



SYNERGY STEELS LIMITED

WHISTLE BLOWER POLICY

1. Introduction

Synergy Steels Limited (“Company”) is committed to conducting its business by adopting the highest standards of professional integrity and ethical behavior. The organization has been aiming at developing an open and transparent culture where it is safe for all employees and stakeholders to raise their concern about any unacceptable and unethical practices, including misconduct and provide reassurance that they will be protected from reprisals or victimization for whistle blowing in good faith.

The Company is committed to adopting procedures to receive and address any concern or complaint regarding questionable accounting or auditing matters, internal controls, disclosure matters, reporting of fraudulent practices, employee misconduct, health, safety and environmental issues which cannot be resolved through normal management channels.

2. Scope and Purpose

Pursuant to Section 177 of the Companies Act, 2013, as amended ‘(the Act’), Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for their directors and employees to report their genuine concerns or grievances.

The vigil mechanism shall provide for adequate safeguards against victimization of directors, employees or any other persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

As per the Rules, the companies which are required to constitute an Audit Committee shall oversee the vigil mechanism through the Audit committee.

3. Policy Statement

This vigil mechanism/whistle-blower policy aims to allow and encourage all directors, employees, customers, business associates, agents, consultants and other stakeholders to freely communicate concerns about suspected unethical behavior, malpractice, wrongful conduct, fraud, violation of the Company's policies including its Code of Conduct, violation of law, rules and regulations or questionable accounting or auditing matters by any employee/director in the Company (hereinafter referred to as "Whistle Blower") without fear of reprisal.

- 1) To ensure timely and consistent organizational response and thereby ensuring complete transparency in the organization.
- 2) To prohibit initiation of adverse action against a Whistle Blower as a result of the disclosure of any Wrongful Conduct.
- 3) To build and strengthen a culture of transparency and trust in the organization.

4. Disclosures

The information on suspected wrongful conduct is such information which the Whistle Blower in good faith believes to be an unethical or improper activity under the scope of this Policy ("Wrongful Conduct"). Wrongful Conduct should be factual and not speculative or in the nature of an interpretation/ conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern. It includes, without limitation, the following:

1. Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
2. Fraud or deliberate error in recording and maintaining of financial records of the Company;
3. Deficiencies in or non-compliance with the Company's internal accounting controls;
4. Violation of provisions of any law, rules and regulations;
5. Pass back of commissions/benefits and conflict of interest;
6. Procurement frauds, fraud and corrupt practices;
7. Manipulation of the Company's data/records;
8. Stealing cash/the Company's assets;
9. Leaking confidential or proprietary information;
10. Unofficial use of Company's assets and human resources;
11. A substantial and specific danger to public health and safety; and
12. An abuse of authority and an act of discrimination or sexual harassment.

The above list is only illustrative and should not be considered as exhaustive.

5. Reporting Management

Any Whistle Blower who becomes aware of a suspected Wrongful Conduct is encouraged to send his/her observations/concrete facts with related evidence without fear of reprisal or retaliation of any kind. This Policy is not intended to cover career related or other personal grievances. The Whistle Blower's role is limited to reporting only and is not investigators or finders of facts, nor can they determine the appropriate corrective or remedial action that may be warranted.

All such disclosure of Wrongful Conduct should be forwarded/ emailed under a cover letter on following address:

The Chairperson
Audit Committee
Synergy Steels Limited
1/1 Kirti Nagra Main Road New Delhi 110015

If the Chairperson of the Audit Committee has a conflict of interest in relation to a disclosure received on Wrongful Conduct, the Chairperson shall recuse itself from the matter and forward such disclosure to the Audit Committee. The Audit Committee shall then nominate a member of the Audit Committee who does not have a conflict of interest to exercise the role of the Chairperson of the Audit Committee as set forth in this Policy in relation to such disclosure.

6. Investigation

On receipt of disclosure of any Wrongful Conduct, the Chairperson of the Audit Committee shall make a record of such disclosure. He/ She shall also carry out initial investigation either himself/herself or by involving any other officer of the Company or any outside agency to ascertain its genuineness and veracity. If he/she finds the complaint to be genuine, he/ she shall make further investigation into the matter. A person against or in relation to whom a disclosure is made or evidence gathered during the course of investigation will have a duty to cooperate with the investigation and would be given an opportunity of being heard. The investigation will be completed within 30 days of receipt of disclosure, or such extended time which may be permitted by the Commit if any investigation leads Chairperson of the Committee to conclude that a Wrongful Conduct has been committed, he/she shall submit his/her report to the Audit Committee. The Committee may call for further information or particulars from the concerned person and accordingly it shall take such disciplinary or corrective action as may deem fit.

The members of the Audit Committee and everybody involved in the process shall maintain confidentiality of all matters (including the identity of the Whistle Blower) under this Policy.

7. Blower Confidentiality

All information disclosed during the course of the investigation will remain confidential, except as necessary or appropriate to conduct the investigation or required by applicable law.

8. Protection Against Vigil Mechanism

The Company strictly prohibits discrimination, retaliation or harassment of any kind against any Whistle Blower. Anyone who retaliates against a Whistle Blower, who has raised any issue in good faith, will be subject to strict disciplinary action. If the Whistle Blower believes that he/she is being subjected to discrimination, retaliation or harassment, he/she should immediately report the matter to Chairperson of the Audit Committee. The Company would take steps to minimize difficulties which the Whistle Blower may experience as a result of the disclosure.

9. False Complaint

While this Policy affords all protection to the Whistle Blower, misuse of this Policy by making frivolous and bogus complaint with mala fide intentions is strictly prohibited. Any person who makes complaints with mala fide intentions will be subject to strict disciplinary action.

10. Retention And Record

The Company shall retain a copy of all complaints or concerns, investigation reports and all relevant documentation thereof. The Audit Committee shall decide the period of retention of all these records, subject to limitations in applicable legislation.

11. Reporting And Review

A report with number of complaints received under this Policy and their outcome shall be placed before the Audit Committee on a regular basis. The Audit Committee shall review the functioning of the whistle-blower mechanism created pursuant to this Policy from time to time.

12. Disclosures

This Policy shall be disclosed in the annual report of the Company and posted on the website of the Company, if required under the Act and rules thereunder, Listing Regulations, as amended, and any other regulatory requirements.

13. Amendments

The Company reserves the right to amend this Policy at any point of time.