

## **1. PREFACE**

Sona BLW Precision Forgings Limited and its subsidiaries (**Company/Sona Comtar**) are committed to highest standards of professionalism, honesty, integrity, transparency and ethical behavior. In this regard, the Company has adopted this vigil mechanism which lays down the principles and standards that should govern the actions of the Company and its employees and at the same time aims to provide an avenue for the employees to report any wrongdoing in the Company and reassurance that they will be protected from reprisals or victimization for whistleblowing.

Section 177 of the Companies Act 2013 (“**Act**”) read with Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Listing Regulations, if applicable, requires to establish a vigil mechanism for directors and employees to report genuine concerns and also provide direct access to the Chairpersons of the Audit Committee of the Company in appropriate/exceptional cases.

## **2. DEFINITIONS**

**Audit Committee** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013.

**Code** means the Code of Conduct of the Company.

**Director** means a Director appointed to the Board of Directors of the Company.

**Ethics Committee** shall mean a committee comprising of the Chief Executive Officer of the respective business, Chief Financial Officer and Head of Legal to process and investigate the Protected Disclosure(s).

**Employee** means every person in the employment of the Company (whether working in India or abroad), contractual or on the rolls of the Company including the Directors on the Board of the Company, its subsidiaries and group companies.

**Fraud** shall have the meaning as defined in section 447 of the Act.

**Investigator(s)** mean those person(s) authorised, appointed, consulted or approached by the Ethics Committee/the Chairman of Audit Committee in connection with conducting investigation into a Protected Disclosure/ complaint and includes the employees and auditors of the Company, external person(s) or agencies of eminence and the Police or such other law enforcement authorities.

**Policy** means the Vigil Mechanism or the Whistle Blower Policy of the Company.

**Protected Disclosure** means a written communication of Reportable Event(s), which discloses or demonstrates information that may evidence an unethical or improper activity, which should be factual and not speculative and contain as much specific information as possible so that the nature and extent of the concern can be assessed appropriately. No personal grievance shall be covered under Protected Disclosure under this Policy.

**Reportable Events** shall include but not be limited to the following:

1. Any incidence of Fraud;
2. Breach of Health and Safety Policy of the Company;
3. Breach of Code of Conduct of the Company;
4. Un-authorized use or release of Confidential/Proprietary Information of the Company;
5. Conflict of Interest;
6. Abusive labour/employment practices;
7. Breach of the Prevention of Sexual Harassment Policy of the Company;
8. Breach of SEBI Insider Trading Regulations; if applicable;
9. Any other unfair and unjust incident under the ambit of law.

**Subject** means a person or a group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

**Whistle Blower** means an Employee who makes Protected Disclosure under this Policy. Vendors, customers, business partners/associates or third party may also blow the whistle by following the procedure provided under this Policy.

### **3. OBJECTIVE**

1. To provide a mechanism to the Employees and other persons to make a Protected Disclosure;
2. To provide adequate safeguards against victimization of Employees and other persons who avail of the mechanism under this Policy and also provide for direct access to the Chairman of the Audit Committee, in exceptional cases.

### **4. SCOPE**

A Whistle-Blower can make a Protected Disclosure under this Policy. Protected Disclosure will be appropriately dealt with by the Ethics Committee or the Audit Committee, if required.

Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Ethics Committee or the Audit Committee or the Investigators.

Further, if any of the members of the Audit Committee/Ethics Committee have a conflict of interest in any given case, they should recuse themselves and the remaining members on the committee would deal with the matter on hand.

The Audit Committee of the Board shall review the functioning and implementation of the Whistle-blower mechanism, from time to time. In case of repeated frivolous complaints, the Audit Committee may take suitable action against the Whistle Blower(s).

