Whistleblower Policy & Vigil Mechanism

Introduction

Neo Metaliks Ltd. believes in the conduct of its business and related affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted the Neo Metaliks Code of Conduct, which lays down the principles and standards that should govern the actions of the Company, its stakeholders and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the Directors, Employees and stakeholders in pointing out such violations of the Code cannot be undermined. The company encourages our employees, customers, suppliers and other stakeholders to raise concerns or make disclosures when they become aware of any actual or potential violation of our Code, policies or law. We also encourage reporting of any event (actual or potential) of misconduct that is not reflective of our values and principles.

Section 177(9) of the Companies Act, 2013 (the Act) also mandates the following classes of companies to constitute a vigil mechanism (Whistle Blower Policy) –

➢ Every listed company;

➢ Every other company which accepts deposits from the public;

➢ Every company which has borrowed money from banks and public financial institutions in excess of ₹ 50 crore.

Objective

Whistle Blower Policy aims at providing an avenue to Neo employees and stakeholders to raise concerns in case they observe any unethical and improper practice or any other wrongful conduct in the company.

It seeks to provide necessary safeguards for protection of employees and other stakeholders from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against such employees.

The main intent of the policy is to ensure that Neo Metaliks Ltd. continues to strive to the highest possible standards of Ethical, Moral, and Legal Business conduct and its commitment to open communication.

Definitions

Audit Committee - means the Audit Committee of Directors constituted by the Board of Directors of the Company.

Chief Ethics Counsellor (CEC) means the CEC of Neo Metaliks Ltd., who is the process owner and shall oversee the Whistle Blower Policy/Vigil Mechanism. CEC is to be appointed by the Audit Committee based on recommendation of MD.

Protected Disclosure- means any communication made in good faith that discloses or demonstrates information that may be treated as evidence of unethical or "Improper activity".

Good Faith- means if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the Whistleblower does not have personal knowledge on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

Code- means the Neo Metaliks Code of Conduct

Investigators - Those persons authorized, appointed, consulted or approached by the Chairperson of the Audit Committee / Competent authority in connection with conducting investigation into a protected disclosure.

Employee- means every employee of the Company including contractual employees and the directors in the employment of the Company.

Improper Activity- means Unethical behavior, actual or suspected fraud or Violation of the company's general guidelines on conduct or ethics policy by any employee of Neo Metaliks Ltd.

Stakeholders- means and includes vendors, suppliers, lenders, customers, consultants, business associates, trainee and others with whom the Company has any financial or commercial dealings.

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

Whistleblower- means an Employee or director or any stakeholder making a Protected Disclosure under this Policy.

Disciplinary action- It means any action that is being taken against an employee if any kind of improper act like fraud, scam etc. identified during course of investigation. It includes, however it is not limited to warning, suspension. Disciplinary action varies from case to case basis.

Scope

The scope of whistle blower policy is to define the actions for raising a concern, and the protection provided to the person raising the concern. The set of whistle blowing procedures to be followed by the corporate whistle blower as a concern is raised and the responsibilities of different associates. In all cases company reserves the right whether a case requires investigation or not, if required then how it has to be followed as per the whistle blower policy.

Eligibility

- All Employees, Directors and stakeholders of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

Disqualifications

- 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.
- 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.
- The Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action against Whistleblowers 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.

WHISTLE BLOWER – ROLE & PROTECTIONS

Role

- The Whistle Blower's role is that of a reporting party with reliable information.
- The Whistle Blower is not required or expected to conduct any investigations on his own.
- The Whistle Blower shall co-operate with investigating authorities, maintaining full confidentiality. The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he shall not have a right to participate.
- Protected Disclosure will be appropriately dealt with by the competent authority.
- The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

Protection

1. No unfair treatment will be meted out to a Whistleblower by virtue of his/her having reported a Protected Disclosure under this Policy. Neo Metaliks Ltd., as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistleblowers. Complete protection will, therefore, be given to Whistleblowers against any unfair practice like 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/her duties/functions including making further Protected Disclosure. Reasonable out-of-pocket expenses as per the company policy will be reimbursed on submission of actual receipts. 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.

2. A Whistleblower may report any violation of the above clause (1) to the Chairperson of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
3. The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law. Whistleblowers are cautioned that their identity may become known for reasons outside the control of the Chairperson of the Audit Committee (e.g. during investigations carried out by Investigators).
4. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

PROCEDURES – ESSENTIALS AND HANDLING OF PROTECTED DISCLOSURE

1. All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
2. In respect of all other Protected Disclosures, those concerning the CEC, Members of the Audit Committee and employees at the work level Senior Management and above should be addressed to the Chairman of the Audit Committee of the Company and those concerning other employees should be addressed to the Chief Ethics Counsellor (CEC).
3. If a protected disclosure is received by any executive of the Company other than Chairperson of Audit Committee or the CEC, the same should be forwarded to the Chairman of the Audit Committee or CEC for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.

