) TIME FRAME FOR REDRESSAL OF COMPLAINTS

Audit Committee shall complete all the formalities and shall resolve the matter within 4 months from the date of filing of the complaints. Any extension in respect thereof shall be in writing alongwith necessary justification.

i) REPORTING TO BOARD OF DIRECTORS OF THE COMPANY

Audit Committee shall submit a report before the Board Meeting to be held immediately after the completion of Whistle Blower Complaint.

j) SAFEGUARD TO WHISTLE BLOWER

The Committee shall provide adequate safeguard against victimization of person who use such mechanism and make provision for direct access to the Chairperson of the Audit committee in appropriate and exceptional circumstances.

4.7 ACTIONS PROHIBITED BY THE WHISTLE BLOWER POLICY

The Company shall not

a) Threaten, discriminate or retaliate against an employee (or director as the case may be) in any manner that affects the employee's employment (i.e. compensation, job location, rights, immunities, promotions, or privileges) when an employee engages in an activity protected by the policy. This does not preclude a supervisor from taking appropriate action against an employee for misconduct, poor job performance, or a reduction in the workforce etc. within the policy of the Company.

b) Adverse action against an employee / director who participates or gives information in an investigation, or hearing or in any form of inquiry initiated by the Audit Committee.

4.8 COURSE OF ACTION AVAILABLE TO THE EMPLOYEES / DIRECTORS

a) An employee who alleges adverse action (whistle blower) under the WBP may approach to the Audit Committee or Board of Directors for appropriate relief within 4 months, if any action is taken against the employee in violation of the Clause 4.7 of the policy.

i) The employee has the burden of proof in establishing that he/she has suffered an adverse action for an activity protected under the WBP.

ii) The management of the Company shall have an affirmative defence if it can establish by a preponderance of the evidence that the adverse action taken against the employee was due to employee misconduct, poor job performance, or a reduction of workforce etc. unrelated to a communication made pursuant to the WBP.

b) A director who alleges adverse action (whistle blower) under the WBP shall approach to the Audit Committee or Board of Directors for appropriate relief within 4 months, if any action is taken against the director in violation of the Clause 4.7 of the policy.

4.9 REMEDIES

The Audit Committee or Board of Directors rendering judgement under the Whistle Blower Policy may order any or all of the following remedies;

- a) Order an injunction to restrain continued violation of the provisions of the WBP;
- b) Reinstate the employee to the same position or to an equivalent position;
- c) Reinstate full fringe benefits and retirement service credit;
- d) Order compensation for lost wages, benefits, and any other remuneration;

4.10 NOTIFICATION

All employees shall be notified of the existence and contents of the this policy through the respective departments head and every department head shall submit a certificate duly signed by him to the Legal & Secretarial Department that WBP was notified to each employee belonging to his department. In case of new employee, these will be informed by the Personnel/ Human Resource Department and statement in this regard shall be submitted to the Legal & Secretarial Department.

The Legal & Secretarial Department will furnish a certificate, based on the certificate received from the respective Department of the Company regarding the notification of the Whistle Blower Policy, before the Audit Committee and Board of Directors and the Committee and the Board shall take the same on record.

The Audit Committee and the Board of Directors once adopting this Policy shall made aware themselves of the contents and respective obligations and duties which it encompasses for a whistle blower director.

The intimation in this regard may be forwarded to the Stock Exchanges where the securities of the Company are listed.

4.11 WBP SHALL BE AVAILABLE AT THE WEB SITE OF THE COMPANY

The “Whistle Blower Policy” as adopted by the Board and amended from time to time shall be made available at the web site of the Company.

4.12 ANNUAL AFFIRMATION ON THE COMPLIANCE OF WBP

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and that it has provided protection to “whistle blowers” from unfair termination and other unfair prejudicial employment practices.

4.13 DISCLOSURE

The affirmation as referred in clause 4.12 above shall form part of the Board Report on Corporate Governance that is required to be prepared and submitted together with the annual report.

4.14 AMENDMENT, MODIFICATION ETC.

The Board of Directors shall alter, amend or modify the clauses of the above Whistle Blower Policy from time to time in line with the requirement of the SEBI Guidelines or the Companies Act, 2013 or any other rules, regulations etc. which may be applicable from time to time.