## **5. PROCEDURE**

If a Whistle Blower wants to report any wrongdoing, he/she can do so by opting for any of the below mentioned mode of communication:

1. An email may be sent to [speakup.sbpl@sonacomstar.com](mailto:speakup.sbpl@sonacomstar.com) about the matter to be reported. Only the members of Ethics Committee shall have access to this email id.
2. Any member of the Ethics Committee can also be directly approached for a face to face meeting to lodge the complaints.
3. Written complaint can be made by posting a letter to the following address:

**The Ethics Committee,  
Sona BLW Precision Forgings Limited,  
Sona Enclave, Village Begumpur Khatola,  
Sector 35, Gurgaon 122004**

If a Protected Disclosure is received by any officer/executive of the Company other than the member of the Ethics Committee, the same should be forwarded to the member of the Ethics Committee.

4. Apart from above circumstances, the Whistle-blower can access directly to the Chairman of the Audit Committee in appropriate or exceptional cases by email at [auditcommittee@sonacomstar.com](mailto:auditcommittee@sonacomstar.com).
5. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure.
6. The Ethics Committee shall meet as soon as possible, but not later than 15 (fifteen) days of the receipt of Protected Disclosure.

## **6. INVESTIGATION**

1. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Committee of the Company, if preliminary review

warrants such investigation. Ethics Committee may, at its discretion, consider involving any investigators for the purpose of investigation.

2. Investigation will be launched only after a preliminary review by the Ethics Committee upon establishing that:
  - a. The alleged act constitutes an improper or unethical activity pertaining to the Reportable Events; 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 reported matter is worth investigating.
3. Further, where an anonymous complaint is received under this Policy, Ethics Committee may, if deemed appropriate, consider launching an investigation, if the Complaint fulfils both the above criteria.
4. The decision to conduct an investigation taken by the Ethics Committee is by itself not an accusation or conclusion and is to be treated as a neutral fact-finding process.
5. In cases where it is deemed fit, advice from the Chairman of the Audit Committee would be required to start / to conclude any investigation, the Ethics Committee may approach him/her and seek his/her advice.
6. The identity of the Subject will be kept confidential until the completion of investigation, unless otherwise decided by the Ethics Committee.
7. Subjects shall have a duty to co-operate with the Ethics Committee/ 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. The investigation shall be completed within 45 (forty five) days of the receipt of the Protected Disclosure or such other extended period as permitted by the Audit Committee.

## **7. INVESTIGATORS**

1. Investigators are required to conduct investigation as a fact-finding process. Investigators shall derive their authority and access rights from the Ethics Committee.
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 behavior and observance of legal and professional standards.

## **8. PROTECTION**

1. No unfair treatment will be meted out to a Whistle Blower by virtue of him/ her having reported a Protected Disclosure under this Policy. Adequate safeguards against victimisation of Whistle Blower shall be provided. The Company, as a policy, shall ensure that no discrimination, harassment, victimization or any other unfair employment practice is adopted against Whistle Blower(s). Complete protection will, therefore, be given to Whistle Blower(s) against any unfair practice like retaliation, threat or intimidation of termination/ suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or any other unfair employment practice including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/ her duties/ functions and/or making further Protected Disclosure(s).
2. The identity of the Whistle Blower will be kept confidential and matter under investigation will also be kept confidential to the extent possible given the legitimate need of investigation. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
3. Whistle Blower should not enter into any correspondence with the Ethics Committee/Audit Committee in his/her own interest. If any further clarification is required, the Whistle Blower will be contacted by the Ethics Committee.

## **9. DISQUALIFICATIONS**

A Whistle Blower, who makes any Protected Disclosure, which has been subsequently found to be *mala fide* or malicious or Whistle Blowers who make Protected Disclosure which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, shall be liable to disciplinary or other action under the organisational policies, applicable Standing Orders of the Company or the law of land.

## **10. REPORTING**

A report with number of complaints received under this Policy and their outcome/update shall be placed quarterly by the Ethics Committee before the Audit Committee.

## **11. RETENTION OF DOCUMENTS**

All Protected Disclosures in writing or documented along with the reports of Investigation relating thereto, shall be retained by the Company for a period of 5 (five) years or such other period as specified by any other law in force, whichever is longer.

## **12. 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. Any amendment or modification of the policy would be done by the Audit Committee.