4. Protected Disclosures should preferably be reported in writing through **offline or e-mail mode.**
    - **Offline -** To ensure a clear understanding of the issues raised and it should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistleblower. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistleblower. The complaint should be necessarily inserted in a closed/secured/sealed envelope, addressed to the Chairperson of the Audit Committee / or the CEC and should be super scribed “Protected Disclosure”.

      The Chairperson of the Audit Committee or the CEC, as the case may be shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
    - **Via Email-** The access right to open/view/access the complaints under "Protected Disclosure" category is restricted only to the Chairperson of the Audit Committee or the CEC.
5. Protected Disclosures should be factual and not 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 and the urgency of a preliminary investigative procedure.
6. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures are not favored as it would not be possible to interview the Whistleblowers. However, when an anonymous Whistleblower provides specific and credible information that supports the complaint, such as alleged perpetrators, location and type of incident, names of other personnel aware of the issue, specific evidence, amounts involved etc. while choosing to maintain anonymity, then there are often sufficient grounds for the Company to consider an investigation into the complaint.
7. Evidence of the Protected Disclosure will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.

8. ‘Subject’ of the Protected Disclosure i.e., employee against or in relation to whom a protected Disclosure has been made, will be provided an opportunity of being heard.
9. HR department will play a role in case of people related complaints and issues. Such role will be determined by the Audit Committee, on a case-to-case basis.

Investigation

1. Investigation shall be launched if the Audit Committee is satisfied after preliminary review that:
    - The alleged act constitutes an improper or unethical activity or conduct, and
    - The allegation is supported by information and specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter deserves investigation.
2. The Chairman of the Audit Committee or the CEC may at their discretion, consider involving any Investigators for the purpose of investigation.
3. All Protected Disclosures reported under this Policy will be thoroughly investigated by the CEC / Chairman of the Audit Committee of the Company who will investigate / oversee the investigations. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and the other members of the Audit Committee should deal with the matter on hand. In case where a company is not required to constitute an Audit Committee, then the Board of directors shall nominate a director to play the role of Audit Committee for the purpose of vigil mechanism to whom other directors, employees and stakeholders may report their concerns.
4. The decision to conduct an investigation taken by the CEC or the Chairman of the Audit Committee 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 conclusion of the Whistleblower that an improper or unethical act was committed.
5. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
6. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

7. Subjects shall have a duty to co-operate with the CEC / Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
8. Subjects have a right to consult with a person or persons of their choice, other than the Investigators and/or the CEC 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.
9. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
10. 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 wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
11. 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.
12. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

Investigators

- Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the CEC / Chairman of the Audit Committee when acting within the course and scope of their investigation.
- All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- The investigation would be conducted as a neutral fact finding process and without any presumption of guilt.
- A written report of the findings would be essential. The investigators shall submit his/their report to the CEC.

Decision

- If an investigation leads the CEC / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed which is an offence punishable in law, the Chairman of the Audit Committee may direct the concerned authority to take disciplinary action under applicable statutory provision.
- 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.
- The Members of the Audit Committee on approval from the Chairman of the Audit Committee shall take such other remedial action as it deem fit to remedy the improper activity mentioned in the Protected Disclosure and / or to prevent the re-occurrence of such improper activity.
- If the investigation discloses that no further action on the protected disclosure is warranted, the report shall be filed in the Confidential Section.

Reporting

- The CEC shall submit a quarterly report of the protected disclosures received and of the investigations conducted, and of the action taken to the Board of Directors for information and review.

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 minimum period of seven years.

NOTIFICATION

All Executives Directors/ Departmental Heads etc. are required to notify & communicate the existence and content of this policy to the employees of their department. HR Department shall obtain and keep at Corporate Office the acknowledgement of this policy from all the employees of Neo Metaliks Ltd. The Whistle Blower policy shall be prominently displayed on all Notice Boards of the Company. This policy, including amendments thereof, shall also be made available on the website of the company.

Annual Affirmation

The details of the establishment of vigil mechanism, Whistleblower policy and affirmation that no personnel has been denied access to the Audit Committee will be stated in the section on Corporate Governance of the Annual Report of the Company.

Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the directors, employees and stakeholders unless the same is notified to the Directors and Employees in writing and displayed on the website in case of stakeholders.